

Sify Technologies Limited
Unaudited Condensed Consolidated Interim Statement of Cash Flows

(In thousands of Rupees, except share data and as otherwise stated)	Six Months ended September 30		September 30, 2011
	2011 Rs.	2010 Rs.	Convenience translation into US\$
Cash flows from / (used in) operating activities			
Loss for the period	(198,636)	(315,768)	(4,060)
<i>Adjustments for:</i>			
Depreciation and amortization	342,454	347,745	6,999
Impairment loss on Intangibles including goodwill	-	1,857	-
Share of profit of equity accounted investee	(34,243)	(38,488)	(700)
Loss/ (gain) on sale of property, plant and equipment	(83)	1,178	(2)
Provision for doubtful receivables and advances	32,201	69,777	658
Customs duty credit entitlement written off	20,000	-	409
Stock compensation expense	2,703	7,021	55
Net finance expense / (income)	138,299	120,521	2,826
Unrealized (gain)/ loss on account of exchange differences	(5,804)	(9,668)	(119)
Amortisation of Leasehold Prepayments	2,497	1,964	51
	299,388	186,139	6,117
Change in trade and other receivables	(565,769)	(251,487)	(11,563)
Change in inventories	(6,483)	(3,666)	(132)
Change in other assets	(56,780)	9,909	(1,160)
Change in trade and other payables	340,540	283,303	6,960
Change in employee benefits	9,376	11,595	192
Change in deferred revenue	79,544	61,690	1,626
	99,816	297,483	2,040
Income taxes paid	23,639	(13,130)	482
Net cash from / (used in) operating activities	123,455	284,353	2,522
Cash flows from / (used in) investing activities			
Acquisition of property, plant and equipment	(340,308)	(148,889)	(6,955)
Expenditure on intangible assets	(46,782)	(71,812)	(956)
Proceeds from sale of property, plant and equipment	323	1,549	7
Finance income received	4,646	35,898	95
Other investments	-	(150)	-
Net cash used in investing activities	(382,121)	(183,404)	(7,809)

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Cash flows from / (used in) financing activities			
Proceeds from issue of shares on private placement (including share premium)	1,000,000	-	20,437
Proceeds from issue of shares on exercise of options (including share premium)	13,883	-	284
Proceeds from / (repayment of) borrowings, net	(95,936)	(142,372)	(1,961)
Finance expenses paid	(158,397)	(150,233)	(3,237)
Repayment of finance lease liabilities	(34,842)	(23,541)	(712)
Net cash from / (used) in financing activities	724,708	(316,146)	14,811
Net decrease in cash and cash equivalents	442,042	(215,197)	9,524
Cash and cash equivalents at April 1	(135,804)	(181,586)	(2,775)
Effect of exchange fluctuations on cash held	(3,091)	1,375	(63)
Cash and cash equivalents at period end	327,147	(395,408)	6,686
Supplementary information			
Additions to property plant and equipment represented by finance lease obligations	30,356	30,836	620

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements