

**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)

	<b>Year ended March 31,</b>			
	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2013</b>
	<b>Rs</b>	<b>Rs</b>	<b>Rs</b>	<b>Convenience translation into US\$ thousands (Unaudited) Note 2(c)</b>
Profit/(loss) for the year	451,569	(383,337)	(519,492)	8,300
<i>Adjustments for:</i>				
Depreciation and amortization	848,210	691,560	685,836	15,595
Impairment loss on intangibles including goodwill	-	-	1,857	-
Share of profit of equity accounted investee	-	(27,298)	(73,032)	
Profit on sale of equity accounted investee	(657,577)	-	-	(12,090)
(Gain) / loss on sale of property, plant and equipment	13,036	(680)	(594)	240
Provision for doubtful receivables	210,873	95,405	161,922	3,877
Stock compensation expense	2,566	31,385	10,201	47
Net finance (income) / expense	186,588	247,419	212,924	3,431
Write down in value of inventory to NRV	38,241	-	-	703
Unrealized (gain)/ loss on account of exchange differences	9,825	17,644	1,196	181
Amortization of leasehold prepayments	8,754	6,308	-	161
Cash flow from operating activities before working capital changes	1,112,085	678,406	480,818	20,445
Change in trade and other receivables	(599,906)	(105,449)	(153,560)	(11,030)
Change in inventories	(204,648)	(4,622)	5,851	(3,763)
Change in other assets	100,317	(326,006)	(34,082)	1844
Change in trade and other payables	8,079	472,443	(26,597)	149
Change in employee benefits	7,998	11,650	1,341	147
Change in deferred income	138,419	(4,533)	(5,972)	2,545
Cash generated from operations	562,344	721,889	267,799	10,337
Income taxes paid	(98,937)	(121,675)	(42,440)	(1,819)
<b>Net cash from / (used in) operating activities</b>	<b>463,407</b>	<b>600,214</b>	<b>225,359</b>	<b>8,518</b>

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	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2013</b>
	<b>Rs</b>	<b>Rs</b>	<b>Rs</b>	<b>Convenience translation into US\$ thousands (Unaudited) Note 2(c)</b>
<b>Cash flows from / (used in) investing activities</b>				
Acquisition of property, plant and equipment	(1,626,375)	(840,653)	(674,558)	(29,902)
Expenditure on intangible assets	(34,595)	(111,081)	(120,710)	(636)
Proceeds from sale of property, plant and equipment	2,499	1,029	3,109	46
Proceeds from sale of share in associate and rights therein	1,390,270	-	-	25,561
Payment towards purchase of unquoted equity shares	-	-	(160)	-
Finance income received	57,003	48,734	61,669	1048
Short term investments (net)	(1,550)	-	-	(28)
<b>Net cash from / (used in) investing activities</b>	<b>(212,748)</b>	<b>(901,971)</b>	<b>(730,650)</b>	<b>(3,911)</b>
<b>Cash flows from / (used in) financing activities</b>				
Proceeds from issue of share capital (including share premium)	-	1,500,000	1,000,000	-
Proceeds from issue of shares on exercise of ASOP (including share premium)	-	21,398	-	-
Proceeds from / (repayment) of borrowings (net)	385,613	(600,588)	(103,860)	7,090
Finance expenses paid	(265,150)	(312,927)	(293,265)	(4,875)
Proceeds from / (repayment of) finance lease liabilities	(109,231)	(71,476)	(51,175)	(2,008)
<b>Net cash from / (used in) financing activities</b>	<b>11,232</b>	<b>536,407</b>	<b>551,700</b>	<b>207</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>261,891</b>	<b>234,650</b>	<b>46,409</b>	<b>4,815</b>
Cash and cash equivalents at April 1	94,588	(135,804)	(181,586)	1,739
Effect of exchange fluctuations on cash held	(33)	(4,258)	(627)	(1)
<b>Cash and cash equivalents at March 31</b>	<b>356,446</b>	<b>94,588</b>	<b>(135,804)</b>	<b>6,553</b>
<b>Supplementary information</b>				
Additions to property, plant and equipment represented by finance lease obligations	404,307	60,149	38,111	7,433

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