

KRONE COMMUNICATIONS LIMITED
10 (C), II PHASE, PEENYA, BANGALORE 560 058

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED OCTOBER 31, 2005

Sl. No.	Particulars	Quarter Ended 31.10.2005 (Unaudited) (1)	(Rs. In Lakhs)	
			Financial Year Ended	Financial Year Ended
			31.10.2005 (Audited) (2)	31.10.2004 (Audited) (3)
1	Net Sales / Income from Operations	2,076	7,619	3,759
2	Other Income	17	213	152
	Total Income	2,093	7,832	3,911
3	Total Expenditure			
	a. (Increase) / decrease in stock	23	(15)	(7)
	b. Consumption of raw materials	1,454	5,315	2,416
	c. Staff cost	112	554	355
	d. Other expenditure	271	747	496
4	Interest	5	8	4
5	Depreciation	28	117	92
6	Profit before Tax	200	1,106	555
7	Provision for tax			
	- Current Tax	46	371	179
	- Deferred Tax	18	23	(9)
	- Fringe Benefits Tax	6	12	-
	- Adjustment of earlier period	(8)	62	27
8	Net Profit	138	638	358
9	Paid-up Equity Share Capital (face value of each share - Rs.10/-)	460	460	460
10	Reserves	2,873	2,873	2,419
11	Basic and diluted EPS for the period, for the year to date and for the previous year (Rs. Per Share)	3.00	13.86	7.80
12	Aggregate of Non-Promoter Shareholding			
	Number of Shares	1743033	1743033	1748000
	Percentage of Shareholding	37.89%	37.89%	38.00%

Notes :

- 1 The above results were taken on record by the Board at its meeting held on 2nd December , 2005.
- 2 In view of changed accounting year (November - October) of the Company, the results for the quarter is for the period August 01, 2005 to October 31, 2005.
- 3 Since the months comprising the 4th quarter of previous year are different from that of this year, the same are not comparable with the current quarter and hence not published.
- 4 Net Sales / Income from operations is exclusive of excise duty.
- 5 The board has proposed a dividend of Rs. 3.5/- per share (35% per equity Share, par value Rs.10) amounting to Rs.1,61,00,000/- subject to approval of members at the annual general meeting.
- 6 Information on investor complaints for the quarter - (Nos.): Opening balance-0, New-14, Disposals-14, Closing Balance-0.
- 7 The results for previous financial year ended October 31, 2004 are for a period of ten months, while those of current year are for twelve months ended October 31,2005.Hence the figures are strictly not comparable.
- 8 Previous financial year ended figures are regrouped/reclassified in line with the current period.

By Order of the Board

Place : Bangalore
Date : December 2, 2005

Director

Segment wise Revenue, Results and Capital Employed

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter Ended	Financial Year	Financial Year
		31.10.2005 (Unaudited) (1)	31.10.2005 (Audited) (2)	31.10.2004 (Audited) (3)
1	Segment Revenue			
	a. Telecommunication	1,617	5,695	2,690
	b. IT - Networking	459	1,924	1,069
	Total	2,076	7,619	3,759
	Less : Inter segment revenue	-	-	-
	Net sales / income from operations	2,076	7,619	3,759
2	Segment Profit / (Loss) before Tax and Interest			
	a. Telecommunication	267	949	470
	b. IT - Networking	(31)	171	62
	Total	236	1,120	532
	Add/(Less) : a. Interest	9	36	52
	b. Other un-allocable expenditure net off un-allocable income	(45)	(50)	(29)
	Total Profit Before Tax	200	1,106	555
3	Capital Employed			
	a. Telecommunication	1,297	1,297	1,602
	b. IT - Networking	563	563	423
	c. Unallocable	1,473	1,473	854
	Total	3,333	3,333	2,879

Note :

1 Capital Employed - Unallocable amount represents assets/liabilities used interchangeably between segments.

By Order of the Board

Place : Bangalore
Date : December 2, 2005

Director