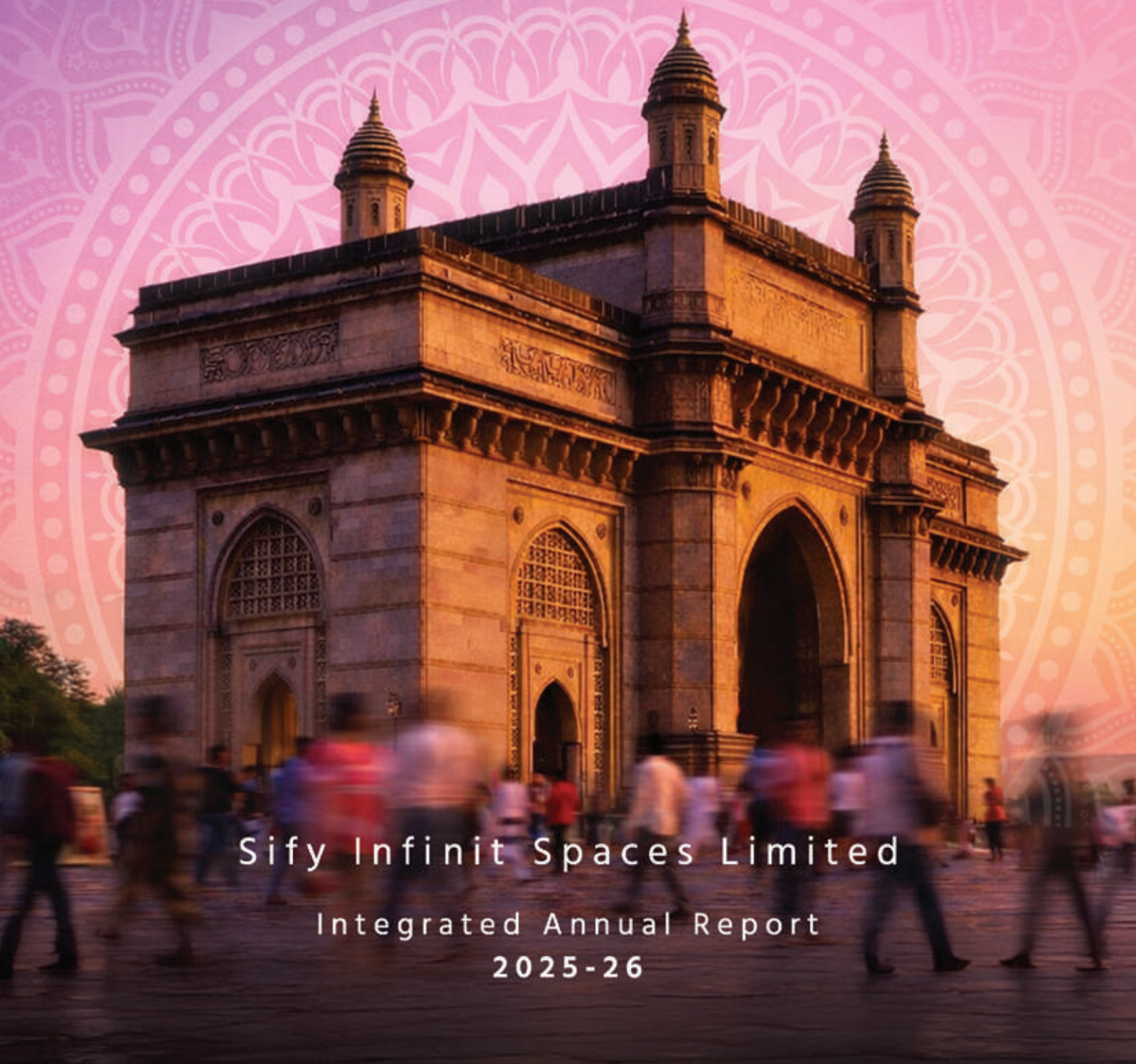
sify

Indian Values
INFINIT VISION



Sify Infinit Spaces Limited

Integrated Annual Report

2025-26

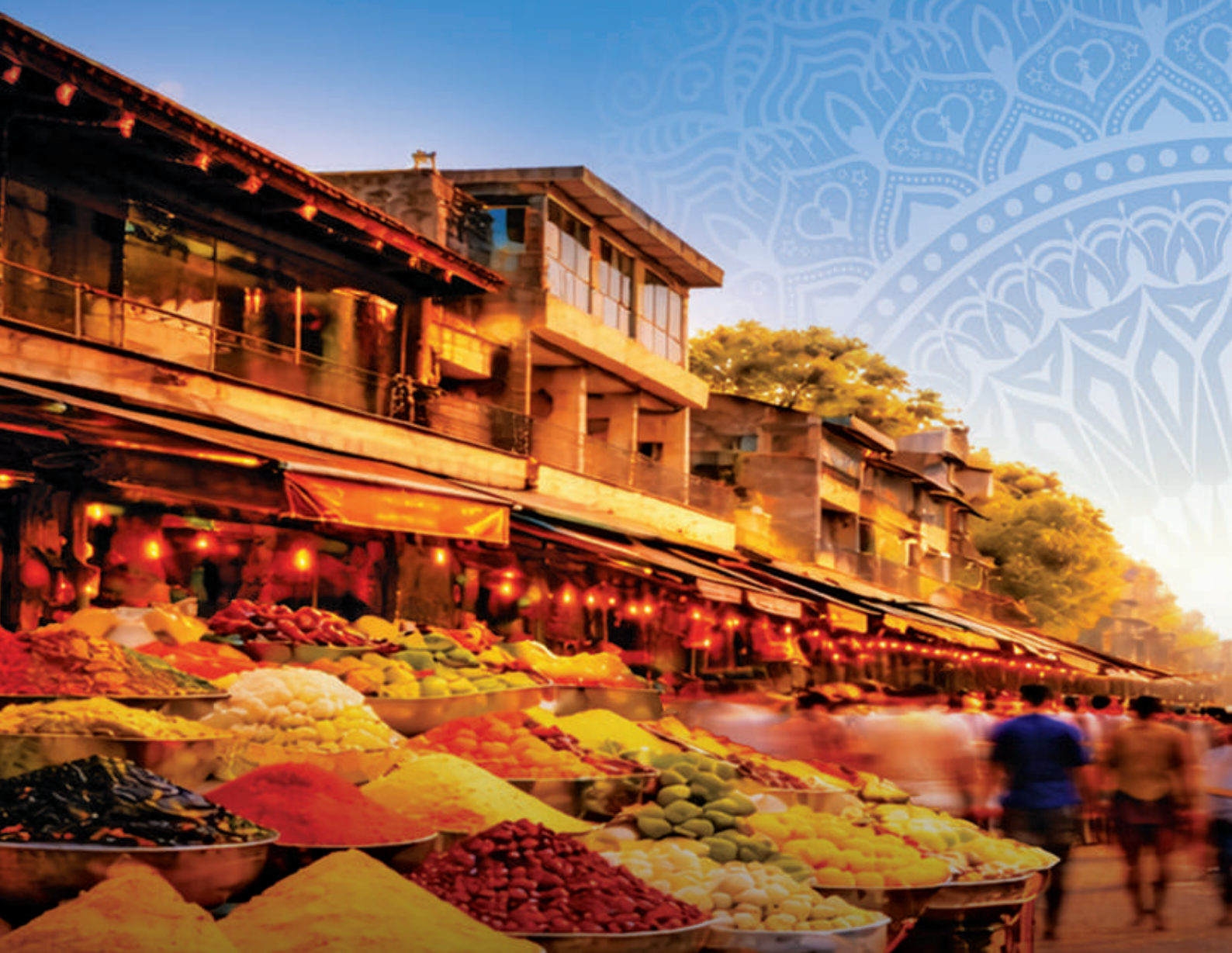
INDIAN VALUES

Sify Infinit Spaces Limited (SISL) was born in India with a clear belief; mission-critical digital infrastructure, built with discipline and foresight, could power the nation's digital future.

This journey is deeply rooted in India, spanning key digital hubs including Mumbai, Chennai, Delhi NCR, Bengaluru, Hyderabad and Kolkata, where each location reflects a convergence of regional strength and national ambition. In alignment with this footprint, this report is thoughtfully structured across these locations, offering a lens into the Company's operations, impact, and progress through each regional chapter.

Over time, a distinct operating ethos has taken shape — grounded in customer focus, collective strength, and accountability. These values have guided decisions, strengthened partnerships and ensured consistent delivery across regions.

Today, SISL stands on a foundation shaped by sustained performance and institutional maturity — distinctly Indian in its character, with an expansive outlook.



INFINIT VISION

For more than two decades, the Company has scaled alongside India's digital transformation, delivering resilient infrastructure tuned to the needs of a complex and evolving market.

Building on this strong foundation, it now advances with a vision shaped by continuous evolution, expanding opportunity, and the seamless extension of its capabilities. This vision is driven by the ability to scale expertise with precision, deliver excellence across markets, and build future-ready infrastructure aligned to emerging digital demand.

As SISL progresses, it remains guided by the principles that have defined its journey, with discipline in approach, accountability in execution and a clear focus on customers, while advancing toward an Infinit horizon of growth and possibility.

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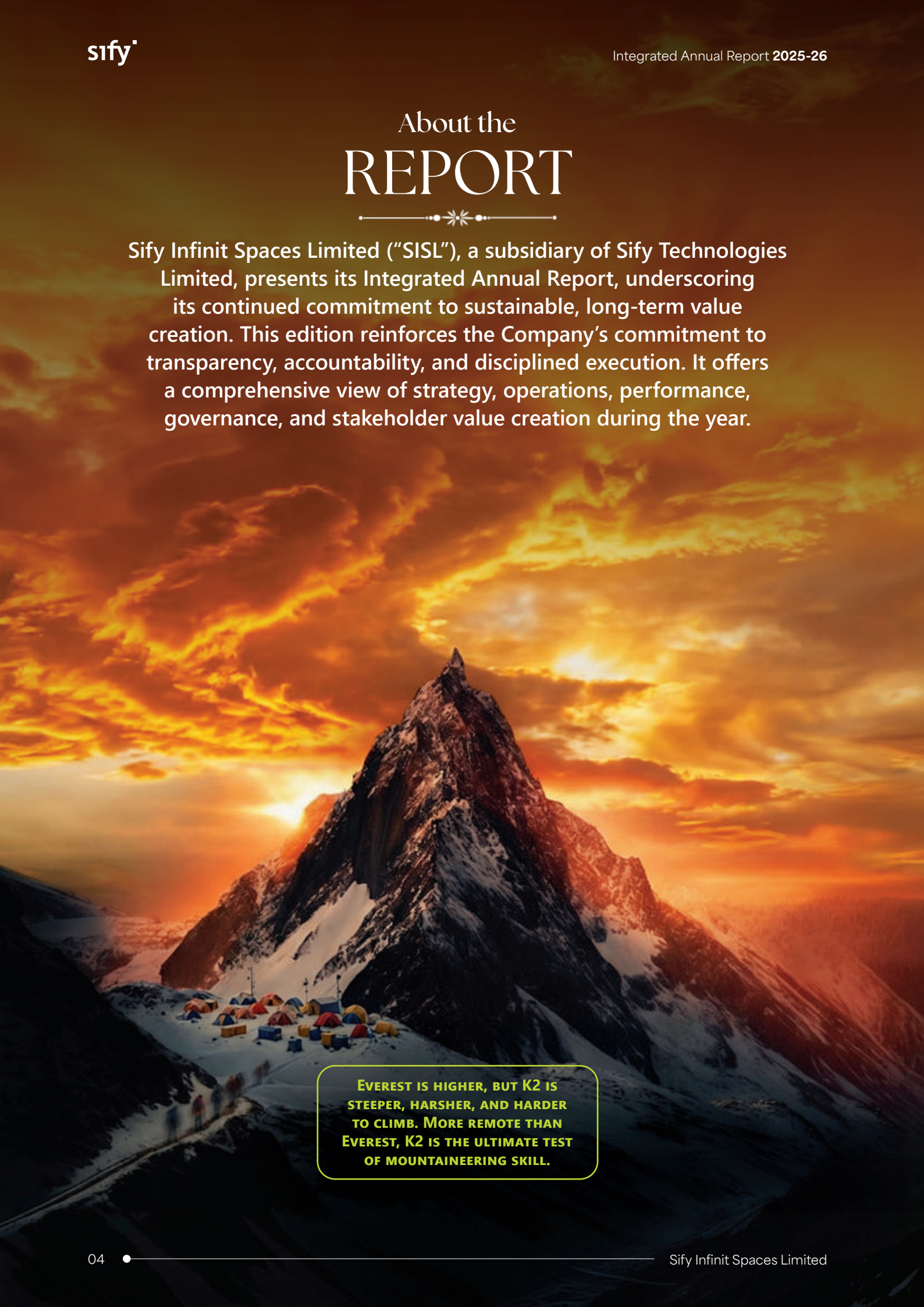
About the REPORT

Sify Infinit Spaces Limited ("SISL"), a subsidiary of Sify Technologies Limited, presents its Integrated Annual Report, underscoring its continued commitment to sustainable, long-term value creation. This edition reinforces the Company's commitment to transparency, accountability, and disciplined execution. It offers a comprehensive view of strategy, operations, performance, governance, and stakeholder value creation during the year.



EVEREST IS HIGHER, BUT K2 IS STEEPER, HARSHER, AND HARDER TO CLIMB. MORE REMOTE THAN EVEREST, K2 IS THE ULTIMATE TEST OF MOUNTAINEERING SKILL.

Reporting period and boundary

The Integrated Report, published annually, covers material information relating to the performance and value-creation journey of Sify Infinit Spaces Limited for the financial year of 1 April, 2025 to 31 March, 2026.

Financial and non-financial reporting

The report extends beyond financial reporting and includes non-financial performance, opportunities, risks, and outcomes attributable to or associated with the Company's key stakeholders, which have a significant influence on its ability to create value.

Report alignment

This report aligns with the principles and guidelines of the:

- International Integrated Reporting <IR> framework of the International Financial Reporting Standards Foundation (IFRS)
- United Nations Sustainable Development Goals (UN SDGs)
- United Nations Global Compact Principles (UNGC)
- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business NVGs
- The Global Reporting Initiative (GRI) Standards
- The Companies Act, 2013 (and the rules made thereunder)
- Indian Accounting Standards and International Financial Reporting Standards

External assurance

Mazars Advisory LLP is Sify Infinit Spaces Limited's independent third-party assurance partner and was engaged for the integrated report FY 2026 to provide Limited assurance for the Integrated Report and Reasonable assurance for the BRSR over key sustainability performance indicators.

Responsibility of the Board

The Board of Directors acknowledges its responsibility to ensure the completeness of this Integrated Report. Accordingly, the report addresses all material issues and presents the integrated performance of the Company and its impact in a fair and accurate manner.

APPROACH TO CAPITALS

Capitals	Description	
Financial Capital	Funds secured for business investment and day-to day operations	Generate sufficient liquidity to fund strategic growth initiatives **Read more on Page 72**
Natural Capital	Natural resources consumed by business operations	Reduce the burden of business operations on the planet **Read more on Page 80**
Manufactured Capital	Tangible infrastructure deployed to provide services	Maintain and create assets that deliver superior services **Read more on Page 94**
Intellectual Capital	Intangible knowledge-based assets	Cultivate innovation as a key component of growth **Read more on Page 102**
Social and Relationship Capital	Collaborating and communicating with stakeholders and society building	Build trust among stakeholders and participate in community development **Read more on Page 110**
Human Capital	People skills deployed in running business operations	Nurture an inclusive and balanced work environment **Read more on Page 116**

Core elements

This Report adequately showcases SISL's integrated organizational strategy, considering important risks and valued inputs from its stakeholders. It is defined by the contours of the material topics derived and further elaborated in the six <IR> capitals. The Company also endeavors to ensure that the report addresses the impact and use of capitals on its strategic and business models.

Forward-looking statement

Certain statements in this document constitute "forward-looking statements" which involve known and unknown risks, opportunities, uncertainties and other important factors that could turn out to be materially different following the publication of actual results. These forward-looking statements speak only as of the date of this document. The Company undertakes no obligation to publicly update, or release any revisions to these forward-looking statements, to reflect events or circumstances after the date of this document or to reflect the occurrence of anticipated events.

THE MILK DELIVERY MAN ENSURING FRESH MILK REACHES HOMES EVERY MORNING. STARTING EARLY, THEY PROVIDE RELIABLE SERVICE AND ACT AS A TRUSTED LINK BETWEEN DAIRY SUPPLIERS AND CITY HOUSEHOLDS.

Disclaimer:
The images used in this Report are AI-generated illustrations for representational purposes only and do not depict actual photographs or conditions.

