

GOLDSTONE TELESERVICES LIMITED



9-1-83 & 84, A.C. Sharma Complex, S.D.Road, Secunderabad-3. Ph. 27807640, Fax: 91-40-2700000

UN - AUDITED FINANCIAL RESULTS FOR THE 1ST QUARTER ENDED 30th June 2007

(Rs. In lacs)

Particulars	First Quarter ended 30th June 07	Corresponding Quarter of the Previous year 30th June 06	Audited for the previous year ended 31st Mar07
Revenue			
1 Net Sales/ Income from Operations	1357.68	597.69	3008.66
2 Other Income	22.22	1.07	77.62
	1379.90	598.76	3086.28
3 Total Expenditure	1010.19	452.10	2301.16
a) (Increase) / Decrease in stock in trade	(18.40)	7.66	(151.58)
b) Consumption of raw materials	831.78	328.78	1674.16
c) Staff Cost	77.85	52.41	215.26
d) Other expenditure	118.96	63.25	563.32
4 Interest	37.30	37.32	146.33
5 Depreciation & Other Write Offs	68.45	63.82	273.72
6 Profit / (Loss) before Tax(1+2-3-4-5)	263.96	45.52	365.07
7 Provision for Taxation			
- Current Tax	75.00	2.00	90.00
- Deferred Tax	(14.39)	(7.50)	6.23
- Fringe Benefit Tax	1.50	0.50	5.66
8 Prior Period Adjustments	0.00	0.00	28.36
9 Net Profit / (Loss) after Tax (6-7-8)	201.85	50.52	291.54
10 Paid-up equity share capital (Face Value Rs.4)	840.93	840.93	840.93
11 Reserves excluding revaluation reserve (as per the Balance Sheet)	--	--	3664.52
12 Earning Per Share in Rs.			
- Basic	0.96	0.24	1.39
- Diluted	0.96	0.24	1.39
13 Aggregate of Non Promoter Share Holding			
No. of Shares	17712790	17712790	17712790
Percentage of Shareholding	84.25%	84.25%	84.25%

Segment wise un consolidated Revenue and Results for the Quarter ended 30th June 2007

Particulars	Un-audited Quarter ended 30.06.2007	Un-audited quarter ended 30.06.2006	Audited Year ended 31.03.2007
1. Segment Revenue			
a) Telecom Operations	108.34	301.23	499.89
b) BPO Operations	0.00	40.12	40.12
c) Insulator Operations	1249.34	256.34	2468.65
Less: Inter Segment Revenue	0	0	0
Net Revenue from Operations	1357.68	597.69	3008.66
2. Segment Results			
Profit(+)/Loss(-) before tax , Deprn. & interest from			
a) Telecom Operations	27.46	57.32	32.80
b) BPO Operations	0.00	35.71	35.71
c) Insulator Operations	320.03	52.56	638.99
d) Unallocated revenue	22.22	1.07	77.62
Total	369.71	146.66	785.12
Less: interest	37.30	37.32	146.33
Less: Depreciation	68.45	63.82	273.72
Total Profit/(Loss) Before Tax	263.96	45.52	365.07

Note on Segment information:

Segmental Capital employed

Segregation of assets, liabilities, depreciation and other non-cash expenses into various primary segments has not been done as the assets are used interchangeably between segments. Accordingly, no disclosure relating to segmental assets and liabilities has been made.

Notes:

- The above unaudited financial results were reviewed by the Audit Committee and taken on record at the meeting of the Board of Directors of the Company held on 28th July, 2007
- The Board has recommended 10% of Dividend for the Financial year 2006-2007
- The above results are subject to Limited Review by the Statutory Auditors of the Company.
- Deferred Tax Asset has been provided as per Accounting Standard 22 (AS - 22) Accounting for Taxes on Income issued by ICAI.
- During the quarter company has allotted 1,50,00,000 convertible equity share warrants on preferential basis.
- Previous period/year have been regrouped to confirm to the current period's classification.
- There were no investor complaints pending at the beginning of the quarter and received during the year

Place: Secunderabad
Date: 28th July 2007

L.P. Sashikumar
Managing Director