			in Rs. crore
Balance Sheet as at	Schedule	December 31, 2006	March 31, 2006
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share capital	1	279	138
Reserves and surplus	2	9,363	6,759
		9,642	6,897
	:		
APPLICATION OF FUNDS			
FIXED ASSETS	3		
Original cost		3,651	2,837
Less: Accumulated depreciation		1,608	1,275
Net book value	•	2,043	1,562
Add: Capital work-in-progress		573	571_
		2,616	2,133
INVESTMENTS	4	2,793	876
DEFERRED TAX ASSETS	5	71	56
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry debtors	6	2,086	1,518
Cash and bank balances	7	1,668	3,279
Loans and advances	8	1,769	1,252
		5,523	6,049
LESS: CURRENT LIABILITIES AND PROVISIONS	_		
Current liabilities	9	1,045	808
Provisions	10	316	1,409
NET CURRENT ASSETS		4,162	3,832
	•	9,642	6,897
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	22		

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

As per our report attached

for BSR & Co. Chartered Accountants

Natrajan Ramkrishna <i>Partner</i> Membership No. 32815	N. R. Narayana Murthy Chairman and Chief Mentor	Nandan M. Nilekani Chief Executive Officer and Managing Director	S. Gopalakrishnan President, Chief Operating Officer and Joint Managing Director	Deepak M. Satwalekar Director
	Marti G. Subrahmanyam	Omkar Goswami	Rama Bijapurkar	Claude Smadja
	Director	Director	Director	Director
	Sridar A. lyengar	David L Boyles	Jeffrey Lehman	S. D. Shibulal
	Director	Director	Director	Director
	K. Dinesh	T. V. Mohandas Pai	Srinath Batni	V. Balakrishnan
	Director	Director	Director	Chief Financial Officer
Bangalore January 11, 2007	Parvatheesam K. Company Secretary			

Profit and Loss Account for the		Oua	rter ended		ept per share data nonths ended
Tolk and Loss Account for the	Schedule		cember 31,		cember 31.
		2006	2005	2006	2005
Income from software services and products		3,454	2.398	9.594	6.535
Software development expenses	11	1.888	1,276	5,299	3,508
GROSS PROFIT		1,566	1,122	4,295	3,027
Selling and marketing expenses	12	182	129	530	374
General and administration expenses	13	235	160	688	469
		417	289	1,218	843
OPERATING PROFIT BEFORE INTEREST AND DEPRECIATION		1,149	833	3,077	2,184
nterest		-	-	-	-
Depreciation		129	109	336	274
OPERATING PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		1,020	724	2,741	1,910
Other income, net	14	60	(2)	255	73
Provision for investments NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		1,080	722	2,993	1.983
Provision for taxation	15	1,000	80	2, 993 340	226
NET PROFIT AFTER TAX BEFORE EXCEPTIONAL ITEMS	15	958	642	2,653	1,757
income on sale of Investments, net of taxes (refer to note 22.2.22) NET PROFIT AFTER TAX AND EXCEPTIONAL ITEMS		958	642	2, 659	1,757
Balance Brought Forward		3,574	2,341	2,195	1,428
Less: Residual dividend paid		· -	-	4	-
Dividend tax on the above		3,574	2,341	2,190	1,428
AMOUNT AVAILABLE FOR APPROPRIATION		4,532	2,983	4,849	3,185
Dividend		4,532	2,903	4,049	3,105
Interim Final			-	278	177
Total dividend				278	177
Dividend tax		2	_	39	25
Amount transferred to general reserve		-	-	-	-
Balance in profit and loss account		4,532	2,983	4,532	2,983
		4,532	2,983	4,849	3,185
EARNINGS PER SHARE *					
Equity shares of par value Rs. 5/- each					
Before exceptional Items		47.00	44.70	47.00	00.07
Basic Diluted		17.20 16.82	11.72 11.39	47.82 46.70	32.27 31.35
After exceptional Items		10.02	11.39	40.70	31.33
Basic		17.20	11.72	47.93	32.27
Diluted		16.82	11.39	46.81	31.35
Number of shares used in computing earnings per share					
Basic		55,70,34,398	54,75,42,952	55,48,77,140	54,45,78,758
Diluted		56,97,17,084	56,32,09,906	56,81,73,059	56,04,86,992

* Refer to note 22.2.20

The schedules referred to above are an integral part of the profit and loss account

