

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES

in Rs. crore

Consolidated Balance Sheet as at	Schedule	June 30, 2005	June 30, 2004	March 31, 2005
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share capital	1	135.71	33.43	135.29
Reserves and surplus	2	<u>5,770.84</u>	<u>3,685.95</u>	<u>5,089.82</u>
		5,906.55	3,719.38	5,225.11
MINORITY INTEREST		43.66	-	0.14
PREFERENCE SHARES ISSUED BY SUBSIDIARY*	3	<u>-</u>	<u>93.51</u>	<u>93.51</u>
		<u>5,950.21</u>	<u>3,812.89</u>	<u>5,318.76</u>
APPLICATION OF FUNDS				
FIXED ASSETS				
Original cost	4	2,498.70	1,710.53	2,287.31
Less: Depreciation and amortization		<u>1,108.82</u>	<u>861.59</u>	<u>1,030.83</u>
Net book value		1,389.88	848.94	1,256.48
Add: Capital work-in-progress		<u>356.61</u>	<u>284.85</u>	<u>317.67</u>
		1,746.49	1,133.79	1,574.15
INVESTMENTS	5	1,335.76	853.98	1,210.78
DEFERRED TAX ASSETS	6	47.96	44.20	44.37
CURRENT ASSETS, LOANS AND ADVANCES				
Sundry debtors	7	1,235.65	836.63	1,322.00
Cash and bank balances	8	1,718.44	1,077.38	1,575.58
Loans and advances	9	<u>1,108.18</u>	<u>761.07</u>	<u>1,024.44</u>
		4,062.27	2,675.08	3,922.02
LESS: CURRENT LIABILITIES AND PROVISIONS				
Current liabilities	10	611.66	518.08	656.02
Provisions	11	<u>630.61</u>	<u>376.08</u>	<u>776.54</u>
NET CURRENT ASSETS		2,820.00	1,780.92	2,489.46
		<u>5,950.21</u>	<u>3,812.89</u>	<u>5,318.76</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS				
	23			

* refer to note 23.2.16

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

As per our report attached

for BSR & Co.
Chartered Accountants

Subramanian Suresh
Partner
Membership No. 83673

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

Omkar Goswami
Director

Rama Bijapurkar
Director

Claude Smadja
Director

Sridar A. Iyengar
Director

David L. Boyles
Director

K. Dinesh
Director

S. D. Shibulal
Director

Bangalore
July 12, 2005

T. V. Mohandas Pai
Director and
Chief Financial Officer

Srinath Batni
Director

V. Balakrishnan
Company Secretary and
Senior Vice President – Finance

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES

in Rs. crore, except per share data

Consolidated Profit and Loss Account for the	Schedule	Quarter ended		Year ended
		June 30, 2005	June 30, 2004	March 31, 2005
Income from software services, products and business process management		2,071.59	1,517.38	7,129.65
Software development and business process management expenses	12	1,104.44	805.22	3,764.66
GROSS PROFIT		967.15	712.16	3,364.99
Selling and marketing expenses	13	141.46	105.21	461.00
General and administration expenses	14	161.88	117.68	568.98
		303.34	222.89	1,029.98
OPERATING PROFIT BEFORE INTEREST, DEPRECIATION, AMORTIZATION, MINORITY INTEREST AND EXCEPTIONAL ITEM		663.81	489.27	2,335.01
Interest		-	-	-
Depreciation and amortization		80.10	52.53	286.92
OPERATING PROFIT AFTER INTEREST, DEPRECIATION, AMORTIZATION AND BEFORE MINORITY INTEREST AND EXCEPTIONAL ITEM		583.71	436.74	2,048.09
Other income	15	28.58	15.70	123.90
Provision for investments		0.06	(0.01)	(0.10)
NET PROFIT BEFORE TAX, MINORITY INTEREST AND EXCEPTIONAL ITEM		612.23	452.45	2,172.09
Provision for taxation on the above	16	80.16	64.11	325.58
NET PROFIT AFTER TAX AND BEFORE MINORITY INTEREST AND EXCEPTIONAL ITEM		532.07	388.34	1,846.51
Exceptional item - income from sale of investment in yantra corporation (net of taxes)		-	-	45.19
NET PROFIT AFTER TAX AND EXCEPTIONAL ITEM AND BEFORE MINORITY INTEREST		532.07	388.34	1,891.70
Minority interest		0.15	-	0.03
NET PROFIT AFTER TAX, EXCEPTIONAL ITEM AND MINORITY INTEREST		531.92	388.34	1,891.67
Balance Brought Forward		1,415.35	70.67	70.67
Less: Residual dividend paid		0.25	2.32	2.31
Additional dividend tax		0.03	0.30	2.27
		1,415.07	68.05	66.09
AMOUNT AVAILABLE FOR APPROPRIATION		1,946.99	456.39	1,957.76
Dividend		-	-	133.93
Interim		-	-	175.87
Final		-	-	309.80
Total dividend		-	-	42.17
Dividend tax		-	-	190.44
Amount transferred to general reserve		-	-	1,415.35
Balance in profit and loss account		1,946.99	456.39	1,957.76
EARNINGS PER SHARE *				
Equity shares of par value Rs. 5/- each				
Before Exceptional Items				
Basic		19.63	14.54	68.79
Diluted		19.08	14.29	67.00
After Exceptional Items				
Basic		19.63	14.54	70.48
Diluted		19.08	14.29	68.64
Number of shares used in computing earnings per share				
Basic		27,09,95,442	26,71,36,028	26,84,20,167
Diluted		27,88,25,223	27,18,51,267	27,55,83,543

