

## Reactions from Infosys on the Budget Proposals

*Bangalore, India – February 29, 2000* – Mr. N. R. Narayana Murthy, Chairman and Chief Executive Officer, Infosys Technologies Limited, reacting to the budget proposals said: "We have mixed feelings about the budget. The reduction in the customs duties on computer hardware is timely and welcome. This should enhance the penetration of PCs in India. Similarly, steps that are announced for easing venture capital financing and enhancing the FII limits are welcome. We are confident that this would help attract global capital, create a right environment for entrepreneurship and enhanced employment opportunities.

There are, however, some areas that have not been addressed by the Finance Minister in this budget. We expected that custom bonding, which reduces the velocity of business, would be removed. Our request for enhancing the upper limit of US\$ 100 million for acquisition of companies overseas through stock-swap, has not yet been addressed. We also expected that employee stock options would be taxed only at the time of sale of the shares by the employees. We are very confident that continued interaction between the industry and the finance ministry would help in resolving these issues."

### **About Infosys Technologies Limited**

Infosys Technologies Ltd. is a publicly held company and a world leader in providing IT consulting to Fortune 1000 and growing dot-com companies. Infosys offers services including consulting, architecture, application development (on a fixed time and fixed fee basis), e-Commerce and Internet consulting and software maintenance. The company employs more than 5,000 people worldwide and is ISO 9001 and SEI-CMM Level 5 certified.

By using a Global Delivery Model, Infosys leverages talent and infrastructure in different parts of the world to provide high quality, rapid time to market solutions. Infosys' US headquarters is located in Fremont, California; the company also maintains offices throughout the US, Europe and Asia. For more information, contact Infosys Technologies at 080-852 0261 or visit Infosys on the World Wide Web at [www.itlinfosys.com](http://www.itlinfosys.com).

### **Safe Harbor**

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