KEY HIGHLIGHTS

FY 2026 SNAPSHOT

Financial

Revenue
INR 1,76,053 Lakh

EBITDA
INR 79,322 Lakh

PAT
INR 3,722 Lakh

CAPEX
INR 5,500 Lakh

Operational

99.982%+
Delivered uptime across key facilities

279
In-house specialists across engineering, operations, and delivery

3 Facilities
Certified NVIDIA DGX-Ready for AI workloads (air and liquid cooling)

99.56%
Purchase within India

- Carrier-neutral, hyperconnected architecture with dense fiber ecosystem
- POD-based modular design enabling agile, phased capacity expansion
- Minimum 48-hour on-site fuel backup with multi-supplier redundancy
- All new facilities are IGBC Green Platinum Certified, demonstrating sustainable leadership

Environment

39.98%
Renewable energy utilization across key campuses

33.85%
Renewable power mix at Rabale campus

309.60 MWp
Renewable capacity contracted under long-term PPAs

- Renewable integration across largest campuses
- Onsite substations and step-down transformers ensuring power security and uptime resilience
- Equity investments in renewable energy aligned with the Electricity Act, 2003
- Advanced cooling technologies driving industry-parallel Power Usage Effectiveness (PUE) performance
- Designed for low Water Usage Effectiveness (WUE)
- Maintained the ISO 14001 Environmental Certification
- Sustainable disposal methods for waste generated

Social

5,300.7
Training hours

INR 271.3 Lakh
CSR spend

8,507.1
Learning and development hours

03
Beneficiaries

- Adopted Data Protection Policy aligned with DPDP Act, 2023
- Maintained ISO 27001 and ISO 20000 certifications
- Annual SOC1 Type 2 and SOC2 Type 2 audits conducted
- Implemented SASE framework for secure client connectivity
- Continuous cybersecurity monitoring and resilience testing
- Ongoing employee training in information security and business continuity

Governance

- A culture of learn, transform, and perform
- An ethical and fair business
- Strong focus on anti-bribery and anti-corruption
- 100% of plants and offices assessed for child labour risks, with zero complaints reported
- No environmental, social, or ethical violations

**INDIA'S FINANCIAL CAPITAL.
SISL'S DIGITAL STRONGHOLD.**

MUMBAI

SISL's journey began here. In September 2000, its first data center was commissioned in Vashi, laying the foundation for a scalable and resilient digital infrastructure platform. The inherent DNA of a pioneer helped position SISL early in a market poised for transformation.

From that single facility, SISL expanded steadily across Mumbai, growing alongside the city's rising digital demand. Capacity increased, infrastructure deepened, and operational performance sharpened with each phase of growth. What began as one data center has evolved into a robust, future-ready portfolio, fueling digital growth at the heart of India's financial engine.

Mumbai's Dabbawalas are a legendary 125+ year-old network of ~5,000 workers who deliver over 200,000 home-cooked meals daily with near-perfect (Six Sigma, 99.9999%) accuracy.

Vashi Data Center

1st
Commercial data center in India

26 Years
Of continuous operations

0.38 MW
Built IT power capacity

Rabale Data Center Campus

AI-Ready
Hyperscale data center campus

5
Operational towers

101.26 MW
Combined built IT power capacity

Airoli Data Center

1st
Cloud data center at Sify

4.05 MW
Built IT power capacity

MUMBAI'S MARKET OVERVIEW

The Gateway to India's
DATA POWER

Mumbai has firmly established itself as India's leading data center hub, supported by strong digital infrastructure, reliable power availability, and direct access to international subsea cable networks. Its strategic coastal location positions it as a critical gateway for global connectivity and hyperscale deployments.

Key Market Highlights

~582 MW
Built capacity with over
1 GW under development

~98%
of Capacity delivered through
colocation model

~7%
Vacancy
(among the lowest in the country)

India's Largest
Colocation-driven
data center market

Cluster-Led Development

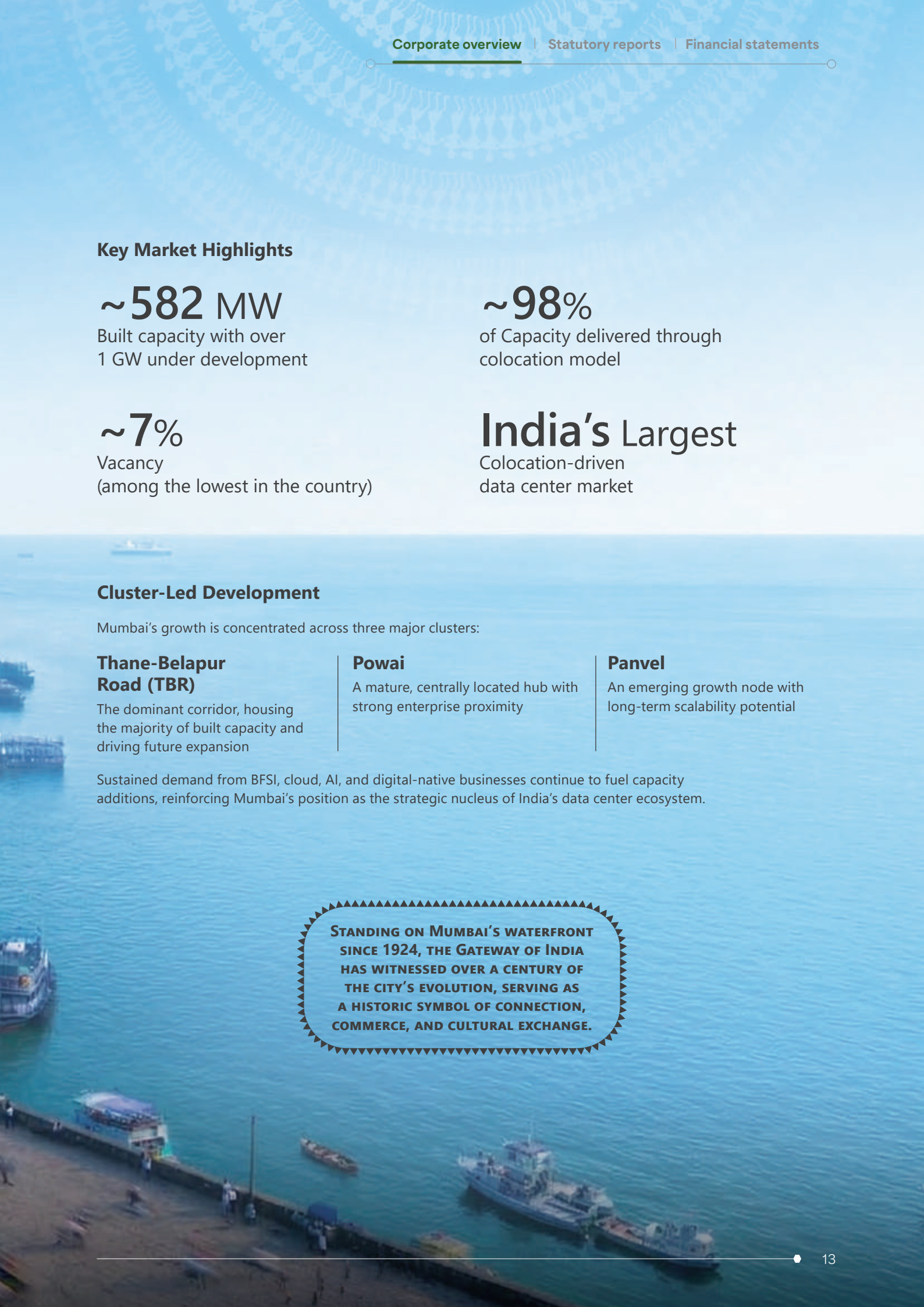
Mumbai's growth is concentrated across three major clusters:

Thane-Belapur Road (TBR)
The dominant corridor, housing the majority of built capacity and driving future expansion

Powai
A mature, centrally located hub with strong enterprise proximity

Panvel
An emerging growth node with long-term scalability potential

Sustained demand from BFSI, cloud, AI, and digital-native businesses continue to fuel capacity additions, reinforcing Mumbai's position as the strategic nucleus of India's data center ecosystem.



ABOUT THE COMPANY

SIFY INFINIT SPACES LIMITED

SISL's data center journey began in 2000 with the commissioning of its first facility in Mumbai, marking an early and decisive entry into India's enterprise-grade digital infrastructure landscape. From that foundation, the platform has scaled to 14 state-of-the-art data centers across key economic and technology hubs, including Noida, Hyderabad, Bengaluru, Chennai, and Kolkata, establishing a strong national presence aligned with demand centers.

Over the years, Sify Infinit Spaces Limited has expanded with a clear focus on resilience, performance, and sustainability. Three of its latest facilities are certified by **NVIDIA as DGX-Ready for AI workloads**, supporting both air and liquid cooling architectures, and hold **IGBC Platinum and TIA-942 Rated 4 certifications**. These distinctions reflect the Company's capability to host high-density, next-generation computing environments and advanced AI infrastructure at scale.

Through disciplined execution and forward-looking expansion, Sify Infinit Spaces Limited continues to strengthen its role as a trusted enabler of India's evolving digital economy, anchored in Indian values and guided by a clear global vision.

As AI adoption accelerates with workloads projected to contribute 15–20% of overall data center demand by 2030, the Company is strategically positioned to address this shift through scalable design, certified infrastructure, and sustained capacity investments.

14
Operational colocation data centers

309.60 MW
Total PPA Contracted

500+
Clients

192.36 MW
Total built capacity across 6 major cities in India[1]

26 Years
Of providing high-performance data center hosting solutions to clients across India

Mumbai's suburban railway network carries over 7.5 million passengers each day, making it one of the world's busiest and most intensively used urban transit systems.

[1] Total available power capacity that can be sold to customers during the period/fiscal

Vision

Become partner of choice for data center clients.

Mission

Build India's most efficient chain of data centers.
Deliver the best-in-class technology for data centers to clients.
Build a healthy growing sustainable practice throughout the value chain.

Values

Sify Infinit Spaces Limited's ethos lies in the "Sify Way" of doing things. Everyone within the organization is expected to uphold these values. The three tenets of the Sify Way are deeply embedded in its corporate governance practices, offering clear guidance and direction.

Sify way

Put Customers First

Be Accountable

Trust the Team

Presence

With a strategically distributed footprint across India's key economic and technology hubs, SISL has established a strong national presence aligned with demand centers. Its data centers are positioned to serve hyperscalers and enterprises with proximity, resilience, and scalability, enabling seamless digital operations across regions, while shaping its next phase of global growth.

192.36 MW
Total built capacity across 6 major cities in India

~128.40 MW
Total operational capacity

* Rabale Data Center (Tower 5), Chennai 02 (Tower B), and Noida 02 (Tower B) are equipped with facilities to handle AI-related applications

JOURNEY

Since 2000, SISL has progressed from pioneering its first data center to shaping a scalable, future-ready digital infrastructure platform. Marked by steady expansion and forward-looking investments, the journey reflects a consistent focus on reliability, innovation, and readiness for the next wave of cloud and AI-led growth.

2000

Vashi Data Center
Built Capacity
0.38 MW

Chennai 01 Data Center
Built Capacity
3.58 MW

2018

Hyderabad Data Center
Built Capacity
14.40 MW

2021

Kolkata Data Center
Built Capacity
1.08 MW

2021

Rabale T3 Data Center
Built Capacity
24.00 MW

2022

Rabale T4 Data Center
Built Capacity
8.10 MW

2024

Rabale T5 Data Center
Built Capacity
47.52 MW

The Vande Bharat Express, India's first indigenously built semi-high-speed train, redefined rail travel with its sleek design, faster acceleration, and airline-style comfort.

2008

Airoli Data Center
Built Capacity
4.05 MW

2011

Bengaluru Data Center
Built Capacity
4.82 MW

2013

Rabale T1 & T2 Data Center
Built Capacity
21.64 MW

2015

Noida 01 Data Center
Built Capacity
10.96 MW

2025

Chennai 02 (Tower B) Data Center
Built Capacity
25.92 MW

Noida 02 (Tower B) Data Center
Built Capacity
25.92 MW

Solutions

SISL offers a converged ecosystem of data center solutions spanning colocation, built-to-suit, DC interconnects, and value-added services. These solutions enable enterprises and hyperscalers to securely house critical IT infrastructure in scalable, energy-efficient environments, seamlessly connect with partners and cloud platforms, and optimize operations through tailored digital capabilities.

Colocation

Scalable infrastructure for growth-driven enterprises and hyperscalers

- Among India's leading providers by built IT capacity
- Flexible configurations; from single cabinets to multi-megawatt deployments
- 10-layer physical security framework from perimeter to server
- Enterprise-grade power, cooling, bandwidth, and uptime assurance
- Ideal for clients seeking rapid deployment with operational control and high resiliency

Built-To-Suit

Customized environments engineered for complex, high-density workloads

- End-to-end delivery: Design, construction oversight, and operations
- Tailored to client-specific technical, compliance, and operational standards
- Built to global enterprise and safety benchmarks
- Suited for large enterprises and public sector institutions requiring dedicated infrastructure

DC Interconnects

Low-latency digital exchange across networks, clouds, and ecosystems

- Carrier-neutral platform ensuring provider flexibility
- Connectivity to multiple interconnection points and cloud availability zones
- Enables ultra-low latency, high bandwidth, and seamless data replication
- Strengthens hybrid and multi-cloud scalability and disaster recovery strategies

Value-Added Services

Operational optimization beyond infrastructure

- Rack and stack, structured cabling, compliant security deployments, and equipment procurement
- Asset setup and lifecycle maintenance support
- Integrated ecosystem spanning data center, network, cloud, digital, and IT solutions
- Enables end-to-end ICT transformation under a unified platform
- Pay-per-use colocation pricing across NVIDIA-certified, AI-ready hyperscale data center campuses across India

Quality Certifications

SISL's certifications underscore a steadfast commitment to globally recognized standards across infrastructure availability, information security, sustainability, and AI readiness — reinforcing the reliability, resilience, and future-focused design of its data center platform.

TIA-942 Rated 4 Certification

- Tower 5, Rabale Data Center Campus
- Chennai 02 Data Center - Tower B
- Noida 02 Data Center - Tower B

Represents fully fault-tolerant, concurrently maintainable infrastructure with redundant critical systems.

Indian Green Building Council (IGBC) – Platinum Rating

- Chennai 02 Data Center - Tower B
- Tower 5, Rabale Data Center Campus
- Noida 02 Data Center - Tower B

NVIDIA DGX-Ready Data Center Certification (AI Workloads | Air and Liquid Cooling)

- Tower 5, Rabale Data Center Campus – **First in India** to receive DGX-Ready certification for air and liquid cooling
- Chennai 02 Data Center - Tower B
- Noida 02 Data Center - Tower B

Currently, three of the latest facilities are certified by NVIDIA for AI workloads and advanced cooling capabilities.

Information Security and IT Service Management Certifications

- ISO 27001: Management of Information Security
- ISO 20000-1: IT Service Management

Quality, Security, and Compliance Standards

- ISO 9001:2015
- ISO 14001 – Environmental Management
- PCI DSS
- SOC 1, SOC 2, SOC 3

AWARDS AND ACCOLADES

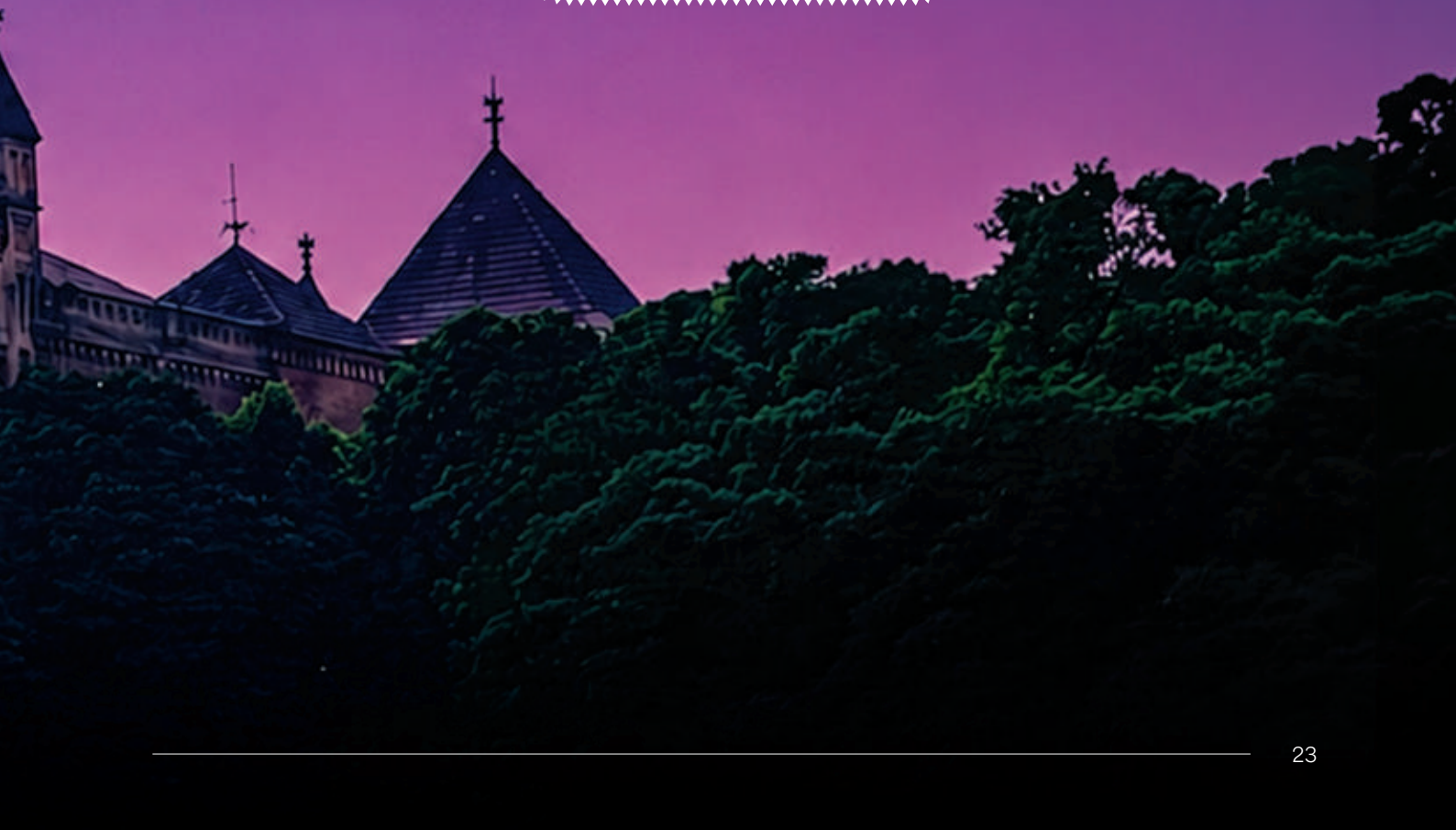
SISL's unwavering focus on innovation, execution excellence, and sustainable infrastructure has earned it widespread recognition from leading industry institutions. These accolades reflect the Company's strong positioning in India's data center ecosystem and its continued leadership in building future-ready, AI-enabled digital infrastructure.

