

**INFOSYS TECHNOLOGIES LIMITED**
*in Rs. crore*

<b>Balance Sheet as at</b>	<b>Schedule</b>	<b>June 30, 2009</b>	<b>March 31, 2009</b>
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	1	287	286
Reserves and surplus	2	19,004	17,523
		<b>19,291</b>	<b>17,809</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Original cost	3	6,222	5,986
Less: Accumulated depreciation and amortization		2,387	2,187
Net book value		3,835	3,799
Add: Capital work-in-progress		511	615
		4,346	4,414
<b>INVESTMENTS</b>	4	2,207	1,005
<b>DEFERRED TAX ASSETS, NET</b>	5	110	102
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Sundry debtors	6	3,168	3,390
Cash and bank balances	7	8,781	9,039
Loans and advances	8	3,356	3,164
		15,305	15,593
<b>LESS: CURRENT LIABILITIES AND PROVISIONS</b>			
Current liabilities	9	1,547	1,507
Provisions	10	1,130	1,798
<b>NET CURRENT ASSETS</b>		12,628	12,288
		<b>19,291</b>	<b>17,809</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>	23		

*Note: The schedules referred to above are an integral part of the Balance Sheet.*

*As per our report attached  
for B S R & Co.  
Chartered Accountants*

Natrajan Ramkrishna <i>Partner</i> Membership No. 32815	N. R. Narayana Murthy <i>Chairman and Chief Mentor</i>	S. Gopalakrishnan <i>Chief Executive Officer and Managing Director</i>	S. D. Shibulal <i>Chief Operating Officer and Director</i>	Deepak M. Satwalekar <i>Director</i>
	Prof. Marti G. Subrahmanyam <i>Director</i>	Dr. Omkar Goswami <i>Director</i>	Rama Bijapurkar <i>Director</i>	Claude Smadja <i>Director</i>
	Sridar A. Iyengar <i>Director</i>	David L. Boyles <i>Director</i>	Prof. Jeffrey S. Lehman <i>Director</i>	K.V.Kamath <i>Director</i>
	K. Dinesh <i>Director</i>	T. V. Mohandas Pai <i>Director</i>	Srinath Batni <i>Director</i>	V. Balakrishnan <i>Chief Financial Officer</i>
Bangalore July 10, 2009	Parvatheesam K. <i>Company Secretary</i>			

**INFOSYS TECHNOLOGIES LIMITED**
*in Rs. crore, except per share data*

Profit and Loss account for the	Schedule	Quarter ended June 30,	
		2009	2008
Income from software services and products		5,104	4,516
Software development expenses	11	2,770	2,611
<b>GROSS PROFIT</b>		<b>2,334</b>	<b>1,905</b>
Selling and marketing expenses	12	215	216
General and administration expenses	13	346	285
		561	501
<b>OPERATING PROFIT BEFORE DEPRECIATION</b>		<b>1,773</b>	<b>1,404</b>
Depreciation		201	155
<b>OPERATING PROFIT BEFORE TAX</b>		<b>1,572</b>	<b>1,249</b>
Other income, net	14	265	131
<b>NET PROFIT BEFORE TAX</b>		<b>1,837</b>	<b>1,380</b>
Provision for taxation (refer to note 23.2.11)	15	373	118
<b>NET PROFIT AFTER TAX</b>		<b>1,464</b>	<b>1,262</b>
<b>Balance Brought Forward</b>		<b>10,305</b>	<b>6,642</b>
Less: Residual dividend paid		-	1
Dividend tax on the above		-	-
		<b>10,305</b>	<b>6,641</b>
Balance in profit and loss account		11,769	7,903
		<b>11,769</b>	<b>7,903</b>
<b>EARNINGS PER SHARE</b>			
Equity shares of par value Rs. 5/- each			
Basic		25.56	22.07
Diluted		25.52	22.01
Number of shares used in computing earnings per share *			
Basic		57,29,48,830	57,21,99,447
Diluted		57,36,51,675	57,35,61,834

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS** 23

*\* Refer to note 23.2.19*
*Notes: The schedules referred to above are an integral part of the Profit and Loss account*

*As per our report attached  
for B S R & Co.  
Chartered Accountants*

Natrajan Ramkrishna  
*Partner*  
Membership No. 32815

N. R. Narayana Murthy  
*Chairman  
and Chief Mentor*

S. Gopalakrishnan  
*Chief Executive Officer  
and Managing Director*

S. D. Shibulal  
*Chief Operating Officer  
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Deepak M. Satwalekar  
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K.V.Kamath  
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K. Dinesh  
*Director*

