

Infosys meets 30% revenue target for 2001-02 despite tough environment Projects between 17% and 20% revenue growth for 2002-03

Bangalore, India – April 10, 2002

Highlights

Results for the quarter ended March 31, 2002

- Income from software development services and products was Rs. 680.13 crore for the fourth quarter ended March 31, 2002, an increase of 21% over comparable income of the corresponding quarter in the previous year
- Earnings per share from ordinary activities increased to Rs. 31.78 from Rs. 27.46 for the corresponding quarter in the previous year, an increase of 16%
- 29 new clients were added during the quarter, including marquee names such as Cardif, Daimler Chrysler and Fujitsu
- Initiatives for Business Process Management and IT Outsourcing launched
- Board recommends FII limits in Infosys to be raised from 49% to 100%
- Cash and cash equivalents on March 31, 2002 at Rs. 1,027 crore
- Record free cash flows of Rs. 160.61 crore, even after capital expenditure of Rs. 38.18 crore during the quarter
- Final dividend of Rs. 12.50 per share (250% on par value of Rs. 5 per share) recommended

Results for the year ended March 31, 2002

- Income from software development services and products was Rs. 2,603.59 crore for the year ended March 31, 2002, as compared to Rs.1,900.56 crore for the previous year, an increase of 37%
- Earnings per share from ordinary activities increased to Rs. 122.12 from Rs. 95.06 for the previous year, an increase of 28%

Outlook for the quarter ending June 30, 2002

- Income from software development services and products projected to be between Rs. 684 crore and Rs. 694 crore
- Earnings per share expected to be between Rs. 31 and Rs. 32

Outlook for the fiscal year ending March 31, 2003

- Income from software development services and products projected to be between Rs. 3,085 crore and Rs. 3,170 crore
- Earnings per share expected to be between Rs. 141 and Rs. 145

Results for the quarter ended March 31, 2002

The audited financial results, according to Indian GAAP, for the quarter ended March 31, 2002 were taken on record by the Board at its meeting held on April 10, 2002.

The profit and loss account is summarised below: *(in Rs. crore except per share data)*

Particulars	Quarter ended March 31,		Growth%	Quarter ended December 31, 2001	Growth % in Q4 FY 2002 over Q3 FY 2002
	2002	2001			
INCOME					
Software services and products					
Overseas	669.54	552.47	21.19	648.35	3.27
Domestic	10.59	9.40	12.66	12.46	(15.01)
TOTAL INCOME	680.13	561.87	21.05	660.81	2.92
SOFTWARE DEVELOPMENT EXPENSES	322.81	245.27	31.61	309.50	4.30
GROSS PROFIT	357.32	316.60	12.86	351.31	1.71
Selling and marketing expenses	35.83	29.98	19.51	32.85	9.07
General and administration expenses	50.75	53.30	(4.78)	51.01	(0.51)
OPERATING PROFIT (PBIDT)	270.74	233.32	16.04	267.45	1.23
Interest	-	-	-	-	-
Depreciation	44.82	37.90	18.26	41.34	8.42
OPERATING PROFIT AFTER DEPRECIATION AND INTEREST	225.92	195.42	15.61	226.11	(0.08)
Other income	23.33	10.21	128.50	14.93	56.26
Provision for investment	-	2.21	-	-	-
PROFIT BEFORE TAX AND EXTRAORDINARY ITEM	249.25	203.42	22.53	241.04	3.41
Provision for taxation	38.93	21.75	78.99	35.00	11.23
PROFIT AFTER TAX BEFORE EXTRAORDINARY ITEM	210.32	181.67	15.77	206.04	2.08
Extraordinary item	-	-	-	-	-
PROFIT AFTER TAX AND EXTRAORDINARY ITEM EARNINGS PER SHARE (equity shares, par value Rs. 5/- each)	210.32	181.67	15.77	206.04	2.08
Basic	31.78	27.46	15.73	31.14	2.06
Diluted	31.37	27.33	14.78	31.02	1.13

Results for the year ended March 31, 2002

The audited financial results, according to Indian GAAP, for the year ended March 31, 2002 were taken on record by the Board at its meeting held on April 10, 2002.