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

23

* refer to note 23.2.18

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

As per our report attached

for BSR & Co.

Chartered Accountants

Subramanian Suresh Partner Membership No. 83673	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	Omkar Goswami Director	Rama Bijapurkar Director	Claude Smadja Director
	Sridar A. Iyengar Director	David L. Boyles Director	K. Dinesh Director	S. D. Shibulal Director
Bangalore July 12, 2005	T. V. Mohandas Pai Director and Chief Financial Officer	Srinath Batni Director	V. Balakrishnan Company Secretary and Senior Vice President – Finance	

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES

in Rs. crore

Consolidated Cash Flow Statement for the	Schedule	Quarter ended		Year ended
		June 30, 2005	June 30, 2004	March 31, 2005
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit before tax and Exceptional Item		612.23	452.45	2,172.09
Adjustments to reconcile net profit before tax to cash provided by operating activities				
(Profit)/ loss on sale of fixed assets		(0.05)	(0.07)	0.57
Depreciation and amortization		80.10	52.53	286.92
Interest and dividend income		(38.91)	(29.36)	(114.12)
Provisions for investments		0.06	(0.01)	(0.10)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(4.59)	(12.99)	(4.37)
Changes in current assets and liabilities				
Sundry debtors		86.35	(185.18)	(670.55)
Loans and advances	17	(73.63)	(34.62)	(103.98)
Current liabilities and provisions	18	(45.97)	(56.43)	98.74
Income taxes paid during the period / year	19	(38.07)	(12.05)	(293.86)
NET CASH GENERATED BY OPERATING ACTIVITIES		577.52	174.27	1,371.34
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of fixed assets and change in capital work-in-progress	20	(252.49)	(154.46)	(830.74)
Proceeds on disposal of fixed assets		0.10	0.07	0.96
Investments in securities	21	(125.04)	91.48	(265.23)
Interest and dividend income		38.91	29.36	114.12
Cash Flow Before Exceptional Items		(338.52)	(33.55)	(980.89)
Exceptional Item - Income from sale of investment in Yantra Corporation		-	-	49.48
Less: Tax on the above		-	-	4.29
Net income from sale of investment in Yantra Corporation		-	-	45.19
NET CASH USED IN INVESTING ACTIVITIES		(338.52)	(33.55)	(935.70)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from the issue of preference share capital		-	(0.06)	(0.05)
Proceeds from issuance of share capital on exercise of stock options		99.76	83.93	440.85
Dividends paid during the period / year, including dividend ta		(200.82)	(867.18)	(1,020.57)
NET CASH USED IN FINANCING ACTIVITIES		(101.06)	(783.31)	(579.77)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		4.49	13.31	4.04
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		142.43	(629.28)	(140.09)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD / YEAR		1,789.27	1,929.36	1,929.36
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD / YEAR	22	1,931.70	1,300.08	1,789.27
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	23			

The schedules referred to above form an integral part of the consolidated cash flow statement.

