

INFOSYS TECHNOLOGIES LIMITED

in ₹ crore

Balance Sheet as at	Schedule	March 31, 2011	March 31, 2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share capital	1	287	287
Reserves and surplus	2	24,214	21,749
		<u>24,501</u>	<u>22,036</u>
DEFERRED TAX LIABILITIES	5	176	232
		<u>24,677</u>	<u>22,268</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Original cost	3	6,934	6,357
Less: Accumulated depreciation and amortization		2,878	2,578
Net book value		<u>4,056</u>	<u>3,779</u>
Add: Capital work-in-progress		499	409
		<u>4,555</u>	<u>4,188</u>
INVESTMENTS	4	1,325	4,626
DEFERRED TAX ASSETS	5	406	313
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry debtors	6	4,212	3,244
Cash and bank balances	7	13,665	9,797
Loans and advances	8	4,867	3,898
		<u>22,744</u>	<u>16,939</u>
LESS: CURRENT LIABILITIES AND PROVISIONS			
Current liabilities	9	1,880	1,763
Provisions	10	2,473	2,035
NET CURRENT ASSETS		<u>18,391</u>	<u>13,141</u>
		<u>24,677</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
Firm Reg No : 101248W*

Natraj Ramakrishna
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

R.Seshasayee
Director

K. Dinesh
Director

Bangalore
April 15, 2011

T. V. Mohandas Pai
Director

Srinath Batni
Director

V. Balakrishnan
Chief Financial Officer

K. Parvatheesam
Company Secretary

INFOSYS TECHNOLOGIES LIMITED

Profit and Loss account for the	Schedule	in ₹ crore, except per share data	
		Year ended March 31,	
		2,011	2010
Income from software services and products		25,385	21,140
Software development expenses	11	14,267	11,559
GROSS PROFIT		11,118	9,581
Selling and marketing expenses	12	1,219	974
General and administration expenses	13	1,485	1,247
		2,704	2,221
OPERATING PROFIT BEFORE DEPRECIATION		8,414	7,360
Depreciation		740	807
OPERATING PROFIT		7,674	6,553
Other income, net	14	1,147	910
Provision for investments		-	(9)
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEM		8,821	7,472
Provision for taxation (refer to note 23.2.11)	15	2,378	1,717
NET PROFIT AFTER TAX BEFORE EXCEPTIONAL ITEM		6,443	5,755
Income on sale of investments, net of taxes (refer to note 23.2.25)		-	48
NET PROFIT AFTER TAX AND EXCEPTIONAL ITEM		6,443	5,803
Balance Brought Forward		13,806	10,305
Balance in profit and loss account		20,249	16,108
AMOUNT AVAILABLE FOR APPROPRIATION		20,249	16,108
Dividend			
Interim dividend		574	573
30 th year special dividend		1,722	-
Final dividend		1,149	861
Total Dividend		3,445	1,434
Dividend tax		568	240
Amount transferred to general reserve		645	580
Amount transferred to capital reserve		-	48
Balance in profit and loss account		15,591	13,806
		20,249	16,108
EARNINGS PER SHARE			
Equity shares of par value ₹5/- each			
Before exceptional item			
Basic		112.26	100.37
Diluted		112.22	100.26
After exceptional item			
Basic		112.26	101.22
Diluted		112.22	101.10
Number of shares used in computing earnings per share ⁽¹⁾			
Basic		57,40,13,650	57,33,09,523
Diluted		57,42,01,958	57,39,49,631
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	23		

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

⁽¹⁾ Refer to note 23.2.19

As per our report attached
for R S R & Co
Chartered Accountants
Firm Reg No : 101248W

Natraj Ramakrishna 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	R. Seshasayee Director	K. Dinesh Director
Bangalore April 15, 2011	T. V. Mohandas Pai Director	Srinath Batni Director	V. Balakrishnan Chief Financial Officer	K. Parvatheesam Company Secretary

