

Sify Technologies Limited
Unaudited Condensed Consolidated Interim Statements of Cash Flows

(In thousands, except share data and as otherwise stated)	Nine months ended December 31		December 31, 2008
	2008 Rs.	2007 Rs.	Convenience translation into US\$ (Note 2(c))
Cash flows from / (used in) operating activities			
Loss for the period	(647,048)	(38,883)	(13,319)
<i>Adjustments for:</i>			-
Depreciation and amortization	375,368	389,854	7,727
Share of profit of equity accounted investee	(38,622)	(146,581)	(795)
Loss/ (gain) on sale of property, plant and equipment	(93)	194	(2)
Provision for doubtful receivables and advances	97,666	110,108	2,010
Stock compensation expense	47,347	39,618	975
Net finance expense / (income)	73,404	(91,991)	1,511
Income tax expense	85,368	77,452	1,757
Unrealized (gain)/ loss on account of exchange differences	(1,460)	4,859	(30)
	(8,069)	344,630	(166)
Change in trade and other receivables	(806,164)	(653,828)	(16,595)
Change in inventories	(35,926)	(6,333)	(740)
Change in other assets	111,572	(157,155)	2,297
Change in trade and other payables	304,655	656,188	6,271
Change in employee benefits	36,658	14,783	755
Change in deferred revenue	122,415	58,359	2,520
	(274,859)	256,644	(5,658)
Income taxes paid	(237,296)	(232,124)	(4,885)
Net cash (used in) / from operating activities	(512,155)	24,520	(10,543)
Cash flows from / (used in) investing activities			
Acquisition of property, plant and equipment	(879,222)	(668,080)	(18,098)
Expenditure on intangible assets	(93,040)	(7,439)	(1,915)
Proceeds from sale of property, plant and equipment	872	172	18
Net investment in leases	12,040	14,786	248
Finance income received	134,480	53,710	2,768
Short term investments, net	-	(20,315)	-
Net cash used in investing activities	(824,870)	(627,166)	(16,979)

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Cash flows from / (used in) financing activities			
Proceeds from issue of share capital (including share premium)	-	4,662	-
Proceeds from / (repayment of) borrowings, net	556,949	(562,296)	11,465
Finance expenses paid	(157,433)	(16,260)	(3,241)
Repayment of finance lease liabilities	(2,246)	(56)	(46)
Net cash from / (used) in financing activities	397,270	(573,950)	8,178
Net decrease in cash and cash equivalents	(939,755)	(1,176,596)	(19,344)
Cash and cash equivalents at April 1	888,690	3,070,157	18,293
Effect of exchange fluctuations on cash held	(143)	(2,065)	(3)
Cash and cash equivalents at period end	(51,208)	1,891,496	(1,054)
Supplementary information	125,729	2,832	2,584
Additions to property plant and equipment represented by finance lease obligations			

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