

INFOSYS TECHNOLOGIES LIMITED
in Rs. crore

Balance Sheet as at	Schedule	June 30, 2010	March 31, 2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share capital	1	287	287
Reserves and surplus	2	23,184	21,749
		<u>23,471</u>	<u>22,036</u>
DEFERRED TAX LIABILITIES	5	232	232
		<u>23,703</u>	<u>22,268</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Original cost	3	6,623	6,357
Less: Accumulated depreciation and amortization		2,755	2,578
Net book value		<u>3,868</u>	<u>3,779</u>
Add: Capital work-in-progress		295	409
		<u>4,163</u>	<u>4,188</u>
INVESTMENTS	4	3,032	4,626
DEFERRED TAX ASSETS	5	367	313
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry debtors	6	3,570	3,244
Cash and bank balances	7	11,490	9,797
Loans and advances	8	4,266	3,898
		<u>19,326</u>	<u>16,939</u>
LESS: CURRENT LIABILITIES AND PROVISIONS			
Current liabilities	9	1,892	1,763
Provisions	10	1,293	2,035
NET CURRENT ASSETS		<u>16,141</u>	<u>13,141</u>
		<u>23,703</u>	<u>22,268</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	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
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
and Director*

Deepak M. Satwalekar
Director

Prof. Marti G. Subrahmanyam
Director

Dr. Omkar Goswami
Director

Sridar A. Iyengar
Director

David L. Boyles
Director

Prof. Jeffrey S. Lehman
Director

K.V.Kamath
Director

K. Dinesh
Director

T. V. Mohandas Pai
Director

Bangalore
July 13, 2010

Srinath Batni
Director

V. Balakrishnan
Chief Financial Officer

K. Parvatheesam
Company Secretary

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

Profit and Loss account for the quarter ended June 30,	Schedule	2010	2009
Income from software services and products		5,758	5,104
Software development expenses	11	3,282	2,770
GROSS PROFIT		2,476	2,334
Selling and marketing expenses	12	273	215
General and administration expenses	13	341	346
		614	561
OPERATING PROFIT BEFORE DEPRECIATION		1,862	1,773
Depreciation		180	201
OPERATING PROFIT		1,682	1,572
Other income, net	14	237	265
NET PROFIT BEFORE TAX		1,919	1,837
Provision for taxation (<i>refer to note 23.2.11</i>)	15	488	373
NET PROFIT AFTER TAX		1,431	1,464
Balance Brought Forward		13,806	10,305
		13,806	10,305
Balance in profit and loss account		15,237	11,769
AMOUNT AVAILABLE FOR APPROPRIATION		15,237	11,769
EARNINGS PER SHARE			
Equity shares of par value Rs. 5/- each			
Basic		24.93	25.56
Diluted		24.92	25.52
Number of shares used in computing earnings per share *			
Basic		57,38,69,667	57,29,48,830
Diluted		57,41,66,171	57,36,51,675
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	23		

Note: The schedules referred to above are an integral part of the Profit and Loss account.

* *Refer to note 23.2.19*

*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>	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>
Bangalore July 13, 2010	Srinath Batni <i>Director</i>	V. Balakrishnan <i>Chief Financial Officer</i>	K. Parvatheesam <i>Company Secretary</i>	

Cash Flow statement for the quarter ended June 30,	Schedule	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before tax		1,919	1,837
Adjustments to reconcile net profit before tax to cash provided by operating activities			
Depreciation		180	201
Interest and dividend income		(243)	(228)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(8)	(9)
Changes in current assets and liabilities			
Sundry debtors		(326)	222
Loans and advances	16	(438)	(178)
Current liabilities and provisions	17	174	30
		1,258	1,875
Income taxes paid	18	(203)	(292)
NET CASH GENERATED BY OPERATING ACTIVITIES		1,055	1,583
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets and change in capital work-in-progress	19	(185)	(122)
Investments in subsidiaries	20 (a)	-	(50)
Investment/(Disposal) of other securities	20 (b)	1,594	(1,152)
Interest and dividend received	21	220	226
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		1,629	(1,098)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of share capital on exercise of stock options		4	18
Dividends paid including residual dividend		(860)	(770)
Dividend tax paid		(143)	-
NET CASH USED IN FINANCING ACTIVITIES		(999)	(752)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		8	9
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,693	(258)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		11,297	10,289
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	22	12,990	10,031
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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Bangalore
July 13, 2010

