				in Rs. crore
Balance Sheet as at	Schedules	September 30, 2003 Sept	ember 30, 2002	March 31, 2003
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share capital	1	33.13	33.10	33.12
Reserves and surplus	2	3,302.48	2,410.22	2,827.53
·		3,335.61	2,443.32	2,860.65
APPLICATION OF FUNDS				
FIXED ASSETS	3			
Original cost		1,414.53	1,137.72	1,273.32
Less: Depreciation and amortization		683.27	476.54	577.15
Net book value		731.26	661.18	696.17
Add: Capital work-in-progress		62.00	92.35	76.55
		793.26	753.53	772.72
INVESTMENTS	4	476.99	33.20	33.20
DEFERRED TAX ASSETS	5	33.87	33.58	36.81
CURRENT ASSETS, LOANS AND ADVANCES				
Sundry debtors	6	577.26	458.25	512.14
Cash and bank balances	7	1,382.71	986.85	1,336.23
Loans and advances	8	937.64	870.16	872.78
		2,897.61	2,315.26	2,721.15
Less: Current liabilities	9	370.99	262.36	315.25
Provisions	10	495.13	429.89	387.98
NET CURRENT ASSETS		2,031.49	1,623.01	2,017.92
		3,335.61	2,443.32	2,860.65
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	22			

ACCOUNTS

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

for Bharat S Raut & Co. Chartered Accountants

S. Balasubrahmanyam Partner	N. R. Narayana Murthy Chairman and Chief Mentor	Nandan M. Nilekani Chief Executive Officer, President and Managing Director	S. Gopalakrishnan Chief Operating Officer and Deputy Managing Director
	Deepak M. Satwalekar	Marti G. Subrahmanyam	Rama Bijapurkar
	Director	Director	Director
	Sridar A. Iyengar	K. Dinesh	S. D. Shibulal
	Director	Director	Director
	T. V. Mohandas Pai Director and Chief Financial Officer	Srinath Batni Director	V. Balakrishnan Company Secretary and Vice President – Finance

Bangalore October 10, 2003

Profit and Loss Account for the	Schedules	Quarter end	ed September 30,		<i>n Rs. crore, exce<sub>l</sub></i> ed September 30.	Year ended
Front and Loss Account for the	Scriedules	2003	2002	2003	2002	March 31, 2003
INCOME		2000	2002	2000	2002	Water 61, 2000
Software services and products						
Overseas		1,115.98	857.23	2,174.63	1,607.75	3,543.51
Domestic		18.77	22.34	42.10	36.44	79.18
		1,134.75	879.57	2,216.73	1,644.19	3,622.69
SOFTWARE DEVELOPMENT EXPENSES	11	587.16	424.49	1,159.94	801.88	1,813.30
GROSS PROFIT		547.59	455.08	1,056.79	842.31	1,809.39
SELLING AND MARKETING EXPENSES	12	80.44	69.33	160.16	124.42	266.98
GENERAL AND ADMINISTRATION						
EXPENSES	13	88.72	62.51	169.90	119.72	270.37
		169.16	131.84	330.06	244.14	537.35
OPERATING PROFIT BEFORE INTEREST, DEPRECIATION AND AMORTIZATION		378.43	323.24	726.73	598.17	1,272.04
Interest		-	-	-	-	-
Depreciation and amortization		62.33	46.24	106.59	86.71	188.95
OPERATING PROFIT AFTER INTEREST, DEPRECIATION AND AMORTIZATION		316.10	277.00	620.14	511.46	1,083.09
Other income	14	44.28	17.53	76.73	42.42	99.61
Provision for investments	<u></u>	0.22	23.76	6.59	23.76	23.77
NET PROFIT BEFORE TAX		360.16	270.77	690.28	530.12	1,158.93
Provision for taxation	15	60.00	45.00	112.00	87.50	201.00
NET PROFIT AFTER TAX		300.16	225.77	578.28	442.62	957.93
AMOUNT AVAILABLE FOR APPROPRIATION		300.16	225.77	578.28	442.62	957.93
DIVIDEND						
Interim Final		96.09	82.76	96.09	82.76	82.76 96.05
Dividend Tax		12.31	-	12.31	-	12.30
Amount transferred - general reserve		-	-	-	-	766.82
Balance in Profit and Loss Account		191.76	143.01	469.88	359.86	-
		300.16	225.77	578.28	442.62	957.93
EARNINGS PER SHARE						
(equity shares, par value Rs. 5/- each)						
Basic		45.30	34.10	87.29	66.87	144.68
Diluted		44.92	33.90	86.76	66.41	143.37
Number of shares used in computing earnings	3					
per share						
Basic		6,62,57,028	6,61,98,735	6,62,51,101	6,61,93,632	6,62,11,068
Diluted		6,68,24,404	6,65,96,469	6,66,51,085	6,66,51,932	6,68,16,821