Celebrating Excellence

- Innovation in Data Center Excellence (2024) – Assocham
- Leader in IDC MarketScape for India Data Center Services (2024) – IDC
- Times Now Data Center Sustainability Award (2024) – Times Now
- Best Future-Proof Data Center Project – Noida 02 & Chennai 02 Campuses (2024) – ET Now
- Data Center Project of the Year – Mumbai 03 Rabale Facility (2024) – GRI
- India's First NVIDIA-Certified DGX-Ready Data Center Service Provider for Liquid Cooling (2024) – NVIDIA
- CIO Choice Recognition for AI-Ready Data Centers (2025) – Core Media
- Best Data Center Infrastructure in India Award (2025) – VAR India
- Green Champion Award (2025) – IGBC
- Silver Award for Innovation in Investor Relations – Video Coffee Table Book – Stevie Awards
- Gold Award, Ranked 70th amongst top 100 – 2025 Spotlight Awards – LACP

These recognitions collectively underscore SISL's commitment to delivering scalable, sustainable, and high-performance infrastructure aligned with the evolving needs of a digital-first world.

Named after a historic black horse statue, Mumbai's Kala Ghoda precinct is widely regarded as the city's cultural and artistic hub.



DATA CENTERS

The Foundation of a

CONNECTED FUTURE

A data center is a purpose-built facility that houses critical computing, storage, and networking infrastructure. It forms the physical backbone of the digital economy, enabling the secure storage, rapid processing, and seamless transmission of vast volumes of data.

Description

- Dedicated and secure spaces for **computing and networking equipment**
- Used for **collecting, storing, processing, distributing**, or allowing access to large amounts of data

Process

- Digital data and applications are **stored on servers**, mounted on **racks** within data centers
- **Accessible to users via broadband connectivity**

Usage

- Servers **compute and process relevant data**, making the **desired information available to the user**

Components

- Includes **routers, switches, firewalls, storage systems, servers, racks and application delivery controllers** to manage business-critical data and applications

Infrastructure

- Requires **significant infrastructure** with **high redundancy**, including power subsystems, UPS, ventilation, cooling systems, fire suppression, backup generators, secure and resilient networks, and connections to external networks

As digital adoption accelerates across AI, e-commerce, digital payments, social media, streaming platforms, and IoT ecosystems, data generation is expanding at an unprecedented pace. Managing this scale requires high-capacity, resilient, and strategically located data centers that ensure low latency, reliability, and uninterrupted access to digital services.

India's data center capacity is projected to grow at a CAGR of 30–35% (in IT MW terms) between FY 2025 and FY 2030, reflecting its foundational role in the nation's digital economy.

Enabling Digital Infrastructure Across Industries

With AI and Generative AI adoption gaining momentum, demand for high-density, GPU-optimized, always-on infrastructure is expected to rise significantly over the next 1-2 years, shaping the next wave of capacity expansion.

- **Enterprise Digital Transformation:** Industries such as IT and Telecom, BFSI, cloud and SaaS, streaming, gaming, and government services rely on data centers for secure, scalable, and low-latency processing to enable real-time operations.
- **5G, Cloud, and IoT Expansion:** The rollout of 5G networks, accelerating cloud adoption, and the proliferation of IoT devices are driving the need for hyperscale and edge data centers to support decentralized, real-time data processing.
- **Rise of Remote and Digital Lifestyles:** Remote work, social media engagement, online collaboration, and immersive gaming platforms are increasing demand for high-bandwidth, ultra-low-latency digital infrastructure.
- **Operational Intelligence through AI:** Beyond driving workload demand, AI is enhancing data center efficiency through predictive maintenance, intelligent load management, and network optimization, strengthening reliability and performance.

Growth Catalysts for Data Centers

Hyperscalers
- Cloud expansion
- AI-ready capacity
- Data localization
- ESG-led infrastructure

BFSI and Fintech
- Digital banking
- Real-time payments
- Regulatory compliance
- Hybrid cloud adoption

Cloud and SaaS
- Multi-cloud ecosystems
- AI/ML workloads
- Scalable enterprise platforms

Industry 4.0
- Automation
- IoT integration
- Edge computing
- Predictive analytics

Streaming, OTT, and Social Media
- High concurrency
- Low latency
- CDN expansion
- Personalization at scale

Government and 5G Push
- Digital public infrastructure
- Smart cities
- BharatNet
- Data sovereignty

Edge Data Centers

Unlike traditional large-scale facilities, edge data centers are smaller (typically <10 MW in India), decentralized units located closer to end-users and data sources. Their proximity reduces latency and enables real-time processing, critical for AI, IoT, streaming, and 5G applications. They are commonly categorized as micro, regional, on-premise, or mobile, depending on deployment and use case.

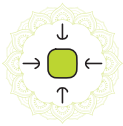
Key Characteristics

High-performance, AI-ready hardware

Proximity to users and devices

Modular and scalable design

Energy-efficient systems



Compact and localized

With India's total data center demand projected to grow from ~1.3 GW in FY 2025 to 4.7-5.7 GW by FY 2030, the edge segment's share is expected to expand from 5-8% to 20-25%. Rising real-time digital consumption and IoT proliferation are accelerating the need for ultra-low latency infrastructure.

Strengthening Edge Infrastructure at SISL

SISL is focusing on expanding Edge data center presence to support AI- and IoT-driven workload shifts

The Company has a strategy to deliver mainstream data center-grade capabilities within the Edge ecosystem for Hyperscaler clients

2 Edge data centers are under development in Lucknow and Chandigarh, with firm commitments for upcoming capacity

As adoption scales, edge facilities are poised to evolve into distributed colocation hubs, working in hybrid models where hyperscaler platforms operate on infrastructure managed by specialized providers, seamlessly integrating core and edge environments.

**A COASTLINE OF COMMERCE.
SISL'S PULSE OF GLOBAL CONNECTIVITY.**

CHENNAI

Positioned along India's eastern coastline, Chennai stands as one of the country's most globally connected digital hubs. Along its shores, subsea cables rise from the ocean floor, channeling global data flows into India's digital backbone. At this intersection of sea and silicon, SISL has built more than infrastructure. It has created a strategic digital bridge linking India's ambitions with the world beyond.

The Company's journey here began with a strong enterprise foundation at TIDEL Park, anchoring reliability and trust. Over time, this foundation expanded into a hyperscale, AI-ready campus designed for density, speed and global reach. With direct subsea integration and resilient infrastructure, Chennai became not just another node, but a strategic bridge between continents and cloud platforms.

Today, Chennai stands as one of SISL's most globally connected hubs, powering enterprises, hyperscalers and next-generation workloads, while linking India's digital ambition to the world beyond its shores.

Established in 1881, Chennai Port is one of India's oldest and its second-largest container hub.

TIDEL Park

Carrier-Neutral
Facility

3.58 MW
Built IT power capacity

Siruseri

NVIDIA DGX-Ready
Certified for AI and liquid cooling (Tower B)

AI-Ready
Hyperscale data center campus

25.92 MW
Built IT power capacity

CHENNAI'S MARKET OVERVIEW

Capacity. Connectivity. CONTINUITY.

Chennai has firmly established itself as a pivotal node in India's data center landscape. Strategic coastal positioning, reliable power availability, and strong policy support have accelerated investment from global operators and domestic colocation providers.

At the heart of this growth lies connectivity. The integration of major submarine cable systems, including **SEA-ME-WE 6 (Southeast Asia–Middle East–Western Europe 6)**, strengthens Chennai's role as a gateway for international data exchange, enabling low-latency, high-bandwidth connectivity between India, Southeast Asia, and Europe.

Market Momentum

243 MW
Built capacity

370+ MW Pipeline
including:

43% CAGR
Over five years

290 MW
Planned

80 MW
Under construction

Key Drivers of Chennai's Rapid Expansion:

Coastal access with multiple subsea cable landing stations

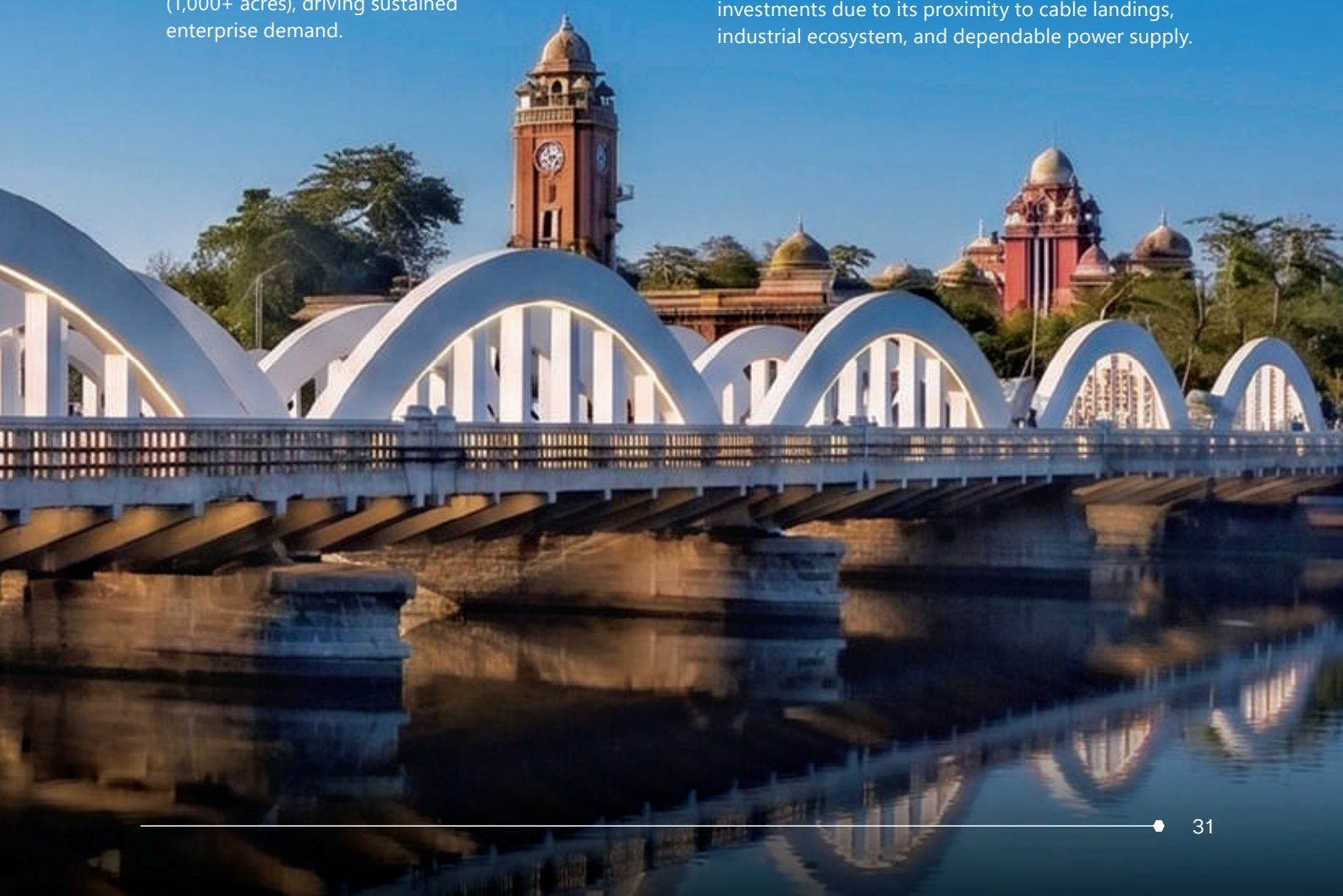
Stable and competitive power ecosystem

Strong enterprise and hyperscaler demand

Proactive state-level policy support

Within the Greater Chennai region, **Siruseri** and **Ambattur** have emerged as high-potential data center corridors.

- **Siruseri** houses the **SIPCOT IT Park**, South India's largest IT park (1,000+ acres), driving sustained enterprise demand.
- **Ambattur Industrial Estate** (1,430 acres; ~1,800 industrial units) is now attracting significant data center investments due to its proximity to cable landings, industrial ecosystem, and dependable power supply.



OPERATING ENVIRONMENT

Industry LANDSCAPE

India's digital economy is accelerating, fueled by data growth, cloud adoption, AI workloads and enterprise digitization. This shift is driving demand for resilient, scalable and energy-efficient data centers.

At the same time, renewable energy integration, evolving regulatory frameworks, data localisation requirements and rising sustainability expectations are reshaping the operating landscape.

Against this backdrop, infrastructure providers must balance scale with reliability, efficiency with resilience, and growth with environmental responsibility. SISL operates within this dynamic environment, where strategic location, power security, compliance depth and execution capability define long-term competitiveness.

Chennai Central, inaugurated in 1873, is one of India's busiest railway stations, connecting millions of passengers annually and serving as a gateway to South India.

India's Digital Expansion: Scaling the Data Economy

India's digital acceleration is being shaped by a strong alignment between public policy, enterprise transformation, and rising consumer adoption. Flagship programs such as Digital India, BharatNet, DigiLocker, and the IndiaAI Mission are deepening connectivity, accelerating digital service delivery, and promoting AI-led innovation. Together, they are expanding internet penetration, increasing digital transactions, and driving exponential data creation across both urban and rural markets.

Simultaneously, Indian enterprises are modernizing their IT environments, adopting cloud infrastructure, digitizing core operations, and deploying enterprise applications at scale. On the demand side, scalable B2C models across e-commerce, fintech, food delivery, and mobility platforms are generating sustained digital engagement and vast volumes of consumer data. Content consumption continues to surge, with platforms such as YouTube and Instagram driving real-time traffic growth. AI adoption across healthcare, education, retail, and financial services, including generative AI and machine learning applications, is further intensifying compute and storage requirements.

These structural shifts are reinforcing the need for scalable, secure, high-performance digital infrastructure.

SISL's Response

SISL is aligned to India's accelerating digital expansion by building scalable, secure, and high-performance infrastructure across strategic markets. As public digital platforms deepen connectivity and enterprises modernize through cloud and AI adoption, the Company is expanding hyperscale and edge capacity to support rising compute, storage, and interconnection needs.

SISL's AI-ready campuses, robust power architecture, and compliance-aligned facilities are designed to handle high-density workloads and real-time digital traffic. By combining disciplined capacity growth with renewable integration and operational resilience, SISL is strengthening the digital backbone required to power India's next phase of data-driven growth.

India's Power Landscape: Enabling Data Center Scale

Power reliability and scalability remain foundational to India's data center expansion. As of FY 2025, India's installed electricity generation capacity exceeds 450 GW, supported by a diversified energy mix across thermal, hydro, nuclear, and renewables. Renewable energy contributes over 200 GW, accounting for nearly 40%+ of total installed capacity, reinforcing grid sustainability and long-term energy security.

India has consistently met record peak demand levels exceeding 240–250 GW over the past two years, reflecting strengthened grid resilience and transmission capacity. Importantly, the data center sector currently accounts for less than 1% of national electricity consumption. Even under multi-gigawatt expansion scenarios, sectoral demand is projected to remain a small share of overall power usage by 2030.

India's leading data center markets — Mumbai (Maharashtra), Chennai (Tamil Nadu), Bengaluru (Karnataka), Hyderabad (Telangana), Kolkata (West Bengal), and Delhi NCR — are backed by strong state-level installed capacities. Maharashtra alone contributes over 50 GW, while Tamil Nadu and Karnataka each exceed 30–40 GW, with high renewable penetration in the southern corridor. This combination of scale, redundancy, and renewable integration provides a structurally supportive foundation for hyperscale growth.

SISL's Response

SISL's portfolio is strategically positioned across these high-capacity, power-secure markets, Mumbai, Chennai, Bengaluru, Hyderabad, Kolkata, and Delhi NCR, ensuring proximity to India's strongest energy corridors. The Company designs its facilities with dual power feeds, N+1 / 2N redundancy architecture, and scalable electrical systems capable of supporting higher rack densities required for AI and cloud workloads. Site selection is driven by measurable parameters including installed state capacity, transmission strength, renewable availability, and long-term tariff visibility.

By aligning expansion with regions contributing a significant share of India's 450+ GW installed base, SISL mitigates supply risk, enhances uptime assurance, and strengthens cost predictability, positioning its infrastructure to support sustained, power-intensive digital growth.

Renewable Energy Availability: Advancing Sustainable Digital Infrastructure

India's energy transition is reshaping the operating environment for power-intensive sectors such as data centers. As of FY 2026, the country's installed renewable energy capacity exceeds 260 GW, representing nearly half of total installed generation capacity. Solar and wind continue to lead additions, supported by hydro and bioenergy, while overall non-fossil capacity has crossed the 266 GW mark. This structural shift reflects India's long-term climate commitments, including achieving 50% cumulative electric power capacity from non-fossil sources by 2030 and progressing toward net-zero emissions by 2070.

Renewable deployment is geographically concentrated in states that are also key data center hubs. Tamil Nadu, Karnataka, and Maharashtra combine high installed capacity with strong wind and solar penetration, making them particularly attractive for sustainable infrastructure expansion. Open-access frameworks, green energy corridors, and corporate power purchase agreements (PPAs) are enabling large consumers to directly procure renewable power, strengthening the viability of ESG-aligned growth.