The profit and loss account is summarised below: *(in Rs. crore except per share data)*

Particulars	Year ended March 31,		Growth%
	2002	2001	
INCOME			
Software services and products			
Overseas	2,552.47	1,874.02	36.20
Domestic	51.12	26.54	92.61
TOTAL INCOME	2,603.59	1,900.56	36.99
SOFTWARE DEVELOPMENT EXPENSES	1,224.82	870.83	40.65
GROSS PROFIT	1,378.77	1,029.73	33.90
Selling and marketing expenses	129.79	92.07	40.97
General and administration expenses	211.35	172.82	22.29
	341.14	264.89	28.79
OPERATING PROFIT (PBIDT)	1,037.63	764.84	35.67
Interest	-	-	-
Depreciation	160.65	112.89	42.31
OPERATING PROFIT AFTER DEPRECIATION AND INTEREST	876.98	651.95	34.52
Other income	66.41	59.37	11.86
Provision for investment	-	15.29	-
PROFIT BEFORE TAX AND EXTRAORDINARY ITEM	943.39	696.03	35.54
Provision for taxation	135.43	72.71	86.26
PROFIT AFTER TAX BEFORE EXTRAORDINARY ITEM	807.96	623.32	29.62
Extraordinary item	-	5.49	-
PROFIT AFTER TAX AND EXTRAORDINARY ITEM	807.96	628.81	28.49
EARNINGS PER SHARE (equity shares, par value Rs. 5/- each)			
Basic	122.12	95.06	28.47
Diluted	121.37	94.76	28.08

Business outlook

"Last year was difficult for both Infosys and the Indian software industry", said Nandan M. Nilekani, CEO, President and Managing Director. "There is an enhanced interest in the offshore model. However, the sales and ramp-up cycles have elongated, and pricing pressure continues. We believe that the outlook for the next 12 months will continue to be challenging".

The company's outlook for the quarter ending June 30, 2002 and the fiscal year ending March 31, 2003, under Indian GAAP and US GAAP, is as follows:

Under Indian GAAP

Quarter ending June 30, 2002

- Income from software development services and products projected to be between Rs. 684 crore and Rs. 694 crore
- Earnings per share expected to be between Rs. 31 and Rs. 32

Fiscal year ending March 31, 2003

- Income from software development services and products projected to be between Rs. 3,085 crore and Rs. 3,170 crore
- Earnings per share expected to be between Rs. 141 and Rs. 145

Under US GAAP

Quarter ending June 30, 2002

- Net revenues projected to be in the range of \$ 141 million to \$ 143 million
- Earnings per American Depositary Share expected to be \$ 0.32

Fiscal year ending March 31, 2003

- Net revenues projected to be in the range of \$ 636 million to \$ 654 million
- Earnings per American Depositary Share expected to be in the range of \$ 1.43 to \$ 1.47

"In keeping with our value system, the company has delivered on its promise. The fact that we have maintained our margins despite a dip in topline growth is a testimony to the commitment of every Infoscion to live by his / her word", said S. Gopalakrishnan, Member of the Board and COO.

Dividend declaration

The Board of Directors recommended a final dividend of Rs. 12.50 per share (250% on par value of Rs. 5 per share) for fiscal 2002, amounting to Rs. 82.73 crore. Including the interim dividend of Rs. 7.50 per share (150% on par value of Rs. 5 per share) amounting to Rs. 49.63 crore, the total dividend recommended for the year is Rs. 20.00 per share (400% on par value of Rs. 5 per share), amounting to Rs. 132.36 crore.