Srinath Batni
Director

V. Balakrishnan
Chief Financial Officer

Parvatheesam K.
Company Secretary

INFOSYS TECHNOLOGIES LIMITED
in Rs. crore, except as otherwise stated
Schedules to the Balance Sheet as at
June 30, 2010
March 31, 2010
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*	287	287
57,39,01,101 (57,38,25,192) equity shares fully paid up		

[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]

287	287
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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 and also refer to note 23.2.19 for details of basic and diluted shares

2 RESERVES AND SURPLUS

Capital reserve	54	6
Add: Transferred from Profit and Loss account	-	48
	54	54

Share premium account - Opening balance	3,022	2,925
Add: Receipts on exercise of employee stock options	4	87
Income tax benefit arising from exercise of stock options	-	10
	3,026	3,022

General reserve - Opening balance	4,867	4,287
Add: Transferred from Profit and Loss account	-	580
	4,867	4,867

Balance in Profit and Loss account	15,237	13,806
	23,184	21,749

INFOSYS TECHNOLOGIES LIMITED

Schedules to the Balance Sheet

3 FIXED ASSETS

in Rs. crore except as otherwise stated

Particulars	Original cost				Depreciation and amortization				Net book value	
	As at April 1, 2010	Additions during the period	Deductions/ Retirement during the period	As at June 30, 2010	As at April 1, 2010	For the period	Deductions during the period	As at June 30, 2010	As at June 30, 2010	As at March 31, 2010
Land : Free-hold	178	88	-	266	-	-	-	-	266	178
Leasehold	138	-	-	138	-	-	-	-	138	138
Buildings *#	3,209	100	-	3,309	737	54	-	791	2,518	2,472
Plant and machinery #	1,149	35	-	1,184	597	54	-	651	533	552
Computer equipment #	1,037	31	3	1,065	882	43	3	922	143	155
Furniture and fixtures #	629	15	-	644	347	29	-	376	268	282
Vehicles	5	-	-	5	3	-	-	3	2	2
Intellectual property right	12	-	-	12	12	-	-	12	-	-
	6,357	269	3	6,623	2,578	180	3	2,755	3,868	3,779
Previous year	5,986	787	416	6,357	2,187	807	416	2,578	3,779	

Notes: * 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. 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, 2010
March 31, 2010
4 INVESTMENTS *
Long- term investments– at cost
Trade (unquoted)

Other investments	6	6
Less: Provision for investments	2	2
	<u>4</u>	<u>4</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
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 Infosys Consulting, Inc., USA
 5,50,00,000 (5,50,00,000) common stock of USD 1.00 par value, fully
 paid

243	243
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 Infosys Technologies, S. De R.L. De C.V., Mexico

40	40
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 Infosys Technologies Sweden AB
 1,000 (1,000) equity shares of SEK 100 par value, fully paid

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 Infosys Technologies DO Brasil LTDA
 1,07,16,997 (1,07,16,997) shares of BRL 1.00 par value, fully paid

28	28
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 Infosys Public Services, Inc
 1,00,00,000 (1,00,00,000) common stock of USD 0.50 par value, fully
 paid

24	24
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<u>1,125</u>	<u>1,125</u>
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Current investments – at the lower of cost and fair value
Non-trade (unquoted)

 Liquid mutual fund units

109	2,317
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 Certificates of deposit

1,794	1,180
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<u>1,903</u>	<u>3,497</u>
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<u>3,032</u>	<u>4,626</u>
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Aggregate amount of unquoted investments

<u>3,032</u>	<u>4,626</u>
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* Refer to note 23.2.15 for details of investments

** Investments include 11,26,875 (13,36,331) options of Infosys BPO

5 DEFERRED TAXES
Deferred tax assets

 Fixed assets

212	201
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 Sundry debtors

28	28
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 Other assets

127	84
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<u>367</u>	<u>313</u>
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Deferred tax liabilities

 Branch profit tax

232	232
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<u>232</u>	<u>232</u>
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INFOSYS TECHNOLOGIES LIMITED
in Rs. crore, except as otherwise stated
Schedules to the Balance Sheet as at
June 30, 2010
March 31, 2010
6 SUNDRY DEBTORS*