In parallel, policy focus on nuclear energy, including investment in Small Modular Reactors (SMRs), signals long-term support for reliable, low-carbon baseload power. Together, renewables and nuclear are enhancing grid sustainability while maintaining supply reliability for high-density digital workloads.

SISL's Response

SISL has aligned its growth strategy with India's renewable energy transition by embedding sustainability into the core of its digital infrastructure platform. The Company has secured over 309 MWp of renewable capacity through long-term power purchase agreements, steadily increasing the green share of its energy mix while improving cost visibility and lowering carbon intensity.

Advanced cooling systems and industry-aligned PUE benchmarks enhance efficiency across campuses, while onsite substations and redundant backup systems ensure operational resilience. Through renewable integration, efficient design, and robust power architecture, SISL delivers ESG-aligned, future-ready infrastructure for hyperscalers and enterprises.

Message from the CHAIRMAN

Dear Shareholders,

I am pleased to present Sify Infinit Spaces' Integrated Annual Report, reflecting a year of disciplined growth and strategic execution. Built on a 25-year legacy of strengthening India's digital backbone, Sify stands as India's only homegrown data center MNC, serving enterprises, hyperscalers, and public institutions across the country through 14 state-of-the-art facilities.

Raju Vegesna
Chairman

With a 15.26% market share by built IT capacity in India and a combined operational IT power capacity of 192.36 MW, we stand among the leading data center platforms in the country. This position underscores the confidence our customers place in our resilience, reliability and long-term partnership approach.

The digital economy is expanding rapidly, driven by AI adoption, cloud acceleration, data localization frameworks, and enterprise transformation. In this environment, dependable and energy-efficient infrastructure has become foundational to national competitiveness. SISL continues to invest in robust architecture, high-density readiness, and operational excellence to meet these evolving requirements. Sustainability remains embedded in our strategy. We are advancing renewable energy integration, improving efficiency metrics, and strengthening governance practices to ensure responsible growth aligned with stakeholder expectations.

This Integrated Report captures our commitment to performance, transparency, and long-term value creation. I thank you for your continued trust as we build infrastructure that powers India's digital future with responsibility and conviction.

The Global Momentum[2,3]

The global data center industry is experiencing a structural expansion phase, propelled by exponential growth in cloud computing, artificial intelligence workloads, and enterprise digital transformation. The global installed data center power capacity is forecast to nearly double from around 103 GW to 200 GW by 2030, marking an infrastructure investment supercycle requiring up to USD 3 Trillion in capital deployment over the next five years. AI workloads alone are projected to account for 50% of total data center capacity by 2030, compared to roughly 25% in 2025, transforming the scale, design and energy intensity of facilities worldwide.

The global data center market reached an estimated USD 233.4 Billion in 2025. The industry is expected to expand to approximately USD 515.2 Billion by 2034, reflecting a steady compound annual growth rate (CAGR) of 8.92% between 2026 and 2034.

This growth trajectory is anchored in sustained demand for cloud computing, large-scale data storage, and edge-enabled infrastructure. Enterprises across sectors are accelerating digital transformation initiatives, while the proliferation of IoT ecosystems and AI-driven workloads continues to elevate compute intensity.

At the same time, increasing emphasis on energy-efficient design, renewable power integration, and sustainable operations is reshaping infrastructure investments worldwide.

AI's influence is reshaping infrastructure norms: power densities per rack and campus footprint have increased sharply as GPU-heavy designs become the standard for high-intensity workloads. Energy use by data centers is also rising rapidly, with global electricity consumption rising rapidly and projected to nearly double by 2030 under base scenarios, signaling both opportunity and imperative for sustainable energy solutions.

Amid this environment of strong demand, rising capital flows, and dynamic workload shifts, SISL is well positioned to capitalize on global trends by designing AI-ready, scalable, energy-efficient facilities, deepening strategic partnerships, and aligning growth with sustainability priorities. By focusing on future-proof architecture and operational excellence, SISL aims to participate meaningfully in this global growth trajectory while delivering resilient and responsible infrastructure that supports the evolving digital economy.

[2] https://www.imarcgroup.com/data-center-market

[3] https://www.jll.com/en-in/newsroom/global-data-center-sector-to-nearly-double-to-200gw-amid-ai-infrastructure-boom

India's Digital Ascent[4,5,6]

India's data center industry is advancing rapidly as digital adoption, AI workloads and cloud computing drive sustained infrastructure demand. The Union Budget 2026–27 positions India as a global cloud and AI infrastructure hub by introducing a tax holiday for eligible foreign cloud service providers till 2047, aimed at attracting long-term investments and enabling India-based data centers to serve global workloads with fiscal clarity. This initiative is part of a broader policy framework to strengthen domestic digital infrastructure and enhance global competitiveness.

Current installed data center capacity in India is estimated to exceed ~1.5 GW IT load by end-2025–26, reflecting strong absorption from enterprises and cloud providers alike. Growth is expected to continue in 2026, with industry projections indicating that capacity additions will accelerate as demand for scalable and resilient infrastructure rises. Analysts also expect the data center sector to attract significant institutional investment, with estimates pointing toward USD 20–25 Billion of inflows by 2030 and capacity expansions across key markets including Mumbai, Chennai, Delhi-NCR, Bengaluru and emerging regions.

Recent on-ground activity highlights strong demand and policy support: the Uttar Pradesh and Government of Gujarat are signing MoUs for hyperscale campuses, reflecting government commitment to build regional digital hubs with renewable energy integration and AI readiness.

India's data center ecosystem is central to digital transformation, supporting cloud services, AI, edge computing, and data localization. It is being bolstered by fiscal incentives, strategic investments, and policy direction designed to position the country as a major global infrastructure destination.

Building with Conviction, Scaling with Purpose

SISL continues to strengthen its leadership in India's fast-evolving digital infrastructure landscape. We stand today among India's leading data center colocation providers by built IT capacity, supported by a strong and expanding operational footprint across the country. Our facilities are strategically aligned with the nation's most dynamic digital corridors, enabling us to serve hyperscalers and enterprises at the very core of India's data consumption and cloud growth story. This positioning allows us to remain close to demand, responsive to evolving workload requirements, and integral to the infrastructure powering India's accelerating digital economy.

Our strength is reinforced by our heritage. As part of the Sify Group, a pioneer in India's internet and data center ecosystem, we benefit from over three decades of expertise across networks and digital services. This integrated capability enables us to deliver a carrier-neutral, hyperconnected ecosystem serving over 500 clients, including hyperscalers and enterprises.

Importantly, we have invested ahead of demand. Three of our newest facilities are certified to support advanced AI workloads, including air and liquid cooling capabilities. These sites also hold IGBC Platinum and TIA-942 Rated 4 certifications, reflecting our commitment to resilience, efficiency and sustainability. As AI-driven workloads scale across industries, SISL is structurally prepared to serve this next wave of high-density computing.

Our journey ahead is defined by disciplined growth, technological readiness, and long-term value creation.

[4] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2227953&reg=3&lang=2

[5] https://www.systemiq.earth/wp-content/uploads/2026/02/Scaling-Indias-Data-Center-Ecosystem.pdf

[6] https://timesofindia.indiatimes.com/city/noida/up-signs-mous-for-data-center-township-in-ncr/articleshow/128727362.cms

Sustainability in Action

Sustainability has become a defining dimension of data center strategy globally. The green data center market which encompasses energy-efficient design, renewable power sourcing, waste heat reuse, advanced cooling and carbon-neutral operations is projected to grow at an annualized rate of ~28% through 2032, reflecting intensifying regulatory expectations and corporate decarbonization commitments. This surge is underpinned by rising environmental, social and governance (ESG) mandates, as organizations across sectors seek to reduce their operational carbon footprints and align with long-term climate goals.

Data center operators are increasingly prioritizing renewable energy procurement, water management strategies, low PUE benchmarks, circular waste practices and net-zero roadmaps as core components of their infrastructure ambitions. Leading providers are pairing high renewable energy coverage with innovative cooling solutions, including liquid and AI-driven thermal management, to support both energy efficiency and compute-intensive workloads without compromising sustainability performance. These trends indicate that sustainable operations are central to competitiveness and industry license to grow.

Sustainability is integral to how we design, power and operate our data centers. In an industry where energy intensity is inherent, our responsibility extends beyond efficiency as it requires deliberate action, long-term partnerships and measurable outcomes.

We have steadily strengthened our renewable energy portfolio through long-term power purchase agreements, enabling a structured transition toward cleaner power across our operations. What began with renewable sourcing for ancillary loads has progressively expanded to support mission-critical workloads, reflecting growing operational confidence and grid integration maturity.

This strategy delivers tangible value. Renewable procurement enhances power stability, improves long-term cost visibility, and aligns our infrastructure with the decarbonization priorities of hyperscaler and enterprise clients. Our facilities are engineered to achieve industry-aligned PUE benchmarks, reinforcing disciplined energy management and optimized consumption across sites. To date, we estimate that over 5,30,000+ tCO_2e emissions have been avoided in our major campuses and as of FY 2025-26 2,20,344.95 tCO_2e emissions have been avoided across all campuses through renewable energy usage. These avoided emissions are monitored through an independent, third party-designed tracking platform, ensuring transparency and accountability.

For SISL, sustainability strengthens competitiveness. It lowers risk, builds client confidence, and ensures that as digital demand accelerates, our growth remains responsible, resilient and future-ready.

The Next Growth Horizon

The path forward for the data center industry will be defined by scale, resilience and responsible energy stewardship. As a power-intensive sector, our growth must be anchored in disciplined and sustainable energy use. We remain committed to integrating renewable and carbon-free energy solutions across our operations, supported by long-term renewable power purchase agreements. By combining energy efficiency with structured renewable sourcing, we are strengthening operational reliability while advancing our decarbonization journey.

Environmental, social and governance priorities are increasingly central to how hyperscalers and enterprises select their infrastructure partners. Sustainable energy usage, carbon transparency and responsible operations are now core decision criteria. Our continued investments in renewable integration and efficient design position us strongly to meet these expectations.

As demand for digital infrastructure accelerates across India, we are focused on building with foresight, ensuring that our expansion is energy-conscious, technologically advanced and aligned with the sustainability commitments of our clients. The road ahead is one of disciplined growth, deeper partnerships and enduring value creation. We move forward with confidence, clarity and responsibility.

Raju Vegesna
Chairman

Message from the CEO

Dear Shareholders,

As we present our Integrated Annual Report, we do so with a stronger foundation, sharper clarity, and greater conviction in our role within India's digital future. This year has been defined by disciplined scaling and strengthening the fundamentals that enable sustainable, long-term growth.

The data infrastructure landscape is undergoing a structural shift. AI-driven workloads, accelerating cloud adoption, rising data localization requirements, and increasing sustainability expectations are redefining what customers demand from their partners.

Sharad Agarwal
CEO

In this environment, scale alone is not enough. Reliability, energy efficiency, speed to market, and operational precision have become critical differentiators.

At SISL, our focus has been on building depth alongside breadth. Across our campuses in Mumbai, Noida, Chennai, Hyderabad, Kolkata and Bengaluru, we are enhancing capacity while investing in smarter design, resilient architecture, and future-ready power strategies. Every expansion is guided by a long-term perspective, balancing growth with responsibility. Equally important has been our emphasis on operational excellence. Standardization, digitization, and strengthened governance frameworks are enabling us to operate with greater agility and transparency, reinforcing trust with all stakeholders.

India's Growing Data Center Ecosystem[7,8,9]

India's rapid economic transformation and digital ecosystem evolution are fueling an unprecedented demand for scalable, secure, and efficient digital infrastructure. At the heart of this evolution lies the nation's expanding data center sector — a foundational pillar for cloud computing, artificial intelligence (AI), hyperscale deployments, and data sovereignty.

India's data center capacity has been on a strong upward trajectory, reflecting robust demand and strategic investment. Operational capacity in 2025 is estimated at approximately 1.5–1.6 GW following a record annual commissioning of nearly 387 MW in 2025, more than double the additions from 2024, signaling accelerating infrastructure buildouts. Industry forecasts point to further additions in 2026, potentially lifting total capacity toward 1.85–2.0 GW.

Looking ahead, analysts project India's total data center capacity could triple by 2030, reaching 4 GW+ or even further, with some reports suggesting it may expand to 8 GW by the end of the decade on the back of cloud adoption, AI workloads, regulated data localization, and enterprise digital transformation.

Investment momentum remains strong, with global and domestic players committing significant capital. Between 2019 and early 2026, India attracted an estimated USD 60 Billion+ in cumulative data center investments. Projections by industry experts indicate that cumulative investments could surpass USD 100 Billion by 2027, driven by hyperscale builds, colocation campuses, and next-generation compute infrastructure.

The data center landscape remains highly clustered but diversifying:

- Mumbai, Chennai, Delhi-NCR, and Bengaluru continue to dominate market share, with Mumbai often cited as the largest hub due to its submarine cable connectivity, financial services concentration, and strong cloud ecosystem.
- Tier-II and Tier-III cities are progressively drawing interest as operators seek latency-optimized and cost-efficient infrastructure locations.
- Emerging hubs such as Hyderabad, Vijayawada, Jaipur, Lucknow, and Visakhapatnam are gaining traction, supported by state policies, lower costs, and strategic edge deployments.

Sector demand continues to be propelled by BFSI, cloud service providers, hyperscalers, AI-driven workloads, and OTT platforms, reinforcing the need for distributed and resilient digital infrastructure. Additionally, data localization norms and digital governance frameworks further stimulate localized capacity growth.

With technological acceleration and enterprise digitization intensifying, India's data center ecosystem stands poised for sustained expansion, becoming not just a regional leader but a global hub for digital infrastructure and compute-intensive workloads through the remainder of the decade.

[7] https://businessabc.net/indias-data-center-part-1

[8] https://timesofindia.indiatimes.com/business/india-business/data-center-boom-indias-capacity-to-hit-8gw-by-2030-30-billion-investment-seen-driving-ai-cloud-growth/articleshow/125183133.cms

[9] https://www.ibef.org/news/india-s-data-center-capacity-set-to-surpass-4-500-megawatts-mw-by-2030-backed-by-rs-2-13-550-crore-us-25-billion-investments

Industry Tailwinds and Emerging Headwinds

India's data center sector stands at a pivotal inflection point, powered by strong structural tailwinds, while simultaneously navigating evolving operational realities. For SISL, understanding both forces are central to building a resilient and future-ready platform.

On the demand side, long-term growth drivers remain compelling:

- AI and high-performance computing are accelerating requirements for GPU-enabled, high-density, low-latency infrastructure.
- Cloud, SaaS, and IoT adoption continue to expand enterprise workloads, increasing reliance on scalable and secure data environments.
- 5G rollout and edge enablement are intensifying the need for distributed, ultra-low latency infrastructure.
- Hyperscaler expansion in India is reinforcing the country's position as a strategic digital hub.
- Data localization and regulatory frameworks are strengthening the case for secure, domestically hosted infrastructure.
- Institutional capital recognition of data centers as a core infrastructure asset class is deepening long-term investment flows.

At the same time, key hubs such as Chennai, Navi Mumbai, Noida, and Hyderabad face structural challenges that demand thoughtful navigation:

- Energy availability and sustainability expectations are raising the bar for renewable integration and efficiency.
- Land constraints and rising costs are reshaping development strategies.
- Connectivity gaps in select corridors require continued digital backbone expansion.

Importantly, these headwinds are catalysts for capability enhancement. The shift toward greener infrastructure is driving advancements in energy efficiency and renewable sourcing. Higher land costs are encouraging vertical and modular design efficiencies. Fiber expansion needs are unlocking long-term ecosystem investments.

In navigating these dynamics, SISL's strategic focus remains disciplined and clear — to scale responsibly, strengthen operational resilience, and translate both opportunity and complexity into sustained competitive advantage.

Advancing India's Edge Infrastructure

In parallel with the expansion of hyperscale infrastructure, the edge data center segment is fast emerging as a critical pillar of the digital ecosystem. The exponential rise in real-time content consumption across social media, video streaming and gaming platforms, coupled with the rapid proliferation of IoT devices and AI-enabled applications, is accelerating the need to process data closer to where it is generated. According to industry estimates, India's overall data center demand is projected to grow from approximately 1.3 GW in FY 2025 to 4.7–5.7 GW by FY 2030, with the edge segment's share expected to expand from 5–8% to nearly 20–25% over the same period. This structural shift underscores the growing importance of ultra-low latency, localized processing and enhanced redundancy, capabilities that are essential for seamless user experiences, real-time analytics and mission-critical enterprise workloads.

Globally, edge data centers are expected to evolve from being complementary nodes to becoming a distinct and scalable infrastructure layer, supporting 5G, AI inference, autonomous systems and distributed cloud architectures. As deployments scale, edge facilities are also likely to mature into colocation hubs, offering shared infrastructure for multiple tenants while retaining proximity advantages. The dominant operating model is anticipated to be hybrid, with hyperscalers leading in software and services, and specialized infrastructure providers enabling distributed physical capacity across both core and edge environments.

Aligned with this structural shift in the industry, SISL is proactively strengthening its presence in the edge data center segment. We recognize that the next phase of digital growth will be driven by distributed, low-latency infrastructure positioned closer to enterprise clusters and end users.

We have two edge data centers under development in Lucknow and Chandigarh, marking a decisive step in our strategy to build a geographically diversified and resilient network. These facilities are designed to bring compute capacity nearer to high-growth regional markets, enabling faster response times, improved redundancy, and enhanced service delivery for hyperscaler and enterprise clients alike.

