

Sify Technologies Limited
Unaudited Condensed Consolidated Interim Statement of Cash Flows

(In thousands of Rupees, except share data and as otherwise stated)	Nine Months ended December 31		December 31,
	2009 Rs.	2008 Rs.	2009 Convenience translation into US\$ (Note 2(b))
Cash flows from / (used in) operating activities			
Profit / (Loss) for the period	167,684	(647,048)	3,592
<i>Adjustments for:</i>			
Depreciation and amortization	483,094	360,168	10,349
Impairment loss on intangibles including goodwill	47,269	15,200	1,013
Share of profit of equity accounted investee	(64,609)	(38,622)	(1,384)
Loss/ (gain) on sale of property, plant and equipment	(2,868)	(93)	(61)
Provision for doubtful receivables and advances	89,069	97,666	1,908
Stock compensation expense	27,925	47,347	598
Net finance expense / (income)	205,064	73,404	4,393
Loss on sale of Investments	373	-	8
Income tax expense / (benefit)	(81,479)	85,368	(1,745)
Unrealized (gain)/ loss on account of exchange differences	(3,247)	(1,460)	(70)
Amortization of leasehold prepayments	3,070	-	66
	871,345	(8,070)	18,667
Change in trade and other receivables	(549,636)	(806,164)	(11,775)
Change in inventories	22,023	(35,926)	472
Change in other assets	(82,723)	111,572	(1,772)
Change in trade and other payables	491,660	304,655	10,533
Change in employee benefits	8,324	36,658	178
Change in deferred revenue	114,377	122,415	2,450
	875,370	(274,860)	18,753
Income taxes paid	(161,250)	(237,296)	(3,454)
Net cash from / (used in) operating activities	714,120	(512,156)	15,299
Cash flows from / (used in) investing activities			
Acquisition of property, plant and equipment	(665,463)	(879,222)	(14,256)
Expenditure on intangible assets	(197,873)	(93,040)	(4,239)
Proceeds from sale of property, plant and equipment	4,300	872	92
Net investment in leases	-	12,040	-
Finance income received	69,165	134,480	1,482
Short term investments	19,942	-	427
Net cash used in investing activities	(769,929)	(824,870)	(16,494)

Sify Technologies Limited**Unaudited Condensed Consolidated Interim Statement of Cash Flows**

	Nine months ended December 31		December 31, 2009
(In thousands of Rupees, except share data and as otherwise stated)	2009 Rs	2008 Rs	Convenience translation into US\$ (Note 2(b))
Cash flows from / (used in) financing activities			
Proceeds from / (repayment of) borrowings, net	(61,620)	556,950	(1,320)
Finance expenses paid	(249,911)	(157,433)	(5,354)
Repayment of finance lease liabilities	(34,675)	(2,246)	(743)
Net cash (used) in financing activities	(346,206)	397,271	(7,417)
Net decrease in cash and cash equivalents	(402,015)	(939,755)	(8,612)
Cash and cash equivalents at April 1	312,715	888,690	6,699
Effect of exchange fluctuations on cash held	3,307	(143)	71
Cash and cash equivalents at period end	(85,993)	(51,208)	(1,842)
Supplementary information			
Additions to property plant and equipment represented by finance lease obligations	72,621	125,729	1,556

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