

**IOL NETCOM LIMITED**  
Reg. Off: 601, 6th Floor Raheja Centre, Nariman Point, Mumbai - 400 021  
**UNAUDITED FINANCIAL RESULT FOR QUARTER ENDED DEC 31, 2010**

Rs in lakhs

| S. No.                                                                                 | Particulars                                                                                                                            | 3 Months ended<br>31.12.10<br>Unaudited | Corresponding 3 months ended in previous year<br>31.12.09<br>Unaudited | Year to date figures for the current period<br>31/12/2010<br>Unaudited | Year to date figures for the previous year<br>ended 31/12/2009<br>Unaudited | 15 Months Ended 30.06.10<br>Audited |
|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------|
| 1                                                                                      | Net sales/Income from operations                                                                                                       | 21.75                                   | 105.50                                                                 | 113.00                                                                 | 1,712.07                                                                    | 879.52                              |
|                                                                                        | Other Operating Income                                                                                                                 |                                         |                                                                        |                                                                        |                                                                             |                                     |
|                                                                                        | <b>Total Income</b>                                                                                                                    | <b>21.75</b>                            | <b>105.50</b>                                                          | <b>113.00</b>                                                          | <b>1,712.07</b>                                                             | <b>879.52</b>                       |
| 2                                                                                      | Expenditure                                                                                                                            |                                         |                                                                        |                                                                        |                                                                             |                                     |
| a                                                                                      | Increase/Decrease in stock in trade and work in progress                                                                               | -                                       | -                                                                      | -                                                                      | -                                                                           | -                                   |
| b                                                                                      | Operational Cost                                                                                                                       | 8.59                                    | 41.39                                                                  | 30.07                                                                  | 154.14                                                                      | 208.90                              |
| c                                                                                      | Purchase of traded goods                                                                                                               | -                                       | -                                                                      | -                                                                      | -                                                                           | -                                   |
| d                                                                                      | Employees cost                                                                                                                         | 17.78                                   | 88.80                                                                  | 57.87                                                                  | 412.68                                                                      | 508.81                              |
| e                                                                                      | Rent                                                                                                                                   | 0.95                                    | 98.07                                                                  | 82.06                                                                  | 208.91                                                                      | 324.50                              |
| f                                                                                      | Depreciation                                                                                                                           | 266.73                                  | 279.72                                                                 | 800.19                                                                 | 839.12                                                                      | 1,407.88                            |
| g                                                                                      | Other Expenditure                                                                                                                      | 15.61                                   | 68.04                                                                  | 61.39                                                                  | 474.46                                                                      | 565.60                              |
| h                                                                                      | <b>Total</b>                                                                                                                           | <b>309.64</b>                           | <b>575.02</b>                                                          | <b>1,031.58</b>                                                        | <b>2,089.31</b>                                                             | <b>3,015.69</b>                     |
| 3                                                                                      | <b>Profit/(Loss) from ordinary activities before other income, interest and exceptional items (1-2)</b>                                | <b>(287.89)</b>                         | <b>(469.52)</b>                                                        | <b>(918.58)</b>                                                        | <b>(377.24)</b>                                                             | <b>(2,136.17)</b>                   |
| 4                                                                                      | Other Income                                                                                                                           | 7.00                                    | 7.07                                                                   | 19.23                                                                  | 29.89                                                                       | 39.59                               |
| 5                                                                                      | <b>Profit/(Loss) before interest and Exceptional Items (3+4)</b>                                                                       | <b>(280.89)</b>                         | <b>(462.45)</b>                                                        | <b>(899.35)</b>                                                        | <b>(347.35)</b>                                                             | <b>(2,096.58)</b>                   |
| 6                                                                                      | Interest                                                                                                                               | 9.75                                    | 9.94                                                                   | 33.86                                                                  | 36.77                                                                       | 61.07                               |
| 7                                                                                      | <b>Profit/(Loss) after interest but before exceptional items (5-6)</b>                                                                 | <b>(290.64)</b>                         | <b>(472.39)</b>                                                        | <b>(933.21)</b>                                                        | <b>(384.12)</b>                                                             | <b>(2,157.65)</b>                   |
| 8                                                                                      | Exceptional items                                                                                                                      | -                                       | -                                                                      | -                                                                      | -                                                                           | -                                   |
| 9                                                                                      | <b>Profit/(Loss) from ordinary activities before tax. (7+8)</b>                                                                        | <b>(290.64)</b>                         | <b>(472.39)</b>                                                        | <b>(933.21)</b>                                                        | <b>(384.12)</b>                                                             | <b>(2,157.65)</b>                   |
| 10                                                                                     | Tax Expense                                                                                                                            | 0.53                                    | 3.20                                                                   | 1.06                                                                   | 3.95                                                                        | 8.22                                |