Debts outstanding for a period exceeding six months

Unsecured

Considered doubtful

86

79

Other debts

Unsecured

Considered good**

3,570

3,244

Considered doubtful

26

21

3,682

3,344

Less: Provision for doubtful debts

112

100

3,570
3,244

* Includes dues from companies where directors are interested

1

11

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

62

56

7 CASH AND BANK BALANCES*

Cash on hand

-

-

Balances with scheduled banks

In current accounts **

92

153

In deposit accounts

11,008

8,868

Balances with non-scheduled banks

In current accounts

390

776

11,490
9,797

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

** Includes balance in unclaimed dividend account (refer to note 23.2.23.a)

3

2

INFOSYS TECHNOLOGIES LIMITED
in Rs. crore, except as otherwise stated
Schedules to the Balance Sheet as at
June 30, 2010
March 31, 2010
8 LOANS AND ADVANCES

Unsecured, considered good		
Loans to subsidiary (<i>refer to note 23.2.7</i>)	47	46
Advances		
Prepaid expenses	56	25
For supply of goods and rendering of services	7	5
Advance to gratuity trust	55	2
Withholding and other taxes receivable	370	321
Others	8	13
	<hr/>	<hr/>
	543	412
Unbilled revenues	990	789
Advance income taxes	549	641
Interest accrued but not due	37	14
Loans and advances to employees		
Housing and other loans	37	38
Salary advances	93	62
Electricity and other deposits	72	60
Rental deposits	14	13
Deposits with financial institutions (<i>refer to note 23.2.13</i>)	1,931	1,781
Mark-to-market gain on forward and options contracts	-	88
	<hr/>	<hr/>
	4,266	3,898
Unsecured, considered doubtful		
Loans and advances to employees	2	2
	<hr/>	<hr/>
	4,268	3,900
Less: Provision for doubtful loans and advances to employees	2	2
	<hr/>	<hr/>
	4,266	3,898
	<hr/> <hr/>	<hr/> <hr/>

INFOSYS TECHNOLOGIES LIMITED
in Rs. crore, except as otherwise stated
Schedules to the Balance Sheet as at
June 30, 2010
March 31, 2010
9 CURRENT LIABILITIES

Sundry creditors		
Goods and services *	103	96
Accrued salaries and benefits		
Salaries	43	25
Bonus and incentives	391	421
For other liabilities		
Provision for expenses	397	375
Retention monies	36	66
Withholding and other taxes payable	297	235
Mark-to-market loss on forward and options contracts	17	-
Gratuity obligation - unamortised amount relating to plan amendment	25	26
Others **	8	8
	<u>1,317</u>	<u>1,252</u>
Advances received from clients	16	7
Unearned revenue	556	502
Unclaimed dividend	3	2
	<u>1,892</u>	<u>1,763</u>
* Includes dues to subsidiaries (refer to note 23.2.7)	101	95
** Includes deposits received from subsidiary (refer to note 23.2.7)	7	7

10 PROVISIONS

Proposed dividend	-	861
Provision for		
Tax on dividend	-	143
Income taxes *	966	719
Unavailed leave	252	239
Post-sales client support and warranties **	75	73
	<u>1,293</u>	<u>2,035</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,
2010
2009

11 SOFTWARE DEVELOPMENT EXPENSES

Salaries and bonus including overseas staff expenses	2,434	2,149
Overseas group health insurance	39	35
Contribution to provident and other funds	68	59
Staff welfare	8	7
Technical sub-contractors - subsidiaries	366	241
Technical sub-contractors - others	86	55
Overseas travel expenses	94	77
Visa charges and others	72	19
Software packages		
For own use	68	89
For service delivery to clients	17	11
Communication expenses	10	13
Computer maintenance	7	5
Consumables	6	5
Rent	5	7
Provision for post-sales client support and warranties	2	(2)
	<u>3,282</u>	<u>2,770</u>

12 SELLING AND MARKETING EXPENSES

Salaries and bonus including overseas staff expenses	213	171
Overseas group health insurance	1	1
Contribution to provident and other funds	1	1
Overseas travel expenses	23	15
Traveling and conveyance	1	1
Commission charges	2	2
Brand building	15	12
Professional charges	6	4
Rent	3	3
Marketing expenses	4	2
Telephone charges	4	3
	<u>273</u>	<u>215</u>

