

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

FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2002

/ RS. IN LAKHS /

Sl. No.	Particulars	2nd Quarter Ended		Half Year Ended		Previous Accounting Year ended 31.12.2001 (Audited)
		30.06.2002	30.06.2001	30.06.2002	30.06.2001	
		(1)	(2)	(3)	(4)	
1	Net Sales / Income from Operations	1,345	1,027	2,782	2,844	4,616
2	Other Income	41	23	81	66	136
	Total Income	1,386	1,050	2,863	2,910	4,752
3	Total Expenditure					
	a. (Increase) / decrease in stock	26	(6)	73	(90)	(51)
	b. Consumption of raw materials	785	636	1,618	1,633	2,657
	c. Staff cost	88	104	162	191	328
	d. Excise duty	137	94	282	316	480
	d. Other expenditure	222	144	333	331	685
4	Interest	(0)	8	1	17	24
5	Depreciation	23	26	46	51	104
6	Profit before Tax	105	44	348	461	525
7	Provision for tax					
	- Current Taxes	34	12	113	185	213
	- Adjustment of earlier period	1	20	-	-	-
	- Deferred Taxes	4	-	23	-	(46)
8	Net Profit	66	12	212	276	358
9	Paid-up Equity Share Capital (face value of each share - Rs.10/-)	460	460	460	460	460
10	Reserves	N.A	N.A	N.A	N.A	2,855
11	Basic and diluted EPS for the period, for the year to date and for the previous year	1.44	0.26	4.61	6.00	7.78
12	Aggregate of Non-Promoter Shareholding Numbers of Shares			1,748,000	1,748,000	1,748,000
	Percentage of Shareholding			38%	38%	38%

Notes

- 1 Net Sales / Income from operation is inclusive of excise duty.
- 2 A limited review of the six months ended 30th June 2002 has been carried out by the Statutory Auditors of the company- M/s. Deloitte Haskins & Sells pursuant to Clause 41 of the Listing Agreement.
- 3 During this quarter, the Company has paid Rs. 59.57 lakhs towards disputed income tax demand of earlier year. The Company has preferred an appeal to higher authorities and has been legally advised that the tax demand is not sustainable. Hence, no provision has been made for this payment and is being treated as a contingent liability.
- 4 The above results were taken on record by the board at its meeting held on 24 July 2002.

By Order of the Board

Place : Bangalore
Date : 24.07.2002

DIRECTOR

Segment wise Revenue, Results and Capital Employed

/ RS. IN LAKHS /

Sl. No.	Particulars	Qtr Ended 30.06.2002	Half year Ended 30.06.2002	Year Ended 31.12.2001
1	Segment Revenue			
	a. Telecommunication	1,235	2,528	3,995
	b. IT - Networking	133	299	715
	Total	1,368	2,827	4,710
	Less : Inter segment revenue	-	-	-
	Net sales / income from operations	1,368	2,827	4,710
2	Segment Profit / (Loss) before Tax and Interest			
	a. Telecommunication	84	314	510
	b. IT - Networking	8	7	17
	Total	92	321	527
	Add/(Less) : a. Interest	14	32	14
	b. Other un-allocable expenditure net of un-allocable income	(1)	(5)	(16)
	Total Profit Before Tax	105	348	525
3	Capital Employed			
	a. Telecommunication	1,989	1,989	1,685
	b. IT - Networking	263	263	404
	c. Unallocable	1,282	1,282	1,226
	Total	3,534	3,534	3,315

Notes :

1 Segment Revenue is inclusive of Excise Duty.

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

By Order of the Board

Place : Bangalore

Date : 24.07.2002

DIRECTOR