As per our report attached

for BSR & Co. Chartered Accountants

Natrajan Ramkrishna <i>Partner</i> Membership No. 32815	N. R. Narayana Murthy Chairman and Chief Mentor	Nandan M. Nilekani Chief Executive Officer and Managing Director	S. Gopalakrishnan President, Chief Operating Officer and Joint Managing Director	Deepak M. Satwalekar Director
	Marti G. Subrahmanyam	Omkar Goswami	Rama Bijapurkar	Claude Smadja
	Director	Director	Director	Director
	Sridar A. Iyengar	David L Boyles	Jeffrey Lehman	S. D. Shibulal
	Director	Director	Director	Director
	K. Dinesh	T. V. Mohandas Pai	Srinath Batni	V. Balakrishnan
	Director	Director	Director	Chief Financial Officer

Bangalore January 11, 2007 Parvatheesam K.
Company Secretary

CASH FLOWS FROM OPERATING ACTIVITIES All promotions for the control of company and the company of the control					
CASH FLOWS FROM OPERATING ACTIVITIES 1.90					
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NET (DECREASE) IN CREASE IN CASH AND CASH EQUIVALENTS (1,368) 3: CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD 21 23.779 1.68 24.411 1.98 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 22 The schedules referred to above are an integral part of the cash flow statement. As per our report attached or BSR & Co. Chartered Accountants N. R. Narayana Murthy Chairman and Chief Mentor Chief Executive Officer and Managing Director Membership No. 32815 Marti G. Subrahmanyam Director Marti G. Subrahmanyam Director Omkar Goswami Director Director N. R. Dinesh Director N. Director T. V. Mohandas Pai Director Director Director Director V. Balakrishnan Chief Financial Officer Chief Financial Officer Chief Financial Officer Chief Financial Officer Director N. Balakrishnan Director N. Balakrishnan Director V. Balakrishnan Chief Financial Officer Chief Financial Officer Chief Financial Officer Chief Financial Officer		radioadon of foreign currency cus		16	(
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21 2.411 1.95 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 22 The schedules referred to above are an integral part of the cash flow statement. As per our report attached or BSR & Co. Chartered Accountants Astrajan Ramkrishna Partner Chairman and Chief Mentor Chairman and Chief Mentor Chairman Director Marti G. Subrahmanyam Omkar Goswami Director Marti G. Subrahmanyam Director Sridar A. Iyengar Director K. Dinesh Director K. Dinesh Director T. V. Mohandas Pai Director Director Director Director Parvatheesam K.	,	-		()	
Significant accounting Policies and Notes on accounts The schedules referred to above are an integral part of the cash flow statement. As per our report attached or BSR & Co. Chartered Accountants N. R. Narayana Murthy Nandan M. Nilekani Chief Executive Officer and Managing Director N. R. Narayana Murthy Chairman Chief Executive Officer and Managing Director Marti G. Subrahmanyam Omkar Goswami Director Marti G. Subrahmanyam Omkar Goswami Director Sridar A. Iyengar David L Boyles Director N. Director Director N. Director Director Sridar A. Iyengar Director N. Director Director N. Director Director N. Director Director N. Director N. Balakrishnan Chief Financial Officer Director N. Balakrishnan Chief Financial Officer Chief Financial Officer Chief Financial Officer Director Parvatheesam K.	CASH AND CASH EQUIVALENT	S AT THE BEGINNING OF THE P	ERIOD	3,779	1,683
The schedules referred to above are an integral part of the cash flow statement. As per our report attached or BSR & Co. Chartered Accountants N. R. Narayana Murthy Nandan M. Nilekani S. Gopalakrishnan Deepak M. Satwalekar President, Chief Executive Officer and Managing Director Chief Operating Officer and Joint Managing Director Marti G. Subrahmanyam Omkar Goswami Rama Bijapurkar Claude Smadja Director Marti G. Subrahmanyam Director Director Director Sridar A. Iyengar David L Boyles Jeffrey Lehman S. D. Shibulal Director K. Dinesh T. V. Mohandas Pai Srinath Batni V. Balakrishnan Director Chief Financial Officer Director Bangalore Parvatheesam K.	CASH AND CASH EQUIVALEN	TS AT THE END OF THE PERIOD	21	2,411	1,990
The schedules referred to above are an integral part of the cash flow statement. As per our report attached or BSR & Co. Chartered Accountants N. R. Narayana Murthy Nandan M. Nilekani S. Gopalakrishnan Deepak M. Satwalekar President, Chief Executive Officer and Managing Director Chief Operating Officer and Joint Managing Director Marti G. Subrahmanyam Omkar Goswami Rama Bijapurkar Claude Smadja Director Marti G. Subrahmanyam Director Director Director Sridar A. Iyengar David L Boyles Jeffrey Lehman S. D. Shibulal Director K. Dinesh T. V. Mohandas Pai Srinath Batni Director Chief Financial Officer Director Bangalore Parvatheesam K.	SIGNIFICANT ACCOUNTING PO	DLICIES AND NOTES ON ACCOUN	NTS 22		
As per our report ettached or BSR & Co. chartered Accountants N. R. Narayana Murthy Chairman and Chief Mentor Nandan M. Nilekani Chief Executive Officer and Managing Director Chief Operating Officer and Joint Managing Director Marti G. Subrahmanyam Director Omkar Goswami Director Director Oriector Sridar A. Iyengar Director Sridar A. Iyengar Director Director Director N. R. Narayana Murthy Chairman And Managing Director Omkar Goswami Director Director Director Director Sridar A. Iyengar Director N. Director Director N. Director Director N. Director Director N. Director					
N. R. Narayana Murthy Chairman and Chief Mentor Marti G. Subrahmanyam Director Marti G. Subrahmanyam Director Sridar A. Iyengar Director Sridar A. Iyengar Director M. R. Narayana Murthy Chairman and Chief Mentor Marti G. Subrahmanyam Director	The schedules referred to above	are an integral part of the cash flow	statement.		