T. V. Mohandas Pai  
*Director*

Srinath Batni  
*Director*

V. Balakrishnan  
*Chief Financial Officer*

Bangalore  
July 10, 2009

Parvatheesam K.  
*Company Secretary*

Cash Flow statement for the	Schedule	Quarter ended June 30,	
		2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit before tax		1,837	1,380
Adjustments to reconcile net profit before tax to cash provided by operating activities			
(Profit)/ loss on sale of fixed assets		-	-
Depreciation		201	155
Interest and dividend income		(228)	(186)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(9)	(29)
Changes in current assets and liabilities			
Sundry debtors		222	(21)
Loans and advances	16	(178)	(285)
Current liabilities and provisions	17	41	209
		1,886	1,223
Income taxes paid	18	(292)	(14)
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>		<b>1,594</b>	<b>1,209</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets and change in capital work-in-progress	19	(133)	(285)
Investments in subsidiaries		(50)	-
Investments in other securities	20	(1,152)	-
Interest and dividend received	21	226	87
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(1,109)</b>	<b>(198)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of share capital on exercise of stock options		18	26
Dividends paid including residual dividend		(770)	(1,556)
Dividend tax paid		-	(265)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(752)</b>	<b>(1,795)</b>
Effect of exchange differences on translation of foreign currency		9	29
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(258)</b>	<b>(755)</b>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		10,289	7,689
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	22	<b>10,031</b>	<b>6,934</b>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	23		

Note: The schedules referred to above are an integral part of the Cash Flow statement.

As per our report attached  
for B S R & Co.  
Chartered Accountants

Natrajan Ramkrishna  
Partner  
Membership No. 32815

N. R. Narayana Murthy  
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Chief Financial Officer

Bangalore  
July 10, 2009

Parvatheesam K.  
Company Secretary

**INFOSYS TECHNOLOGIES LIMITED***in Rs. crore, except as otherwise stated***Schedules to the Balance Sheet as at****June 30, 2009****March 31, 2009****1 SHARE CAPITAL**

Authorized

Equity shares, Rs. 5/- par value

60,00,00,000 (60,00,00,000) equity shares

300

300

Issued, Subscribed and Paid Up

Equity shares, Rs. 5/- par value\*

57,30,59,177 (57,28,30,043) equity shares fully paid up

287

286

[Of the above, 53,53,35,478 (53,53,35,478) equity shares, fully paid up have been issued as bonus shares by capitalization of the general reserve]

287286

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

*\* For details of options in respect of equity shares, refer to note 23.2.10**Also refer to note 23.2.19 for details of basic and diluted shares***2 RESERVES AND SURPLUS**

Capital reserve

6

6

Share premium account - Opening balance

2,925

2,851

Add: Receipts on exercise of employee stock options

17

64

Income tax benefit arising from exercise of stock options

-

10

2,9422,925

General reserve - Opening balance

4,287

3,705

Add: Transferred from Profit and Loss account

-

582

4,2874,287

Balance in Profit and Loss account

11,769

10,305

19,00417,523

**INFOSYS TECHNOLOGIES LIMITED**
**Schedules to the Balance Sheet**
**3 FIXED ASSETS**
*in Rs. crore except as otherwise stated*

	Original cost				Depreciation and amortization				Net book value	
	As at April 1, 2009	Additions during the period	Deductions/ Retirement during the period	As at June 30, 2009	As at April 1, 2009	For the period	Deductions during the period	As at June 30, 2009	As at June 30, 2009	As at March 31, 2009
Land : Free-hold	172	-	-	172	-	-	-	-	172	172
Leasehold	101	1	-	102	-	-	-	-	102	101
Buildings*	2,863	112	-	2,975	532	49	-	581	2,394	2,331
Plant and machinery *	1,100	68	-	1,168	487	58	-	545	623	613
Computer equipment *	1,076	23	1	1,098	833	60	1	892	206	243
Furniture and fixtures *	658	33	-	691	321	34	-	355	336	337
Vehicles	4	-	-	4	2	-	-	2	2	2
Intangible Asset	12	-	-	12	12	-	-	12	-	-
	<b>5,986</b>	<b>237</b>	<b>1</b>	<b>6,222</b>	<b>2,187</b>	<b>201</b>	<b>1</b>	<b>2,387</b>	<b>3,835</b>	<b>3,799</b>
Previous year	<b>4,508</b>	<b>1,822</b>	<b>344</b>	<b>5,986</b>	<b>1,837</b>	<b>694</b>	<b>344</b>	<b>2,187</b>	<b>3,799</b>	

