

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

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED OCTOBER 31, 2007

(Rs. In Lakhs)

Sl. No.	Particulars	Nine Months Ended	Quarter Ended		Financial Year Ended	
		31.07.2007 (Unaudited) (1)	31.10.2007 (Unaudited) (2)	31.10.2006 (Unaudited) (3)	31.10.2007 (Audited) (4)	31.10.2006 (Audited) (5)
1	Net Sales / Income from Operations	6,601	2,706	2,059	9,307	8,061
2	Other Income	245	113	165	358	364
	Total Income	6,846	2,819	2,224	9,665	8,425
3	Total Expenditure					
	a. Decrease / (Increase) in stock	113	8	(81)	121	(149)
	b. Consumption of raw materials	4,498	1,836	1,516	6,334	5,831
	c. Staff cost	657	223	177	880	648
	d. Other expenditure	635	233	317	868	879
4	Interest	4	1	1	5	5
5	Depreciation	181	46	30	227	124
6	Profit before Tax	758	472	264	1,230	1,087
7	Provision for tax					
	- Current Tax	329	104	101	433	414
	- Deferred Tax	(71)	56	(15)	(15)	(48)
	- Fringe Benefit Tax	12	3	5	15	17
8	Net Profit	488	309	173	797	704
9	Paid-up Equity Share Capital (Face value of each share - Rs.10/-)	460	460	460	460	460
10	Reserves excluding revaluation reserve (as per Balance sheet) of previous accounting year	N.A	N.A	N.A	4,055	3,419
11	Basic and diluted EPS (In Rs.)	10.60	6.72	3.76	17.32	15.30
12	Aggregate of public shareholding					
	-Number of Shares	1748000	1748000	1748000	1748000	1748000
	-Percentage of Shareholding	38%	38%	38%	38%	38%

Notes :

- 1 The above results were taken on record by the Board at its meeting held on 6th December, 2007.
- 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 The Company was charging depreciation on straight line method for certain categories of assets and written down value method for other assets. This has now been aligned to straight line method for all assets and management has also reassessed their estimate of useful lives of assets ranging from 1 to 20 years. The depreciation for the current quarter includes impact of accelerated depreciation provided on account of revised useful lives.
- 5 Information on investor complaints for the quarter - (Nos.): Opening balance-0, New-9, Disposals-9, Closing Balance-0.
- 6 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 6, 2007

Director

Segment wise Revenue, Results and Capital Employed

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter Ended		Financial Year Ended	
		31.10.2007 (Unaudited) (1)	31.10.2006 (Unaudited) (2)	31.10.2007 (Audited) (3)	31.10.2006 (Audited) (4)
1	Segment Revenue				
	a. Telecommunication	1,069	1,125	5,228	5,508
	b. IT - Networking	1,637	934	4,079	2,553
	Total	2,706	2,059	9,307	8,061
	Less : Inter segment revenue	-	-	-	-
	Net sales / income from operations	2,706	2,059	9,307	8,061
2	Segment Profit / (Loss) before Tax and Interest				
	a. Telecommunication	149	177	590	801
	b. IT - Networking	301	122	572	306
	Total	450	299	1,162	1,107
	Add/(Less) : a. Interest & Dividend (Net of Expenses)	31	14	80	48
	b. Other un-allocable expenditure net off un-allocable income	(9)	(49)	(12)	(68)
	Total Profit Before Tax	472	264	1,230	1,087
3	Capital Employed				
	a. Telecommunication	1,164	1,906	1,164	1,906
	b. IT - Networking	1,612	890	1,612	890
	c. Unallocable	1,739	1,083	1,739	1,083
	Total	4,515	3,879	4,515	3,879

Note :

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

By Order of the Board

Place : Bangalore
Date : December 6, 2007

Director