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

Schedules to Profit and Loss account for the quarter ended June 30,	2010	2009
13 GENERAL AND ADMINISTRATION EXPENSES		
Salaries and bonus including overseas staff expenses	90	79
Contribution to provident and other funds	5	4
Professional charges	53	64
Telephone charges	25	28
Power and fuel	37	31
Traveling and conveyance	16	13
Overseas travel expenses	3	2
Office maintenance	43	33
Guest house maintenance	1	1
Insurance charges	6	7
Printing and stationery	2	3
Donations	1	20
Rent	7	7
Advertisements	2	-
Repairs to building	8	9
Repairs to plant and machinery	7	7
Rates and taxes	8	6
Professional membership and seminar participation fees	2	2
Postage and courier	3	3
Books and periodicals	1	1
Provision for bad and doubtful debts	15	19
Commission to non-whole time directors	1	2
Research grants	5	5
	341	346

INFOSYS TECHNOLOGIES LIMITED

in Rs. crore, except as otherwise stated

Schedules to Profit and Loss account for the quarter ended June 30, **2010** **2009**

14 OTHER INCOME, NET

Interest received on deposits with banks and others *	226	218
Dividend received on investment in liquid mutual fund units (non-trade unquoted)	17	10
Miscellaneous income, net **	7	5
Gains / (losses) on foreign currency, net	(13)	32
	<u>237</u>	<u>265</u>
	18	48

* includes tax deducted at source

** refer to note 23.2.6 and 23.2.14

15 PROVISION FOR TAXATION

Income taxes *	542	381
Deferred taxes	(54)	(8)
	<u>488</u>	<u>373</u>

* Refer to note 23.2.11

Schedules to Cash Flow statements for the quarter ended June 30, **2010** **2009**

16 CHANGE IN LOANS AND ADVANCES

As per the balance sheet *	4,266	3,356
Less: Gratuity obligation - unamortised amount relating to plan amendment **	25	28
Deposits with financial institutions included in cash and cash equivalents ***	1,500	1,250
Interest accrued but not due	37	3
MAT credit entitlement	-	262
Advance income taxes	549	281
	2,155	1,532
Less: Opening balance considered	1,717	1,354
	438	178

* includes loans to subsidiary and net of gratuity transitional liability

** refer to note 23.2.21

*** Excludes restricted deposits held with LIC of Rs. 431 crore (Rs. 253 crore) for funding leave liability

17 CHANGE IN CURRENT LIABILITIES AND PROVISIONS

As per the balance sheet	3,185	2,677
Less: Unclaimed dividend	3	5
Retention money	36	64
Gratuity obligation - unamortised amount relating to plan amendment	25	28
Provisions separately considered in Cash Flow statement		
Income taxes	966	677
Proposed dividend	-	-
Tax on dividend	-	131
	2,155	1,772
Less: Opening balance considered	2,047	1,795
Less: Opening balance of retention money	66	53
	174	30

18 INCOME TAXES PAID

Charge as per the profit and loss account	488	373
Add/(Less) : Increase/(Decrease) in advance income taxes	(92)	13
Increase/(Decrease) in deferred taxes	54	8
Increase/(Decrease) in MAT credit entitlement	-	-
(Increase)/Decrease in income tax provision	(247)	(102)
	203	292

Schedules to Cash Flow statements for the quarter ended June 30, **2010** **2009**

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

As per the balance sheet	269	237
Less: Opening capital work-in-progress	409	615
Add: Closing capital work-in-progress	295	511
Add: Opening retention money	66	53
Less: Closing retention money	36	64
	<u>185</u>	<u>122</u>

20 (a) INVESTMENTS IN SUBSIDIARIES *

As per the balance sheet	1,125	1,055
Less: Opening balance considered	1,125	1,005
	<u>-</u>	<u>50</u>

* Refer to note 23.2.15 for investment made in subsidiaries

20 (b) INVESTMENT/(DISPOSAL) OF SECURITIES *

Opening balance considered	3,497	-
Less: Closing as per the balance sheet	1,903	1,152
	<u>1,594</u>	<u>(1,152)</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	243	228
Add: Opening interest accrued but not due	14	1
Less: Closing interest accrued but not due	37	3
	<u>220</u>	<u>226</u>

22 CASH AND CASH EQUIVALENTS AT THE END

As per the balance sheet	11,490	8,781
Add: Deposits with financial institutions (excluding interest accrued and not due)*	1,500	1,250
	<u>12,990</u>	<u>10,031</u>

* Excludes restricted deposits held with LIC of Rs. 431 crore (Rs. 253 crore) for funding leave liability (refer to note 23.2.23b)