

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

		<i>in Rs. crore</i>		
Consolidated Balance Sheet as at	Schedules	September 30, 2003	September 30, 2002	March 31, 2003
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share capital	1	33.13	33.10	33.12
Reserves and surplus	2	3,300.93	2,407.73	2,824.37
		3,334.06	2,440.83	2,857.49
Preference shares issued by subsidiary	3	49.00	49.00	49.00
		3,383.06	2,489.83	2,906.49
APPLICATION OF FUNDS				
FIXED ASSETS				
Original cost	4	1,423.85	1,140.87	1,279.04
Less: Depreciation and amortization		686.63	476.70	578.54
Net book value		737.22	664.17	700.50
Add: Capital work-in-progress		65.63	92.59	77.39
		802.85	756.76	777.89
INVESTMENTS	5	464.74	20.95	20.95
DEFERRED TAX ASSETS	6	33.87	33.58	36.81
CURRENT ASSETS, LOANS AND ADVANCES				
Sundry debtors	7	592.59	459.73	518.65
Cash and bank balances	8	1,387.26	1,004.11	1,346.54
Loans and advances	9	973.75	912.20	913.46
		2,953.60	2,376.04	2,778.65
Less: Current liabilities	10	376.30	267.58	319.60
Provisions	11	495.70	429.92	388.21
NET CURRENT ASSETS		2,081.60	1,678.54	2,070.84
		3,383.06	2,489.83	2,906.49
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 23				

The schedules referred to above and the notes thereon form an integral part of the consolidated balance sheet.

This is the consolidated 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
Director

Marti G. Subrahmanyam
Director

Rama Bijapurkar
Director

Sridar A. Iyengar
Director

K. Dinesh
Director

S. D. Shibulal
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

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

Consolidated Profit and Loss Account for the		<i>in Rs. crore, except per share data</i>					
		Schedules	Quarter ended		Half year ended		Year ended
			September	September	September	September	March 31,
			30, 2003	30, 2002	30, 2003	30, 2002	2003
INCOME – Software services, products and business process management							
Overseas			1,133.06	858.24	2,204.43	1,608.86	3,564.36
Domestic			18.74	22.34	42.07	36.44	75.62
			1,151.80	880.58	2,246.50	1,645.30	3,639.98
Software development and business process management expenses	12		595.28	425.50	1,174.87	803.24	1,822.96
GROSS PROFIT			556.52	455.08	1,071.63	842.06	1,817.02
SELLING AND MARKETING EXPENSES	13		82.69	70.26	164.34	125.53	271.73
GENERAL AND ADMINISTRATION EXPENSES	14		92.37	63.38	175.35	121.27	275.67
			175.06	133.64	339.69	246.80	547.40
OPERATING PROFIT BEFORE INTEREST, DEPRECIATION AND AMORTIZATION			381.46	321.44	731.94	595.26	1,269.62
Interest			-	-	-	-	-
Depreciation and amortization			63.42	46.39	108.56	86.88	190.34
OPERATING PROFIT AFTER INTEREST, DEPRECIATION AND AMORTIZATION			318.04	275.05	623.38	508.38	1,079.28
Other income	15		43.16	18.21	75.10	43.01	100.26
Provision for investments			0.22	23.76	6.59	23.76	23.77
NET PROFIT BEFORE TAX			360.98	269.50	691.89	527.63	1,155.77
Provision for taxation	16		60.00	45.00	112.00	87.50	201.00
NET PROFIT AFTER TAX			300.98	224.50	579.89	440.13	954.77
AMOUNT AVAILABLE FOR APPROPRIATION			300.98	224.50	579.89	440.13	954.77
DIVIDEND							
Interim			96.09	82.76	96.09	82.76	82.76
Final (Subject to deduction of tax, if any)			-	-	-	-	96.05
Dividend tax			12.31	-	12.31	-	12.30
Amount transferred - general reserve			-	-	-	-	763.66
Balance in Profit and Loss Account			192.58	141.74	471.49	357.37	-
			300.98	224.50	579.89	440.13	954.77
EARNINGS PER SHARE							
<i>(Equity shares, par value Rs. 5/- each)</i>							
Basic			45.43	33.91	87.53	66.49	144.20
Diluted			45.04	33.71	87.00	66.03	142.89
Number of shares used in computing earnings 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		23					

The schedules referred to above and the notes thereon form an integral part of the consolidated profit and loss account.