Cash Flow statement for the year ended March 31,	Schedule	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before tax		8,821	7,472
Adjustments to reconcile net profit before tax to cash provided by operating activities			
Depreciation		740	807
Provision for Investments		-	(9)
Interest and dividend income		(1,086)	(844)
Effect of exchange differences on translation of deferred tax liabilities		(6)	-
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(5)	68
Changes in current assets and liabilities			
Sundry debtors		(968)	146
Loans and advances	16	(704)	(368)
Current liabilities and provisions	17	234	236
		<u>7,026</u>	<u>7,508</u>
Income taxes paid	18	(2,756)	(1,653)
NET CASH GENERATED BY OPERATING ACTIVITIES		<u>4,270</u>	<u>5,855</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets and change in capital work-in-progress	19	(1,152)	(565)
Investments in subsidiaries	20 (a)	(77)	(120)
Investment/(Disposal) of other securities	20 (b)	3,378	(3,497)
Interest and dividend received	21	1,086	831
CASH FLOWS FROM INVESTING ACTIVITIES BEFORE EXCEPTIONAL ITEM		<u>3,235</u>	<u>(3,351)</u>
Proceeds on sale of long term investments, net of taxes (refer to note 23.2.25)		-	53
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		<u>3,235</u>	<u>(3,298)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of share capital on exercise of stock options		24	88
Repayment of loan given to subsidiary	20 (c)	14	5
Dividends paid including residual dividend		(3,156)	(1,346)
Dividend tax paid		(524)	(228)
NET CASH USED IN FINANCING ACTIVITIES		<u>(3,642)</u>	<u>(1,481)</u>
Effect of exchange differences on translation of foreign currency cash and cash equivalents		5	(68)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>3,868</u>	<u>1,008</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		<u>11,297</u>	<u>10,289</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	22	<u>15,165</u>	<u>11,297</u>
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
Firm Reg No : 101248W

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	Prof. Marti G. Subrahmanyam Director	Dr. Omkar Goswami Director	Sridar A. Iyengar Director	David L. Boyles Director
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Bangalore April 15, 2011	T. V. Mohandas Pai Director	Srinath Batni Director	V. Balakrishnan Chief Financial Officer	Parvatheesam K. Company Secretary

INFOSYS TECHNOLOGIES LIMITED
in ₹ crore, except as otherwise stated
Schedules to the Balance Sheet as at March 31,
2011
2010
1 SHARE CAPITAL

Authorized

Equity shares, ₹5/- par value

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

300

300

Issued, Subscribed and Paid Up

 Equity shares, ₹5/- par value ⁽¹⁾

57,41,51,559 (57,38,25,192) equity shares fully paid up

287

287

[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

Forfeited shares amounted to ₹1,500/- (₹1,500/-)

⁽¹⁾ 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

24

87

Income tax benefit arising from exercise of stock options

11

10

3,057
3,022

General reserve - Opening balance

4,867

4,287

Add: Transferred from Profit and Loss account

645

580

5,512
4,867

Balance in Profit and Loss account

15,591

13,806

24,214
21,749

INFOSYS TECHNOLOGIES LIMITED
Schedules to the Balance Sheet
3 FIXED ASSETS
in ₹ crore, except as otherwise stated

Particulars	Original cost				Depreciation and amortization				Net book value	
	As at April 1, 2010	Additions during the year	Deductions/ Retirement during the year	As at March 31, 2011	As at April 1, 2010	For the year	Deductions during the year	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
Land : Free-hold	178	228	-	406	-	-	-	-	406	178
Leasehold	138	-	3	135	-	-	-	-	135	138
Buildings ^{(1)/(2)}	3,209	323	-	3,532	737	227	-	964	2,568	2,472
Plant and machinery ^{(2)/(3)}	1,149	147	144	1,152	597	215	144	668	484	552
Computer equipment ^{(2)/(3)}	1,037	251	196	1,092	882	186	196	872	220	155
Furniture and fixtures ^{(2)/(3)}	629	69	100	598	347	112	100	359	239	282
Vehicles	5	2	-	7	3	-	-	3	4	2
Intellectual property rights	12	-	-	12	12	-	-	12	-	-
	6,357	1,020	443	6,934	2,578	740	440	2,878	4,056	3,779
Previous year	5,986	787	416	6,357	2,187	807	416	2,578	3,779	

Notes:

⁽¹⁾ Buildings include ₹250/- being the value of 5 shares of ₹50/- each in Mittal Towers Premises Co-operative Society Limited.

⁽²⁾ Includes certain assets provided on operating lease to Infosys BPO, a subsidiary. Refer to note 23.2.6 for details

⁽³⁾ During the year ended March 31, 2011 and March 31, 2010, certain assets which were old and not in use having gross book value of ₹440 crore and ₹387 crore respectively (net book value nil) were retired.