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS

The schedules referred to above and the notes thereon form an integral part of the Profit and Loss Account

This is the Profit and Loss Account referred to in our report of even date for Bharat S Raut & Co. Chartered Accountants

S. Balasubrahmanyam Partner	N. R. Narayana Murthy Chairman and Chief Mentor	Nandan M. Nilekani Chief Executive Officer, President and Managing Director	S. Gopalakrishnan Chief Operating Officer and Deputy Managing Director
	Deepak M. Satwalekar	Marti G. Subrahmanyam	Rama Bijapurkar
	Director	Director	Director
	Sridar A. Iyengar	K. Dinesh	S. D. Shibulal
	Director	Director	Director
	T. V. Mohandas Pai Director and Chief Financial Officer	Srinath Batni Director	V. Balakrishnan Company Secretary and Vice President – Finance

Bangalore October 10, 2003

						In Rs crore
		Quarter ended Sep		Half-year ended		Year ended
CASH FLOWS FROM OPERATING ACTIVITIES		2003	2002	2003	2002	March 31,2003
Profit before tax		360.16	270.77	690.28	530.12	1,158.93
Adjustments to reconcile profit before tax to cash		300.10	270.77	090.20	550.12	1,156.95
provided by operating activities						
(Profit)/Loss on disposal of fixed assets		_	0.14	(0.01)	0.13	_
Depreciation and amortization		62.33	46.24	106.59	86.72	188.95
Interest and dividend income		(23.43)	(18.69)	(46.18)	(36.37)	(78.05)
Provision on long-term investments		0.22	23.76	6.59	23.76	23.77
Exchange differences on translation of foreign		0.22	25.70	0.55	25.70	25.11
currency cash and cash equivalents		1.59	2.13	3.16	1.36	(2.06)
Changes in current assets and liabilities						
Sundry debtors		(19.96)	(44.96)	(65.12)	(121.52)	(175.41)
Loans and advances	16	8.33	(22.05)	(1.52)	(73.64)	(127.63)
Current liabilities and provisions	17	16.58	46.38	55.59	111.45	158.46
Income taxes paid during the period/year	18	(49.22)	(78.94)	(60.28)	(104.90)	(232.09)
NET CASH GENERATED BY OPERATING	-					
ACTIVITIES	-	356.60	224.78	689.10	417.11	914.87
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds on exercise of stock options		4.01	2.75	5.08	3.15	13.52
Dividends paid during the period/year, including						
dividend tax		-	-	(108.35)	(82.73)	(165.49)
NET CASH USED IN FINANCING ACTIVITIES	-	4.01	2.75	(103.27)	(79.58)	(151.97)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of fixed assets and change in capital						
work-in-progress	19	(68.83)	(44.02)	(127.21)	(97.80)	(219.26)
Proceeds on disposal of fixed assets	13	(00.00)	0.04	0.09	0.16	0.33
Investments in securities	20	(349.83)	-	(450.38)	(12.52)	(12.53)
Interest and dividend income		23.43	18.69	46.18	36.37	78.05
	_					
NET CASH USED IN INVESTING ACTIVITIES	-	(395.23)	(25.29)	(531.32)	(73.79)	(153.41)
Exchange differences on translation of foreign						
currency cash and cash equivalents		(1.59)	(2.13)	(3.16)	(1.36)	2.06
Net (decrease)/increase in cash and cash	-					
equivalents during the period/year		(36.21)	200.11	51.35	262.38	611.55
CASH AND CASH EQUIVALENTS AT THE						
BEGINNING OF THE PERIOD/YEAR		1,726.07	1,089.23	1,638.51	1,026.96	1,026.96
CASH AND CASH EQUIVALENTS AT THE END	-					
OF THE PERIOD/YEAR	21	1,689.86	1,289.34	1,689.86	1,289.34	1,638.51
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	22					

