

**M/s KGN INDUSTRIES LIMITED**  
**(Formerly Known as Royal Finance Limited)**

Regd. Office : A 504, Samudra Complex, Nr. Classic Gold Hotel, Sardar Patel Nagar,  
Navrangpura, Ahmedabad - 380 009

UNAUDITED FINANCIAL RESULTS OF THE COMPANY FOR THE 1ST QUARTER ENDED ON  
30TH JUNE, 2008 OF THE FINANCIAL YEAR 2008-2009

(Rs. In Lakhs )

| Sr. No. | Particulars   | For the Qtrs ended on   |                         | For the year Year<br>31.03.2008<br>Audited |
|---------|---|-------------------------|-------------------------|--|
|         |   | 30.06.2008<br>Unaudited | 30.06.2007<br>Unaudited |  |
| (A)     | <b>Total Income</b>   |                         |                         |  |
| 1       | Income from operations  | 3790.00                 | 1324.25                 | 18671.04                                   |
| 2       | Other Income  | -                       | -                       | 0.02                                       |
|         | <b>TOTAL INCOME</b>   | <b>3790.00</b>          | <b>1324.25</b>          | <b>18,671.06</b>                           |
| (B)     | <b>TOTAL EXPENDITURE</b>                                      |                         |                         |  |
| 1       | Increase(-)/decrease(+) in stocks                             | -                       | -253.65                 | 44.72                                      |
| 2       | Purchase of materials   | 3665.66                 | 1574.96                 | 18307.13                                   |
| 3       | Staff cost  | 6.51                    | 0.00                    | 23.66                                      |
| 4       | Other Admn, & Operative Exps                                  | 12.76                   | 1.16                    | 228.78                                     |
| 5       | Preliminary Exps.   | 0.81                    | 0.81                    | 3.26                                       |
|         | <b>Total Expenditures(B)</b>                                  | <b>3685.74</b>          | <b>1323.28</b>          | <b>18607.55</b>                            |
| (C)     | <b>OPERATING PROFIT (C)= (A-B)</b>                            | <b>104.26</b>           | <b>0.97</b>             | <b>63.51</b>                               |
| (D)     | <b>Provisions for</b>   |                         |                         |  |
| 1       | Interest & Dividend   | 89.44                   | -                       | 34.64                                      |
| 2       | Depreciation  | 0.21                    | 0.14                    | 0.82                                       |
| 3       | Taxation  | -                       | -                       | 14.89                                      |
|         | <b>TOTAL PROVISIONS (D)</b>                                   | <b>89.65</b>            | <b>0.14</b>             | <b>50.35</b>                               |
| (E)     | <b>NET PROFIT AFTER TAX (E)</b>                               | <b>14.61</b>            | <b>0.83</b>             | <b>13.16</b>                               |
| (F)     | <b>PAID UP EQUITY SHARE CAPITAL</b>                           | <b>2225.00</b>          | <b>2225.00</b>          | <b>2225.00</b>                             |
| (G)     | <b>RESERVES AND SURPLUSES<br/>(EXCL. REVALUATION RESERV.)</b> | <b>3683.61</b>          | <b>3643.32</b>          | <b>3669.00</b>                             |
| (H)     | <b>BASIC/ DILUTED EARNING PER SHARE<br/>(NOT ANNUALISED)</b>  | <b>N.A</b>              | <b>N.A</b>              | <b>N.A</b>                                 |
| (I)     | <b>NON PROMOTERS SHARE HOLDING</b>                            |                         |                         |  |
| a       | Number of Shares held   | 11335600.00             | 11335600.00             | 11335600                                   |
| b       | % of Shareholdings  | 50.95%                  | 50.95%                  | 50.95%                                     |

**Notes :**

- The above results have been Considered by the Audit Committee and approved and taken on record by the board of Directors of the Company in their meeting held on 29.07.2008
- The Company operates in only one segment of trading and hence no separate segmentwise reporting is given.

Date : 29.07.2008  
Place : Ahmedabad

By Order of the Board of Directors of  
KGN INDUSTRIES LIMITED

Sd/-  
Director