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

\* Includes certain assets provided on operating lease to Infosys BPO , a subsidiary. Please refer to note 23.2.6 for details

**INFOSYS TECHNOLOGIES LIMITED**
*in Rs. crore, except as otherwise stated*
**Schedules to the Balance Sheet as at**
**June 30, 2009**
**March 31, 2009**
**4 INVESTMENTS\***
**Long- term investments– at cost**
**Trade (unquoted)**

Other investments	11	11
Less: Provision for investments	11	11
	<u>-</u>	<u>-</u>

**Non-trade (unquoted)**
**Subsidiaries**
**Infosys BPO Limited\*\***

3,38,22,319 (3,38,22,319) equity shares of Rs. 10/- each, fully paid	659	659
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Infosys Technologies (China) Co. Limited	65	65
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Infosys Technologies (Australia) Pty Limited		
1,01,08,869 (1,01,08,869) equity shares of AUD 0.11 par value, fully paid	66	66

Infosys Consulting, Inc., USA		
5,50,00,000 (4,50,00,000) common stock of USD 1.00 par value, fully paid	243	193

Infosys Technologies, S. De R.L. De C.V., Mexico	22	22
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	<u>1,055</u>	<u>1,005</u>
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**Non-trade (unquoted)**
**Current investments – at the lower of cost and fair value**

Liquid mutual fund units	1,152	-
	<u>2,207</u>	<u>1,005</u>

Aggregate amount of unquoted investments	<u>2,207</u>	<u>1,005</u>
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\* Refer to note 23.2.15 for details of investments

\*\* Investments include 15,99,767 (16,04,867) options of Infosys BPO

**5 DEFERRED TAX ASSETS / (LIABILITIES)**

Fixed assets	126	118
Sundry debtors	9	8
Other assets	12	13
Less: Deferred tax liability for branch profit tax	37	37
	<u>110</u>	<u>102</u>

**INFOSYS TECHNOLOGIES LIMITED**
*in Rs. crore, except as otherwise stated*
**Schedules to the Balance Sheet as at**
**June 30, 2009**
**March 31, 2009**
**6 SUNDRY DEBTORS\***

Debts outstanding for a period exceeding six months

Unsecured

Considered doubtful

63

39

Other debts

Unsecured

Considered good\*\*

3,168

3,390

Considered doubtful

61

66

3,292

3,495

Less: Provision for doubtful debts

124

105

**3,168**
**3,390**
*\* Includes dues from companies where directors are interested*

14

8

*\*\* Includes dues from subsidiaries (refer to note 23.2.7)*

25

5

**7 CASH AND BANK BALANCES**

Cash on hand

-

-

Balances with scheduled banks \*\*

In current accounts \*

83

101

In deposit accounts

8,358

8,234

Balances with non-scheduled banks \*\*

In current accounts

340

704

**8,781**
**9,039**
*\*Includes balance in unclaimed dividend account (refer to note 23.2.23.a)*

5

2

*\*\*Refer to note 23.2.12 for details of balances with scheduled and non-scheduled banks*

**INFOSYS TECHNOLOGIES LIMITED**
*in Rs. crore, except as otherwise stated*

<b>Schedules to the Balance Sheet as at</b>	<b>June 30, 2009</b>	<b>March 31, 2009</b>
<b>8 LOANS AND ADVANCES</b>		
Unsecured, considered good		
Loans to subsidiary ( <i>refer to note 23.2.7</i> )	49	51
Advances		
Prepaid expenses	26	27
For supply of goods and rendering of services	6	6
Advance to gratuity trust	-	-
Interest accrued but not due	3	1
Withholding and other taxes receivable	190	149
Others	5	4
	<u>279</u>	<u>238</u>
Unbilled revenues	857	738
Advance income taxes	281	268
MAT credit entitlement ( <i>refer to note 23.2.11</i> )	262	262
Loans and advances to employees		
Housing and other loans	41	43
Salary advances	63	62
Electricity and other deposits	37	37
Rental deposits	10	13
Deposits with financial institutions ( <i>refer to note 23.2.13</i> )	1,503	1,503
Mark-to-market gain on forward and options contracts	23	-
	<u>3,356</u>	<u>3,164</u>
Unsecured, considered doubtful		
Loans and advances to employees	2	2
	<u>3,358</u>	<u>3,166</u>
Less: Provision for doubtful loans and advances to employees	2	2
	<u><b>3,356</b></u>	<u><b>3,164</b></u>