or BSR & Co. Chartered Accountants N. R. Narayana Murthy Chairman and Chief Executive Officer and Managing Director Marti G. Subrahmanyam Director Marti G. Subrahmanyam Director Marti G. Subrahmanyam Director Director Sridar A. Iyengar Director Director Director N. R. Narayana Murthy Chairman And Chief Executive Officer and Managing Director Marti G. Subrahmanyam Director Director Director Claude Smadja Director Claude Smadja Director Sridar A. Iyengar Director Director K. Dinesh Director T. V. Mohandas Pai Director Srinath Batni Director Chief Financial Officer Chief Financial Officer Bangalore Parvatheesam K.	As per our report attached				
Natrajan Ramkrishna Partner Chairman and Chief Mentor Marti G. Subrahmanyam Director Marti G. Subrahmanyam Director Sridar A. Iyengar Director Sridar A. Iyengar Director K. Dinesh Director Director Director Director Nandan M. Nilekani S. Gopalakrishnan President, Chief Operating Officer and Joint Managing Director Chief Operating Officer and Joint Managing Director Claude Smadja Director Claude Smadja Director Sridar A. Iyengar Director Director N. Director Srinath Batni Director Chief Financial Officer Bangalore Parvatheesam K.					
Partner Membership No. 32815 Chairman and Chief Mentor Chief Executive Officer and Managing Director Chief Operating Officer and Joint Managing Director Marti G. Subrahmanyam Director Omkar Goswami Director Director Director Claude Smadja Director Claude Smadja Director Sridar A. Iyengar Director Director Director T. V. Mohandas Pai Director Director Director Chief Financial Officer					
Partner Membership No. 32815 Chairman and Chief Mentor Chief Executive Officer and Managing Director Chief Operating Officer and Joint Managing Director Marti G. Subrahmanyam Director Omkar Goswami Director Director Director Director Claude Smadja Director Claude Smadja Director Sridar A. Iyengar Director Director Director T. V. Mohandas Pai Director Director Chief Financial Officer					
Partner Membership No. 32815 Chairman and Chief Mentor Chief Executive Officer and Managing Director Chief Operating Officer and Joint Managing Director Marti G. Subrahmanyam Director Omkar Goswami Director Director Director Director Claude Smadja Director Claude Smadja Director Sridar A. Iyengar Director Director Director T. V. Mohandas Pai Director Director Chief Financial Officer		=			
Membership No. 32815 and Chief Mentor and Managing Director Chief Operating Officer and Joint Managing Director Marti G. Subrahmanyam Omkar Goswami Rama Bijapurkar Director Director Sridar A. Iyengar David L Boyles Director Director Director K. Dinesh T. V. Mohandas Pai Director Director Director Chief Financial Officer Sangalore Parvatheesam K.					Deepak M. Satwalekar
Marti G. Subrahmanyam Director Marti G. Subrahmanyam Director Omkar Goswami Director Rama Bijapurkar Director Claude Smadja Director Sridar A. Iyengar Director David L Boyles Director Director S. D. Shibulal Director K. Dinesh Director T. V. Mohandas Pai Director Srinath Batni Director V. Balakrishnan Director Chief Financial Officer Bangalore Parvatheesam K.					Director
Marti G. Subrahmanyam Director Omkar Goswami Director Director Rama Bijapurkar Director Claude Smadja Director Sridar A. Iyengar Director Director Director Director X. Dinesh Director T. V. Mohandas Pai Director Director Director Srinath Batni Director V. Balakrishnan Director Chief Financial Officer Bangalore Parvatheesam K.	viembership No. 32815	and Chief Mentor	and Managing Director		
Director Director Director Director Director Director Director Sridar A. Iyengar Director Director Director Director Director Director Director K. Dinesh Director T. V. Mohandas Pai Director Director V. Balakrishnan Director Chief Financial Officer Bangalore Parvatheesam K.				Joint Wanaging Director	
Director Director Director Director Director Director Sridar A. Iyengar Director Director Director Director Director Director Director K. Dinesh Director T. V. Mohandas Pai Director Director Director V. Balakrishnan Director Chief Financial Officer Bangalore Parvatheesam K.					
Director Director Director Director Director Director Director Sridar A. Iyengar Director Director Director Director Director Director K. Dinesh Director T. V. Mohandas Pal Director Director Director V. Balakrishnan Director Chief Financial Officer Bangalore Parvatheesam K.					
Sridar A. Iyengar David L Boyles Jeffrey Lehman S. D. Shibulal Director Director Director K. Dinesh T. V. Mohandas Pai Srinath Batni V. Balakrishnan Director Director Chief Financial Officer		Marti G. Subrahmanyam	Omkar Goswami	Rama Bijapurkar	Claude Smadja
Director Director Director Director Director K. Dinesh T. V. Mohandas Pai Srinath Batni V. Balakrishnan Director Director Director Chief Financial Officer Bangalore Parvatheesam K.		Director	Director	Director	Director
Director Director Director Director Director K. Dinesh T. V. Mohandas Pai Srinath Batni V. Balakrishnan Director Director Director Chief Financial Officer angalore Parvatheesam K.					
Director Director Director Director Director K. Dinesh T. V. Mohandas Pai Srinath Batni V. Balakrishnan Director Director Director Chief Financial Officer Bangalore Parvatheesam K.					
Director Director Director Director Director K. Dinesh T. V. Mohandas Pai Srinath Batni V. Balakrishnan Director Director Director Chief Financial Officer Bangalore Parvatheesam K.		Sridar A. Ivangar	David I. Roylos	loffroy Lohman	S D Shibulal
K. Dinesh T. V. Mohandas Pai Srinath Batni V. Balakrishnan Director Director Director Chief Financial Officer Bangalore Parvatheesam K.					
Director Director Director Chief Financial Officer angalore Parvatheesam K.		Briector	Director	Director	Director
Director Director Director Chief Financial Officer Bangalore Parvatheesam K.					
Director Director Director Chief Financial Officer Bangalore Parvatheesam K.					
Bangalore Parvatheesam K.					
		Director	Director	Director	Chief Financial Officer
Innuary 11, 2007 Company Cogratory					
lanuary 11, 2007 Company Secretary		Parvatheesam K.			