INFOSYS TECHNOLOGIES LIMITED
in ₹ crore, except as otherwise stated

Schedules to the Balance Sheet as at March 31,	2011	2010
4 INVESTMENTS ⁽¹⁾		
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 ⁽²⁾		
3,38,22,319 (3,38,22,319) equity shares of ₹ 10/- each, fully paid	659	659
Infosys Technologies (China) Co. Limited	107	65
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 (5,50,00,000) common stock of USD 1.00 par value, fully paid	243	243
Infosys Technologies, S. De R.L. De C.V., Mexico	54	40
Infosys Technologies Sweden AB		
1,000 (1,000) equity shares of SEK 100 par value, fully paid	-	-
Infosys Technologies DO Brasil LTDA		
1,45,16,997 (1,07,16,997) shares of BRL 1.00 par value, fully paid	38	28
Infosys Technologies (Shanghai) Company Limited	11	-
Infosys Public Services, Inc		
1,00,00,000 (1,00,00,000) common stock of USD 0.50 par value, fully paid	24	24
	<u>1,202</u>	<u>1,125</u>
Current investments – at the lower of cost and fair value		
Non-trade (unquoted)		
Liquid mutual fund units	-	2,317
Certificates of deposit	119	1,180
	<u>119</u>	<u>3,497</u>
	<u>1,325</u>	<u>4,626</u>
Aggregate amount of unquoted investments	<u>1,325</u>	<u>4,626</u>
⁽¹⁾ Refer to note 23.2.15 for details of investments		
⁽²⁾ Investments include 6,79,250 (13,36,331) options of Infosys BPO		
5 DEFERRED TAXES		
Deferred tax assets		
Fixed assets	234	201
Sundry debtors	19	28
Other assets	153	84
	<u>406</u>	<u>313</u>
Deferred tax liabilities		
Branch profit tax	176	232
	<u>176</u>	<u>232</u>

Schedules to the Balance Sheet as at March 31, **2011** **2010**

6 SUNDRY DEBTORS⁽¹⁾

Debts outstanding for a period exceeding six months

Unsecured

 Considered doubtful

64

79

Other debts

Unsecured

 Considered good⁽²⁾

4,212

3,244

 Considered doubtful

19

21

4,295

3,344

Less: Provision for doubtful debts

83

100

4,212

3,244

⁽¹⁾ Includes dues from companies where directors are interested

2

11

⁽²⁾ Includes dues from subsidiaries (refer to note 23.2.7)

72

56

7 CASH AND BANK BALANCES⁽¹⁾

Cash on hand

-

-

Balances with scheduled banks

 In current accounts⁽²⁾

197

153

 In deposit accounts

13,024

8,868

Balances with non-scheduled banks

 In current accounts

444

776

13,665

9,797

⁽¹⁾ Refer to note 23.2.12 for details of balances with scheduled and non-scheduled banks

⁽²⁾ Includes balance in unclaimed dividend account (refer to note 23.2.23.a)

3

2

Schedules to the Balance Sheet as at March 31,	2011	2010
8 LOANS AND ADVANCES		
Unsecured, considered good		
Loans to subsidiary (<i>refer to note 23.2.7</i>)	32	46
Advances		
Prepaid expenses	52	25
For supply of goods and rendering of services	50	5
Advance to gratuity trust and others	-	2
Withholding and other taxes receivable	516	321
Others	10	13
	<u>660</u>	<u>412</u>
Unbilled revenues	1,158	789
Advance income taxes	924	641
Interest accrued but not due	14	14
Loans and advances to employees		
Housing and other loans	42	38
Salary advances	84	62
Electricity and other deposits	60	60
Rental deposits	18	13
Deposits with financial institutions (<i>refer to note 23.2.13</i>)	1,844	1,781
Mark-to-market gain on forward and options contracts	63	88
	<u>4,867</u>	<u>3,898</u>
Unsecured, considered doubtful		
Loans and advances to employees	3	2
	<u>4,870</u>	<u>3,900</u>
Less: Provision for doubtful loans and advances to employees	3	2
	<u><u>4,867</u></u>	<u><u>3,898</u></u>

