



HINDUJA TMT LIMITED

Hinduja House, Dr. Annie Besant Road, Worli, Mumbai - 400 018
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Website : www.hindujatmt.com

October 31, 2002

Dear Shareholder,

It gives me great pleasure to enclose a copy of your Company's unaudited results for the 2nd quarter and 1st half year ended 30th September, 2002. Thanks to the customer centric flexible business model adopted by us with focus on IT enabled services, the Company was able to post 115% increase in the total income from Rs. 13.11 crores to Rs. 28.21 crores and a 126% increase in the net profit from Rs. 7.02 crores to Rs. 15.84 crores for the Q2 in FY 2002-03 as compared to the corresponding quarter of the previous year.

Total revenues for the half year ended 30th September 2002 have gone up by 90% from Rs. 27.79 crores in the previous year to Rs 52.81 crores, whilst net profit has increased by 74% from Rs. 17.28 crores to Rs 30.09 crores in the same period. The tremendous growth in our performance during the 1st half of the current fiscal as compared to the previous year was due to the ramping up of our core activity of IT Services and IT Enabled Services and our meeting stringent quality standards of our customers through rigorous systems and processes put in place. The results are in accordance with the guidance given by us for FY 2002-03. Consequent on the augmentation of the employees in your Company's IT & IT Enabled business, the total number of employees of the Company stands increased to 1340 as on date from 938 as on 30th June 2002 and 748 as on 31st March 2002.

The differentiation finger-print we have developed in ITES space for quality, infrastructure, execution and delivery supported by technology and domain capability in IT services and cross functional teamwork of our staff have given us confidence in realizing our vision of becoming a Scale Player and leader in IT business.

To meet the requirements of overseas clients for disaster recovery and business continuity, HTMT is planning for multiple delivery centers in India and abroad. In addition to its Bangalore office, where the IT Services and IT Enabled Services are presently handled, HTMT will open an IT Centre at Andheri, Mumbai with 300 seats capacity for Business Process Outsourcing (BPO) activities.

You will be pleased to know that, in order to extend the Company's BPO and Call Center activities, your Board, in its meeting held on 22nd October, 2002 has approved establishment of facilities in offshore locations outside India such as Philippines for providing Geographical Diversity and Disaster Recovery Services.

In pursuance of the above approval, HTMT has entered into a contract with a company in Philippines for providing Call Center services with 138 Customer Service Representatives to start with for one of its US clients. This step will place the Company in a different league vis-a-vis the other players in the ITES space.



Your Board has also given its in-principle approval, to merge two of its media-content subsidiaries 'IndusInd Entertainment Limited', which operates the popular local channel 'In Mumbai' and 'Cable Video India Limited' which operates India's No. 1 Hindi Movie Channel 'CVO' into 'InNetwork Entertainment Limited' ('InNetwork'), its subsidiary for all its media-content businesses. This decision is in continuation of your Company's efforts to consolidate its businesses of its media-content companies and be in a state of readiness to exploit new business opportunities under the Conditional Access Systems (CAS) regime.

Recently, Hinduja TMT Limited ('HTMT'), through 'InNetwork' has acquired, 100% equity control over its Movie Channel Subsidiary 'Cable Video India Ltd' (CVIL) by buying out the 49% stake of private shareholders. With this acquisition, HTMT and 'InNetwork', its media holding subsidiary jointly hold CVIL's entire equity.

HTMT's revised structure, which is simpler and has a lesser number of subsidiaries, is shown in the enclosure.

Going Forward:

For the balance of fiscal 2003 and beyond, we are dedicated to further strengthening our core business of Information Technology, consolidating our CATV, Internet and content businesses and leveraging on the following trends for robust growth and improved profitability:

- | Our Information Technology business has outperformed the Indian IT industry and we will ensure that this continues in future too.
- | Our CATV, Internet and content businesses are leaders in the respective fields and with the introduction of Conditional Access Systems, they will be immensely benefited.
- | Because HTMT owns both, one of the India's largest Cable TV Operations and the largest broadband ISP, as well as multiple content businesses, it is well positioned to continue to lead the adoption of broadband access and various value added services like VOIP, Video-on-Demand etc.

The determination and desire to deliver value to our clients and reward the shareholders through consistent growth and profitability have never been stronger. We realize that to succeed this year and in the years to follow, we must continue to deliver.

I take this opportunity to wish you a very Happy Diwali and a Prosperous Indian New Year.

With best regards,
Yours sincerely,

S. Solomon Raj
Vice Chairman

Mumbai



TOTAL INCOME UP BY 115%
TOTAL PAT UP BY 126%

HINDUJA TMT LIMITED
(formerly known as Hinduja Finance Corporation Limited)
Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai-18.