Foreign Institutional Investor (FII) investments

Investments by FIIs in the equity of Indian software companies were permitted to the extent of 49% of the paid-up equity capital of such companies. In September 2001, the Reserve Bank of India raised the limit of such investments, subject to the approval of the company's Board of Directors and the shareholders. The Board has recommended for the approval of the members in the ensuing Annual General Meeting, a resolution for increasing the maximum limit of FII investments in the company to 100% of the paid-up equity share capital of the company.

Utilization rates

The utilization rate including trainees was 72.4% for the quarter as compared to 69.6% for the quarter ended December 31, 2001 and 64.9% for the quarter ended March 31, 2001. The utilization rate excluding trainees was 72.9% for the quarter as compared to 72.7% for the quarter ended December 31, 2001 and 73.0% for the quarter ended March 31, 2001.

Billing rates

Software revenues in US dollar terms grew by 1.5% for the quarter as compared to the quarter ended December 31, 2001. Revenue growth comprised volume growth of 6.3% offset by a price decline of 4.8%, as compared to the quarter ended December 31, 2001.

"The market is becoming more competitive. We believe that most of our growth in the next 12 months will be volume-driven", said S. D. Shibulal, Member of the Board and Head – Customer Delivery.

Telecom business

The credit ratings of some of the large telecom equipment manufacturers have been downgraded. This has enhanced the risk perception of this sector. Infosys derived 15.4% of its revenues from the telecom sector during the quarter ended March 31, 2002 as compared to 15.1% during the previous quarter ended December 31, 2001. The revenues from telecom equipment manufacturers amounted to 8.6% during the quarter ended March 31, 2002. The company has taken adequate measures to derisk its exposure to this sector.

Expansion of services and significant projects

Infosys continued to add more clients, adding 29 new clients in during the quarter. The company also strengthened its alliances with existing clients, adding value to their businesses through innovative use of technology. Contribution from Infosys' top 5 clients accounted for 24.4% of revenues for the quarter ended March 31, 2002 as compared to 24.1% for the quarter ended December 31, 2001 and 26.4% for the quarter ended March 31, 2001. Contribution from Infosys' top 10 clients accounted for 39% of revenues for the quarter ended March 31, 2002 as compared to 38.3% for the quarter ended December 31, 2001 and 43.4% for the quarter ended March 31, 2001.

“Today, clients expect to maximize returns on their spending. Their focus is shifting towards working with fewer, reliable vendors who deliver a complete range of services.”, said Phaneesh Murthy, Member of the Board and Head – Sales and Marketing.

Order management and transaction processing systems in the retail industry are undergoing dramatic transformation. Infosys consolidated its capabilities in order management through a win at **Argos**, a large UK-based non-food retail chain. Infosys also implemented a complex Oracle 11i solution for a **specialty fashion retail chain in the US**. Other wins in this quarter include engagements with a **prominent retailer of apparel and accessories for children** and a **specialty retailer of high quality home products**.

Operations Systems and Support Solutions (OSS) continue to be a driver in the transformation of the telecom industry. Infosys is extending its vast expertise in this area to Cable and Wireless (C&W) subsidiaries by providing service positioning solutions for client networks. Infosys is also assisting Sony Ericsson Mobile Communications, in Europe, to maintain its critical core sourcing application. Other telecom wins this quarter include Eastern Communications Company and ZTE Corporation in the Asia Pacific region.

Insurance and banking solutions are moving to customer-centric models. Infosys is working with **Cardif**, the insurance subsidiary of BNP Paribas, the largest financial institution in France, to roll out end-to-end IT systems and develop a core insurance product. Infosys is also engaged by a **top-end global bank** to build systems for aggregated financial reporting to private wealth management clients. Infosys continues to provide core technology services for clients such as online transfer option for **Northwestern Mutual**, a leading provider of individual life insurance in the US.

Infosys is helping to transform manufacturing processes in the engineering space using creative application of technology. Marquee clients in this space include **Daimler Chrysler** and **Fujitsu**. **Condor Airlines**, a subsidiary of Lufthansa that operates across the globe in the area of freight carrying and chartered flights has chosen Infosys to design and implement technology solutions to improve aviation calculations. In the aerospace industry, Infosys is also providing consulting services to **Commonwealth Industries Inc**, in transforming core processes through new technologies.