**INFOSYS TECHNOLOGIES LIMITED**
*in Rs. crore, except as otherwise stated*
**Schedules to the Balance Sheet as at**
**June 30, 2009**
**March 31, 2009**
**9 CURRENT LIABILITIES**

Sundry creditors		
Goods and services *	30	35
Accrued salaries and benefits		
Salaries	47	38
Bonus and incentives	282	345
For other liabilities		
Provision for expenses	426	381
Retention monies	64	53
Withholding and other taxes payable	266	206
Mark-to-market loss on forward and options contracts	-	98
Gratuity obligation - unamortised amount relating to plan amendment	28	29
Others	1	3
	<u>1,144</u>	<u>1,188</u>
Advances received from clients	7	5
Unearned revenue	391	312
Unclaimed dividend	5	2
	<u>1,547</u>	<u>1,507</u>
<i>*Includes dues to subsidiaries (refer to note 23.2.7)</i>	28	21

**10 PROVISIONS**

Proposed dividend	-	773
Provision for		
Tax on dividend	131	131
Income taxes *	677	575
Unavailed leave	247	244
Post-sales client support and warranties**	75	75
	<u>1,130</u>	<u>1,798</u>

*\* Refer to note 23.2.11*
*\*\* Refer to note 23.2.20*

**INFOSYS TECHNOLOGIES LIMITED***in Rs. crore, except as otherwise stated***Schedules to Profit and Loss account for the****Quarter ended  
June 30,****2009****2008****11 SOFTWARE DEVELOPMENT EXPENSES**

Salaries and bonus including overseas staff expenses	2,149	1,973
Overseas group health insurance	35	47
Contribution to provident and other funds	59	46
Staff welfare	7	10
Technical sub-contractors - subsidiaries	241	210
Technical sub-contractors - others	55	68
Overseas travel expenses	77	94
Visa charges and others	19	59
Software packages		
For own use	89	62
For service delivery to clients	11	16
Communication expenses	13	13
Computer maintenance	5	5
Consumables	5	5
Rent	7	7
Provision for post-sales client support and warranties	(2)	(4)
	<u><b>2,770</b></u>	<u><b>2,611</b></u>

**12 SELLING AND MARKETING EXPENSES**

Salaries and bonus including overseas staff expenses	171	144
Overseas group health insurance	1	2
Contribution to provident and other funds	1	1
Staff welfare	-	1
Overseas travel expenses	15	29
Visa charges and others	-	1
Traveling and conveyance	1	1
Commission and earnout charges	2	6
Brand building	12	14
Professional charges	4	6
Rent	3	3
Marketing expenses	2	4
Telephone charges	3	2
Communication expenses	-	1
Printing and stationery	-	-
Advertisements	-	-
Sales promotion expenses	-	1
	<u><b>215</b></u>	<u><b>216</b></u>

**INFOSYS TECHNOLOGIES LIMITED**
*in Rs. crore, except as otherwise stated*
**Schedules to Profit and Loss account for the**
**Quarter ended  
June 30,**
**2009                      2008**
**13 GENERAL AND ADMINISTRATION EXPENSES**

Salaries and bonus including overseas staff expenses	79	61
Overseas group health insurance	-	-
Contribution to provident and other funds	4	3
Professional charges	64	45
Telephone charges	28	31
Power and fuel	31	31
Traveling and conveyance	13	20
Overseas travel expenses	2	4
Visa charges and others	-	-
Office maintenance	33	33
Guest house maintenance*	1	1
Insurance charges	7	5
Printing and stationery	3	2
Donations	20	5
Rent	7	4
Advertisements	-	1
Repairs to building	9	5
Repairs to plant and machinery	7	4
Rates and taxes	6	8
Professional membership and seminar participation fees	2	2
Postage and courier	3	2
Books and periodicals	1	1
Provision for bad and doubtful debts	19	13
Provision for doubtful loans and advances	-	-
Commission to non-whole time directors	2	1
Freight charges	-	-
Bank charges and commission	-	-
Research grants	5	2
Auditor's remuneration		
Statutory audit fees	-	-
Certification charges	-	-
Others	-	-
Out of pocket expenses	-	-
Miscellaneous expenses	-	1
	<b>346</b>	<b>285</b>