edules to the Balance Sheet as at	December 31, 2006	March 31, 20
SHARE CAPITAL		
Authorized		
Equity shares, Rs. 5/- par value		
60,00,00,000 (30,00,00,000) equity shares	300_	15
ssued, Subscribed and Paid Up		
Equity shares, Rs. 5/- par value*	279	13
55,78,48,468 (27,55,54,980) equity shares fully paid up		
[Of the above, 53,53,35,478 (25,84,92,302) equity shares, fully paid up have		
been issued as bonus shares by capitalization of the general reserve]		
- -	279	13
Forfoited charge amounted to De 1 500 (De 1 500/)		
Forfeited shares amounted to Rs.1,500 (Rs. 1,500/-) For details of options in respect of equity shares, refer to note 22.2.11 Also refer to note 22.2.20 for details of basic and diluted shares		
For details of options in respect of equity shares, refer to note 22.2.11		
For details of options in respect of equity shares, refer to note 22.2.11 Also refer to note 22.2.20 for details of basic and diluted shares	6	
*For details of options in respect of equity shares, refer to note 22.2.11 *Also refer to note 22.2.20 for details of basic and diluted shares *RESERVES AND SURPLUS Capital reserve Share premium account - As at April 1,	6	90
*For details of options in respect of equity shares, refer to note 22.2.11 *Also refer to note 22.2.20 for details of basic and diluted shares *RESERVES AND SURPLUS Capital reserve Share premium account - As at April 1, Add: Receipts on exercise of employee stock options		9C 57
*For details of options in respect of equity shares, refer to note 22.2.11 *Also refer to note 22.2.20 for details of basic and diluted shares *RESERVES AND SURPLUS Capital reserve Share premium account - As at April 1,	1,543	57
*For details of options in respect of equity shares, refer to note 22.2.11 *Also refer to note 22.2.20 for details of basic and diluted shares *RESERVES AND SURPLUS Capital reserve Share premium account - As at April 1, Add: Receipts on exercise of employee stock options	1,543 418	57 7
**For details of options in respect of equity shares, refer to note 22.2.11 **Also refer to note 22.2.20 for details of basic and diluted shares **RESERVES AND SURPLUS Capital reserve Share premium account - As at April 1, Add: Receipts on exercise of employee stock options Income tax benefit arising from exercise of stock options General reserve - As at April 1,	1,543 418 - 1,961 3,015	
**Reserves and surplus Capital reserve Share premium account - As at April 1, Add: Receipts on exercise of employee stock options Income tax benefit arising from exercise of stock options General reserve - As at April 1, Less: Gratuity transitional liability (refer to note 22.2.23)	1,543 418 - 1,961	57 7 1,54
**Reserves and surplus Capital reserve Share premium account - As at April 1, Add: Receipts on exercise of employee stock options Income tax benefit arising from exercise of stock options General reserve - As at April 1, Less: Gratuity transitional liability (refer to note 22.2.23) Less: Capitalized on issue of bonus shares	1,543 418 - 1,961 3,015	57 7 1,54 2,77
**Reserves and surplus Capital reserve Share premium account - As at April 1, Add: Receipts on exercise of employee stock options Income tax benefit arising from exercise of stock options General reserve - As at April 1, Less: Gratuity transitional liability (refer to note 22.2.23)	1,543 418 - 1,961 3,015 13 138	57 7 1,52 2,77
**Reserves and surplus Capital reserve Share premium account - As at April 1, Add: Receipts on exercise of employee stock options Income tax benefit arising from exercise of stock options General reserve - As at April 1, Less: Gratuity transitional liability (refer to note 22.2.23) Less: Capitalized on issue of bonus shares	1,543 418 - 1,961 3,015 13	57 7 1,54 2,77
**Reserves and surplus Capital reserve Share premium account - As at April 1, Add: Receipts on exercise of employee stock options Income tax benefit arising from exercise of stock options General reserve - As at April 1, Less: Gratuity transitional liability (refer to note 22.2.23) Less: Capitalized on issue of bonus shares	1,543 418 - 1,961 3,015 13 138	57 7 1,52 2,77