This is the Cash Flow Statement referred to in our report of even date

For Bharat S Raut & Co. Chartered Accountants

S. Balasubrahmanyam Partner	N. R. Narayana Murthy Chairman and Chief Mentor	Nandan M. Nilekani Chief Executive Officer, President and Managing Director	S. Gopalakrishnan Chief Operating Officer and Deputy Managing Director
	Deepak M. Satwalekar	Marti G. Subrahmanyam	Rama Bijapurkar
	Director	Director	Director
	Sridar A. Iyengar	K. Dinesh	S. D. Shibulal
	Director	Director	Director
	T. V. Mohandas Pai Director and Chief Financial Officer	Srinath Batni Director	V. Balakrishnan Company Secretary and Vice President – Finance

Sch	nedules to the Balance Sheet as at	September 30, 2003	September 30, 2002	March 31, 2003
1.	SHARE CAPITAL			
	AUTHORIZED			
	Equity shares, Rs. 5/- (Rs. 5/-; Rs. 5/-) par value 10,00,000 (10,00,00,000; 10,00,00,000) equity shares	50.00	50.00	50.00
	ISSUED, SUBSCRIBED AND PAID UP			
	Equity shares, Rs. 5/- (Rs. 5/-; Rs. 5/-) par value* 6,62,68,972 (6,62,05,180; 6,62,43,078) equity shares fully paid up [Of the above, 5,78,88,200 (5,78,88,200; 5,78,88,200) equity shares, fully paid up have been issued as bonus shares by capitalization of the general reserve]	33.13	33.10	33.12
		33.13	33.10	33.12
	Forfeited shares amounted to Rs. 1,500/- (Rs. 1,500/-; Rs. 1,500/-) * for details of options in respect of the above shares, refer to note 22.2.14			
2.	RESERVES AND SURPLUS			
	Capital reserve	5.94	5.94	5.94
	Share premium account as at April 1, Add: Received during the period/year on	338.83	325.34	325.34
	exercise of stock options issued to employees	5.07	3.14	13.49
		343.90	328.48	338.83
	General reserve as at April 1, Add: Transfer from the Profit and Loss Account	2,482.76	1,715.94	1,715.94 766.82
		2,482.76	1,715.94	2,482.76
	Delenes in Duelit and Less Assesset	400.00	252.22	
	Balance in Profit and Loss Account	469.88 <b>3,302.48</b>	359.86 <b>2,410.22</b>	2,827.53

