

Sify Technologies Limited
Consolidated Statements of Cash Flows

For the fiscal years ended March 31,

(In thousands of Rupees, except share data and as otherwise stated)

	Year ended March 31,			2011 Convenience translation into US\$ thousands (Unaudited) Note 2(c)
	2011 Rs	2010 Rs	2009 Rs	
Profit/(loss) for the year	(519,492)	26,813	(851,633)	(11,635)
<i>Adjustments for:</i>				
Depreciation and amortization	685,836	656,797	498,872	15,360
Impairment loss on intangibles including goodwill	1,857	47,269	15,200	42
Share of profit of equity accounted investee	(73,032)	(91,135)	(64,091)	(1,636)
(Gain) / loss on sale of property, plant and equipment	(594)	(2,414)	(828)	(13)
Provision for doubtful receivables	161,922	121,987	84,346	3,626
Provision for finance lease receivables	-	-	6,929	-
Realized loss on sale of investments	-	373	-	-
Stock compensation expense	10,201	30,589	61,380	229
Net finance (income) / expense	212,924	265,879	129,095	4,769
Income tax expense/(benefit)	-	(81,479)	97,049	-
Unrealized (gain)/ loss on account of exchange differences	1,196	703	455	27
Amortization of leasehold prepayments	-	3,917	8,403	-
Provision for infrastructure costs	-	-	10,000	-
	484,579	979,299	(4,823)	10,853
Change in trade and other receivables	(153,560)	(585,805)	(314,349)	(3,439)
Change in inventories	5,851	17,600	(1,337)	131
Change in other assets	(34,082)	(64,112)	224,625	(763)
Change in trade and other payables	(26,597)	517,497	(171,261)	(596)
Change in employee benefits	1,341	(3,984)	17,704	30
Change in deferred income	(5,972)	63,762	(13,555)	(134)
	267,799	924,257	(262,996)	5,998
Income taxes paid	(42,440)	(164,455)	(108,560)	(951)
Net cash from / (used in) operating activities	225,359	759,802	(371,556)	5,047

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Cash flows from / (used in) investing activities				
Acquisition of property, plant and equipment	(674,558)	(759,435)	(1,170,905)	(15,107)
Expenditure on intangible assets	(120,710)	(220,299)	(165,247)	(2,703)
Proceeds from sale of property, plant and equipment	3,109	5,979	2,393	69
Net investment in leases	-	-	5,111	-
Payment towards purchase of unquoted equity shares	(160)	-	-	(4)
Finance income received	61,669	57,130	154,492	1,381
Short term investments (net)	-	19,942	-	-
Net cash from / (used in) investing activities	(730,650)	(896,683)	(1,174,156)	(16,364)
Cash flows from / (used in) financing activities				
Proceeds from issue of share capital (including share premium)	1,000,000	84	-	22,396
Proceeds from / (repayment) of borrowings (net)	(103,860)	8,409	1,227,733	(2,326)
Finance expenses paid	(293,265)	(318,723)	(249,908)	(6,568)
Repayment of finance lease liabilities	(51,175)	(44,256)	(9,028)	(1,146)
Net cash from / (used in) financing activities	551,700	(354,486)	968,797	12,356
Net increase / (decrease) in cash and cash equivalents	46,409	(491,367)	(576,920)	1,039
Cash and cash equivalents at April 1	(181,586)	312,715	888,690	(4,067)
Effect of exchange fluctuations on cash held	(627)	(2,934)	945	(14)
Cash and cash equivalents at March 31	(135,804)	(181,586)	312,715	(3,042)

Refer note 3 (c) and note 8 for the composition of cash and cash equivalents.

Supplementary information

Additions to property, plant and equipment represented by finance lease obligations	38,111	99,950	158,962	854
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The accompanying notes form an integral part of these consolidated financial statements