

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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED OCTOBER 31, 2006

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter Ended		Financial Year Ended	
		31.10.2006 (Unaudited) (1)	31.10.2005 (Unaudited) (2)	31.10.2006 (Audited) (3)	31.10.2005 (Audited) (4)
1	Net Sales / Income from Operations	2,059	2,076	8,061	7,619
2	Other Income	165	17	364	213
	Total Income	2,224	2,093	8,425	7,832
3	Total Expenditure				
	a. Decrease / (Increase) in stock	(81)	23	(149)	(15)
	b. Consumption of raw materials	1,516	1,454	5,831	5,315
	c. Staff cost	177	112	648	554
	d. Other expenditure	317	271	879	747
4	Interest	1	5	5	8
5	Depreciation	30	28	124	117
6	Profit before Tax	264	200	1,087	1,106
7	Provision for tax				
	- Current Tax	101	46	414	371
	- Deferred Tax	(15)	18	(48)	23
	- Fringe Benefit Tax	5	6	17	12
	- For earlier period / year	-	(8)	-	62
8	Net Profit	173	138	704	638
9	Paid-up Equity Share Capital (Face value of each share - Rs.10/-)	460	460	460	460
10	Reserves excluding revaluation reserve (as per Balance sheet) of previous accounting year	N.A	N.A	3,419	2,873
11	Basic and diluted EPS (In Rs.)	3.76	3.00	15.30	13.86
12	Aggregate of non-promoter shareholding				
	-Number of Shares	1743033	1743033	1743033	1743033
	-Percentage of Shareholding	37.89%	37.89%	37.89%	37.89%

Notes :

- 1 The above results were taken on record by the Board at its meeting held on 18th December, 2006.
- 2 Net Sales / Income from operations is exclusive of excise duty.
- 3 The board has proposed a dividend of Rs. 3/- per share (30% per equity Share, par value Rs.10) amounting to Rs. 1,38,00,000/- subject to approval of members at the annual general meeting.
- 4 Information on investor complaints for the quarter - (Nos.): Opening balance-0, New-10, Disposals-10, Closing Balance-0.
- 5 Previous period / financial year ended figures are regrouped / reclassified in line with the current period / financial year.

By Order of the Board

Place : Bangalore
Date : December 18, 2006

Director

Segment wise Revenue, Results and Capital Employed

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter Ended		Financial Year Ended	
		31.10.2006 (Unaudited)	31.10.2005 (Unaudited)	31.10.2006 (Audited)	31.10.2005 (Audited)
		(1)	(2)	(3)	(4)
1	Segment Revenue				
	a. Telecommunication	1,125	1,617	5,508	5,695
	b. IT - Networking	934	459	2,553	1,924
	Total	2,059	2,076	8,061	7,619
	Less : Inter segment revenue	-	-	-	-
	Net sales / income from operations	2,059	2,076	8,061	7,619
2	Segment Profit / (Loss) before Tax and Interest				
	a. Telecommunication	177	267	801	949
	b. IT - Networking	122	(31)	306	171
	Total	299	236	1,107	1,120
	Add/(Less) : a. Interest & Dividend	14	9	48	36
	b. Other un-allocable expenditure net off un-allocable income	(49)	(45)	(68)	(50)
	Total Profit Before Tax	264	200	1,087	1,106
3	Capital Employed				
	a. Telecommunication	1,906	1,297	1,906	1,297
	b. IT - Networking	890	563	890	563
	c. Unallocable	1,083	1,473	1,083	1,473
	Total	3,879	3,333	3,879	3,333

Note :

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

By Order of the Board

Place : Bangalore

Date : December 18, 2006

Director