Building Capacity, Strengthening Capability

Our strategic agenda is centered on expanding capacity with discipline, strengthening technological depth, advancing sustainability, and deepening client partnerships. As digital adoption accelerates across industries, we are systematically building infrastructure that is not only larger in scale, but stronger in capability and resilience.

Currently, we have 11 data centers under development across Mumbai, Noida, Chennai, Bengaluru, Lucknow, and Chandigarh. These projects are designed to bring incremental capacity online in a calibrated manner, integrating resilient architecture, advanced connectivity frameworks including subsea cable access, and robust structural safeguards. Alongside hyperscale expansion, we are widening our edge footprint with facilities under development in Lucknow and Chandigarh to support low-latency, distributed computing requirements.

A key pillar of our growth is the steady upscaling of AI-ready infrastructure. High-density workloads demand enhanced power configurations, advanced cooling systems, greater fibre intensity, and modular zonal design. Our AI-optimized deployments at Rabale (Tower 5), Noida 02 (Tower B), and Chennai 02 (Tower B) position us to support next-generation compute requirements while maintaining operational efficiency.

Sustainability remains embedded in our operating philosophy. We continue to integrate renewable energy across campuses, invest in additional green power capacity, and uphold transparent, independently audited sustainability disclosures aligned with globally recognized frameworks. Responsible resource management, energy efficiency, and long-term environmental stewardship guide our expansion decisions.

We are also strengthening our relationships across both Hyperscaler and Enterprise segments. Data localization trends, increasing cloud penetration, and sector-specific digitalization are enabling us to build long-term partnerships grounded in reliability and performance. Enhanced interconnection services and cross-sell opportunities within the Sify ecosystem further deepen our value proposition.

As we look ahead, our focus remains steadfast — to scale responsibly, execute with precision, and build enduring digital foundations that support India's growth ambitions. With a strong platform and clear strategic intent, SISL is well positioned to deliver sustained value for all stakeholders in the years to come.

Sharad Agarwal
CEO

Message from the CFO

Dear Shareholders,

In an industry defined by capital intensity and long development cycles, growth must be anchored in financial discipline and execution excellence. Over the past year, we have continued to strengthen these foundations while advancing our strategic priorities. Our Integrated Annual Report reflects this enduring focus on disciplined growth and financial resilience.

Our approach has been deliberate. Align capacity expansion with contracted demand, deploy capital in phases, and maintain prudent leverage while funding a robust development pipeline.

Ganesh Sankararaman
CFO

This has enabled us to scale across key markets without compromising financial stability. Improved cost structures, tighter working capital management, and enhanced operating efficiencies have supported margin stability even as we invest in AI-ready infrastructure and renewable integration.

Equally important is visibility. Predictable cash flows, long-term client relationships, and structured power procurement frameworks provide greater earnings clarity in an evolving energy environment.

Sustainability investments are evaluated with the same financial discipline as core infrastructure, ensuring returns remain aligned with long-term value creation.

Looking ahead, our priorities remain unchanged: safeguard balance sheet strength, optimize capital productivity, and execute expansion with measured confidence. By staying true to our strong fundamentals and financial discipline, and continuing to serve our clients with excellence, we are well positioned to convert growth opportunities into sustained shareholder value.

Financial Strength and Capital Discipline

FY 2026 was a year of strong financial delivery, reflecting the strength of our operating model, disciplined execution, and our ability to align growth with long-term value creation. Sustained demand, supported by high-quality revenues and improved capacity utilization, enabled us to deliver healthy margin progression and robust cash flow generation. Prudent cost management and disciplined financial oversight further reinforced performance, underscoring the resilience of our business and our ability to convert market opportunities into consistent outcomes.

A key driver of this performance was the continued demand from hyperscale clients, whose expanding digital infrastructure requirements are reshaping the sector. Long-term engagements with these customers provided both scale and revenue visibility, creating a stable foundation for growth. This predictability strengthened our capital planning, improved asset monetization, and enabled us to pursue expansion with greater confidence and discipline, while enhancing resilience against market volatility.

Our capital allocation philosophy remains measured and forward-looking. We continue to prioritize investments in scalable capacity aligned with committed demand, while simultaneously advancing sustainability-led initiatives across our operations. Investments in energy efficiency, renewable sourcing, and resource optimization reflect our belief that growth and sustainability must progress together. This balanced approach enhances operational efficiency, mitigates long-term risks, and ensures that expansion remains both financially accretive and environmentally responsible.

As we look ahead, we remain focused on preserving balance sheet strength and financial flexibility while investing selectively in opportunities that support durable and responsible growth. Our disciplined approach to capital deployment, coupled with strong customer partnerships and predictable demand, positions us well to create enduring value for all stakeholders.

As a result, we are able to scale our operations responsibly while delivering consistent value to our stakeholders.

Partnerships that Power Performance

Our financial resilience is fundamentally reinforced by the strength, depth and longevity of our client relationships. We serve over 500 clients, supported by a well-balanced mix of Hyperscalers and Enterprises. Hyperscaler clients contributed approximately 69% of Fiscal 2025 revenues, with three of the top four global cloud providers in India forming part of our portfolio — a testament to the scale of trust we have built, the repeat mandates we continue to secure, and the strategic role we play in their growth journeys.

Our Enterprise franchise spans leading banks, insurance companies, fintech platforms and global digital businesses, sectors where uptime, security and performance are mission critical. These partnerships are not transactional in nature; they are embedded, long-term engagements built on reliability, operational excellence and consistent delivery.

Revenue visibility remains a defining strength of our model. Over two-thirds of our revenues are backed by contracts with tenures of seven years or more, supported by meaningful residual life. Since Fiscal 2023, every client has either renewed or expanded their engagement with us. This continuity translates directly into stable cash flows and predictable financial performance.

Further strengthened by the Sify Group's converged go-to-market platform, our integrated ecosystem across colocation, connectivity and digital services deepens engagement, enhances lifetime value, and reinforces long-term financial stability.

Future-Ready and Sustainability-Driven Infrastructure

Reliable, secure and cost-efficient power is the foundation of the data center industry. Power security is fundamental to ensuring uptime and uptime underpins client trust, contractual continuity and financial performance. We therefore maintain strong operational control over our power infrastructure, including onsite substations and step-down transformers across all facilities serving hyperscaler clients, ensuring uninterrupted supply and operational resilience at scale.

Equally, sustainability has become a defining priority for the sector. Data centers are energy-intensive assets, and clients, particularly hyperscalers and large Enterprises, increasingly factor renewable sourcing, carbon footprint and energy efficiency into provider selection. Sustainable power is no longer a compliance consideration; it is a competitive differentiator that influences long-term demand and pricing strength.

In this context, we have embedded renewable integration into our operating model. Our strategy combines equity investments aligned with the Electricity Act, 2003 and long-term power purchase agreements to secure renewable supply at scale.

In FY 2025, we had contracted 309.60 MWp of renewable capacity under PPAs. Over the past three years, more than half of the power mix at our largest campus has been sourced from renewables, with renewable utilization at Rabale reaching 33.85%, positioning us ahead of broader industry benchmarks.

Operational efficiency further strengthens this framework. Advanced cooling technologies, water optimization initiatives and disciplined engineering standards enable us to operate at industry-parallel PUE levels while maintaining low water usage effectiveness. Long-term renewable PPAs combined with efficient design mitigate energy price volatility, enhance cost predictability and reduce operational risk.

Our sustainability governance is equally robust. We maintain globally recognized environmental certifications and publish independently audited sustainability disclosures, reinforcing transparency and accountability. Together, these measures strengthen our resilience, align us with evolving client expectations, and position us as a long-term partner of choice in a rapidly evolving digital infrastructure landscape.

Expanding with Prudence

As we enter the next phase of growth, our priorities remain anchored in discipline, durability and delivery. The structural drivers of demand, cloud expansion, AI-led workloads, enterprise modernization and data localization, continue to strengthen the long-term outlook for digital infrastructure. We are approaching this opportunity with calibrated capacity additions, capital allocation rigor and a clear focus on long-duration, contracted growth.

Financial resilience will remain central to our strategy. We will continue to deepen earnings visibility through multi-year client engagements, optimize our capital structure, and enhance operating leverage as capacity scales. At the same time, sustainability and energy security will remain embedded in our expansion plans, ensuring that growth is both responsible and risk mitigated.

Our model is anchored in strong partnerships and integrated capabilities that provides a stable foundation to navigate cycles while compounding value. With prudent execution and a long-term orientation, we move forward with confidence, committed to strengthening cash flows, enhancing returns, and delivering sustainable value to all stakeholders.

Ganesh Sankararaman
CFO

VALUE CREATION MODEL

Engineering Sustainable VALUE

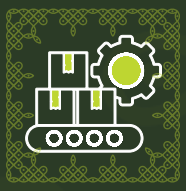
Inputs

Financial Capital

- Total capital invested - INR **1,320** Crore
- Green / Sustainability-linked financing - INR **46.87** Crore
- Power Cost - INR **649** Crore

Natural Capital

- Total energy consumed - **77,61,64,735** kWh
- Renewable energy procured - **39.98**%
- Water withdrawn - **2,32,536** KL



Manufactured Capital

- Data center facilities - **14** data centers
- Total built capacity - **192.36** MW
- Total operational capacity - **128.40** MW

Intellectual Capital

- Percentage of CAPEX investments in Environment and Sustainability - **9.41**%
- IGBC Green Certified facilities - **03**
- AI enabled systems - **03** sites
- Cloud interconnect partners and strategic technology alliances - **03**

Social and Relationship Capital

- CSR Spend - INR **271.3** Lakh
- Enterprise Customers - **500+**
- Hyperscale Customers - **20**
- Network Carriers - **50+**
- Major Vendor Partnerships - **18**

Human Capital

- Total number of employees - **279**
- L&D Expenses - INR **29.23** Lakhs
- Investment in employee well-being - INR **51.05** Lakh
- Training hours per employee annually - **30.49** hours
- Safety training - **146.6** hours (only for employees)

Value Creation Process

Strength

- Pan-India scale in high-growth hubs
- Hyperconnected, AI-ready infrastructure
- Deep execution expertise
- Trusted hyperscaler and enterprise partnerships
- Converged digital advantage
- Power resilience and sustainability focus
- Robust financial profile

Strategy

- Expanding capacity in high-growth markets
- Scaling AI-ready infrastructure
- Advancing renewable energy and sustainability
- Deepening hyperscaler and enterprise engagement
- Strengthening interconnection density
- Expanding edge presence

Operational Philosophy

- Zero availability incidents
- Zero redundancy incidents
- Zero security incidents
- Zero safety incidents
- Zero carbon footprint
- Zero defects

Solutions

- Colocation
- Built-to-suit
- Interconnection
- Value added services

Outputs

Financial Capital

- Net Profit - INR **3,722** Lakh
- Revenue - INR **1,76,053** Lakh
- EBITDA - INR **79,322** Lakh
- Return on Capital Employed (ROCE) - **7**%

Natural Capital

- Contracted Green Power - **309.6** MW
- Reduction in Carbon avoided - **2,20,344.95** tCO_2e
- Renewable Energy - **39.98**%
- Water Recycle - **96.49**%
- Water Usage Effectiveness (WUE) - **0.2929**

Manufactured Capital

- Total operational data center capacity - 128.40 MW
- Energy efficiency in data centers - **2.23** (PUE ratio)
- Data center uptime - **99.982**% reliability

Intellectual Capital

- AI/ML led operational excellence with **99.999**%+ uptime
- Innovation-led energy savings - **6.82**% saved

Social and Relationship Capital

- Net Promoter Score (NPS) - **5.90**
- Partnerships with government and industry bodies for digital infrastructure projects - **PAN India 1**

Human Capital

- Employee turnover rate - **28.57**%
- Gender diversity ratio - **4.66**% women in workforce
- Revenue per employee - INR **6.31** Crore
- Lost Time Injury Frequency Rate (LTIFR) - **0**

Outcomes

For Shareholders

- Sustainable value accretion
- Resilient earnings across cycles
- Stronger balance sheet quality
- Long-term enterprise growth

For Customers

- Operational certainty and reliability
- Future-aligned, efficient solutions
- Lower lifecycle risk
- Greater cost visibility

For Employees

- Continuous capability development
- Performance-driven growth culture
- Safe and inclusive workplace
- Shared success through merit

For the Communities & Environment

- Reduced environmental footprint
- Responsible resource use
- Local economic participation
- Contribution to national priorities

UN SDG

Financial Capital

Natural Capital

Manufactured Capital

Intellectual Capital

Social and Relationship Capital

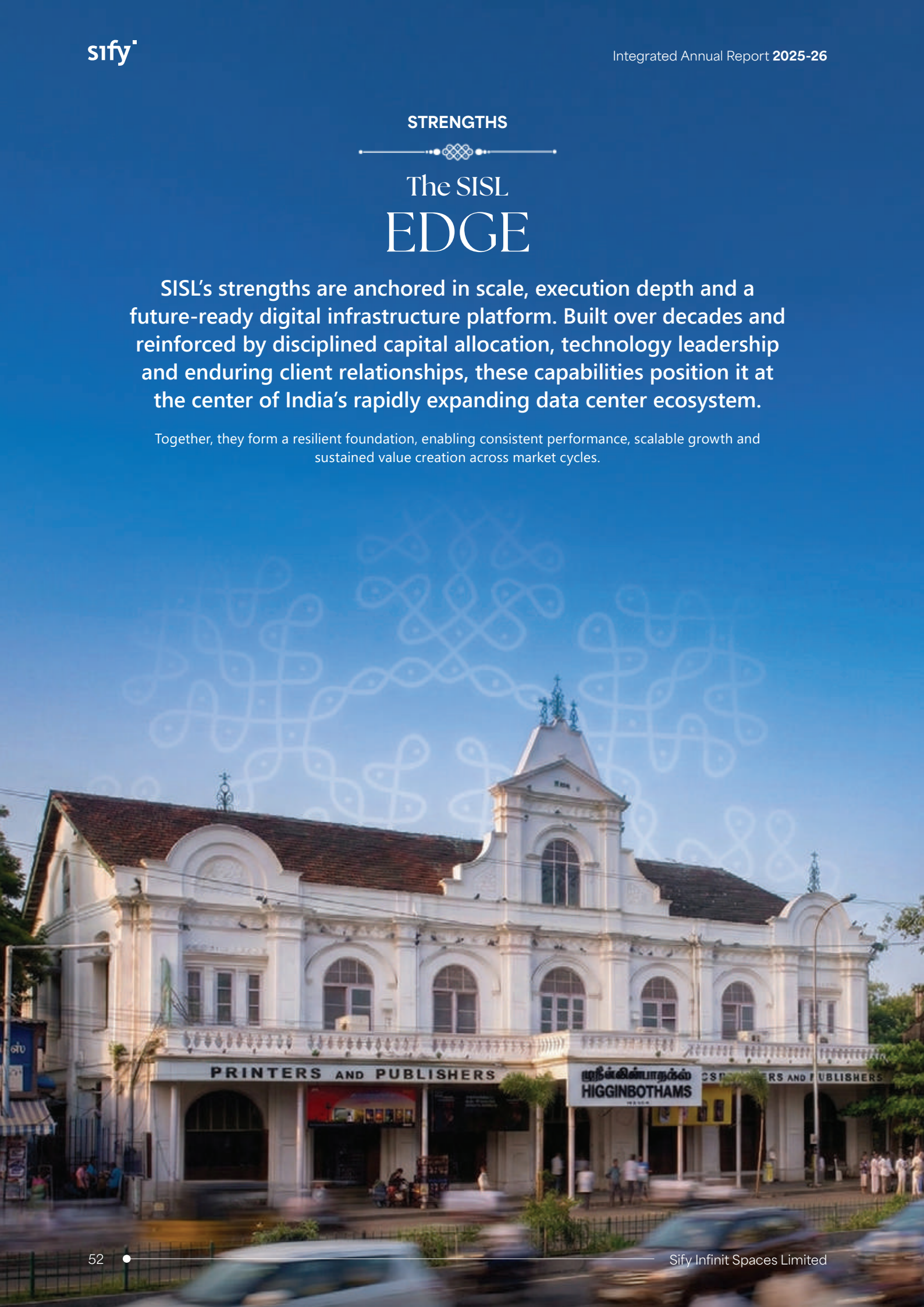
Human Capital

STRENGTHS

The SISL EDGE

SISL's strengths are anchored in scale, execution depth and a future-ready digital infrastructure platform. Built over decades and reinforced by disciplined capital allocation, technology leadership and enduring client relationships, these capabilities position it at the center of India's rapidly expanding data center ecosystem.

Together, they form a resilient foundation, enabling consistent performance, scalable growth and sustained value creation across market cycles.



Pan-India Scale in High-Growth Hubs

Operates 14 data centers across 6 strategic cities with 192.36 MW of built IT capacity, positioning it among India's top three colocation providers by scale. Its presence in Mumbai, Chennai, Delhi NCR, Hyderabad, Bengaluru and Kolkata anchors the platform in the country's most critical data center corridors, enabling low latency, global connectivity and sustained demand access.

Power Resilience and Sustainability Focus

Strengthens energy security through onsite substations, redundant fuel systems and 309+ MWp of contracted renewable power. A growing renewable energy mix at key campuses reflects a structural commitment to efficiency, reliability and responsible expansion.

Hyperconnected, AI-Ready Infrastructure

Built as carrier-neutral, high-density ecosystems with multiple cloud on-ramps and 99.999% uptime at key campuses. NVIDIA-certified AI-ready facilities, advanced cooling architectures and TIA-942 Rated 4 certifications reinforce operational resilience, scalability and performance aligned with global standards.

