

KRONE COMMUNICATIONS LIMITED
10©, II PHASE, PEENYA, BANGALORE 560 058

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED OCTOBER 31, 2004

Sl. No.	Particulars	For the month of October 2004 (1)	4th Quarter Ended 31.12.2003 (2)	(Rs. In Lakhs)	
				Financial Year Ended	
				31.10.2004 (Audited) (3)	31.12.2003 (Audited) (4)
1	Net Sales / Income from Operations	687	1,185	4,008	6,007
2	Other Income	36	66	190	198
	Total Income	723	1,251	4,198	6,205
3	Total Expenditure				
	a. (Increase) / decrease in stock	20	-	(7)	40
	b. Consumption of raw materials	416	770	2,416	3,912
	c. Staff cost	52	130	355	439
	d. Excise duty	42	55	249	481
	d. Other expenditure	72	197	534	667
4	Interest	1	1	4	3
5	Depreciation	10	28	92	101
6	Profit before Tax	110	70	555	562
7	Provision for tax				
	- Current Tax	34	14	179	199
	- Deferred Tax	(1)	5	(9)	(3)
	- Adjustment of earlier period	-	-	27	-
8	Net Profit	77	51	358	366
9	Paid-up Equity Share Capital (face value of each share - Rs.10/-)	460	460	460	460
10	Reserves	N.A.	N.A.	2,419	3465
11	Basic and diluted EPS for the period, for the year to date and for the previous year (Rs. Per Share)	1.68	1.10	7.78	7.96
12	Aggregate of Non-Promoter Shareholding				
	Number of Shares			1748000	1748000
	Percentage of Shareholding			38%	38%

Notes

- 1 The Company has changed its accounting year to end on 31st October. Accordingly, this years accounts have been prepared for the 10 months period ended 31st October 2004. The 4th Quarter of this year is for only one month. Hence the current quarter and the year end results are not comparable with that of the previous years' figures.
- 2 Net Sales / Income from operations is inclusive of excise duty.
- 3 Current tax is computed based on the annualised profits
- 4 The board has proposed a final dividend of Rs. 1/- per share (10% per equity Share, par value Rs.10) amounting to Rs. 46,00,000/- subject to approval of members at the annual general meeting to be held on February 19,2005 . An interim dividend of Rs. 26/- per share, absorbing in the aggregate a sum of Rs. 11,96,00,000/- was declared on on 23rd April 2004. The total dividend for the year, if approved, would be Rs.27/- per share (270% per equity share, par value Rs. 10/-), aggregating to Rs. 12,42,00,000/-. The register of members and the share transfer books will remain closed from February 10, 2005 to February 19, 2005, both days inclusive.
- 5 The above results were taken on record by the board at its meeting held on November 27, 2004.
- 6 Information on investor complaints for the month of October 2004 (Nos.): Opening balance-0, New- 4, Disposals- 4, Closing Balance-0.
- 7 The figures of the previous year/periods have been regrouped/reclassified, wherever necessary.

By Order of the Board

Place : Bangalore
Date : 27th November 2004

Director

Segment wise Revenue, Results and Capital Employed

(Rs. In Lakhs)

Sl. No.	Particulars	For the month of October 2004 (1)	4th Quarter Ended 31.12.03 (2)	Financial Year Ended	
				31.10.04 (Audited) (3)	31.12.2003 (Audited) (4)
1	Segment Revenue				
	a. Telecommunication	497	794	2,936	4,869
	b. IT - Networking	190	391	1,072	1,138
	Total	687	1,185	4,008	6,007
	Less : Inter segment revenue	-	-	-	-
	Net sales / income from operations	687	1,185	4,008	6,007
2	Segment Profit / (Loss) before Tax and Interest				
	a. Telecommunication	120	20	470	473
	b. IT - Networking	1	36	62	37
	Total	121	56	532	510
	Add/(Less) : a. Interest	3	22	52	74
	b. Other un-allocable expenditure net off un-allocable income	(14)	(8)	(29)	(22)
	Total Profit Before Tax	110	70	555	562
3	Capital Employed				
	a. Telecommunication	1,602	1,516	1,602	1,516
	b. IT - Networking	423	254	423	254
	c. Unallocable	854	2,155	854	2,155
	Total	2,879	3,925	2,879	3,925

Notes :

- 1 Capital Employed - Unallocable amount represents assets/liabilities used interchangeably between segments
- 2 The figures of the previous year/periods have been regrouped/reclassified, wherever necessary.

By Order of the Board

Place : Bangalore
Date : 27th November 2004

Director