This is the consolidated profit and loss account referred to in our report of even date.

for Bharat S Raut & Co.
Chartered Accountants

S. Balasubrahmanyam
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N. R. Narayana Murthy
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Company Secretary and
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Bangalore
October 10, 2003

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

Consolidated Cash flow statement for the	Quarter ended		Half year ended		<i>in Rs. crore</i>
	September 30, 2003	September 30, 2002	September 30, 2003	September 30, 2002	Year ended March 31, 2003
CASHFLOWS FROM OPERATING ACTIVITIES					
Profit before tax	360.98	269.50	691.89	527.63	1,155.77
Adjustments to reconcile profit before tax to cash provided by operating activities					
(Profit)/Loss on sale of fixed assets	-	(0.14)	0.01	(0.13)	(0.01)
Depreciation and amortization	63.42	46.39	108.56	86.88	190.34
Interest and dividend income	(23.91)	(19.79)	(47.22)	(37.50)	(80.67)
Provisions on long-term investments	0.22	23.76	6.59	23.76	23.77
Exchange differences on translation of foreign currency cash and cash equivalents	1.59	2.13	3.17	1.36	(2.23)
Changes in current assets and liabilities					
Sundry debtors	(27.09)	(45.84)	(73.94)	(123.00)	(181.92)
Loans and advances	17 4.03	(23.96)	(5.44)	(75.10)	(132.38)
Current liabilities and provisions	18 18.99	50.80	56.89	116.70	163.04
Income taxes paid during the period/year	19 (49.33)	(79.09)	(60.51)	(105.05)	(232.54)
NET CASH GENERATED BY OPERATING ACTIVITIES	348.90	223.76	680.00	415.55	903.17
CASHFLOWS FROM FINANCING ACTIVITIES					
Proceeds from the issue of preference share capital	-	-	-	49.00	49.00
Proceeds on exercise of stock options	4.02	2.74	5.08	3.14	13.52
Dividends paid during the period/year, including dividend tax	-	-	(108.35)	(82.73)	(165.49)
NET CASH USED IN FINANCING ACTIVITIES	4.02	2.74	(103.27)	(30.59)	(102.97)
CASHFLOWS FROM INVESTING ACTIVITIES					
Purchases of fixed assets and change in capital work-in-progress	20 (72.63)	(46.99)	(133.76)	(101.19)	(225.82)
Proceeds on disposal of fixed assets	(0.01)	0.32	0.23	0.43	0.33
Long-term investments in securities	21 (349.83)	-	(450.38)	(0.27)	(0.27)
Interest and dividend income	23.91	19.79	47.22	37.50	80.67
NET CASH USED IN INVESTING ACTIVITIES	(398.56)	(26.88)	(536.69)	(63.53)	(145.09)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(1.59)	(2.13)	(3.17)	(1.36)	2.23
Net (decrease)/increase in cash and cash equivalents during the period/year	(47.23)	197.49	36.87	320.07	657.34
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR	1,768.40	1,149.54	1,684.30	1,026.96	1,026.96
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR	22 1,721.17	1,347.03	1,721.17	1,347.03	1,684.30
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	23				

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

for Bharat S Raut & Co.
Chartered Accountants

S. Balasubrahmanyam
Partner

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Company Secretary and
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CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY*in Rs. Crore*

Schedules to the Consolidated Balance Sheet as at September 30, 2003 September 30, 2002 March 31, 2003

1. SHARE CAPITAL

AUTHORIZED

Equity shares, Rs. 5/- par value*
10,00,00,000 equity shares

50.00 50.00 50.00

ISSUED, SUBSCRIBED AND PAID UP

Equity shares, 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/-

* for details of options in respect of the above shares, refer to note 23.2.9

2. RESERVES AND SURPLUS

Capital reserve

5.94 5.94 5.94

Share premium account as at April 1,
Add: Received during the period
on conversion of stock options issued to employees