Schedules to the Balance Sheet

3 FIXED ASSETS

		Origi	nal cost			Depreciation ar	nd amortization		Net boo	k value
	As at	Additions	Deductions/	As at	As at	For the	Deductions/	As at	As at	As at
	April 1,		Retirement	December 31,	April 1,	Period	Retirement	December 31,	December 31,	March 31,
	2006			2006	2006			2006	2006	2006
Land : free-hold *	34	4	_	38	_	_	_	-	38	34
leasehold	104	20	4	120	-	_	_	-	120	104
Buildings*	1,022	355	_	1,377	179	62	_	241	1,136	843
Plant and machinery*	559	147	_	706	305	77	1	381	325	254
Computer equipment*	700	198	2	896	516	148	2	662	234	184
Furniture and fixtures*	417	95	_	512	275	48	_	323	189	142
Vehicles	1	1	_	2	-	1	_	1	1	1
	2,837	820	6	3,651	1,275	336	3	1,608	2,043	1,562
Previous Period	2,183	657	15	2,825	1,006	274	15	1,265	1,560	
Previous year	2,183	799	145	2,837	1,006	409	140	1,275	1,562	

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

 $^{^{\}star}$ Includes certain assets provided on operating lease to Infosys BPO , a subsidiary. Please refer to note 22.2.6 for details * Please refer to note 22.2.