As per our report attached

for BSR & Co.
Chartered Accountants

Subramanian Suresh
Partner
Membership No. 83673

N. R. Narayana Murthy
Chairman
and Chief Mentor

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Bangalore
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Company Secretary and
Senior Vice President – Finance

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES

in Rs. crore

Schedules to the Consolidated Balance Sheet as at June 30, 2005 June 30, 2004 March 31, 2005

1 SHARE CAPITAL

Authorized

Equity shares, Rs. 5/- par value

30,00,00,000 (30,00,00,000, 30,00,00,000) equity shares

150.00

150.00

150.00

Issued, Subscribed and Paid Up

Equity shares, Rs. 5/- par value*

27,14,22,867 (6,68,68,034; 27,05,70,549) equity shares fully paid up

135.71

33.43

135.29

[Of the above, 25,84,92,302 (5,78,88,200; 25,84,92,302) equity shares fully paid up have been issued as bonus shares by capitalization of the general reserve]

135.71

33.43

135.29

Forfeited shares amounted to Rs. 1,500/- (Rs. 1,500/- ; Rs 1,500/-)

* For details of options in respect of equity shares, refer to note 23.2.7

* Refer to note 23.2.18 for details of basic and diluted shares

2 RESERVES AND SURPLUS

Capital reserve

5.94

5.94

5.94

Capital reserve on consolidation

50.24

-

0.10

Share premium account - As at April 1,

899.87

460.90

460.90

Add: Receipts on exercise of stock options issued to employees

99.34

83.82

438.97

999.21

544.72

899.87

Foreign currency translation adjustment

(1.28)

(0.70)

(1.18)

General reserve - As at April 1,

2,769.74

2,679.60

2,679.60

Less: Capitalized for issue of bonus shares

-

-

100.30

Add: Transfer from the profit and loss account

-

-

190.44

2,769.74

2,679.60

2,769.74

Balance in profit and loss account

1,946.99

456.39

1,415.35

5,770.84

3,685.95

5,089.82

3 PREFERENCE SHARES ISSUED BY SUBSIDIARY

Authorized

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

87,50,000 (87,50,000, 87,50,000) preference shares

87.50

87.50

87.50

Issued, Subscribed and Paid Up

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

Nil (87,50,000, 87,50,000) preference shares fully paid up*

-

87.50

87.50

Premium received on issue of preference shares

-

6.01

6.01

-

93.51

93.51

* Refer to note 23.2.16

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES

Schedules to the Consolidated Balance Sheet

4 FIXED ASSETS

in Rs. crore

Particulars	Original cost			Depreciation and amortization				Net book value		As at March 31, 2005	
	As at April 1, 2005	Additions	Deletions/ Retirement	As at June 30, 2005	As at April 1, 2005	For the period	Deletions/ Retirement	As at June 30, 2005	As at June 30, 2005		As at June 30, 2004
Goodwill	40.52	-	-	40.52	-	-	-	-	40.52	40.52	40.52
Land: free-hold	29.64	-	-	29.64	-	-	-	-	29.64	20.05	29.64
leasehold	89.69	4.37	-	94.06	-	-	-	-	94.06	86.15	89.69
Buildings	731.48	85.53	-	817.01	118.43	12.83	-	131.26	685.75	381.04	613.05
Plant and machinery	395.44	48.54	0.08	443.90	217.29	17.14	0.06	234.37	209.53	112.67	178.17
Computer equipment	610.33	49.15	1.70	657.78	446.22	36.07	1.68	480.61	177.17	102.35	164.11
Furniture and fixtures	341.27	25.78	0.38	366.67	205.19	13.61	0.38	218.42	148.25	103.66	136.08
Leasehold improvements	6.11	0.01	-	6.12	1.29	0.42	-	1.71	4.41	2.29	4.82
Vehicles	0.69	0.17	-	0.86	0.28	0.03	-	0.31	0.55	0.21	0.41
Intangible assets											
Intellectual property rights	42.14	-	-	42.14	42.14	-	-	42.14	-	-	-
	2,287.31	213.55	2.16	2,498.70	1,030.84	80.10	2.12	1,108.82	1,389.88	848.94	1,256.48
Previous Period	1,633.65	77.66	0.78	1,710.53	809.84	52.53	0.78	861.59			
Previous year	1,633.65	728.14	74.48	2,287.31	809.84	286.91	65.92	1,030.83			

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 SUBSIDIARIES

in Rs. crore

Schedules to the Consolidated Balance Sheet as at June 30, 2005 June 30, 2004 March 31, 2005

5 INVESTMENTS

Trade (unquoted) – at cost

Long- term investments	16.10	30.01	16.10
Less: Provision for investments	<u>14.06</u>	<u>27.97</u>	<u>14.06</u>
	2.04	2.04	2.04