338.83 325.34 325.34

5.07 3.14 13.49

343.90 328.48 338.83General reserve as at April 1,
Add: Transfer from profit & loss account

2,479.60 1,715.94 1,715.94

- - 763.66

2,479.60 1,715.94 2,479.60

Balance in profit and Loss Account

471.49 357.37 -

3,300.93 2,407.73 2,824.37**3. PREFERENCE SHARES ISSUED BY SUBSIDIARY**

AUTHORIZED

0.0005% Cumulative convertible preference shares, Rs. 100/- par value
43,75,000 preference shares

43.75 43.75 43.75

ISSUED, SUBSCRIBED AND PAID UP

0.0005% Cumulative convertible preference shares, Rs. 100/- par value
43,75,000 preference shares fully paid up*

43.75 43.75 43.75

Premium received on issue of preference shares

5.25 5.25 5.25

49.00 49.00 49.00

* for details of the terms relating to the preference shares, refer to note 23.2.17

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

Schedules to the Consolidated Balance Sheet

4. FIXED ASSETS

in Rs. crore

Particulars	Original cost				Depreciation and amortization				Net book value		
	Cost as at April 1, 2003	Additions during the period	Deletions during the period	Cost as at September 30, 2003	As at April 1, 2003	For the period	Deductions during the period	As at September 30, 2003	As at September 30, 2003	As at September 30, 2002	As at March 31, 2003
Land – free-hold	15.87	-	-	15.87	-	-	-	-	15.87	15.88	15.87
Land – lease-hold	31.41	1.33	-	32.74	-	-	-	-	32.74	29.57	31.41
Buildings	385.53	44.09	-	429.62	51.11	14.20	-	65.31	364.31	299.71	334.42
Plant and machinery	227.36	34.45	0.02	261.79	113.68	22.97	0.02	136.63	125.16	115.24	113.68
Computer equipment	367.40	40.39	0.67	407.12	299.88	32.71	0.44	332.15	74.97	67.29	67.52
Furniture and fixtures	208.99	25.25	0.02	234.22	102.27	19.93	0.02	122.18	112.04	101.70	106.72
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	18.74	-	30.12	12.02	34.62	30.75
	1,279.04	145.52	0.71	1,423.85	578.54	108.57	0.48	686.63	737.22	664.17	700.50
Corresponding previous period	960.59	183.78	3.50	1,140.87	393.03	86.87	3.20	476.70	664.17		
Previous year	960.59	323.60	5.15	1,279.04	393.03	190.34	4.83	578.54	700.50		

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

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

in Rs. crore

Schedules to the Consolidated Balance Sheet as at	September 30, 2003	September 30, 2002	March 31, 2003
5. 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
Non-trade (unquoted), at the lower of cost and fair value, current investments	449.81	-	-
	464.74	20.95	20.95
Aggregate of unquoted investments - carrying value / cost	464.74	20.95	20.95
6. 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
	33.87	33.58	36.81
7. SUNDRY DEBTORS			
Debts outstanding for a period exceeding six months			
Unsecured			
considered doubtful*	14.16	8.54	14.09
Other debts			
Unsecured			
considered good	592.59	459.73	518.65
considered doubtful	4.79	5.98	0.22
	611.54	474.25	532.96
Less: Provision for doubtful debts	18.95	14.52	14.31
	592.59	459.73	518.65
* includes dues from companies where directors are interested	-	-	0.03
8 CASH AND BANK BALANCES			
Cash on hand	0.07	0.04	0.01
Balances with scheduled banks			
In current accounts *	95.08	34.91	55.96
In deposit accounts in Indian rupees	1,145.04	843.50	1,134.58
Balances with non-scheduled banks			
In current accounts	136.58	125.66	155.99
In deposit accounts in foreign currency	10.49	-	-
	1,387.26	1,004.11	1,346.54
*includes balance in unclaimed dividend account	1.78	1.53	1.60
*in escrow account	0.81	4.88	-