Infosys expanded its supply chain expertise to the pharmaceutical industry by helping a **major international pharmaceutical enterprise** to design and develop a mail-order pharmacy and durable medical equipment claims process. Yet another win in this industry is a **pharmacy benefit company**, for whom Infosys is recommending the re-engineering of multiple applications.

With industry deregulation driving the utilities sector, companies are under increased pressure to develop scalable and risk-free platforms. Infosys was commissioned by **CustomerWorks**, a joint venture between two of Canada's largest utility organizations, to perform a high-level, customer-focussed risk assessment program.

Infosys' consulting assignments grew, with its team of domain experts, business consultants and architects continuing to develop customised solutions for perishable goods companies. Infosys is helping a **very large US based food distribution company** on a redistribution initiative and is providing consulting services to a **major company in the medical sector** in assessing business and IT processes and to create an IT blueprint for the next three to five years.

Banking

Operations

Infosys continued to expand and strengthen its presence in the banking industry with several new projects. **Revenue from the company's Banking Business Unit has shown a growth of over 100% during this fiscal and has crossed Rs. 100 crores.** FINACLE™, Infosys' banking product, has been implemented at 15 branches of the South Indian Bank. Internet Banking implementations were completed at ABN Amro – India, providing functionality such as online deposit opening, cash delivery at home and bill payments. ICICI continues to be a significant client with various projects completed in the areas of e-banking and product implementation.

Product Acquisition

Infosys has acquired SimpleRM, a CRM product from TriVium Systems Inc, on a non-exclusive basis at a price of US\$ 1 million. This product is being integrated with FINACLE™. As banks globally move away from a product-centric approach to banking to a customer-centric approach, a CRM solution is no longer optional but imperative. Banks must market, sell and service clients based on profitability instead of revenue generation and a CRM solution adds value to banks in this sphere. With the FINACLE™ CRM offering, Infosys will be addressing this crucial and potentially lucrative market space effectively by offering ready-to-use functionality. FINACLE™ CRM will provide a strategic advantage over Infosys' current competitors in the banking product space as it completes Infosys suite of offerings and allows the company to serve its customer better.

“Acquiring SimpleRM enriches FINACLE™ and provides crucial time-to-market advantage over its competitors”, said Girish G. Vaidya, Senior Vice President and Head – Banking Business Unit.

New Initiatives

Infosys had earlier indicated that it was evaluating new initiatives such as Business Process Management, IT Outsourcing and Systems Integration so that it can provide end-to-end services to its clients. Dedicated teams were formed to explore the same and the recommendations of the teams were accepted.

Business Process Management

Infosys is foraying into Business Process Management (“BPM”) and the Board of Directors of Infosys has approved an investment of upto US\$ 5 million for this initiative. The initial focus of BPM services would be in the areas of transaction processing and accounting services and these services will be offered in multiple forms – as business process re-engineering, shared services platform and business intelligence services in addition to the obvious cost advantage of doing the work from India. Financial services will be one of the key target verticals. The frameworks developed for the BPM offering is based on Infosys' Influx™ methodology. These frameworks will enable client processes to be transitioned and executed smoothly.

Phaneesh Murthy, Member of the Board and Head - Sales and Marketing said, **“Today, companies all over the world have an imperative to enhance the effectiveness of their business processes by leveraging new technology, process redesign and cost reduction paradigms. The Infosys-promoted BPM company is expected to be a leader in helping its clients in this imperative. It will also work in close partnership with Infosys to provide total solutions to its clients.”**

IT Outsourcing

As part of IT outsourcing activities, Infosys has taken over the management of applications of two of its clients. Infosys signed an agreement with a **leading financial services company** to provide 24x7 support to its mission critical applications, which were being supported by the client's support center in India. Infosys has successfully transitioned these applications and is now accountable for these applications, through its centres in Chennai and Bangalore. This has enabled Infosys to deepen its relationship with the client.