Deep Execution Expertise

Leveraging over three decades of experience within the Sify Group, the platform integrates in-house engineering depth with disciplined capital allocation and rapid build capabilities, adding 95+ MW over the last three fiscals with speed, efficiency and precision.

Converged Digital Advantage

Through the integrated go-to-market strategy of the Sify Group, delivers a unified stack spanning data centers, network, cloud and digital services, creating cross-platform synergies and enabling seamless capacity scaling through the "One Sify Marketplace".

Trusted Hyperscaler and Enterprise Partnerships

Supports a diversified base of 500+ clients, including 3 of the top 4 global hyperscalers operating in India and 7 of India's top 10 banks. Long-standing relationships, recurring contracts and high revenue visibility underscore the durability and strategic relevance of its infrastructure.

Robust Financial Profile

Combines consistent revenue growth with strong EBITDA margins and improving capital efficiency. Long-term contracted revenues with built-in escalations enhance earnings visibility, support cash flow stability and underpin sustained value creation.

**NORTH INDIA'S DIGITAL NERVE CENTER.
SISL'S ANCHOR FOR ENTERPRISE CONNECTIVITY.**

DELHI NCR

At the heart of India's political and commercial ecosystem, the Delhi National Capital Region stands as one of the country's most influential digital markets. Surrounded by government institutions, multinational headquarters, financial hubs and a vast consumer base, the region forms a critical intersection where governance, enterprise and digital infrastructure converge.

Within this dynamic landscape, SISL has established a strong presence, enabling enterprises to securely store, process and move data at scale. As digital adoption accelerates across industries, from banking and telecom to e-commerce and public services, the region continues to see rising demand for resilient, high-performance infrastructure.

The Company's growth in the region has been anchored in Noida, a fast-emerging technology corridor that combines connectivity, enterprise clusters and policy support. Here, SISL has developed AI-ready facilities designed to support hyperscale workloads, enterprise cloud adoption and next-generation digital applications.

Today, the region has evolved into a strategic digital hub for North India, powering enterprises, supporting government transformation, and enabling the data-driven economy of one of the world's fastest-growing markets.

Blending flowers, woods, spices, and herbs, Delhi's attar tradition is a 200-year-old sensory legacy rooted in the Mughal-era bazaars of Chandni Chowk.

Noida 01

1st Hyperscale Data Center
In North India

Carrier-Neutral
Facility

10.96 MW
Built IT power capacity

Noida 02

3 Towers
Of which, Tower B is currently operational and
Tower A & C to be operational in the coming years

AI-Ready
Hyperscale data center campus

130+ MW
Built IT power capacity eventually

DELHI NCR'S MARKET OVERVIEW

North India's Digital POWERHOUSE

The Delhi National Capital Region has emerged as a key hub in India's expanding data center ecosystem, supported by strong enterprise demand, strategic connectivity, and proximity to government and corporate headquarters.

With an end-user base of nearly **36 million digital consumers**, the region continues to attract investments from global and domestic operators seeking reliable and scalable data infrastructure.

Regulatory developments such as the Digital Personal Data Protection Act 2023 are further strengthening the ecosystem by enabling secure data processing and boosting confidence in India's digital economy.

Market Highlights

- **India's third-largest data center market by built capacity**
- **144 MW of live capacity** with a **319 MW development pipeline**
- Capacity additions have grown at a **26% CAGR since 2022**
- Annual supply additions expected to average **~66 MW over the next five years**

Key Micro-Markets in Delhi–NCR

- **Noida:** Emerging as a major data center hub, supported by expanding **IT parks, electronics manufacturing clusters, and SEZs**. Strong connectivity and the presence of technology parks along the Noida–Greater Noida Expressway are attracting hyperscalers and digital service providers
- **Gurugram:** A mature enterprise and financial hub with a dense concentration of multinational companies, IT/ITES firms, and financial institutions. Commercial districts such as Cyber City continue to drive strong demand for colocation, cloud, and enterprise data center services

At Rashtrapati Bhavan, Sir Edwin Lutyens' grand seat of the President, the mounted President's Bodyguard brings India's state ceremonial tradition vividly to life.

INDIA'S DIGITAL SURGE

India's Rising Role in the Global

DATA CENTER LANDSCAPE

India's data center industry is steadily gaining prominence within the global digital infrastructure ecosystem. While the market is still in a relatively early stage compared with mature regions, the capacity gap presents a significant runway for expansion as demand for digital infrastructure accelerates.

New Delhi's Yashobhoomi spans over 8.9 lakh sq. m., creating a world-class platform for international conferences, exhibitions, and global business collaboration.

India's Position in the Global Market

- The **United States** currently has nearly **18 times** the data center capacity of **India**, while **China** has around **3.5 times** the capacity
- India presently aligns with the **third tier of global data center markets**, with built capacity broadly ranging between **1.3 GW and 1.6 GW**, alongside countries such as **Japan, Australia**, and **Canada**
- Over the next five years, approximately **2.7 GW of data center capacity** is under construction or planned, supported by investments of up to **USD 20 billion**, reflecting strong investor confidence in India's long-term digital infrastructure potential

As the ecosystem matures, the combination of rising digital consumption, enterprise cloud adoption, and attractive investment returns is encouraging global investors to deploy significant capital into data center assets across the country.

Shifting Supply Dynamics

India's data center supply landscape is evolving rapidly as several technology and regulatory trends reshape demand patterns.

Key demand drivers include

- Rapid digital acceleration following **COVID-19**
- Expansion of hyperscale cloud infrastructure
- Exponential growth in data from social media, streaming platforms, and digital services
- Rising compute requirements for **AI and High-Performance Computing (HPC)**
- Data localization regulations encouraging domestic data storage

At the same time, global operators are increasingly diversifying their geographic footprint to reduce concentration risk and build balanced infrastructure presence across regions. As several mature Western markets approach capacity constraints, India and the broader Asian region offer substantial headroom for expansion. With policy support and investment incentives, India has emerged as an attractive destination for new data center development.

Economic Growth and ICT Investment

Data centers form a critical backbone of the **Information and Communication Technology (ICT)** ecosystem. Investments in ICT infrastructure have a strong correlation with economic expansion, as digital infrastructure enhances productivity, enables innovation, and supports the growth of digital services.

- By Q1 2025, **India** had become the **fourth-largest economy globally** and is expected to rank **third by 2030**
- India's GDP is projected to grow by approximately **45% between 2025 and 2030**, compared with **23% growth across the Asia-Pacific region**
- Although India currently accounts for only **around 11% of the Asia-Pacific data center market**, its strong economic trajectory is expected to drive sustained investments in ICT infrastructure, including large-scale data center capacity

IT Infrastructure Density and Long-Term Opportunity

Another key indicator of market maturity is **IT infrastructure density**, measured through installed data center capacity relative to population.

- Mature markets such as the **United States** have significantly higher built capacity per capita
- Despite this high base, these markets continue to add substantial new capacity to meet increasing digital demand

In contrast, India's data center capacity per capita remains relatively low, indicating that the market is **structurally underserved**. Bridging this gap will require substantial new investments in digital infrastructure over the coming decade.

As digital adoption accelerates across enterprises, consumers, and government platforms, expanding India's data center ecosystem will be essential to supporting the country's rapidly growing digital economy, creating a multi-year opportunity for companies operating in the sector.

Key Trends Shaping the Industry

Net-Zero Ambitions Shaping Energy Strategies

As sustainability commitments intensify, data center operators are increasingly aligning their energy strategies with net-zero goals through renewable sourcing and flexible power procurement.

Key developments include

- **Renewable Energy Certificates (RECs):** RECs allow operators to offset carbon emissions by purchasing certificates representing **1 MWh of renewable electricity**, strengthening ESG credentials even when operating on mixed-source grids.
- **Exchange-traded power and PPAs:** Access to power exchanges and long-term **Power Purchase Agreements (PPAs)** enables data centers to secure renewable power at competitive rates
- **Supportive power policies:** Intra- and inter-state open-access frameworks allow operators to procure electricity from different regions, enabling access to cleaner or lower-cost power sources. Policies such as the Uttar Pradesh Data Center Policy 2021 further encourage renewable adoption.

With renewable energy accounting for **around 46% of India's installed power capacity**, the country offers strong potential for sustainable data center expansion.

High-Speed and Sustainable Connectivity

Growing demand from **AI, IoT, and edge computing** is driving the need for high-capacity, low-latency connectivity. Investments in **fiber-optic networks, 5G infrastructure, and submarine cable systems** are strengthening India's digital backbone.

Technology companies are investing heavily in subsea cable infrastructure to enhance global connectivity. Beyond performance benefits, improved connectivity also enables real-time monitoring, energy optimization, and more efficient data center operations.

Rising Power Demand from GPU-Driven Computing

The growing adoption of **AI, advanced analytics, and high-performance computing** is significantly increasing energy requirements within data centers. GPUs, critical for parallel computing workloads, consume far more power than traditional CPUs.

India's plan to deploy **18,000 GPU-based facilities under the** IndiaAI Mission is expected to further accelerate power demand in the sector. This shift is prompting operators to invest in stronger power infrastructure, efficient cooling systems, and more sustainable energy management practices.

Building AI-Ready Data Center Infrastructure

As AI workloads scale, data centers are evolving to support specialized hardware, higher rack densities, and advanced thermal management systems.

Key developments include:

- Deployment of advanced accelerators such as **NVIDIA H100 GPU, AMD Instinct MI300, and Google TPU**
- Rising rack densities from about **12 kW per rack** to **80–120 kW** for large AI clusters
- Adoption of advanced cooling technologies such as **liquid cooling, immersion cooling, and rear-door heat exchangers**

Leading operators are investing in infrastructure upgrades to support AI workloads. At the same time, AI is increasingly being used within data centers for predictive maintenance, workload optimization, and intelligent cooling management, enhancing both operational efficiency and sustainability.

STAKEHOLDER MANAGEMENT

Delivering Stakeholder VALUE

SISL recognizes that strong stakeholder relationships are essential to sustaining long-term growth and creating shared value. The Company places significant emphasis on building collaborative partnerships and maintaining meaningful engagement with its diverse stakeholder groups.

Principles of Stakeholder Engagement

- Positive & Measurable Outcomes
- Transparent Information Sharing
- Continuous Consultation & Feedback Mechanism
- Purpose Driven Engagement
- Collaborative Value Creation

Guided by a commitment to transparency and open communication, SISL actively encourages dialogue and values stakeholder feedback. This approach helps the Company better understand evolving expectations, respond thoughtfully to emerging needs, and strengthen mutual trust.

The Company maintains structured mechanisms to monitor and address stakeholder concerns, ensuring timely escalation and resolution where required. Business performance and key matters, including investor grievances and POSH-related complaints, if any, are periodically reviewed by the Board through quarterly presentations by the CFO, reinforcing accountability and governance oversight.

A structured stakeholder engagement framework supports consistent and responsible interactions across the organization. Through continuous collaboration and ethical conduct, SISL aims to foster lasting relationships while contributing positively to the broader ecosystem in which it operates.

Developed as a flagship convention destination, Bharat Mandapam reflects India's growing role as a global hub for collaboration, commerce, and knowledge exchange.

Stakeholder Group	Significance	Expectation	Engagement Method
AI workload clients	High-SLA clients with significant power and performance requirements.	Require T4-rated infrastructure, near-zero downtime, dedicated network corridors, and advanced 10-layer security frameworks.	The CEO directly manages all interactions.
Hyperscaler clients	Among the largest consumers of colocation capacity, requiring scalable infrastructure.	Typically prefer dedicated data center floors or zones to support exclusive, large-scale operations.	Engagement led by CTO or CFO.
Colocation clients	Multiple enterprise tenants operating within shared data center environments.	Seek reliable infrastructure and balanced access to colocation and cloud services.	Project managers and CTO typically make decisions when migrating from other data centers or offshoring colocation space.

Stakeholder Group	Significance	Expectation	Engagement Method
Employees	Core to service delivery, operational efficiency, and enhancing customer experience.	Expect a safe and inclusive work environment, opportunities for skill development and career growth, fair compensation, and alignment with the Company's sustainability commitments.	Engagement through regular performance reviews, training and upskilling programs, internal communication platforms, employee surveys, and leadership connect sessions.
Vendors	Critical partners enabling infrastructure development, service delivery, and supply chain continuity, including equipment suppliers, contractors, and service providers.	Expect transparent procurement processes, timely payments, long-term partnerships, and clarity on sustainability requirements.	Engagement through structured onboarding processes, digital procurement platforms, periodic performance evaluations, and contract reviews & renewals.
Communities	Local communities surrounding operational sites play a key role in maintaining the Company's social license to operate and supporting long-term business sustainability.	Expect responsible environmental practices, local employment opportunities, community development initiatives, and minimal disruption from operations.	Engagement through CSR initiatives, community outreach programs, and partnerships with NGOs and local authorities.

Delhi's Red Fort, a 375+ year-old UNESCO World Heritage Site, serves as the ceremonial backdrop for India's Independence Day celebrations and attracts millions of visitors annually.

MATERIALITY ASSESSMENT

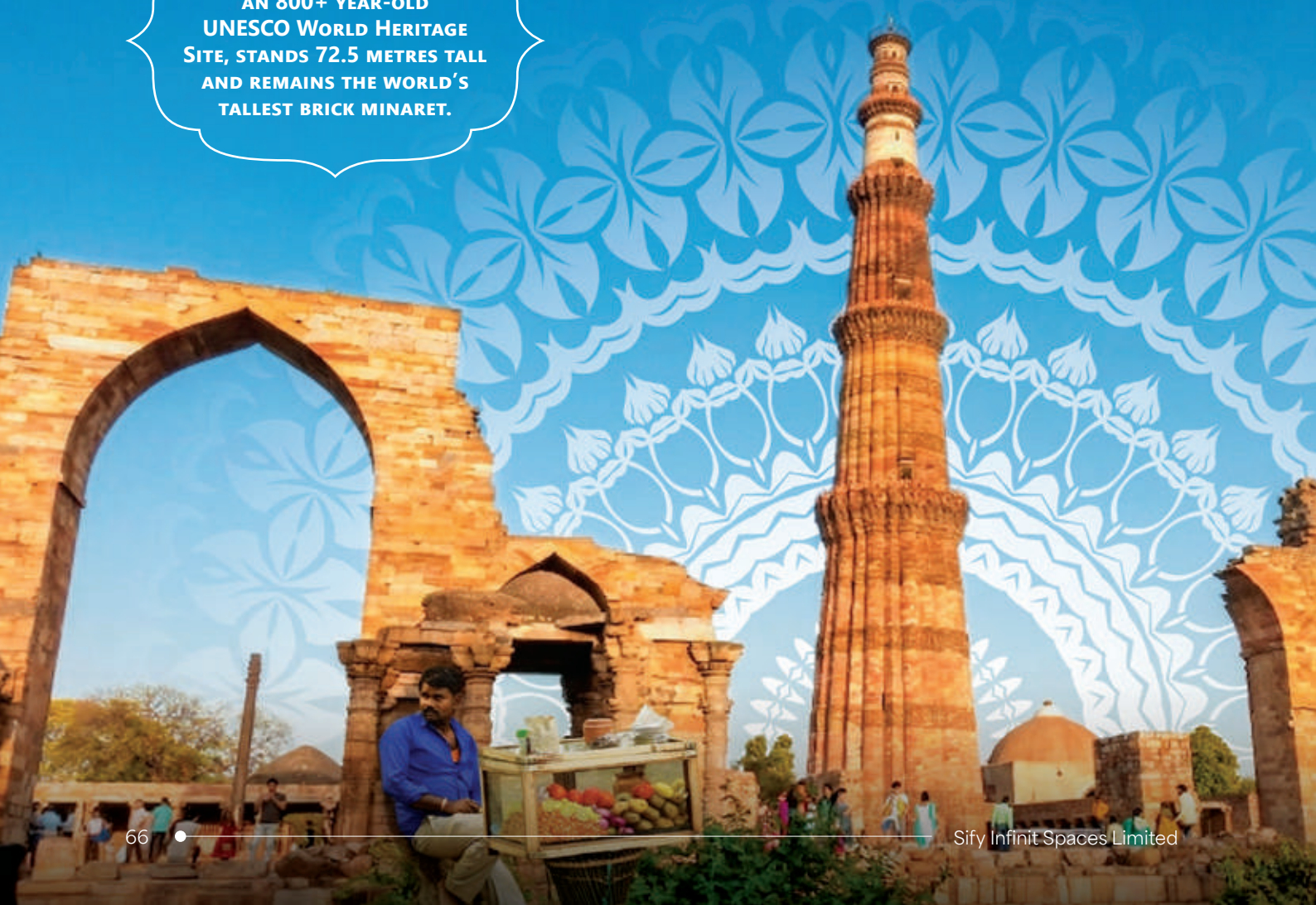
Defining Priorities,
DRIVING IMPACT

Materiality plays a central role in guiding SISL's strategic direction and long-term planning. It helps identify the issues that are most relevant to the business and its stakeholders, forming the basis for setting priorities and shaping key initiatives.

For this Integrated Report, SISL has aligned with the material topics identified at the Sify Group level, ensuring consistency with the Group's broader strategy and sustainability priorities. These topics were determined through a structured assessment process that incorporated inputs from multiple stakeholder groups, involved 17 UN SDG goals and considered the most significant environmental, social, and governance (ESG) factors influencing the business.

Alignment with the Group's materiality framework enables SISL to address the areas of greatest relevance and impact in a focused manner. It also supports a cohesive approach to ESG integration across the organization while strengthening the foundation for responsible and sustainable growth.

Delhi's Qutub Minar, an 800+ year-old UNESCO World Heritage Site, stands 72.5 metres tall and remains the world's tallest brick minaret.