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

in Rs. crore

Schedules to the Consolidated Balance Sheet as at September 30, 2003 September 30, 2002 March 31, 2003

9. LOANS AND ADVANCES**Unsecured, considered good**

Advances			
prepaid expenses	28.41	19.01	19.71
advances paid for supply of goods and rendering of services	2.02	1.90	1.77
Others	12.82	1.95	4.45
	<u>43.25</u>	<u>22.86</u>	<u>25.93</u>
Unbilled revenues	85.58	62.88	93.64
Advance income tax	349.14	341.30	290.44
Loans and advances to employees *			
housing and other loans	101.29	91.96	102.51
salary advances	26.79	27.97	33.93
Electricity and other deposits	12.91	6.44	13.37
Rental deposits	16.16	12.19	13.57
Deposits with financial institutions and body corporate	333.91	342.92	337.76
Deposits with government authorities	-	0.08	-
Other assets	4.72	3.60	2.31
	<u>930.50</u>	<u>889.34</u>	<u>887.53</u>
Unsecured, considered doubtful			
Loans and advances to employees	0.54	0.44	0.41
	<u>974.29</u>	<u>912.64</u>	<u>913.87</u>
Less: Provision for doubtful loans and advances to employees	0.54	0.44	0.41
	<u>973.75</u>	<u>912.20</u>	<u>913.46</u>

* includes dues by non-director officers of the company

Maximum amounts due by non-director officers at any time during the year

-	0.07	-
0.06	0.08	-

10. CURRENT LIABILITIES

Sundry creditors			
for capital goods	0.43	1.65	0.85
for goods	0.65	-	1.17
for accrued salaries and benefits			
salaries	12.71	5.13	15.82
bonus and incentives	128.74	74.08	77.13
leave provisions	29.42	23.92	27.47
for other liabilities			
provision for expenses	59.50	34.89	57.97
retention monies	5.97	6.03	5.33
withholding and other taxes payable	24.81	21.79	23.60
for purchase of intellectual property rights	20.27	27.21	24.80
others	6.91	1.88	5.86
	<u>289.41</u>	<u>196.58</u>	<u>240.00</u>
Advances received from clients	13.92	17.13	15.25
Unearned revenue	71.19	52.34	62.75
Unclaimed dividend	1.78	1.53	1.60
	<u>376.30</u>	<u>267.58</u>	<u>319.60</u>

11. PROVISIONS

Dividends	96.09	82.76	96.05
Provision for			
Tax on dividends	12.31	-	12.30
Income taxes	382.06	336.43	274.81
Post-sales client support	4.67	10.70	4.82
Gratuity and retirement benefits	0.57	0.03	0.23
	<u>495.70</u>	<u>429.92</u>	<u>388.21</u>