Infosys signed a strategic global outsourcing contract with a leading networking equipment manufacturer. The objectives were to improve their operational efficiency, reduce costs and mitigate risks. Under this contract, Infosys has already taken over 24x7 support for mission-critical applications for its American and European operations. The new 24x7 international support team operates from

San Francisco, London, Mangalore and Bangalore and has already helped the client achieve its objectives. In addition to support, Infosys has also developed and deployed new e-business solutions required by the client.

Systems Integration

Infosys has started marketing these services. This is a logical extension to the company's software services, where the company integrates best-of-breed software solutions and packages for its global clients.

Exchange of Yantra common stock

During the quarter ended March 31, 2002, Infosys swapped 55,00,000 common stock in Yantra Corporation, USA ("Yantra") for one warrant with the right to purchase 55,00,000 of common stock. Accordingly, Yantra is no longer a subsidiary of the company within the meaning of the Companies Act, 1956 as at March 31, 2002.

Liquidity and capital expenditure

Cash and cash equivalents increased by Rs. 160.61 crore during the quarter, from Rs. 866.35 crore to Rs. 1,026.96 crore, after incurring capital expenditure of Rs. 38.18 crore. Operating cash flows for the quarter ended March 31, 2002 were Rs. 172.89 crore (Rs. 186.84 crore for the quarter ended March 31, 2001). The company spent Rs. 38.18 crore on capital expenditure during the quarter as compared to Rs. 138.35 crore and Rs. 463.35 crore during the quarter ended March 31, 2001 and the year ended March 31, 2001. Despite this, the free cash flows for the quarter ended March 31, 2001 were Rs. 160.61 crore (Rs. 59.98 crore for the quarter ended March 31, 2001).

"We ended the year with cash and cash equivalents of over Rs. 1,000 crore. It is this cash that gives Infosys the confidence to create new business opportunities, and to deal with downturns", said T. V. Mohandas Pai, Member of the Board and Chief Financial Officer. **"We have successfully retained our margins despite pricing pressures and challenging conditions. The additional tax burden due to the recent Finance Bill is expected to reduce net margins for the next fiscal by around 1%. We will continue our focus on maintaining our margins within a narrow band, subject to this additional tax impact."**

Senior management changes

Nandan M. Nilekani has assumed charge as the Chief Executive Officer effective March 31, 2002 and his designation is CEO, President and Managing Director. S. (Kris) Gopalakrishnan assumed charge as the Chief Operating Officer effective March 31, 2002 and his designation is COO and Deputy Managing Director. N. R. Narayana Murthy continues to be the Chairman of the Board and his designation is Chairman and Chief Mentor.

Human resources

Infosys increased its total employee strength to 10,738 as on March 31, 2002, up from 9,831 as on March 31, 2001. The number of software professionals as on March 31, 2002 increased to 9,405 from 8,656 as on March 31, 2001. Of these 9,405 software professionals, 176 belong to the Banking Business Unit.

The net addition to employees during the quarter was 75 as compared to 109 during the quarter ended December 31, 2001. Gross addition to employees during the quarter was 181, of which 126 were lateral employees.

Infrastructure development

Bangalore

The Management Development Center was completed with a built up area of 75,500 square feet ("sq.ft."). One Software Development Block of 93,827 sq.ft. with a capacity of 577 seats was completed. As of March 31, 2002, Infosys City had a built up area of 11,16,000 sq.ft. for

accommodating 5,050 professionals. When completed, Infosys City will have a total built up area of around 14,00,000 sq.ft. capable of accommodating 6,300 professionals.

Pune

Phase II of the Hinjewadi campus is proceeding as per schedule. One more Software Development Block of 800 seats capacity was completed. Currently, the campus has a built up area of 3,33,500 sq.ft., with a capacity of 2,076 seats.