SISL'S Material Topics, Goals and UN SDG Impacted

Customer Delight

To improve customer-centric approach.

UN SDG 8, 9

Data Privacy & IT Security

To protect the information and systems that support the operations and assets and mitigate data security risk.

UN SDG 9, 11

Regulatory & Compliance

To ensure consistent compliance with legal and other requirements.

UN SDG 16, 17

Business Ethics

To uphold a culture of integrity and ethical responsibility throughout the entire value chain.

UN SDG 12, 16, 17

Product Innovation

To ensure the development and market introduction of new, redesigned, and improved services.

UN SDG 9, 11, 12

Employee Engagement

To enhance employee satisfaction.

UN SDG 3, 8, 10

Energy Efficiency & Management

To optimize energy consumption and promote the use of renewable energy sources.

UN SDG 7, 9, 12, 13

Diversity & Inclusion

To promote diversity, equity, and inclusion in the workplace.

UN SDG 5, 10

Procurement & Supply Chain

To establish sustainable procurement systems and ensure their deployment in the supply chain.

UN SDG 9, 17

Water Management

To optimize water consumption and promote water conservation.

UN SDG 6, 12, 13

GHG Emissions

To achieve carbon neutrality.

UN SDG 7, 12, 13

Community Engagement

To actively engage with communities and create lasting, positive impact.

UN SDG 3, 4

UN SDG

**THE EPICENTER OF INDIA'S TECH ECONOMY.
SISL'S PLATFORM FOR INNOVATION AT SCALE.**

BENGALURU

In Bengaluru, technology defines the city's economic momentum. Global technology firms, research institutions, and a thriving startup ecosystem collectively generate vast volumes of digital activity, positioning Bengaluru as one of Asia's most influential innovation hubs. This concentration of talent, enterprise campuses, and technology-driven industries continues to accelerate the demand for resilient digital infrastructure.

Within this ecosystem, SISL has established infrastructure designed to support the growing requirements of cloud computing, artificial intelligence, and enterprise digital transformation. As organizations scale their digital platforms and data-intensive applications, Bengaluru's role as a critical center for data generation, processing, and innovation continues to expand.

Strategically located across the city's major technology corridors, SISL's facilities provide enterprises and digital platforms with reliable connectivity, high-performance computing environments, and proximity to key enterprise clusters.

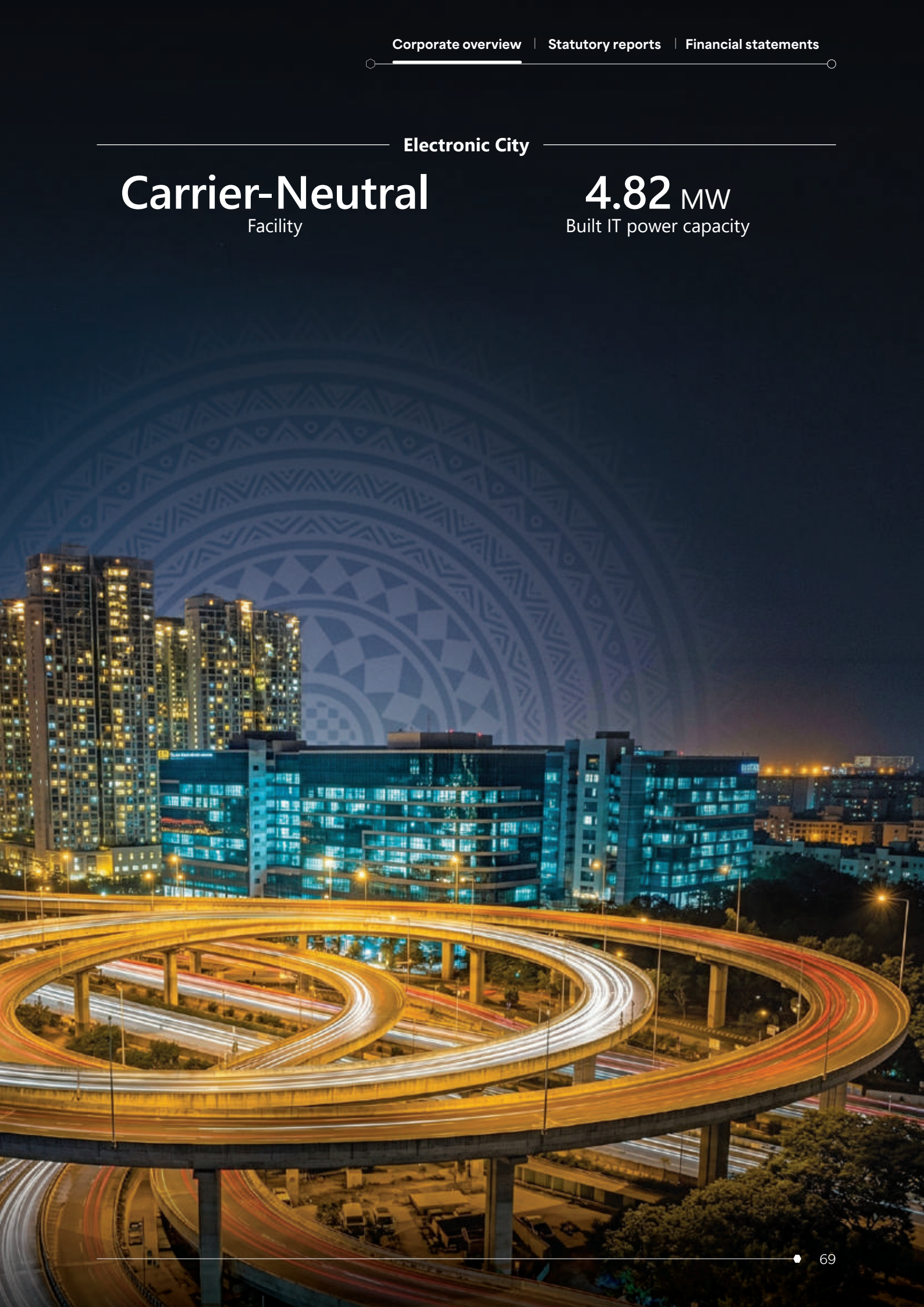
Today, Bengaluru continues to shape the next phase of India's digital economy. Within this vibrant ecosystem, SISL's infrastructure powers enterprises, cloud platforms, and next-generation applications that are driving technological progress and redefining the future of data-led innovation.

Built in 2003, Hebbal Flyover is Bengaluru's iconic 5.3 km (when the loops are counted) northern gateway linking the city to the airport while carrying some of its busiest traffic.

Electronic City

Carrier-Neutral
Facility

4.82 MW
Built IT power capacity



BENGALURU'S MARKET OVERVIEW

The Silicon Valley of Data

INFRASTRUCTURE

Bengaluru, often called the "Silicon Valley of India", is a premier destination for data center investments, thanks to its robust IT ecosystem, large skilled talent pool, and excellent connectivity. The city's growth is supported by a thriving IT and startup sector, favorable geography with low seismic risk, and strong domestic and international transport links.

This environment has enabled the development of a strong digital infrastructure ecosystem, with multiple data center facilities supporting cloud services, data storage, and high-performance computing requirements. Its proximity to major enterprise clusters and technology companies continues to strengthen Bengaluru's position as a key hub for hosting and managing large-scale digital workloads.

Strategic locations:

Whitefield, Electronic City, and HSR Layout host most of Bengaluru's data centers, offering businesses access to major IT hubs and enterprise campuses.

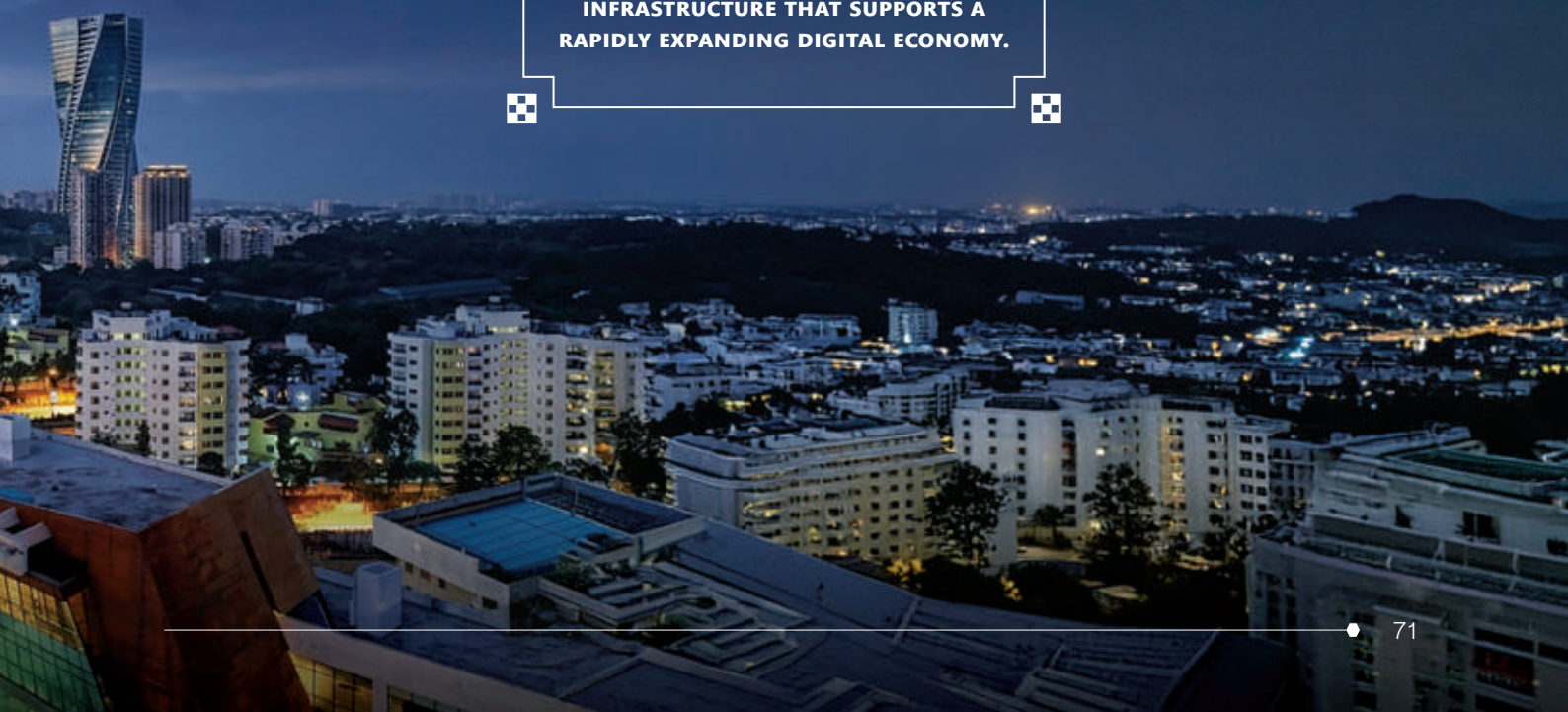
Key Micro-Markets

Bengaluru's data center ecosystem is broadly split into **two micro-markets:**

- **Peripheral East (Mature Market):**
  - **Built capacity:** 50 MW;
    Pipeline: 101 MW under construction/planned
  - Home to IT and industrial hubs like **Whitefield, Hoodi, and Mahadevapura**
  - Strong demand from enterprise and cloud customers
  - Well-established infrastructure and proximity to global IT campuses
- **Peripheral South (Emerging Market):**
  - **Built capacity:** 17 MW across 4 data centers
  - Close to industrial corridors such as **Electronic City, Bommasandra, and Jigani Industrial Area**
  - Growth driven by **rising digital infrastructure needs** from IT and manufacturing sectors
  - Increasing interest from hyperscalers and enterprise service providers

Together, these micro-markets reinforce Bengaluru's position as a **strategic hub for India's digital infrastructure**, balancing mature enterprise demand with emerging growth opportunities.

As India's leading technology hub, Bengaluru powers innovation across industries, creating sustained demand for the digital infrastructure that supports a rapidly expanding digital economy.

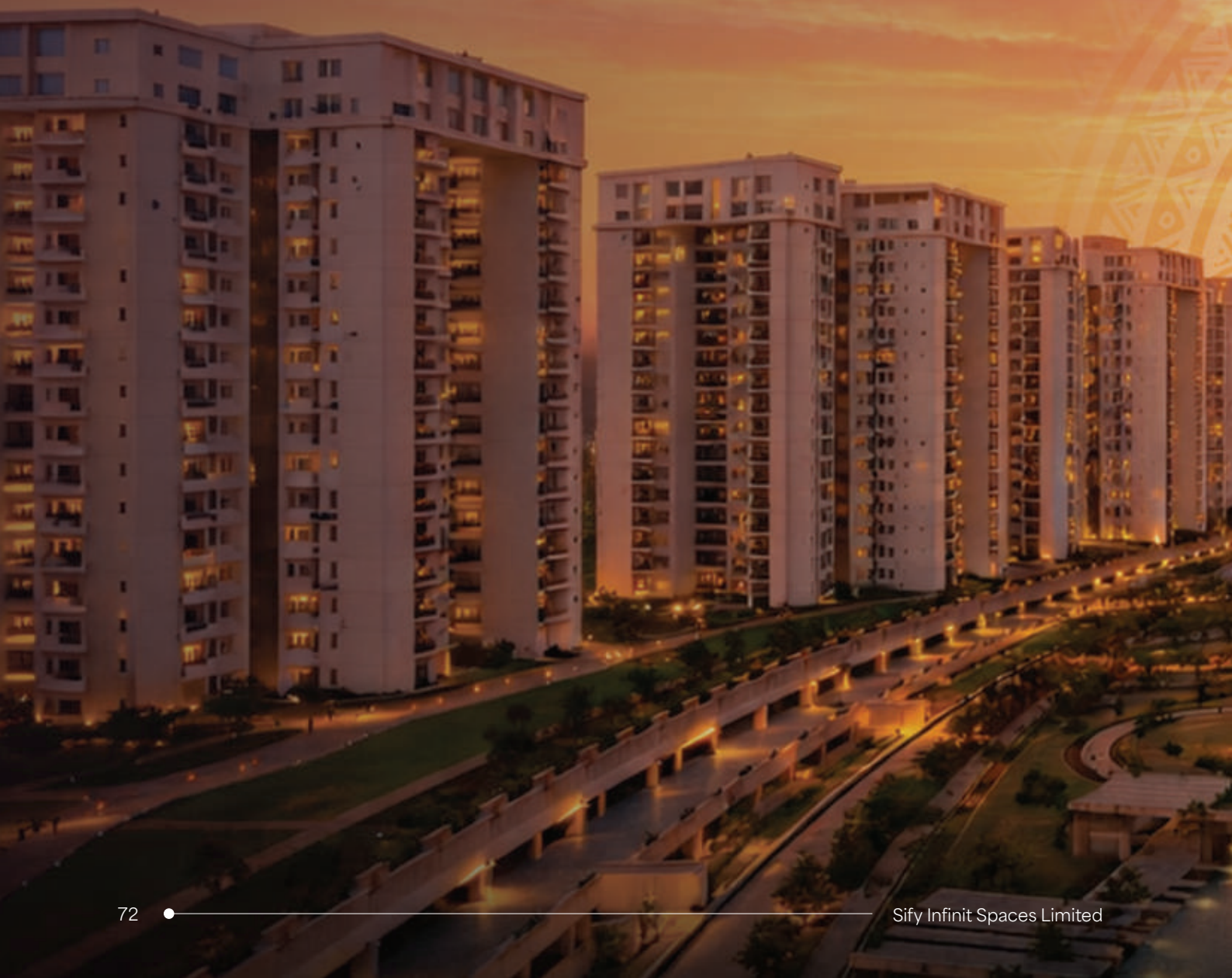


FINANCIAL CAPITAL

Scaling with DISCIPLINE

The Company remains focused on maintaining a strong and disciplined financial foundation to support its long-term growth ambitions. Through prudent capital allocation, operational efficiency, and a balanced funding approach, it continues to strengthen financial stability while supporting investments in critical digital infrastructure.

Backed by a resilient business model, diversified revenue streams, and sustained demand for digital infrastructure and connectivity services, the Company is well-positioned to deliver consistent financial performance. Its continued focus on financial prudence, capital productivity, and scalable growth will remain central to driving sustainable value creation.



From its beginning in 1882 to its rise as Bengaluru's leading tech corridor, Whitefield's 144-year journey reflects the city's evolution into a global innovation hub.

Impact on Other Capitals

Manufactured

Human

Intellectual

Natural

Social & Relationship

UN SDG Mapping

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Management Quote

"Our scale and deep domain expertise enable disciplined capital allocation, prudent cost management, and strategic investments aligned with evolving digital infrastructure needs. Supported by a strong balance sheet and a forward-looking investment approach, we are advancing our growth agenda while strengthening ecosystem partnerships and maintaining financial resilience, transparency, and prudence."