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

Schedules to the Consolidated Profit and Loss Account for the	<i>in Rs. crore</i>				
	Quarter ended		Half year ended		Year ended
	September 30, 2003	September 30, 2002	September 30, 2003	September 30, 2002	March 31, 2003
SOFTWARE DEVELOPMENT AND BUSINESS PROCESS					
12. MANAGEMENT EXPENSES					
Salaries and bonus including overseas staff expenses	486.34	343.42	943.83	641.14	1,436.82
Staff welfare	2.93	1.62	6.14	3.31	8.03
Contribution to provident and other funds	13.34	6.82	24.28	13.30	32.52
Overseas travel expenses	43.54	41.72	86.75	78.95	166.10
Travel and conveyance	0.51	-	0.87	-	0.51
Consumables	2.05	1.36	3.79	2.52	6.30
Cost of software packages					
for own use	21.47	11.30	35.07	21.12	55.16
for service delivery to clients	2.48	0.74	12.34	7.63	13.10
Rent	1.47	-	1.47	0.02	-
Computer maintenance	3.22	2.52	5.58	4.38	9.33
Communication expenses	9.98	5.32	19.48	12.49	25.13
Provision for post-sales client support	(0.32)	(2.27)	(0.15)	(0.30)	(6.18)
Consultancy charges	8.27	12.95	35.42	18.68	76.14
	595.28	425.50	1,174.87	803.24	1,822.96
13. SELLING AND MARKETING EXPENSES					
Salaries and bonus including overseas staff expenses	50.81	33.69	101.95	63.91	145.32
Staff welfare	0.17	0.18	0.25	0.31	0.63
Contribution to provident and other funds	0.81	0.15	1.24	0.24	1.34
Overseas travel expenses	9.92	9.90	19.22	18.60	45.48
Consumables	0.03	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	0.29	0.30	0.62	0.45	1.20
Rent	3.95	1.20	6.90	2.11	4.79
Telephone charges	1.20	1.46	2.29	2.52	5.39
Professional charges	0.78	2.97	2.78	5.24	10.79
Printing and stationery	0.25	0.40	0.52	0.77	1.44
Advertisements	0.12	0.24	0.24	0.40	1.05
Brand building	9.41	9.37	15.15	17.36	29.33
Office maintenance	0.07	0.35	0.11	0.48	2.74
Repairs to plant & 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	4.90	2.91	6.41	10.78
Marketing expenses	1.83	2.20	2.69	3.31	6.77
Sales promotion expenses	0.09	0.05	0.20	0.20	0.46
Other miscellaneous expenses	2.29	2.42	7.05	2.47	2.49
	82.69	70.26	164.34	125.53	271.73

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

Schedules to the Consolidated Profit and Loss Account for the	Quarter ended				Year ended
	September 30,		September 30,		March 31,
	2003	2002	2003	2002	2003
<i>in Rs. crore</i>					
14. GENERAL AND ADMINISTRATION EXPENSES					
Salaries and bonus including overseas staff expenses	18.57	14.45	36.32	26.84	57.98
Staff welfare	0.03	-	0.04	-	0.01
Contribution to provident and other funds	1.26	0.76	2.47	1.55	3.61
Foreign travel expenses	2.28	2.15	3.99	3.95	7.78
Traveling and conveyance	5.19	3.87	9.51	6.85	16.99
Cost of software for own use	0.42	0.05	0.42	0.05	0.64
Rent	3.66	5.31	10.77	10.42	24.51
Telephone charges	7.63	5.40	14.96	9.05	21.41
Legal and professional charges	10.05	8.20	16.72	14.80	38.67
Printing and stationery	1.10	1.04	3.47	2.70	4.80
Advertisements	0.36	1.02	1.36	1.67	5.15
Office maintenance	6.43	4.01	12.72	7.96	20.24
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	7.55	5.40	14.97	11.10	22.77
Recruitment and training	0.09	0.03	0.13	0.05	0.41
Insurance charges	6.26	2.53	11.53	4.51	10.01
Rates and taxes	1.01	1.21	2.21	2.75	5.62
Donations	3.51	1.37	7.02	3.04	6.09
Auditor's remuneration					
audit fees	0.10	0.08	0.18	0.15	0.29
certification charges	-	-	-	-	0.03
out-of-pocket expenses	0.01	-	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	0.19	0.16	0.40	0.32	0.67
Commission to non-whole time directors	0.39	0.24	0.78	0.48	1.12
Postage and courier	0.71	0.72	1.95	1.97	3.99
Books and periodicals	0.35	0.40	0.58	0.64	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	0.66	0.83	1.36	1.65	3.57
Foreign currency translation differences	-	-	-	0.01	-
Transaction processing fee and filing fees	-	1.45	-	2.70	-
Preliminary expenses on incorporation of subsidiary	-	-	-	0.01	-
Miscellaneous expenses	0.44	0.36	0.86	0.53	4.61
	92.37	63.38	175.35	121.27	275.67
15. OTHER INCOME					
Interest received on deposits with banks and others*	20.36	19.79	43.67	37.50	80.67
Dividend received on investment in mutual funds	3.55	-	3.55	-	-
Exchange differences	19.00	(1.64)	26.56	4.86	17.61
Miscellaneous income	0.25	0.06	1.32	0.65	1.98
	43.16	18.21	75.10	43.01	100.26
*Tax deducted at source	4.30	3.36	8.57	6.58	15.14
16. PROVISION FOR TAXATION					
Current Period					
Income taxes	55.53	53.74	108.14	96.86	213.59
Deferred taxes	4.47	(8.74)	2.94	(9.36)	(12.59)
	60.00	45.00	111.08	87.50	201.00
Prior Years	-	-	0.92	-	-
	60.00	45.00	112.00	87.50	201.00