Chennai

Construction of Phase II of the campus is on schedule. One Software Development Block of 600 seats capacity was completed and can be used whenever required. Currently, the campus has a built up area of 1,98,000 sq.ft. with a capacity of 1,300 seats.

Hyderabad

Construction is proceeding as per schedule for the food court. Currently, the campus has a built up area of 1,35,800 sq.ft., with a capacity of 325 seats.

Mysore

The Infosys Leadership Institute ("ILI"), with a built up area of 1,62,000 sq.ft. and hostel facilities with a built up area of 91,750 sq.ft. were completed during the quarter. Currently, the campus has a built up area of 3,79,000 sq.ft.

As of March 31, 2002, the company had 26,62,600 sq.ft of space capable of accommodating 12,050 professionals and 9,31,000 sq.ft. under completion.

About the company

Infosys, a world leader in consulting and information technology services, partners with *Global 2000* companies to provide business consulting, systems integration, application development and product engineering services. Through these services, Infosys enables its clients to fully exploit technology for business transformation. Clients leverage Infosys' Global Delivery Model to achieve higher quality, rapid time-to-market and cost-effective solutions. For more information, contact Sumanth Cidambi at +91 (80) 852 2380 in India or visit us on the World Wide Web at www.infy.com.

Safe Harbor

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Infosys has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Additional risks that could affect our future operating results are more fully described in our United States Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2001 and quarterly report on Form 6-K for the quarters ended June 30, 2001, September 30, 2001 and December 31, 2001. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Securities and Exchange Commission and our reports to shareholders. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

INFOSYS TECHNOLOGIES LIMITED

*(in Rs. crore)*Balance Sheet as at March 31, 2002 March 31, 2001**SOURCES OF FUNDS**

SHAREHOLDERS' FUNDS

Share capital	33.09	33.08
Reserves and surplus	2,047.22	1,356.56
	2,080.31	1,389.64

APPLICATION OF FUNDS

FIXED ASSETS

Original cost	960.60	631.14
Less: Depreciation	393.03	244.13
Net book value	567.57	387.01
Add: Capital work-in-progress	150.67	170.65
	718.24	557.66

INVESTMENTS

	44.44	34.12
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DEFERRED TAX ASSETS

	24.22	-
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CURRENT ASSETS, LOANS AND ADVANCES

Sundry debtors	336.73	302.37
Cash and bank balances	772.22	385.06
Loans and advances	643.87	430.28
	1,752.82	1,117.71
Less: Current liabilities	126.11	134.92
Provisions	333.30	184.93
NET CURRENT ASSETS	1,293.41	797.86

	2,080.31	1,389.64
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Note: The audited Balance Sheet as at March 31, 2002 has been taken on record at the Board meeting held on April 10, 2002.