in Rs. crore Schedules to the Balance Sheet

### 3. FIXED ASSETS

Particulars	Original cost				D	epreciation and	d amortization			Net book valu	e
	Cost as at	Additions	Deletions	Cost as at	As at	For the	Deductions	As at	As at	As at	As at
	April 1,	during the	during the	September	April 1,	period	during the	September	September	September	March 31,
	2003	period	period	30, 2003	2003		period	30, 2003	30, 2003	30, 2002	2003
Land - free-hold*	15.88	-	-	15.88	-	-	-	-	15.88	15.88	15.88
- lease-hold	31.40	1.34	-	32.74	-	-	-	-	32.74	29.57	31.40
Buildings*	385.54	44.09	-	429.63	51.11	14.19	-	65.30	364.33	299.71	334.43
Plant and machinery*	227.31	34.14	0.02	261.43	113.66	22.95	0.02	136.59	124.84	115.21	113.65
Computer equipment	361.74	36.95	0.52	398.17	298.51	30.77	0.43	328.85	69.32	64.32	63.23
Furniture and fixtures*	208.97	25.23	0.01	234.19	102.27	19.93	0.02	122.18	112.01	101.70	106.70
Vehicles	0.35	-	-	0.35	0.22	0.02	-	0.24	0.11	0.16	0.13
Intangible assets											
Intellectual property rights	42.13	0.01	-	42.14	11.38	18.73		30.11	12.03	34.63	30.75
	1,273.32	141.76	0.55	1,414.53	577.15	106.59	0.47	683.27	731.26	661.18	696.17
Corresponding previous period	960.60	180.62	3.50	1,137.72	393.03	86.71	3.20	476.54			
Previous year	960.60	317.86	5.14	1,273.32	393.03	188.95	4.83	577.15			

Note: Buildings include Rs. 250/- being the value of 5 shares of Rs. 50/- each in Mittal Towers Premises Co-operative Society Limited.

\* Includes certain assets provided on operating lease to Progeon Limited, a subsidiary under the same management. Please refer to note 22.2.7 for details.

	edules to the Balance Sheet as at	September 30, 2003	September 30, 2002	March 31, 2003
4.	INVESTMENTS			
	Trade (unquoted) - at cost			
	Long- term investments *	51.21	67.06	53.98
	Less: Provision for investments	36.28	46.11	33.03
		14.93	20.95	20.95
	Subsidiary			
	Progeon Ltd, India, a subsidiary company, under the same management			
	1,22,49,993 (1,22,49,993; 1,22,49,993) equity shares at Rs.10/- each,			
	fully paid, par value Rs.10/- each	12.25	12.25	12.2
	Non-trade (unquoted) – at the lower of cost and fair value, current investments *			
	Mutual funds	449.81	-	
		476.99	33.20	33.20
	Aggregate of unquoted investments - carrying value / cost * refer to Note 22.2.20 for details of investments	476.99	33.20	33.20
5.	DEFERRED TAX ASSETS			
	Fixed assets	23.05	17.49	22.43
	Investments	8.20	12.10	12.10
	Sundry debtors	2.62	3.99	2.28
	<u> </u>	33.87	33.58	36.81
6.	SUNDRY DEBTORS			
	Debts outstanding for a period exceeding six months Unsecured			
	considered doubtful	14.16	8.54	14.09
	Other debts	11.10	0.01	1 1.00
	Unsecured			
	considered good*	577.26	458.25	512.14
	considered doubtful	4.79	5.98	0.22
		596.21	472.77	526.45
	Less: Provision for doubtful debts	18.95	14.52	14.31
	<del>-</del>	577.26	458.25	512.14
	* Due from Progeon Limited, a subsidiary company under the			
	same management	_	_	
	Includes due from the companies in which directors are			
	interested	-	-	0.03
7.	CASH AND BANK BALANCES			
	Cash on hand	0.07	0.04	0.01
	Balances with scheduled banks			
	in current accounts *	93.63	32.66	50.76
	in deposit accounts in Indian rupees	1,142.54	828.49	1,129.53
	in deposit accounts in foreign currency	-	-	
	Balances with non-scheduled banks**			
	in deposit accounts in foreign currency	10.49	-	
		135.98	125.66	155.93
	in current accounts	100.00		
	in current accounts	1,382.71	986.85	1,336.23
	in current accounts  * includes balance in unclaimed dividend account			<b>1,336.2</b> 3
		1,382.71	986.85	