Non-trade (unquoted), current investments, at the lower of cost and fair value

Liquid mutual funds	<u>1,333.72</u>	<u>851.94</u>	<u>1,208.74</u>
	<u>1,335.76</u>	<u>853.98</u>	<u>1,210.78</u>
Aggregate amount of unquoted investments	1,335.76	853.98	1,210.78

6 DEFERRED TAX ASSETS

Fixed assets	37.24	30.92	32.95
Investments	-	2.90	-
Sundry debtors	2.05	2.78	2.88
Leave provisions and others	<u>8.67</u>	<u>7.60</u>	<u>8.54</u>
	<u>47.96</u>	<u>44.20</u>	<u>44.37</u>

7 SUNDRY DEBTORS

Debts outstanding for a period exceeding six months

Unsecured			
considered good	-	-	-
considered doubtful	12.44	8.80	10.66

Other debts

Unsecured			
considered good*	1,235.65	836.63	1,322.00
considered doubtful	<u>4.51</u>	<u>7.84</u>	<u>8.24</u>
	1,252.60	853.27	1,340.90

Less: Provision for doubtful debts

	<u>16.95</u>	<u>16.64</u>	<u>18.90</u>
	<u>1,235.65</u>	<u>836.63</u>	<u>1,322.00</u>

* Includes dues from companies where directors are interested

8 CASH AND BANK BALANCES

Cash on hand	0.04	0.05	0.02
Balances with scheduled banks			
In current accounts *	110.00	54.39	82.76
In deposit accounts in Indian Rupees	1,421.52	733.43	1,250.35
Balances with non-scheduled banks			
In deposit accounts in foreign currency	-	16.18	25.48
In current accounts in foreign currency	<u>186.88</u>	<u>273.33</u>	<u>216.97</u>
	<u>1,718.44</u>	<u>1,077.38</u>	<u>1,575.58</u>
*includes balance in unclaimed dividend account	3.96	6.72	3.33

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES

in Rs. crore

Schedules to the Consolidated Balance Sheet as at June 30, 2005 June 30, 2004 March 31, 2005

9 LOANS AND ADVANCES

Unsecured, considered good			
Advances			
prepaid expenses	29.38	32.09	35.86
for supply of goods and rendering of services	5.46	7.90	2.47
advance to gratuity trust	22.68	-	-
others	8.84	12.21	15.66
	<u>66.36</u>	<u>52.20</u>	<u>53.99</u>
Unbilled revenues	154.57	136.77	141.49
Advance income tax	414.38	200.82	403.84
Loans and advances to employees *			
housing and other loans	53.48	74.42	57.84
salary advances	44.39	41.05	43.34
Electricity and other deposits	24.32	14.72	16.63
Rental deposits	15.83	15.50	15.36
Deposits with financial institutions (refer note 23.2.9)	317.97	222.70	280.08
Deposits with government authorities	-	0.01	0.05
Mark to Market forward contract - asset	3.06	-	11.30
Other assets	13.82	2.88	0.52
	<u>1,108.18</u>	<u>761.07</u>	<u>1,024.44</u>
Unsecured, considered doubtful			
Loans and advances to employees	0.27	0.11	0.23
	<u>1,108.45</u>	<u>761.18</u>	<u>1,024.67</u>
Less: Provision for doubtful loans and advances to employees	0.27	0.11	0.23
	<u>1,108.18</u>	<u>761.07</u>	<u>1,024.44</u>
* includes dues by non-director officers of the company	-	-	-
Maximum amounts due by non-director officers at any time during the period/ year	-	-	-

10 CURRENT LIABILITIES

Sundry creditors			
for capital goods	3.93	3.93	0.76
for goods and services	2.33	0.12	3.82
for accrued salaries and benefits			
salaries	15.83	13.63	14.57
bonus and incentives	94.92	102.74	199.54
unavailed leave	71.38	49.17	76.78
for other liabilities			
accrual for expenses	160.27	69.74	140.73
retention monies	12.69	9.59	13.66
withholding and other taxes payable	71.67	51.49	60.55
for purchase of intellectual property rights	19.26	20.36	19.31
others	5.82	10.94	5.64
	<u>458.10</u>	<u>331.71</u>	<u>535.36</u>
Advances received from clients	24.64	48.61	28.64
Unearned revenue	124.74	96.73	88.69
Unclaimed dividend	3.96	6.72	3.33
Loss on forward exchange contracts	0.22	34.31	-
	<u>611.66</u>	<u>518.08</u>	<u>656.02</u>