INFOSTS TECHNOLOGIES LIMITED	in Rs. crore		
Schedules to the Balance Sheet as at	December 31, 2006	March 31, 2006	
4 INVESTMENTS			
Trade (unquoted) – at cost			
Long- term investments			
In subsidiaries			
Infosys BPO Ltd, India			
3,32,49,993 (2,44,99,993) equity shares of Rs. 10/- each, fully paid	555	25	
Infosys Technologies (China) Co. Limited Infosys Technologies (Australia) Pty Limited	32	23	
1,01,08,869 (1,01,08,869) equity shares of A\$ 0.11 par value, fully paid	66	66	
Infosys Consulting, Inc., USA			
2,00,00,000 (1,70,00,000) common stock of US \$1.00 par value, fully paid	90	76	
	743	190	
In	44	40	
In other investments* Less: Provision for investments	11 11	16 14	
Less. I Tovision for investments	-	2	
Non-trade (unquoted), current investments, at the lower of cost and fair value			
Liquid mutual fund units *	2,050	684	
	2,793	876	
Aggregate amount of unquoted investments	2,793	876	
* Refer to note 22.2.16 for details of investments			
5 DEFERRED TAX ASSETS			
Fixed assets	68	54	
Sundry debtors	3	2	
	71	56	
6 SUNDRY DEBTORS*			
Debts outstanding for a period exceeding six months Unsecured			
considered doubtful	23	8	
Other debts			
Unsecured			
considered good** considered doubtful	2,086	1,518	
considered doubtidi	2,112	1,528	
Less: Provision for doubtful debts	26	10	
	2,086	1,518	
* Includes dues from companies where directors are interested	3	2	
** Includes dues from subsidiaries	5	-	
7 CASH AND BANK BALANCES			
Cash on hand Balances with scheduled banks in Indian Rupees	-	-	
In current accounts *	149	169	
In deposit accounts	1,216	2,735	
Balances with non-scheduled banks in foreign currency **		•	
In current accounts	303	375	
	1,668	3,279	
*Includes balance in unclaimed dividend account	3	3	
*Includes balance in unclaimed dividend account **Refer to note 22.2.13 for details of balances in non-scheduled banks	1,668		

		in Rs. crore
chedules to the Balance Sheet as at	December 31, 2006	March 31, 2006
8 LOANS AND ADVANCES		
Unsecured, considered good		
Loans to subsidiary (refer to note 22.2.7)	23	14
Advances	25	14
prepaid expenses	22	27
for supply of goods and rendering of services *	8	9
advance to gratuity trust	-	-
others	24	14
	77	64
Unbilled revenues	309	203
Advance income tax	309	267
Loans and advances to employees	000	207
	40	49
housing and other loans	56	61
salary advances		
Electricity and other deposits	19	16
Rental deposits	11	12
Deposits with financial institution and body corporate (refer to note 22.2.14)	864	580
Mark to Market on options/ forward contracts	84	
	1,769	1,252
Unsecured, considered doubtful		
Loans and advances to employees	1_	
	1,770	1,252
Less: Provision for doubtful loans and advances to employees	1	-
	1,769	1,252
* Includes advances to subsidiary company	2	6
9 CURRENT LIABILITIES		
Sundry creditors	18	
Sundry creditors goods and services	18	6
Sundry creditors goods and services accrued salaries and benefits		6
Sundry creditors goods and services accrued salaries and benefits salaries	28	6
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives	28 145	6 6 233
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave	28	6
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities	28 145 109	6 6 233 80
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses	28 145 109 264	6 6 233 80 166
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies	28 145 109 264 9	6 6 233 80 166 13
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable	28 145 109 264	6 6 233 80 166 13 82
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights	28 145 109 264 9	6 6 233 80 166 13 82 19
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts	28 145 109 264 9 130	6 233 80 166 13 82 19
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights	28 145 109 264 9 130 - - 3	6 233 80 166 13 82 19 2
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts	28 145 109 264 9 130	6 6 233 80 166 13 82
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts	28 145 109 264 9 130 - - 3	6 233 80 166 13 82 19 2
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others	28 145 109 264 9 130 - - 3 706	6 6 233 80 166 13 82 19 2 3
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients	28 145 109 264 9 130 - - 3 706 15 321	6 6 233 80 166 13 82 19 2 3 610 7 7 188
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients Unearned revenue	28 145 109 264 9 130 - - 3 706 15	6 6 233 80 166 13 82 19 2 2 3 610 7
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients Unearned revenue Unclaimed dividend	28 145 109 264 9 130 - - 3 706 15 321	6 6 233 80 166 13 82 19 2 3 610 7 7 188
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients Unearned revenue Unclaimed dividend	28 145 109 264 9 130 - - 3 706 15 321	6 233 80 166 13 82 19 2 3 610 7 188 3
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients Unearned revenue Unclaimed dividend	28 145 109 264 9 130 - - 3 706 15 321	6 233 80 166 13 82 19 2 3 610 7 188
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients Unearned revenue Unclaimed dividend PROVISIONS Proposed dividend Provision for	28 145 109 264 9 130 - - 3 706 15 321	6 233 80 166 13 82 19 2 3 610 7 188 3 808
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients Unearned revenue Unclaimed dividend Provision for tax on dividend	28 145 109 264 9 130 3 706 15 321 3 1,045	6 6 233 80 166 13 82 19 2 3 610 7 188 3 808
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients Unearned revenue Unclaimed dividend PROVISIONS Proposed dividend Provision for	28 145 109 264 9 130 - - 3 706 15 321	6 233 80 166 13 82 19 2 3 610 7 188 3 808
Sundry creditors goods and services accrued salaries and benefits salaries bonus and incentives unavailed leave for other liabilities provision for expenses retention monies withholding and other taxes payable for purchase of intellectual property rights Mark to market on options/ forward contracts others Advances received from clients Unearned revenue Unclaimed dividend Provision for tax on dividend	28 145 109 264 9 130 3 706 15 321 3 1,045	6 233 80 166 13 82 19 2 3 610 7 188 3 808