Sch	edules to the Balance Sheet as at	September 30, 2003	September 30, 2002	in Rs. crore March 31, 2003
8.	LOANS AND ADVANCES			
	Unsecured, considered good			
	Advances			
	prepaid expenses	25.52	18.78	18.38
	advances paid for supply of goods and rendering of services	2.02	1.88	1.77
	Others	12.22	1.73	3.28
		39.76	22.39	23.43
	Advance to subsidiary company, under the same management	-	-	
	Unbilled revenues	84.81	62.88	91.64
	Advance income tax	348.46	341.15	289.99
	Loans and advances to employees *			
	housing and other loans	101.28	91.96	102.5
	salary advances	26.79	27.97	33.93
	Electricity and other deposits	12.78	6.44	13.3
	Rental deposits	14.53	12.19	13.5
	Deposits with financial institutions and body corporate	307.15	302.49	302.28
	Other assets	2.08	2.69	2.00
		937.64	870.16	872.78
	Unsecured, considered doubtful			
	Loans and advances to employees	0.54	0.44	0.41
		938.18	870.60	873.19
	Less: Provision for doubtful loans and advances to employees	0.54	0.44	0.41
	_	937.64	870.16	872.78
	* includes dues by non-director officers of the company	-	0.07	0.0
	Maximum amounts due			
	- by non-director officers at any time during the period/year	0.06	0.00	0.00
<b>9</b> .	by non-director officers at any time during the period/year     from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES	0.06	0.08	0.08
<b>)</b> .	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES	0.06	0.08	0.08
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors	-	0.08	
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods	0.06	0.08	
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits	0.65	-	1.17
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries	0.65 12.57	- 5.13	1.17 15.6°
Э.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives	0.65 12.57 127.94	- 5.13 73.85	1.17 15.6° 76.98
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions	0.65 12.57	- 5.13	1.17 15.6 76.98
Э.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities	0.65 12.57 127.94 29.42	5.13 73.85 23.92	1.17 15.6 76.98 27.47
Э.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses	0.65 12.57 127.94 29.42 56.15	5.13 73.85 23.92 34.11	1.17 15.6 76.9( 27.4) 56.1
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies	0.65 12.57 127.94 29.42 56.15 5.97	5.13 73.85 23.92 34.11 6.03	1.17 15.6 76.90 27.4 56.1 5.33
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable	0.65 12.57 127.94 29.42 56.15 5.97 24.30	5.13 73.85 23.92 34.11 6.03 21.75	1.17 15.6 76.98 27.47 56.1 5.33 23.30
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27	5.13 73.85 23.92 34.11 6.03 21.75 27.21	1.17 15.6 76.98 27.47 56.1 5.33 23.30 24.80
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85	1.17 15.6 76.98 27.47 56.11 5.33 23.30 24.80 5.78
Э.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85	1.17 15.6° 76.98 27.4° 56.1° 5.3° 23.3° 24.8° 5.78 236.5°
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13	1.17 15.6° 76.98 27.4° 56.1° 5.3° 23.3° 24.8° 5.7° 236.5° 15.2°
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Unearned revenue	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85	1.17 15.6° 76.98 27.4° 56.1° 5.3° 23.3° 24.8° 5.7° 236.5° 15.2° 61.8°
€.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12 1.78	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85 1.53	0.08 1.17 15.61 76.98 27.47 56.11 5.33 23.30 24.80 5.78 236.55 15.25 61.85
).	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Unearned revenue	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85	1.17 15.66 76.98 27.47 56.11 5.33 24.88 5.78 236.56 15.28 61.88
	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Unearned revenue	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12 1.78	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85 1.53	1.17 15.6 76.9 27.4 56.1 5.3 23.3 24.8 5.7 236.5 15.2 61.8 1.6
	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Unclaimed dividend	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12 1.78	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85 1.53	1.17 15.6 76.96 27.4 56.1 5.33 23.36 24.86 5.76 236.56 15.26 61.86 315.26
	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Uncarned revenue Unclaimed dividend  PROVISIONS	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12 1.78 370.99	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85 1.53 262.36	1.17 15.6 76.98 27.47 56.11 5.33 23.30 24.88 5.78 236.58 15.28 61.88 1.66
	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Uncarned revenue Unclaimed dividend  PROVISIONS  Proposed dividend	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12 1.78 370.99	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85 1.53 262.36	1.17 15.6 76.98 27.47 56.11 5.33 23.30 24.80 5.77 236.58 15.28 61.88 1.60 315.28
	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Uncarned revenue Unclaimed dividend  PROVISIONS  Proposed dividend Provision for	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12 1.78 370.99	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85 1.53 262.36	1.17 15.6° 76.98 27.47 56.1° 5.33 23.30 24.80 5.78 236.56 15.29 61.88 1.60 315.29
	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Unearned revenue Unclaimed dividend  PROVISIONS  Proposed dividend Provision for tax on dividend income taxes	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12 1.78 370.99  96.09 12.31 382.06	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85 1.53 262.36	1.17 15.6 76.98 27.47 56.11 5.33 23.30 24.80 5.78 236.56 15.28 1.60 315.28
9.	- from Progeon Limited, subsidiary company, under the same management  CURRENT LIABILITIES  Sundry creditors for goods for accrued salaries and benefits salaries bonus and incentives leave provisions for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights others  Advances received from clients Unearned revenue Unclaimed dividend  PROVISIONS  Proposed dividend Provision for tax on dividend	0.65 12.57 127.94 29.42 56.15 5.97 24.30 20.27 6.91 284.18 13.91 71.12 1.78 370.99	5.13 73.85 23.92 34.11 6.03 21.75 27.21 1.85 193.85 17.13 49.85 1.53 262.36	1.1 15.6 76.9 27.4 56.1 5.3 23.3 24.8 5.7 236.5 15.2 61.8 1.6 315.2