11 PROVISIONS

Proposed dividend	-	-	175.87
Provision for			
tax on dividend	-	-	24.67
income taxes	602.65	363.74	546.43
post-sales client support and warranties	27.96	12.34	29.57
	<u>630.61</u>	<u>376.08</u>	<u>776.54</u>

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES

in Rs. crore

Schedules to Consolidated Profit and Loss Account for the	Quarter ended		Year ended
	June 30, 2005	June 30, 2004	March 31, 2005

12 SOFTWARE DEVELOPMENT AND BUSINESS PROCESS MANAGEMENT EXPENSES

Salaries and bonus including overseas staff expenses	880.16	652.25	3,025.52
Contribution to provident and other funds	20.38	16.32	81.48
Staff welfare	6.37	3.61	22.08
Overseas travel expenses	81.12	63.53	252.41
Traveling and conveyance	-	1.35	9.21
Technical sub-contractors	36.57	14.27	108.71
Software packages			
for own use	33.52	22.02	115.95
for service delivery to clients	10.74	3.53	15.45
Communication expenses	15.64	12.71	55.45
Rent	5.77	1.68	11.84
Computer maintenance	4.23	3.07	15.63
Consumables	3.81	3.34	15.47
Provision for post-sales client support and warranties	1.22	7.22	31.10
Other miscellaneous expenses	4.91	0.32	4.36
	<u>1,104.44</u>	<u>805.22</u>	<u>3,764.66</u>

13 SELLING AND MARKETING EXPENSES

Salaries and bonus including overseas staff expenses	85.84	65.60	276.73
Contribution to provident and other funds	0.14	0.39	1.71
Staff welfare	0.11	0.18	0.57
Overseas travel expenses	19.12	13.55	55.78
Traveling and conveyance	0.77	1.38	10.68
Brand building	10.02	5.77	35.18
Commission and earnout charges	9.99	4.17	24.67
Professional charges	4.75	3.14	18.38
Rent	3.84	3.09	10.88
Marketing expenses	2.83	3.89	11.05
Telephone charges	1.54	1.16	5.33
Printing and stationery	0.56	0.30	1.71
Advertisements	0.50	0.21	1.95
Sales promotion expenses	0.27	0.25	1.28
Office maintenance	0.25	0.43	0.86
Insurance charges	0.11	0.09	0.51
Consumables	0.06	0.13	0.27
Software packages			
for own use	0.06	-	0.15
Computer maintenance	-	0.10	0.13
Rates and taxes	-	0.03	0.03
Miscellaneous expenses	0.70	1.35	3.15
	<u>141.46</u>	<u>105.21</u>	<u>461.00</u>

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES
in Rs. crore
Schedules to Consolidated Profit and Loss Account for the

	Quarter ended		Year ended
	June 30, 2005	June 30, 2004	March 31, 2005
14 GENERAL AND ADMINISTRATION EXPENSES			
Salaries and bonus including overseas staff expenses	39.84	25.92	122.32
Contribution to provident and other funds	1.96	1.73	7.84
Staff welfare	-	0.13	0.86
Telephone charges	17.05	10.20	52.47
Professional charges	16.73	12.58	67.71
Power and fuel	15.51	9.62	43.66
Office maintenance	14.77	8.36	44.65
Traveling and conveyance	14.20	8.83	41.45
Overseas travel expenses	7.02	2.09	12.01
Insurance charges	6.27	7.69	31.76
Printing and stationery	3.72	1.91	11.01
Rates and taxes	3.23	2.57	9.18
Donations	3.13	4.22	21.21
Rent	3.13	4.36	17.95
Advertisements	2.70	2.10	11.15
Professional membership and seminar participation fees	2.49	1.60	6.36
Repairs to building	2.36	1.32	13.54
Repairs to plant and machinery	1.76	1.57	7.69
Postage and courier	1.88	1.47	5.25
Books and periodicals	0.70	0.58	2.65
Recruitment and training	0.64	0.57	2.29
Provision for bad and doubtful debts	0.35	6.33	23.63
Provision for doubtful loans and advances	0.07	0.02	0.10
Commission to non-whole time directors	0.37	0.39	1.24
Auditor's remuneration			
statutory audit fees	0.25	0.20	0.88
certification charges	-	-	0.10
others	-	-	-
out-of-pocket expenses	0.01	0.01	0.02
Bank charges and commission	0.20	0.27	1.22
Freight charges	0.18	0.23	0.72
Research grants	0.09	0.10	0.84
Software packages			
for own use	-	0.42	1.47
Miscellaneous expenses	1.27	0.29	5.75
	161.88	117.68	568.98
15 OTHER INCOME			
Interest received on deposits with banks and others*	25.43	20.32	75.58
Dividend received on investment in liquid mutual funds (non-trade unquoted)	13.48	9.04	38.54
Miscellaneous income, net (refer to note 23.2.10)	(0.11)	0.26	1.65
Exchange differences	(10.22)	(13.92)	8.13
	28.58	15.70	123.90
*Tax deducted at source	4.91	4.32	16.73
16 PROVISION FOR TAXATION			
Current period/ year			
Income taxes	83.86	68.50	334.83
Deferred taxes	(3.76)	(4.39)	(9.25)
	80.10	64.11	325.58
Prior period/ years	0.06	-	-
	80.16	64.11	325.58