chedules to Profit and Loss Account for the	Quarter en	hah	Nine months er	in Rs. crore
chedules to Profit and Loss Account for the	December		December 3	
	2006	2005	2006	200
11 SOFTWARE DEVELOPMENT EXPENSES				
Salaries and bonus including overseas staff expenses	1,393	987	3,936	2,632
Overseas group health insurance	28	12	68	2,032
Contribution to provident and other funds	37	22	105	62
Staff welfare	11	9	29	20
Technical sub-contractors - subsidiaries	159	92	446	266
Technical sub-contractors - subsidiaries Technical sub-contractors - others	73	29	170	83
Overseas travel expenses	70 70	60	206	172
Visa charges and others	20	7	84	53
Software packages	20	,	04	55
for own use	57	34	140	98
for service delivery to clients	5	6	20	25
Communication expenses	14	10	40	35
Computer maintenance	6	7	16	14
Consumables	6	4	17	12
Rent	4	3	11	9
Provision for post-sales client support and warranties	5	(6)	11	(9
Provision for post-sales client support and warranties	1,888	1,276	5,299	3,508
2 SELLING AND MARKETING EXPENSES				
Salaries and bonus including overseas staff expenses	111	74	329	210
Overseas group health insurance	1	1	2	3
Contribution to provident and other funds	1	-	2	1
Staff welfare	1 24	- 14	2 69	1 42
Overseas travel expenses	24			
Visa charges and others	- 1	2 1	1 2	7 2
Traveling and conveyance	4	10	23	27
Commission and earnout charges	4 17	14	23 44	
Brand building	17 5	14 5	44 16	36 19
Professional charges		-		
Rent	4	3	12 18	10 9
Marketing expenses	10 2	3 2	5	9
Telephone charges	2	2	1	4
Communication expenses	- 1	-	1	- 1
Printing and stationery Advertisements	1	-	2	
Office maintenance	-	-	2	1
	-	-	- 1	- 1
Sales promotion expenses Consumables	-	-		'
	-	-	-	-
Software packages				
for own use	-	-	-	-
Computer maintenance	-	-	-	-
Power and fuel	-	-	-	-
Insurance charges	-	-	-	-
Rates and taxes	-	-	-	-
Bank charges and commission Miscellaneous expenses	-	-	-	-
Milocharicous experises			530	