Schedules to the Profit and Loss Account for the	Quarter ended Ser	otember 30,	Half-year ended Se	otember 30,	in Rs. crore Year ended
	2003	2002	2003	2002	March 31, 2003
11. SOFTWARE DEVELOPMENT EXPENSES					
Salaries and bonus including overseas staff					
expenses	482.59	343.27	937.37	640.92	1,433.85
Staff welfare	2.86	1.60	5.99	3.29	7.91
Contribution to provident and other funds	12.99	6.81	23.74	13.27	31.94
Overseas travel expenses	43.07	41.22	84.68	78.28	162.66
Consumables	2.05	1.26	3.77	2.42	6.25
Cost of software packages					
for own use	21.47	11.30	35.07	21.06	54.75
for service delivery to clients	2.48	0.74	12.34	7.62	12.99
Computer maintenance	3.14	2.52	5.44	4.38	9.33
Communication expenses	7.75	5.09	15.93	12.26	23.94
Provision for post-sales client support	(0.32)	(2.27)	(0.15)	(0.30)	(6.18)
Consultancy charges	7.61	12.95	34.29	18.68	75.86
Rent	1.47	-	1.47	-	-
	587.16	424.49	1,159.94	801.88	1,813.30
12. SELLING AND MARKETING EXPENSES					
Salaries and bonus including overseas staff					
expenses	49.36	32.96	99.20	63.01	141.73
Staff welfare	0.15	0.18	0.23	0.31	0.62
Contribution to provident and other funds	0.79	0.15	1.17	0.24	1.34
Overseas travel expenses	9.26	9.90	18.04	18.59	45.16
Consumables	0.02	0.05	0.08	0.07	0.21
Cost of software packages for own use	-	0.02	0.01	0.03	0.21
Computer maintenance	0.01	-	0.02	-	0.01
Communication expenses	-	0.18	-	0.24	0.50
Traveling and conveyance	0.28	0.30	0.60	0.45	1.19
Rent	3.94	1.20	6.90	2.11	4.79
Telephone charges	1.19	1.46	2.29	2.52	5.35
Professional charges	0.78	2.97	2.74	5.24	10.63
Printing and stationery	0.25	0.40	0.52	0.77	1.43
Advertisements	0.12	0.24	0.24	0.40	1.04
Brand building	9.42	9.37	15.14	17.36	29.05
Office maintenance	0.07	0.35	0.11	0.50	2.72
Repairs to plant and machinery	-	-	-	-	0.02
Power and fuel	0.01	0.07	0.03	0.11	0.22
Insurance charges	0.01	0.01	0.04	0.03	0.20
Rates and taxes	-	0.12	0.03	0.23	0.27
Bank charges and commission	-	0.03	0.01	0.04	0.09
Commission charges	0.64	4.70	2.91	6.22	10.58
Marketing expenses	1.76	2.20	2.61	3.31	6.72
Sales promotion expenses	0.09	0.05	0.20	0.20	0.46
Other miscellaneous expenses	2.29	2.42	7.04	2.44	2.44
•	80.44	69.33	160.16	124.42	266.98