| 11                                                                                     | <b>Net Profit/(Loss) from ordinary activities after tax (9-10)</b>                                                                     | <b>(291.17)</b>                         | <b>(475.59)</b>                                                        | <b>(934.27)</b>                                                        | <b>(388.07)</b>                                                             | <b>(2,165.87)</b>                   |
| 12                                                                                     | Extraordinary Items (Net of Tax Expenses)                                                                                              | -                                       | -                                                                      | -                                                                      | -                                                                           | -                                   |
| 13                                                                                     | <b>Net Profit/(Loss) for the period (11-12)</b>                                                                                        | <b>(291.17)</b>                         | <b>(475.59)</b>                                                        | <b>(934.27)</b>                                                        | <b>(388.07)</b>                                                             | <b>(2,165.87)</b>                   |
| 14                                                                                     | Paid up equity share capital(Face value Rs 10/ each)                                                                                   | 2,735.34                                | 2,735.34                                                               | 2,735.34                                                               | 2,735.34                                                                    | 2,735.34                            |
| 15                                                                                     | Reserves excluding revaluation reserves as per balance sheet of previous accounting year                                               | 6,254.48                                | 5,731.25                                                               | 6,254.48                                                               | 5,731.25                                                                    | 6,254.48                            |
| 16                                                                                     | EPS for the period (in Rs.)                                                                                                            |                                         |                                                                        |                                                                        |                                                                             |                                     |
| a.                                                                                     | Basic and diluted EPS before extraordinary items for the period, for the year to date and for the previous year (not to be annualized) | (0.00)                                  | 0.22                                                                   | (0.00)                                                                 | 0.22                                                                        | 0.22                                |
| b.                                                                                     | Basic and diluted EPS after extraordinary items for the period, for the year to date and for the previous year ( not to be annualized) | (0.00)                                  | 0.22                                                                   | (0.00)                                                                 | 0.22                                                                        | 0.22                                |
| 17                                                                                     | Public shareholding                                                                                                                    |                                         |                                                                        |                                                                        |                                                                             |                                     |
| -No. of shares                                                                         | 26268000                                                                                                                               | 26268000                                | 26268000                                                               | 26268000                                                               | 26268000                                                                    | 26268000                            |
| -Percentage of shareholding                                                            | 95.99%                                                                                                                                 | 95.99%                                  | 95.99%                                                                 | 95.99%                                                                 | 95.99%                                                                      | 95.99%                              |
| 18                                                                                     | Promoters and Promoters group Share Holding**                                                                                          |                                         |                                                                        |                                                                        |                                                                             |                                     |
| a) Pledged / Encumbered                                                                |                                                                                                                                        |                                         |                                                                        |                                                                        |                                                                             |                                     |
| -Number of Shares                                                                      | 470,000                                                                                                                                | 470,000                                 | 470,000                                                                | 470,000                                                                | 470,000                                                                     | 470,000                             |
| -Percentage of Shares (as a% of the total shareholding of Promoter and Promoter Group) | 42.82%                                                                                                                                 | 42.82%                                  | 42.82%                                                                 | 42.82%                                                                 | 42.82%                                                                      | 42.82%                              |
| -Percentage of Shares (as a% of the total share capital of the Company)                | 1.72%                                                                                                                                  | 1.72%                                   | 1.72%                                                                  | 1.72%                                                                  | 1.72%                                                                       | 1.72%                               |
| b) Non-Encumbered                                                                      |                                                                                                                                        |                                         |                                                                        |                                                                        |                                                                             |                                     |
| -Number of Shares                                                                      | 627,500                                                                                                                                | 627,500                                 | 627,500                                                                | 627,500                                                                | 627,500                                                                     | 627,500                             |
| -Percentage of Shares (as a% of the total shareholding of Promoter and Promoter Group) | 57.18%                                                                                                                                 | 57.18%                                  | 57.18%                                                                 | 57.18%                                                                 | 57.18%                                                                      | 57.18%                              |
| -Percentage of Shares (as a% of the total share capital of the Company)                | 2.29%                                                                                                                                  | 2.29%                                   | 2.29%                                                                  | 2.29%                                                                  | 2.29%                                                                       | 2.29%                               |

**Notes**

1.The above financial results for the quarter ended Dec 31, 2010 have been reviewed by the Audit Committee and approved by the board at its meeting held on February 14, 2011 .

2 The company operates only in one segment

3.No. of Investor Complaints Opening: - Nil; Received: - Nil, Disposed Off: - Nil, Pending: - Nil

4. Figures of Previous period have been regrouped / reclassified wherever necessary.

For and on behalf of the Board

P.L. Chaturvedi  
Director



Date: - 14th Feb 2011  
Place: - Mumbai