Schedules to the Balance Sheet as at March 31, **2011** **2010**

9 CURRENT LIABILITIES

Sundry creditors		
Goods and services ⁽¹⁾	85	96
Accrued salaries and benefits		
Salaries	42	25
Bonus and incentives	363	421
For other liabilities		
Provision for expenses	537	375
Retention monies	21	66
Withholding and other taxes payable	292	235
Gratuity obligation - unamortised amount relating to plan amendment	22	26
Others ⁽²⁾	8	8
	1,370	1,252
Advances received from clients	19	7
Unearned revenue	488	502
Unclaimed dividend	3	2
	1,880	1,763
⁽¹⁾ Includes dues to subsidiaries (refer to note 23.2.7)	55	95
⁽²⁾ Includes deposits received from subsidiary (refer to note 23.2.7)	7	7

10 PROVISIONS

Proposed dividend	1,149	861
Provision for		
Tax on dividend	187	143
Income taxes ⁽¹⁾	756	719
Unavailed leave	303	239
Post-sales client support and warranties ⁽²⁾	78	73
	2,473	2,035

⁽¹⁾ Refer to note 23.2.11

⁽²⁾ Refer to note 23.2.20

INFOSYS TECHNOLOGIES LIMITED*in ₹ crore, except as otherwise stated***Schedules to Profit and Loss account for the****Year ended March 31,****2011****2010****11 SOFTWARE DEVELOPMENT EXPENSES**

Salaries and bonus including overseas staff expenses	10,635	8,972
Contribution to provident and other funds	378	244
Staff welfare	53	28
Technical sub-contractors - subsidiaries	1,568	1,210
Technical sub-contractors - others	476	269
Overseas travel expenses including visa	573	401
Software packages for own use	320	309
Third party items bought for service delivery to clients	139	17
Communication expenses	39	45
Computer maintenance	33	22
Consumables	23	22
Rent	25	22
Provision for post-sales client support and warranties	5	(2)
	14,267	11,559

12 SELLING AND MARKETING EXPENSES

Salaries and bonus including overseas staff expenses	969	753
Contribution to provident and other funds	7	4
Staff welfare	2	2
Overseas travel expenses	100	82
Traveling and conveyance	4	3
Commission charges	12	16
Brand building	70	55
Professional charges	13	22
Rent	12	12
Marketing expenses	14	11
Telephone charges	14	11
Printing and Stationery	1	1
Communication expenses	1	1
Sales Promotion expenses	-	1
	1,219	974

INFOSYS TECHNOLOGIES LIMITED*in ₹ crore, except as otherwise stated***Schedules to Profit and Loss account for the****Year ended March 31,****2011****2010****13 GENERAL AND ADMINISTRATION EXPENSES**

Salaries and bonus including overseas staff expenses	390	330
Contribution to provident and other funds	25	17
Professional charges	286	220
Telephone charges	116	106
Power and fuel	142	122
Traveling and conveyance	79	58
Overseas travel expenses	15	10
Office maintenance expenses	188	136
Insurance charges	24	23
Printing and stationery	10	8
Donations	1	43
Rent	31	28
Advertisements	6	3
Repairs to building	44	33
Repairs to plant and machinery	33	31
Rates and taxes	48	26
Professional membership and seminar participation fees	10	8
Postage and courier	9	8
Books and periodicals	3	3
Bank charges and commission	1	2
Auditor's remuneration		
Statutory audit fees	1	1
Provision for bad and doubtful debts and advances	3	(1)
Commission to non-whole time directors	5	6
Freight charges	1	1
Research grants	14	25
	1,485	1,247

INFOSYS TECHNOLOGIES LIMITED

in ₹ crore, except as otherwise stated

Schedules to Profit and Loss account for the

Year ended March 31,

2011

2010

14 OTHER INCOME, NET

Interest received on deposits with banks and others ⁽¹⁾	1,068	743
Dividend received on investment in liquid mutual fund units (non-trade unquoted)	18	101
Miscellaneous income, net ⁽²⁾	22	27
Gains / (losses) on foreign currency, net	39	39
	<u>1,147</u>	<u>910</u>
	91	95

⁽¹⁾ includes tax deducted at source

⁽²⁾ refer to note 23.2.6 and 23.2.14

15 PROVISION FOR TAXATION

Income taxes ⁽¹⁾	2,521	1,984
MAT credit entitlement	-	(288)
Deferred taxes ⁽²⁾	(143)	21
	<u>2,378</u>	<u>1,717</u>