Sch	edules to the Profit and Loss Account for the	Quarter ended Sep	ptember 30,	Half-year ended Se	ptember 30,	Year ended
		2003	2002	2003	2002	March 31, 2003
13.	GENERAL AND ADMINISTRATION EXPENSES					
	Salaries and bonus including overseas staff expenses	17.36	14.17	34.26	26.38	56.24
	Contribution to provident and other funds	1.15	0.75	2.29	1.54	3.49
	Overseas travel expenses	1.87	2.15	3.57	3.95	7.78
	Traveling and conveyance	5.18	3.74	9.51	6.66	16.70
	Rent	3.66	5.52	10.77	10.75	24.5
	Telephone charges	7.47	5.37	14.76	9.01	21.3
	Professional charges	9.79	7.98	16.28	14.51	37.9
	Printing and stationery	1.05	1.01	3.39	2.66	4.80
	Advertisements	0.37	1.02	1.36	1.67	5.19
	Office maintenance	6.32	3.98	12.55	7.91	20.13
	Repairs to building	1.49	1.15	3.39	3.02	7.27
	Repairs to plant and machinery	1.51	0.93	2.60	2.09	4.75
	Power and fuel	7.19	5.32	14.39	10.98	22.38
		6.06	2.48	11.19	4.46	9.83
	Insurance charges					
	Rates and taxes	0.94	1.10	2.15	2.27	5.14
	Donations	3.52	1.37	7.02	3.04	6.09
	Auditor's remuneration					
	audit fees	0.08	0.07	0.15	0.13	0.27
	certification charges	-	-	-	-	0.03
	out-of-pocket expenses	-	-	0.01	0.01	0.02
	Provision for bad and doubtful debts	10.73	0.11	14.02	0.18	0.73
	Provision for doubtful loans and advances	0.12	(0.01)	0.13	(0.05)	(0.07
	Bank charges and commission	0.16	0.16	0.35	0.32	0.66
	Commission to non-whole time directors	0.39	0.24	0.78	0.48	1.12
	Postage and courier	0.70	0.72	1.94	1.97	3.99
	Books and periodicals	0.34	0.40	0.58	0.65	1.42
	Research grants	0.12	-	0.18	-	-
	Freight charges	0.15	0.16	0.30	0.27	0.58
	Professional membership and seminar participation					
	fees	0.65	0.83	1.27	1.65	3.55
	Other miscellaneous expenses	0.35	1.79	0.71	3.21	4.42
	· -	88.72	62.51	169.90	119.72	270.37
14.	OTHER INCOME					
	Interest received on deposits with banks and others*	19.90	18.69	42.65	36.37	78.0
	Dividend received on investments in mutual funds	3.53	10.05	3.53	-	70.00
	Miscellaneous income	1.97	0.47	3.81	1.18	3.89
	Exchange differences	18.88	(1.63)	26.74	4.87	17.6
	<u>-</u>	44.28	17.53	76.73	42.42	99.6
	*Tax deducted at source	4.19	3.21	8.52	6.43	14.69
15.	PROVISION FOR TAXATION					
	Current period/year					
	Income taxes	55.53	53.74	108.14	96.86	212.09
	Deferred taxes	4.47	(8.74)	2.94	(9.36)	(12.59
	-	60.00	45.00	111.08	87.50	199.50
	Prior period / year	-	-	0.92	-	1.50