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARY

INFOSYS TECHNOLOGIES LIMITED

In Rs. crore

Schedules to the Statement of Cash flows for the	Quarter ended		Half Year ended		Year ended
	September 30, 2003	September 30, 2002	September 30, 2003	September 30, 2002	March 31, 2003
17. CHANGE IN LOANS AND ADVANCES					
As per the Balance Sheet	973.75	912.20	973.75	912.20	913.46
Less: Deposits with financial institutions and body corporate, included in cash and cash equivalents	(333.91)	(342.92)	(333.91)	(342.92)	(337.76)
Advance income taxes separately considered	(349.14)	(341.30)	(349.14)	(341.30)	(290.44)
	290.70	227.98	290.70	227.98	285.26
Less: Opening balance considered	(294.73)	(204.02)	(285.26)	(152.88)	(152.88)
	(4.03)	23.96	5.44	75.10	132.38
18. CHANGE IN CURRENT LIABILITIES AND PROVISIONS					
As per the Balance Sheet	872.00	697.50	872.00	697.50	707.81
Add/(Less)Provisions separately considered in the cash flow Statement:					
Income taxes	(382.06)	(336.43)	(382.06)	(336.43)	(274.81)
Dividends	(96.09)	(82.76)	(96.09)	(82.76)	(96.05)
Dividend tax	(12.31)	-	(12.31)	-	(12.30)
	381.54	278.31	381.54	278.31	324.65
Less: Non cash transactions – (Also refer note 23.2.20 C)	-	-	-	(24.50)	(24.50)
Less: Opening balance considered	(362.55)	(227.51)	(324.65)	(137.11)	(137.11)
	18.99	50.80	56.89	116.70	163.04
19. INCOME TAXES PAID					
Charge as per the Profit and Loss Account	60.00	45.00	112.00	87.50	201.00
Add: Increase in advance income taxes	49.33	79.09	58.70	105.05	54.19
(Increase)/Decrease in deferred taxes	(4.47)	8.74	(2.94)	9.36	12.59
Less: (Increase)/Decrease in income tax provision	(55.53)	(53.74)	(107.25)	(96.86)	(35.24)
	49.33	79.09	60.51	105.05	232.54
20. PURCHASES OF FIXED ASSETS AND CHANGE IN CAPITAL WORK-IN-PROGRESS					
As per the Balance Sheet	52.45	43.54	145.52	183.77	323.60
Less: Opening Capital work-in-progress	(45.45)	(89.14)	(77.39)	(150.67)	(150.67)
Less: Non cash transactions – (also refer note 23.2.20. C)	-	-	-	(24.50)	(24.50)
Add: Closing Capital work-in-progress	65.63	92.59	65.63	92.59	77.39
	72.63	46.99	133.76	101.19	225.82
21. INVESTMENTS IN SECURITIES					
As per the Balance Sheet	464.74	20.95	464.74	20.95	20.95
Add: Provisions on investments	0.22	23.76	6.59	23.76	23.77
	464.96	44.71	471.33	44.71	44.72
Less: Opening balance considered	(115.13)	(44.71)	(20.95)	(44.44)	(44.45)
	349.83	-	450.38	0.27	0.27
22. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR					
As per the Balance Sheet	1,387.26	1,004.11	1,387.26	1,004.11	1,346.54
Add: Deposits with financial institutions and body corporate, included herein	333.91	342.92	333.91	342.92	337.76
	1,721.17	1,347.03	1,721.17	1,347.03	1,684.30