INFOSYS TECHNOLOGIES LIMITED

Profit and Loss Account for the	Quarter ended March 31,		Half-year ended March 31,		Year ended March 31,	
	2002	2001	2002	2001	2002	2001
<i>(in Rs. crore)</i>						
INCOME						
Software services and products						
Overseas	669.54	552.47	1,317.89	1,081.71	2,552.47	1,874.02
Domestic	10.59	9.40	23.05	17.23	51.12	26.54
	680.13	561.87	1,340.94	1,098.94	2,603.59	1,900.56
SOFTWARE DEVELOPMENT EXPENSES	322.81	245.27	632.31	495.41	1,224.82	870.83
GROSS PROFIT	357.32	316.60	708.63	603.53	1,378.77	1,029.73
SELLING AND MARKETING EXPENSES	35.83	29.98	68.68	51.53	129.79	92.07
GENERAL AND ADMINISTRATION EXPENSES	50.75	53.30	101.76	101.22	211.35	172.82
	86.58	83.28	170.44	152.75	341.14	264.89
OPERATING PROFIT (PBIDT)	270.74	233.32	538.19	450.78	1,037.63	764.84
Interest	-	-	-	-	-	-
Depreciation	44.82	37.90	86.15	70.92	160.65	112.89
OPERATING PROFIT AFTER INTEREST AND DEPRECIATION	225.92	195.42	452.04	379.86	876.98	651.95
Other income	23.33	10.21	38.26	24.68	66.41	59.37
Provision for investment	-	2.21	-	15.29	-	15.29
PROFIT BEFORE TAX AND EXTRA ORDINARY ITEM	249.25	203.42	490.30	389.25	943.39	696.03
Provision for taxation	38.93	21.75	73.93	41.25	135.43	72.71
PROFIT AFTER TAX BEFORE EXTRAORDINARY ITEM	210.32	181.67	416.37	348.00	807.96	623.32
Extraordinary item						
Transfer of intellectual property rights (net of tax)	-	-	-	-	-	5.49
NET PROFIT AFTER TAX AND EXTRAORDINARY ITEM	210.32	181.67	416.37	348.00	807.96	628.81
AMOUNT AVAILABLE FOR APPROPRIATION	210.32	181.67	416.37	348.00	807.96	628.81
DIVIDEND						
Interim	-	-	-	-	49.63	16.53
Final						
(Proposed, subject to deduction of tax at source)	82.73	49.62	82.73	49.62	82.73	49.62
Dividend Tax	-	5.06	-	5.06	5.06	8.70
Amount transferred - general reserve	127.59	126.99	333.64	293.32	670.54	553.96
Balance in Profit and Loss Account						-
	210.32	181.67	416.37	348.00	807.96	628.81
EARNINGS PER SHARE						
(Equity shares, par value Rs. 5/- each)						
Basic	31.78	27.46	62.92	52.61	122.12	95.06
Diluted	31.37	27.33	62.39	52.40	121.37	94.76
Number of shares used in computing earnings per share						
Basic	6,61,73,729	6,61,54,453	6,61,69,054	6,61,54,297	6,61,62,274	6,61,52,131
Diluted	6,70,42,627	6,64,65,433	6,67,35,273	6,64,09,875	6,65,67,575	6,63,58,311

Segmental revenue analysis – by geographical area

	Three months ended March 31, 2002		Three months ended March 31, 2001	
	in Rs. crore	% to total	in Rs. crore	% to total
North America	481.00	70.72	402.37	71.61
Europe	134.17	19.73	115.03	20.47
India	10.59	1.56	9.40	1.67
Rest of the world	54.37	7.99	35.07	6.25
TOTAL	680.13	100.00	561.87	100.00

Reconciliation of accounts as per Indian GAAP and US GAAP

(in Rs. crore)

	Three months ended March 31, 2002	Year ended March 31, 2002
Net Profit as per Indian GAAP	210.32	807.96
Amortization of deferred stock compensation	(6.15)	(23.92)
Deferred Taxes	1.78	1.78
Net income as per US GAAP	205.95	785.82

Reasons for differences in net income as per Indian GAAP and US GAAP

Amortization of deferred stock compensation

The Accounting Principles Board Opinion No. 25 of US GAAP requires the accounting of deferred stock compensation on issue of stock options to employees, being the difference between the exercise price and the fair value as determined by the quoted market prices of the common stock on the grant date. In complying with this requirement, Infosys has charged to revenue under US GAAP an amount of Rs. 6.15 crore and Rs. 23.92 crore for the quarter and year ended March 31, 2001, respectively, as deferred stock compensation.

Deferred Taxes

Both Indian and US GAAP mandate that the tax element arising on timing differences in amortizing various assets and liabilities as per tax books and financial statements be accounted as deferred taxation and appropriate treatment be made in the income statement. Certain items giving rise to deferred tax assets under US GAAP but not under Indian GAAP, in the amount of Rs. 1.78 crore, were recorded in the US GAAP financial statements for the quarter ended and year ended March 31, 2002.