INFOS	SYS TECHNOLOGIES LIMITED					in Rs. crore
Schedules to the Statement of Cash flows for the		Quarter ended September 30, 2003 2002		Half-year ended September 30, 2003 2002		Year ended March 31, 2003
16. C	HANGE IN LOANS AND ADVANCES					
	s per the Balance Sheet ess:Deposits with financial institutions and body corporate, included in cash and cash	937.64	870.16	937.64	870.16	872.78
	equivalents Advance income taxes separately	(307.15)	(302.49)	(307.15)	(302.49)	(302.28
	considered	(348.46)	(341.15) 226.52	(348.46)	(341.15) 226.52	(289.99 280.5
Le	ess:Opening balance considered	(290.36) ( <b>8.33</b> )	(204.47) <b>22.05</b>	(280.51) 1.52	(152.88) <b>73.64</b>	(152.88 <b>127.6</b>
	=	(0.55)	22.03	1.32	73.04	127.0
	HANGE IN CURRENT LIABILITIES AND ROVISIONS					
A	s per the Balance Sheet dd/ (Less): Provisions separately considered in ne cash flow Statement	866.12	692.25	866.12	692.25	703.23
	Income taxes Dividends	(382.06) (96.09)	(336.43) (82.76)	(382.06) (96.09)	(336.43) (82.76)	(274.81 (96.05
	Dividend tax Non Cash transactions – also refer note	(12.31)	(02.70)	(12.31)	(02.70)	(12.30
L	22.2.27d ess:Opening balance considered	(359.08)	(226.68)	(320.07)	(24.50) (137.11)	(24.50 (137.11
L	ess.Opening balance considered	16.58	46.38	55.59	111.45	158.40
18. IN	NCOME TAXES PAID					
С	harge as per the Profit and Loss Account	60.00	45.00	112.00	87.50	201.0
	dd: Increase in advance income taxes dd: Increase /(Decrease) in Deferred taxes	49.22 (4.47)	78.94 8.74	58.47 (2.94)	104.90 9.36	53.7 12.5
	ess:(Increase)/Decrease in income tax provision	(55.53)	(53.74)	(107.25)	(96.86)	(35.24
	=	49.22	78.94	60.28	104.90	232.0
	URCHASES OF FIXED ASSETS AND HANGE IN CAPITAL WORK-IN-PROGRESS					
	s per the Balance Sheet	51.06	40.64	141.76	180.62	317.8
	ess:Opening Capital work-in-progress ess:Non Cash transaction – also refer note	(44.23)	(88.97)	(76.55)	(150.67)	(150.67
A	22.2.27d dd: Closing Capital work-in-progress	62.00	92.35	62.00	(24.50) 92.35	(24.50 76.5
	=	68.83	44.02	127.21	97.80	219.20
20. IN	NVESTMENTS IN SECURITIES					
	s per the Balance Sheet dd: Provisions on investments	476.99	33.20 23.76	476.99	33.20 23.76	33.20 23.7
A	du. Flovisions on investments	0.22 <b>477.21</b>	56.96	6.59 <b>483.58</b>	56.96	56.9°
Le	ess:Opening balance considered	(127.38) <b>349.83</b>	(56.96)	(33.20) <b>450.38</b>	(44.44) <b>12.52</b>	(44.44 <b>12.5</b> 3
	<del>-</del>					
	ASH AND CASH EQUIVALENTS AT THE END IF THE PERIOD/YEAR					
	s per the Balance Sheet dd: Deposits with financial institutions and body	1,382.71	986.85	1,382.71	986.85	1,336.23
	corporate, included herein	307.15	302.49	307.15	302.49	302.28
	=	1,689.86	1,289.34	1,689.86	1,289.34	1,638.5