IT (CORE BUSINESS) INCOME UP BY 74%
IT (CORE BUSINESS) PAT UP BY 57%

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED 30TH SEPTEMBER 2002

Rs. in Lakhs

Particulars	I.T.		Other than I.T.		Total		Year to date		Audited
	Quarter Ended		Quarter Ended		Quarter Ended		Current Year	Previous Year	Previous year ended
	30.09.2002	30.09.2001	30.09.2002	30.09.2001	30.09.2002	30.09.2001			31.03.2002
Total Income	2336.05	1346.78	484.98	(30.25)	2800.61	1310.53	5285.47	2779.39	7293.60
Sales / Income from Operations	2323.19	1326.45	426.78	(39.27)	2729.97	1287.18	5039.73	2934.17	8322.78
Profit / (Loss) on sale of Long Term Investments	0.00	0.00	37.36	(1.46)	37.36	(1.48)	147.66	(186.98)	845.06
Other Income	12.86	14.33	40.82	10.50	53.28	24.83	64.06	52.20	126.76
Total Expenditure	798.14	482.79	143.05	187.41	941.19	640.17	1807.94	1188.19	2688.23
a) Staff Cost	490.22	270.00	39.28	31.80	538.50	302.73	1037.48	597.12	1105.42
b) Rent and Compensation Charges	32.73	38.72	21.23	41.31	53.96	80.03	152.72	154.08	292.63
c) Logis and Professional Charges	17.35	18.00	45.54	25.98	57.89	41.98	89.30	62.83	124.88
d) Communication and Link Charges	48.30	5.66	4.08	7.43	52.38	13.03	99.55	22.91	115.31
e) Other Expenditure	200.54	121.45	27.92	60.89	238.46	202.34	668.69	331.24	891.09
Interest and other Finance Charges	6.51	1.43	1.14	0.75	7.85	2.18	7.88	29.07	1.03
Gross Profit (after interest but before Depreciation, Tax and Exceptional Items)	1521.40	895.59	348.37	(218.41)	1871.77	668.18	3465.67	1582.14	4703.34
Less : Depreciation / Amortisation	70.54	17.28	7.24	9.89	77.78	27.17	142.08	95.48	191.88
Add : Exceptional Items	0.00	0.00	0.00	70.92	70.92	0.00	0.00	316.63	316.63
Profit / (Loss) before Tax	1480.86	868.31	333.13	(157.38)	1793.59	711.93	3323.61	1803.31	4828.09
Provision for Taxation (Incl. Deferred Tax)	100.00	0.00	110.00	10.00	210.00	10.00	315.00	75.00	154.96
Profit / (Loss) after Tax	1360.86	868.31	223.13	(167.38)	1563.59	701.93	3008.61	1728.31	4673.13
Paid up Equity Share Capital (Face Value Rs. 10/-)									
Final Dividend									
Reserves Excluding Revaluation Reserve									
Basic and Diluted E.P.S. (not annualised) (Rs.)					4.45	1.97	8.40	4.85	
Aggregate of Non-Promoter Shareholding									
- Number of shares							10,233,264		9,831,948
- Percentage of Shareholding (%)							28.67		27.63

Segment information as per clause 41 of the Listing Agreement for the quarter ended 30th September, 2002

Rs. in Lakhs

Particulars	Quarter ended 30-09-2002	Half year ended 30-09-2002	Previous Year ended 31-03-2002
Segment Revenues			
a) Convergence Activities			
i) I.T.	2323.19	4340.83	5479.61
ii) Media - Telecom	237.73	491.52	2369.91
	2560.98	4832.35	7849.52
b) Treasury	232.21	419.88	(880.88)
c) Others (unallocated)	27.42	38.24	125.76
Total Income	2820.61	5291.47	7293.60
Segment Results - Profit / (Loss) before tax and interest from segment			
a) Convergence Activities			
i) I.T.	1487.37	2690.19	3377.09
ii) Media - Telecom	187.32	377.78	2023.54
	1654.89	3067.98	5400.62
b) Treasury	224.48	294.22	(772.43)
c) Others (unallocated)	(77.52)	(130.73)	(200.93)
	1801.84	3231.47	4829.12
Less: Interest	7.85	7.88	1.03
Total Profit before tax	1793.99	3223.61	4628.09
Capital Employed (Segment Assets - Segment Liabilities)			
a) Convergence Activities			
i) I.T.	6089.83	6089.83	5723.84
ii) Media - Telecom	24497.19	24497.19	29681.33
	30476.88	30476.88	35405.17
b) Treasury	9188.37	9188.37	4310.03
c) Others (unallocated)	683.53	683.53	572.95
Total	40336.78	40336.78	37299.18

- There are no Inter Segment Revenues
+ This includes capital employed in TMT (Technology, Media and Telecom) subsidiaries

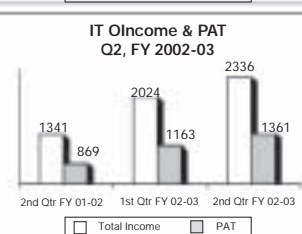
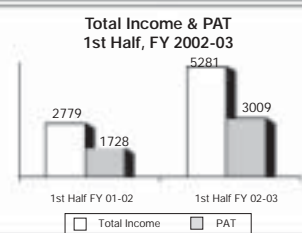
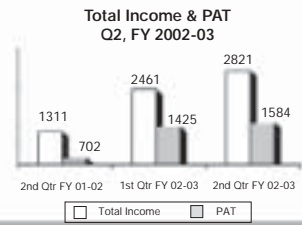
For Hinduja TMT Limited
S. Solomon Raj
Vice Chairman
Mumbai
22nd October, 2002

Notes :

1. The effect of the proposed merger of Sarthak Mercantile Pvt. Ltd. with the Company, as approved by the shareholders, effective 1st April 2002, has not been considered as the company is in the process of obtaining various regulatory approvals.

2. Previous year's figures have been regrouped wherever necessary.

The above results were reviewed by the Audit Committee after limited review by the auditors and taken on record at the meeting of the Board of Directors of the Company held on 22nd October, 2002.



HTMT's Revised Structure