CONSOLIDATED FINANCIAL STATEMENTS OF INFOSYS TECHNOLOGIES LIMITED AND SUBSIDIARIES

in Rs. crore

Schedules to Consolidated Cashflow Statements for the

	Quarter ended		Year ended
	June 30, 2005	June 30, 2004	March 31, 2005
17 CHANGE IN LOANS AND ADVANCES			
As per the Balance Sheet	1,108.18	761.07	1,024.44
Less: Deposits with financial institutions, included in cash and cash equivalents (refer to note 23.2.20.c)	(213.26)	(222.70)	(213.69)
Advance income taxes separately considered	<u>(414.38)</u>	<u>(200.82)</u>	<u>(403.84)</u>
	480.54	337.55	406.91
Less: Opening balance considered	<u>(406.91)</u>	<u>(302.93)</u>	<u>(302.93)</u>
	<u>73.63</u>	<u>34.62</u>	<u>103.98</u>
18 CHANGE IN CURRENT LIABILITIES AND PROVISIONS			
As per the Balance Sheet	1,242.27	894.16	1,432.56
Add/ (Less): Provisions separately considered in the cash flow Statement			
Income taxes	(602.65)	(363.74)	(546.43)
Dividends	-	-	(175.87)
Dividend tax	<u>-</u>	<u>-</u>	<u>(24.67)</u>
	639.62	530.42	685.59
Less: Opening balance considered	<u>(685.59)</u>	<u>(586.85)</u>	<u>(586.85)</u>
	<u>(45.97)</u>	<u>(56.43)</u>	<u>98.74</u>
19 INCOME TAXES PAID			
Charge as per the Profit and Loss Account	80.16	64.11	325.58
Add: Increase in advance income taxes	10.54	(9.45)	193.57
Increase / (Decrease) in deferred taxes	3.59	4.39	4.40
Less: (Increase) / Decrease in income tax provision	<u>(56.22)</u>	<u>(47.00)</u>	<u>(229.69)</u>
	<u>38.07</u>	<u>12.05</u>	<u>293.86</u>
20 PURCHASE OF FIXED ASSETS AND CHANGE IN CAPITAL WORK-IN-PROGRESS			
As per the schedule 4 to Balance Sheet*	213.55	77.66	721.12
Less: Opening Capital work-in-progress	(317.67)	(208.05)	(208.05)
Add: Closing Capital work-in-progress	<u>356.61</u>	<u>284.85</u>	<u>317.67</u>
	<u>252.49</u>	<u>154.46</u>	<u>830.74</u>
* Excludes Rs. 7.02 towards movement of land from leasehold to freehold for the year ended March 31, 2005			
21 INVESTMENTS IN / (DISPOSAL OF) SECURITIES *			
As per the Balance Sheet	1,335.76	853.98	1,210.78
Add: Provisions on investments	<u>0.06</u>	<u>(0.01)</u>	<u>(0.10)</u>
	1,335.82	853.97	1,210.68
Less: Opening balance considered	<u>(1,210.78)</u>	<u>(945.45)</u>	<u>(945.45)</u>
	<u>125.04</u>	<u>(91.48)</u>	<u>265.23</u>
* refer to note 23.2.11 for details of investments and redemptions			
22 CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD / YEAR			
As per the Balance Sheet	1,718.44	1,077.38	1,575.58
Add: Deposits with financial institutions, included herein*	<u>213.26</u>	<u>222.70</u>	<u>213.69</u>
	<u>1,931.70</u>	<u>1,300.08</u>	<u>1,789.27</u>
* refer to note 23.2.20c			