

| <div>  <div> <div>HOUSE OF PEARL</div> <div>HOUSE OF PEARL FASHIONS LIMITED</div> </div> </div> <div> <div>Regd. Office: "Pearl House", A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110 028</div> <div>AUDITED FINANCIAL RESULTS</div> <div>FOR THE SECOND QUARTER ENDED 30TH SEPTEMBER 2006.</div> </div> <div>(Rs. In Lacs)</div> |                                                                                             |                           |                               |                            |                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------|-------------------------------|----------------------------|-------------------------------|
| Sl. No.                                                                                                                                                                                                                                                                                                                                                                                                                                    | Particulars                                                                                 | STANDALONE HOPFL          |                               | CONSOLIDATED RESULTS HOPFL |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                             | 6 Months Ended 30.09.2006 | Year Ended 31.03.2006 Audited | 6 Months Ended 30.09.2006  | Year Ended 31.03.2006 Audited |
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                          | Net Sales/ Income from Operations                                                           | 340.56                    | -                             | 43,361.52                  | 16,516.28                     |
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                          | Other Income                                                                                | 159.33                    | 106.17                        | 1,527.63<br>44,889.15      | 444.84                        |
| 3                                                                                                                                                                                                                                                                                                                                                                                                                                          | Total Expenditure                                                                           |                           |                               |                            |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | a) (Increase)/Decrease in stock in trade                                                    | -                         | -                             | (295.95)                   | 107.46                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | b) Consumption of raw materials                                                             | 116.03                    | -                             | 6,440.11                   | 6,947.12                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | c) Purchase of finished Goods (including cost of raw material sold)                         | 65.36                     | -                             | 21,204.12                  | 988.61                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | d) Staff Cost                                                                               | 8.50                      | 0.27                          | 5,104.67                   | 1,784.14                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | e) Manufacturing Expenses                                                                   | 55.98                     | -                             | 1,644.20                   | 3,287.47                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | f) Other Expenditure                                                                        | 36.14                     | 34.13                         | 5,857.85                   | 1,969.92                      |
| 4                                                                                                                                                                                                                                                                                                                                                                                                                                          | Interest                                                                                    | 68.55                     | -                             | 614.42                     | 262.12                        |
| 5                                                                                                                                                                                                                                                                                                                                                                                                                                          | Depreciation                                                                                | 3.23                      | 4.12                          | 519.83                     | 303.71                        |
| 6                                                                                                                                                                                                                                                                                                                                                                                                                                          | Profit(+) /Loss (-) before tax (1+2-3-4-5)                                                  | 146.10                    | 67.65                         | 3,799.90                   | 1,310.57                      |
| 7                                                                                                                                                                                                                                                                                                                                                                                                                                          | Provision for taxation                                                                      |                           |                               |                            |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | Current Tax                                                                                 | (16.00)                   | (5.16)                        | (1,047.22)                 | (110.16)                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | Wealth Tax                                                                                  |                           |                               |                            | (1.91)                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | Deferred Tax                                                                                | 17.21                     | 4.06                          | (161.55)                   | (497.96)                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | Fringe Tax                                                                                  | (0.70)                    |                               | (10.91)                    | (24.95)                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | Tax Adjustment earlier Year                                                                 |                           |                               |                            | (105.00)                      |
| 8                                                                                                                                                                                                                                                                                                                                                                                                                                          | Net Profit (+)/Loss (-) (6-7)                                                               | 146.61                    | 66.55                         | 2,580.22                   | 570.59                        |
| 9                                                                                                                                                                                                                                                                                                                                                                                                                                          | Prior Period / Tax Adjustments                                                              | 0.10                      | (0.17)                        | 2.24                       | (9.33)                        |
| 10                                                                                                                                                                                                                                                                                                                                                                                                                                         | Provision For Doubtful Debts                                                                |                           |                               |                            | (1.45)                        |
| 11                                                                                                                                                                                                                                                                                                                                                                                                                                         | Profit after tax and Prior Period adjustments                                               | 146.71                    | 66.38                         | 2,582.46                   | 559.81                        |
| 12                                                                                                                                                                                                                                                                                                                                                                                                                                         | Paid-up equity share capital (face value of Rs.10/each)                                     | -                         | -                             | -                          | -                             |
| 13                                                                                                                                                                                                                                                                                                                                                                                                                                         | Reserves excluding revaluation reserves (as per balance sheet) of previous accounting year. | -                         | -                             | -                          | -                             |
| 14                                                                                                                                                                                                                                                                                                                                                                                                                                         | Basic and diluted EPS for the period, for the year to date and for the previous year        | 1.05                      | 1.43                          | 18.49                      | 12.02                         |
| 15                                                                                                                                                                                                                                                                                                                                                                                                                                         | Aggregate of non promoting shareholding                                                     |                           |                               |                            |                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | No.of Shares                                                                                | -                         | -                             | -                          | -                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                            | Percentage of Shareholding                                                                  | -                         | -                             | -                          | -                             |
| <div>Place : Gurgaon</div> <div>Date : (PULKIT SETH)<br/>MANAGING DIRECTOR</div>                                                                                                                                                                                                                                                                                                                                                           |                                                                                             |                           |                               |                            |                               |

| Geographic Segment                                                                            |               |          |          |         |         |         |
|-----------------------------------------------------------------------------------------------|---------------|----------|----------|---------|---------|---------|
| Six months ended September 30, 2006                                                           |               |          |          |         |         |         |
|                                                                                               | (Rs. In Lacs) |          |          |         |         |         |
|                                                                                               | USA           | UK       | HK       | B,desh  | India   | Other   |
| Total segment Revenue                                                                         | 6188.46       | 13882.41 | 12424.66 | 3803.28 | 8935.24 | 2287.52 |
| Total revenue of each segment as a percentage of total revenue of all segments.               | 14%           | 29%      | 26%      | 8%      | 18%     | 5%      |
| Total segment operative profit.                                                               | 556.71        | 1543.10  | 1085.89  | 406.59  | 1121.92 | 219.92  |
| Total segment result after tax but before prior period and extraordinary items.               | 252.02        | 933.31   | 698.10   | 181.41  | 413.96  | 101.42  |
| Total segment result of each segment as a percentage of total segment result of all segments. | 10%           | 36%      | 27%      | 7%      | 16%     | 4%      |

| Business Segment                                                                              |               |                                              |         |
|-----------------------------------------------------------------------------------------------|---------------|----------------------------------------------|---------|
| Six months ended September 30, 2006                                                           |               |                                              |         |
|                                                                                               | (Rs. In Lacs) |                                              |         |
|                                                                                               | Manufacturing | Marketing, Distribution, Sourcing & Trading. | Others  |
| Total segment Revenue                                                                         | 14871.43      | 32650.05                                     | 0.08    |
| Total revenue of each segment as a percentage of total revenue of all segments.               | 31%           | 69%                                          | 0%      |
| Total segment operative profit.                                                               | 1751.98       | 3195.20                                      | (13.12) |
| Total segment result after tax but before prior period and extraordinary items.               | 724.45        | 1888.20                                      | (32.43) |
| Total segment result of each segment as a percentage of total segment result of all segments. | 28%           | 73%                                          | 1%      |