*Refer to note 22.2.12

Schedules to Profit and Loss Account for the	Quarter end	ad	Nine months en	in Rs. crore
Schedules to Profit and Loss Account for the	December 3		December 31	
	2006	2005	2006	, 200
13 GENERAL AND ADMINISTRATION EXPENSES	2000	2003	2000	200
Salaries and bonus including overseas staff expenses	45	33	127	90
Overseas group health insurance	_	-	-	1
Contribution to provident and other funds	3	2	8	į
Professional charges	34	25	100	65
Telephone charges	28	18	80	5-
Power and fuel	22	16	66	4
Traveling and conveyance	21	17	61	4
Overseas travel expenses	3	3	12	
Visa charges and others		1	1	
Office maintenance	23	19	70	4
Guest house maintenance*	1	-	1	7
Insurance charges	7	5	19	1
Printing and stationery	4	2	10	'
Donations	7	4	16	1
		2		
Rent	4		13	
Advertisements	2	3	6	1
Repairs to building	5	3	15	1
Repairs to plant and machinery	4	3	10	
Rates and taxes	7	3	19	
Professional membership and seminar participation fees	3	2	7	
Postage and courier	2	1	6	
Books and periodicals	1	1	3	
Provision for bad and doubtful debts	5	(4)	24	
Provision for doubtful loans and advances	_	-	_	-
Commission to non-whole time directors	1	_	1	
Freight charges		_	1	
Bank charges and commission	_	_	<u>i</u>	
Research grants	2		7	
Auditor's remuneration	2	-	,	
statutory audit fees	-	-	-	-
certification charges	-	-	-	-
others	-	-	-	-
out-of-pocket expenses	-	-	-	-
Miscellaneous expenses (refer to note 22.2.15)	<u> </u>	<u>1</u>	4_	
*For non training purposes	235	<u> 160</u>	688	46
14 OTHER INCOME, NET				
Interest received on deposits with banks and others*	30	25	100	7
Dividend received on investment in liquid mutual funds (non-	30	20	100	,
trade unquoted)	36	24	83	5
Miscellaneous income (refer to note 22.2.15)	13	4	28	1
Exchange differences	(19)	(55)	44	(6
	60	(2)	255	7
*Tax deducted at source	4	4	22	1
15 PROVISION FOR TAXATION				
Income taxes*	125	86	355	23
Deferred taxes	(3)	(6)	(15)	(1
	122	80	340	22

Schedules to Cash Flow Statements for the	in Rs. o Nine months Decembe	ended
	2006	2005
6 CHANGE IN LOANS AND ADVANCES		
As per the Balance Sheet*	1,769	1,451
Add: Gratutity transitional liability (refer to Note 22.2.23)	13	
Less: Deposits with financial institutions and body corporates		
included in cash and cash equivalents	(743)	(426
Advance income taxes separately considered	(309)	(579
	730	446
Less: Opening balance considered	(484)	(390
* includes loans to subsidiary	<u>246</u>	56
7 CHANGE IN CURRENT LIABILITIES AND PROVISIONS		
As per the Balance Sheet	1,361	1,444
Less: Provisions separately considered in the cash flow statement	•	•
Income taxes	(294)	(707
Dividends	-	-
Dividend tax		
1 O	1,067	737
Less: Opening balance considered*	(834) 233	(598
*Adjusted for liability towards intellectual property rights (Refer to note 22.2.21)	233	139
8 INCOME TAXES PAID		
Charge as per the Profit and Loss Account	340	226
Add: Increase in advance income taxes	42	176
Increase/(Decrease) in deferred taxes	15	12
Less: (Increase)/Decrease in income tax provision	(107)	(161
	290	253
9 PURCHASE OF FIXED ASSETS AND CHANGE IN CAPITAL		
WORK-IN-PROGRESS	946	657
As per the Balance Sheet*	816	657
Less: Opening Capital work-in-progress Add: Closing Capital work-in-progress	(571) 573	(318) 444
	818	783
* Excludes Rs 4 crore (Rs 4 crore) towards movement of land from Leasehold to F	reeholc	
0 INVESTMENTS IN SECURITIES *		
As per the Balance Sheet	2,793	2,309
Add: Provisions on investments	3 706	2 200
Less: Investment in subsidiaries	2,796	2,309
Profit on sale of liquid mutual funds	(553) (8)	(22
Opening balance considered	(876)	(1,329
	1,359	958
* Refer to note 22.2.16 for investment and redemptions 1 CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		
As per the Balance Sheet	1,668	1,570
Add: Deposits with financial institutions, included herein	743	426
	<u> 2,411</u>	1,996