*\*For non training purposes*

**INFOSYS TECHNOLOGIES LIMITED***in Rs. crore, except as otherwise stated***Schedules to Profit and Loss account for the****Quarter ended  
June 30,****2009****2008****14 OTHER INCOME, NET**

Interest received on deposits with banks and others*	218	186
Dividend received on investment in liquid mutual funds (non-trade unquoted)	10	-
Miscellaneous income, net**	5	5
Gains / (losses) on foreign currency	32	(60)
	<u>265</u>	<u>131</u>
<i>*includes tax deducted at source</i>	48	10

*\*\*refer to note 23.2.6 and note 23.2.14***15 PROVISION FOR TAXATION**

Income taxes*	381	181
MAT credit entitlement	-	(57)
Deferred taxes	(8)	(6)
	<u>373</u>	<u>118</u>

*\*Refer to note 23.2.11*

**INFOSYS TECHNOLOGIES LIMITED**
*in Rs. crore, except as otherwise stated*
**Schedules to Cash Flow statements for the**
**Quarter ended  
June 30,**
**2009 2008**
**16 CHANGE IN LOANS AND ADVANCES**

As per the balance sheet*	3,356	3,064
Less: Gratuity obligation - unamortised amount relating to plan amendment**	28	32
Deposits with financial institutions included in cash and cash equivalents***	1,250	1,260
Interest accrued but not due	3	285
MAT credit entitlement	262	226
Advance income taxes	281	134
	<b>1,532</b>	<b>1,127</b>
Less: Opening balance considered	1,354	842
	<b>178</b>	<b>285</b>

\* includes loans to subsidiary and net of gratuity transitional liability

\*\* refer to Note 23.2.21

\*\*\* Excludes restricted deposits held with LIC of Rs. 253 crore (Rs.181 crore) for funding leave liability

**17 CHANGE IN CURRENT LIABILITIES AND PROVISIONS**

As per the balance sheet	2,677	2,205
Less: Unclaimed dividend	5	6
Gratuity obligation - unamortised amount relating to plan amendment	28	32
Provision for dividend taxes	131	-
Provision for income taxes	677	467
	1,836	1,700
Less: Opening balance considered	1,795	1,491
	<b>41</b>	<b>209</b>

**18 INCOME TAXES PAID**

Charge as per the profit and loss account	373	118
Add/(Less): Increase/(Decrease) in advance income taxes	13	(81)
Increase/(Decrease) in deferred taxes	8	6
Increase/(Decrease) in MAT credit entitlement	-	57
(Increase)/Decrease in income tax provision	(102)	(86)
	<b>292</b>	<b>14</b>

Schedules to Cash Flow statements for the

Quarter ended  
June 30,

2009 2008

**19 PURCHASE OF FIXED ASSETS AND CHANGE IN CAPITAL WORK-IN-PROGRESS**

As per the balance sheet	237	305
Less: Opening capital work-in-progress	615	1,260
Add: Closing capital work-in-progress	511	1,240
	<u>133</u>	<u>285</u>

**20 INVESTMENTS IN SECURITIES \***

As per the balance sheet	2,207	964
Less: Investment in subsidiaries	50	-
Opening balance considered	1,005	964
	<u>1,152</u>	<u>-</u>

\* Refer to note 23.2.15 for investment and redemptions

**21 INTEREST AND DIVIDEND RECEIVED**

Interest and dividend income as per profit and loss account	228	186
Add: Opening interest accrued but not due	1	186
Less: Closing interest accrued but not due	3	285
	<u>226</u>	<u>87</u>

**22 CASH AND CASH EQUIVALENTS AT THE END**

As per the balance sheet	8,781	5,674
Add: Deposits with financial institution and body corporate (excluding interest accrued and not due)**	1,250	1,260
	<u>10,031</u>	<u>6,934</u>

\* Excludes restricted deposits held with LIC of Rs. 253 crore (Rs.181 crore) for funding leave liability (refer to note 23.2.23b)