⁽¹⁾ Refer to note 23.2.11

⁽²⁾ Excludes translation difference of ₹6 crore on deferred tax liabilities

Schedules to Cash Flow statements for the year ended March 31, **2011** **2010**

16 CHANGE IN LOANS AND ADVANCES

As per the balance sheet	4,867	3,898
Less: Gratuity obligation - unamortised amount relating to plan amendment ⁽¹⁾	22	26
Deposits with financial institutions included in cash and cash equivalents ⁽²⁾	1,500	1,500
Interest accrued but not due	14	14
Loan to subsidiary	32	46
Advance income taxes	924	641
	2,375	1,671
Less: Opening balance considered	1,671	1,303
	704	368

⁽¹⁾ refer to note 23.2.21

⁽²⁾ Excludes restricted deposits held with LIC of ₹ 344 crore (₹ 281 crore) for funding leave liability

17 CHANGE IN CURRENT LIABILITIES AND PROVISIONS

As per the balance sheet	4,353	3,798
Less: Unclaimed dividend	3	2
Retention monies	21	66
Gratuity obligation - unamortised amount relating to plan amendment	22	26
Provisions separately considered in Cash Flow statement		
Income taxes	756	719
Proposed dividend	1,149	861
Tax on dividend	187	143
	2,215	1,981
Less: Opening balance considered	1,981	1,745
	234	236

18 INCOME TAXES PAID

Charge as per the profit and loss account	2,378	1,717
Add/(Less) : Increase/(Decrease) in advance income taxes	283	373
Increase/(Decrease) in deferred taxes ⁽¹⁾	143	(21)
Increase/(Decrease) in MAT credit entitlement	-	(262)
Income tax benefit arising from exercise of stock options	(11)	(10)
(Increase)/Decrease in income tax provision	(37)	(144)
	2,756	1,653

⁽¹⁾ Excludes translation difference of ₹6 crore on deferred tax liabilities

INFOSYS TECHNOLOGIES LIMITED
in ₹ crore, except as otherwise stated
Schedules to Cash Flow statements for the year ended March 31,
2011
2010
19 PURCHASE OF FIXED ASSETS AND CHANGE IN CAPITAL WORK-IN-PROGRESS

As per the balance sheet ⁽¹⁾	1,017	787
Less: Opening capital work-in-progress	409	615
Add: Closing capital work-in-progress	499	409
Add: Opening retention monies	66	50
Less: Closing retention monies	21	66
	<u>1,152</u>	<u>565</u>

⁽¹⁾ Net of ₹ 3 crore movement in land from leasehold to free-hold for the year ended March 31, 2011

20 (a) INVESTMENTS IN SUBSIDIARIES ⁽¹⁾

As per the balance sheet	1,202	1,125
Less: Opening balance considered	1,125	1,005
	<u>77</u>	<u>120</u>

⁽¹⁾ Refer to note 23.2.15 for investment made in subsidiaries

20 (b) INVESTMENT/(DISPOSAL) OF SECURITIES ⁽¹⁾

Opening balance considered	3,497	-
Less: Closing as per the balance sheet	119	(3,497)
	<u>3,378</u>	<u>3,497</u>

⁽¹⁾ Refer to note 23.2.15 for investment and redemptions

20 (c) REPAYMENT OF SUBSIDIARY LOAN

Opening balance	46	51
Less: Closing balance ⁽¹⁾	32	46
	<u>14</u>	<u>5</u>

⁽¹⁾ Net of exchange rate fluctuation of Nil and ₹5 crore as at March 31, 2011 and March 31, 2010 respectively

21 INTEREST AND DIVIDEND RECEIVED

Interest and dividend income as per profit and loss account	1,086	844
Add: Opening interest accrued but not due	14	1
Less: Closing interest accrued but not due on Certificate of Deposits and bank deposits	14	14
	<u>1,086</u>	<u>831</u>

22 CASH AND CASH EQUIVALENTS AT THE END

As per the balance sheet	13,665	9,797
Add: Deposits with financial institutions ⁽¹⁾	1,500	1,500
	<u>15,165</u>	<u>11,297</u>

⁽¹⁾ Excludes restricted deposits held with LIC of ₹344 crore (₹281 crore) for funding leave liability (refer to note 23.2.23b)