Ganesh Sankararaman,
CFO

Revenue

INR 1,76,053 Lakh

23.25 %
Up over FY 2025

PAT

INR 3,722 Lakh

2.10 %
of FY 2026 Revenue

EBITDA

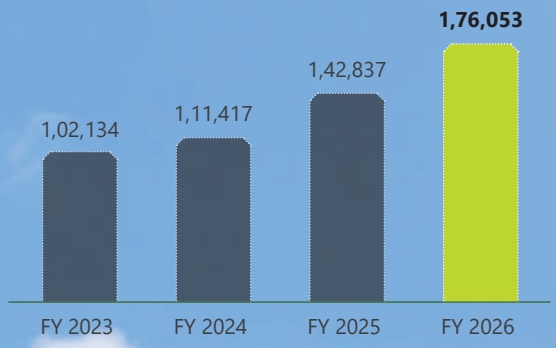
INR 79,322 Lakh

25.05 %
Up over FY 2025

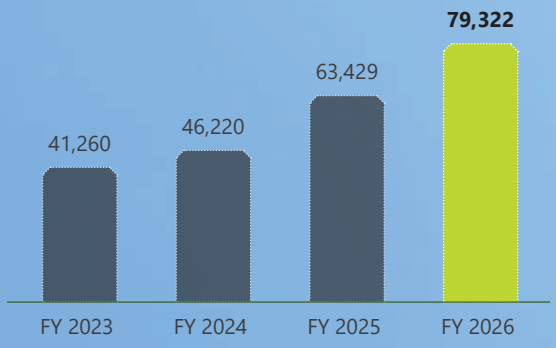
Built in 1878, Bangalore Palace brings royal Bengaluru to life with its Windsor-inspired Tudor towers, ornate interiors, and enduring Wadiyar legacy.

Profitability Metrics

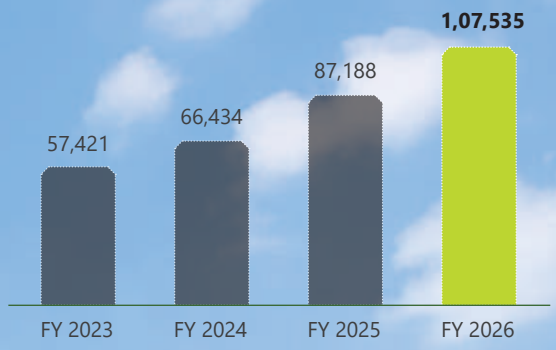
Revenue from Operations
(INR in Lakh)



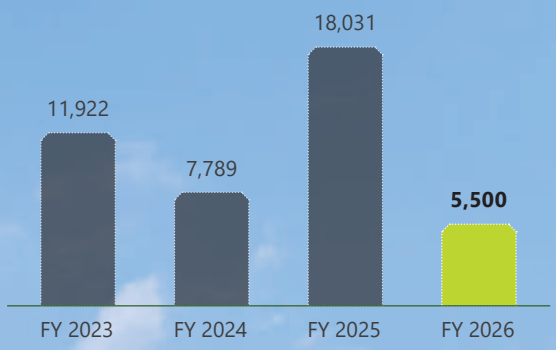
EBITDA
(INR in Lakh)



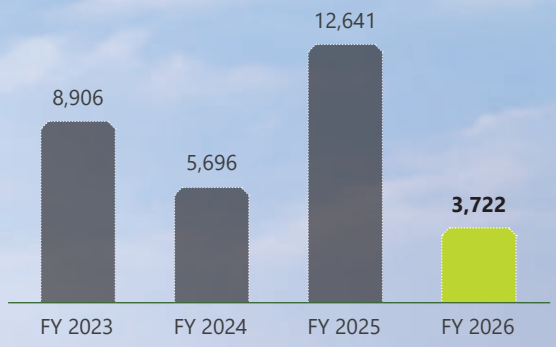
Gross Profit
(INR in Lakh)



Profit Before Tax (PBT)
(INR in Lakh)



Profit After Tax (PAT)
(INR in Lakh)



Strong Institutional Support

Backed by Kotak Investment Advisors Limited and Kotak Alternate Asset Managers Limited, the asset managers for the Kotak Special Situations Fund and the Kotak Data Center Fund, the Company gains strategic guidance and access to global industry best practices.

Building Capacity. Powering the AI Economy.

Investment decisions this year were guided by one clear priority — building infrastructure ahead of demand. Capital deployment focused on strengthening next-generation data center ecosystem through investments in Chennai 2, Noida 2, Rabale T5, and the Lucknow Edge Data Center. These investments were complemented by continued focus on AI-ready data centers, hyperscale campuses, and advanced cooling technologies such as Rear Door Heat Exchange systems.

Investment Focus Areas

AI-ready Data Centers
Support high-density and AI-led workloads

Hyperscale Campuses
Address large-scale cloud and digital demand

Rear Door Heat Exchange
Improve efficiency and cooling performance

Edge Infrastructure
Enable distributed, low-latency deployment

Rising 108 feet, the Nadaprabhu Kempegowda statue is described as the world's tallest bronze statue of a city founder.

Scaling for What Comes Next

Growth at scale requires infrastructure with foresight. Several strategic projects are currently under construction or advanced development, including:

Upcoming Development Pipeline

- Rabale T11 / T12
- Rabale T6 / T7
- Vishakhapatnam
- Chandigarh Edge Data Center
- Lucknow Edge Data Center

As these developments progress toward completion over the next few years, they are expected to enhance the Company's ability to serve next-generation workloads, deepen presence across strategic markets, and meaningfully scale infrastructure capacity.

Performance Backed by Execution

The year marked a period of strong business momentum and disciplined execution. A substantial increase in Revenue and EBITDA reflected both operational excellence and growing market demand for SISL's infrastructure solutions.

Operational Milestones

- Chennai 02 Data Center launched in Q1 FY 2026
- Lucknow Edge Data Center operationally ready
- Strong contract annuity visibility from hyperscale customers

This performance was supported by strong structural tailwinds, including rising demand for AI-ready workloads and increasing hyperscale requirements driven by rapid growth in data consumption.

The operating environment was further strengthened by supportive policy developments for the Indian data center ecosystem.

Notably, the recent Union Budget recommendation of a tax holiday for foreign cloud players utilizing Indian data centers to serve global customers is expected to further accelerate sector momentum and reinforce long-term growth prospects.

Bengaluru's Vidhana Soudha, a nearly 70-year-old legislative landmark built from granite, ranks among India's largest government buildings and serves as the seat of Karnataka's Legislature.

SISL's Capital Allocation Philosophy

The Company's capital allocation approach balances near-term delivery with long-term value creation. We continue to invest across three interconnected priorities:

Expand
Growing the data center footprint into new and emerging markets to support long-term growth.

Strengthen
Augmenting capacity at existing facilities while deepening network and cloud interconnect capabilities.

Enable
Investing in people, systems, and processes that drive innovation, operational efficiency, and customer success.

This philosophy is reinforced by a continued focus on cost competitiveness, cash flow optimization, fiscal discipline, and prudent liquidity and balance sheet management. Together, these priorities strengthen financial resilience, preserve stability, and support disciplined, sustainable growth.

Preparing for the Next Growth Chapter

The Company's ambitions remain firmly aligned with long-term scale and financial strength. SISL has filed its DRHP as part of its planned public market journey, representing an important milestone in institutionalizing and scaling the business. Looking ahead, 11 new data centers are planned to support future demand and strengthen leadership in the digital infrastructure ecosystem.

Financial priorities ahead include:

- Securing improved debt pricing through strong operating performance
- Ensuring timely realization of receivables
- Delivering capacity additions on schedule
- Building a scalable and resilient growth platform

The objective is clear:
build ahead of demand, scale with discipline, and create enduring financial value.

NATURAL CAPITAL

Sustaining Responsible GROWTH

The Company remains committed to managing natural resources responsibly while supporting the growth of digital infrastructure. Recognizing that sustainable development is closely linked with long-term business resilience and responsible growth, the Company seeks to balance infrastructure expansion with environmentally conscious operations and prudent resource management.

By focusing on energy efficiency, responsible resource utilization, and sustainable operating practices, it aims to minimize its environmental footprint while maintaining operational reliability. Efforts are directed toward improving energy performance, optimizing resource consumption, and integrating sustainable practices across infrastructure and operations. By aligning environmental stewardship with operational priorities, the Company aims to support long-term sustainability while contributing to responsible digital growth.

Bengaluru's cherry blossoms are actually pink Tabebuia trees, painting the city in seasonal bursts of color each spring.

Impact on Other Capitals

Financial

Intellectual

Social & Relationship

UN SDG Mapping

Management Quote

"Sify's design and construction approach integrates resource efficiency, climate resilience, and environmentally responsible practices to remain adaptive amid rapid technological change. As the Company advances its expansion agenda, sustainability remains embedded across the investment lifecycle through optimized energy and water use, enhanced circularity, and reduced ecological impact, supporting long-term value creation and ecosystem preservation."

External Auditor, ICRA

Energy Consumption

77,61,64,735 kWh
Total energy consumption

Energy Consumption: (Mumbai DC)

57,48,18,494 kWh
Total energy consumption

Breakdown of energy sources
(e.g., grid electricity, renewable energy, backup generators)

45,44,52,697 kWh
Grid electricity

31,03,45,003 kWh
Renewable energy

1,13,67,035 kWh
Backup generators

Renewable Energy Usage

The Company continues to expand the share of renewable energy within its power mix to support environmentally responsible data center operations. Through renewable energy sourcing and strategic investments, it aims to reduce carbon intensity while maintaining reliable and efficient infrastructure.

Percentage of total energy consumption derived from renewable sources

39.98%
Energy consumption from renewable sources

Details of renewable energy sources

18,29,92,917 kWh
Solar

12,73,52,086 kWh
Wind

Key Initiatives in FY 2026:

- **Renewable energy integration:** Increasing adoption of renewable power across our campuses through long-term power purchase agreements (PPAs) and strategic investments in renewable energy projects
- **Strong renewable energy mix: 33.85%** of power capacity utilized at the Rabale Towers 1–5 over the last 12 months was generated from renewable sources
- **Campus-level progress:** Between 2023 and 2025, **54.5% renewable energy** was incorporated into the power mix at the Rabale campus, with **62.6% renewable energy utilization**.
- **Renewable power contracts:** 309.6 MWp of renewable power capacity had been secured through long-term PPAs
- **Energy-efficient infrastructure:** Adoption of advanced cooling technologies, efficient design methodologies and water efficiency measures to optimize **Power Usage Effectiveness (PUE)** and minimize water consumption
- **Operational resilience:** SISL has strengthened operational resilience by pairing long-term renewable energy PPAs with energy-efficient data center design. This initiative mitigates power supply risks, ensures uninterrupted operations, and enhances overall reliability for clients and stakeholders
- **Additional renewable capacity investments:** SISL is further investing in **102 MW renewable energy capacity** to strengthen its clean energy portfolio
- **Strategic sustainability integration:** Continued investments in renewable power and sustainability initiatives to reduce environmental impact and enhance long-term operational resilience
- **Site-wise initiatives:** Site-wise different initiatives undertaken by the operations team, like optimizing the HVAC temperatures and changing the controls on trial and error to improve PUE

Climate Action and Energy Efficiency

SISL continues to strengthen the environmental performance of its digital infrastructure through targeted initiatives focused on improving energy efficiency and reducing greenhouse gas (GHG) emissions across its data center operations. Recognizing that cooling systems and thermal management are critical to data center efficiency, the Company undertakes focused operational and infrastructure interventions to optimize energy consumption while maintaining operational reliability.

During the year, SISL implemented multiple cooling and airflow optimization measures across key facilities, particularly at its Chennai and Rabale data centers. These initiatives were aimed at improving thermal efficiency, enhancing cooling performance, and reducing overall energy loads.

Key climate and energy-efficiency interventions included:

- Installation of blanking panels to minimize air recirculation within server racks
- Optimization of airflow distribution and floor grill configurations
- Removal of obsolete cabling and underfloor obstructions to improve cooling efficiency
- Sealing of cooling-air leakages and strengthening of airflow containment measures
- Targeted upgrades around chillers and Precision Air Conditioner (PAC) outdoor units
- Deployment of cooling-enhancement measures to improve heat rejection and reduce cooling loads

These interventions collectively contribute to improved thermal management, lower energy intensity, and reduced operational emissions across facilities. SISL continues to view operational efficiency and environmental stewardship as interconnected priorities, integrating climate-conscious operating practices to support resilient and responsible digital growth.

Harnessing wind at 780 meters, Hassan turns every turbine into 1.5 MW of clean-energy momentum.

GHG Performance

- **Scope 1 emissions:** 9,757 tCO_2e ↓ (FY 2025: 13,525 tCO_2e)
- **Scope 2 emissions:** 3,22,661 tCO_2e ↑ (FY 2025: 2,81,246 tCO_2e)
- **Scope 1 & 2 emissions intensity:** 1.89 tCO_2e / INR lakh turnover ↓ (FY 2025: 2.06)
- **PPP-adjusted emissions intensity:** 38.41 ↓ (FY 2025: 41.81)

Air Emissions

- **NOx emissions:** 29.57 MT
- **SOx emissions:** 1.49 MT
- **Particulate Matter (PM):** 2.20 MT

Green Certifications

SISL maintains globally recognized environmental certifications to reinforce its commitment to sustainable operations and responsible environmental management. These certifications reflect adherence to rigorous standards in environmental performance, resource efficiency, and operational sustainability.

MEITY Cloud Empanelled	India's 1st NVIDIA DGX Ready India's 1st Nvidia DGX Ready Liquid Cooled 130 KW/rack DC since 2024	Rated 3: Concurrently Maintainable Site Infrastructure	Data Center, Cloud & Managed Services
20000-1:2018 IT Service Management	PCI DSS	Telecom Data Center & Managed Services	SOC 1 Type II
SOC 2 Type II	45001:2018 World's International Standard for Occupational Health and Safety	22301 Business Continuity Management System	Environmental Management system
IGBC Green Building		Hosting Partner	SAP Certified in Hosting Services SAP Certified in Cloud Services SAP Certified in SAP HANA Operations Services SAP Certified in Application Management Services

Water Consumption

SISL adopts efficient cooling and infrastructure design practices to optimize water consumption across its data center operations. These measures help minimize water intensity while supporting reliable and sustainable infrastructure performance.

Further, the Company adopts a responsible approach to wastewater management through sewage treatment plants (STPs) across most owned facilities. At sites where dedicated STPs are unavailable, wastewater is treated through shared treatment infrastructure managed by building authorities. Treated water is reused for non-potable purposes wherever feasible, promoting water conservation, and efficient resource utilization across facilities.

Total water consumption

2,24,652 kL

Total water discharge

7,884 kL

Recycled water used

2,16,768 kL
Sewage Treatment Plant (STP)

Percentage of water recycled & reused

96.49%

Water conservation projects

3
Rainwater harvesting, sensor-based water taps, and faucet aerators are implemented for water saving

Water reuse projects

2
Toilet flushing and irrigation

Facilities located in water stress areas:
Bangalore, Chennai, Hyderabad, and Noida

Source of water:

2,30,790 kL
Third party water

1,746 kL
Rain water harvesting

2,32,536 kL
Total water withdrawal

1,26,665 kL
Water withdrawal from water stress areas

SUSTAINABLE STRATEGIES FOR WATER MANAGEMENT

Efficiency Measure	Description	Impact on Water Consumption	Comments/ Notes
Process optimization	Sensor-based taps and faucet aerators: Efficient water utilization, leading to water savings. Use of an automated make-up water system with pressure regulation, expansion tanks, and leak detection integrated with BMS.	Minimizes water wastage due to overfilling or unnoticed leaks.	Leak detection and automatic refill systems ensure precision and avoid unnecessary water loss.
Cooling system upgrades	Deployment of closed-loop air-cooled chillers and thermal storage tanks in place of conventional water-cooled systems.	Significantly reduces water consumption by avoiding evaporative cooling.	Air-cooled design eliminates the need for continuous water replenishment, increasing overall sustainability.
Protection from water element	Deploying Integrated Water Proofing System	100% water harvesting	Membrane-based water proofing over bare slab angled to catchment area and run into pre-determined water pits.

Efficiency Measure	Description	Impact on Water Consumption
Other water efficiency initiatives	Rainwater collection pits, water awareness campaigns, posters, and images promoting water management and conservation. Use of sensor-based WLD (Water Leak Detection), efficient drain routing for condensate, and scheduled maintenance protocols.	Prevents unnoticed leakage and facilitates efficient reuse/ drainage.
Water management techniques	Proper metering of water intake and consumption, sensor-based automatic pumping system to avoid overflow of tanks. Integration of thermal storage tanks, decoupler line flow control, and minimal blowdown systems.	Reduces peak water demand and improves cooling efficiency.

Waste Management

Waste-related impacts at SISL arise from operational activities across its data centre facilities and the waste streams generated through these operations. Key waste streams include battery waste, e-waste, hazardous waste (such as used lubricant oil, coolant, diesel residues and filters), and non-hazardous waste from maintenance and engineering activities. Potential impacts include resource depletion, environmental pollution, and risks associated with the handling, transportation, recycling and disposal of waste.

To mitigate these impacts, waste generated across SISL's establishments is segregated at source and disposed of through government-authorized recyclers and vendors in compliance with applicable regulations. E-waste, including servers and IT equipment, is managed through authorized recyclers and OEM take-back programs to support responsible recycling and resource recovery. The Company also monitors waste generation and disposal practices to ensure regulatory compliance and minimize environmental impacts.

Additionally, standard water-treatment chemicals used in operations are handled, stored and disposed of in accordance with established safety and regulatory requirements. Through responsible waste management and resource stewardship, SISL continues to reduce its environmental footprint and support sustainable operations.

4,22,658 Kgs
Total waste generated[10]

Zero
Total waste sent to landfills

4,22,658 Kgs
Total waste disposed through authorized recyclers

100%
Total waste disposed through authorized recyclers

[10]Waste disposal classification has been restated during the year. While waste continues to be managed through authorized recyclers and environmentally responsible channels, the earlier classification of 100% recycled has been revised to better reflect the actual treatment and disposal methods undertaken.

Types of Waste

3.85 MT
E-waste

2.55 MT
Plastic

114.43 MT
Non-hazardous waste

11.23 MT
Construction & Demolition

290.61 MT
Hazardous waste
(lubricant oil, coolant, diesel)

Sify is progressing toward Net Zero, with targets to increase renewable energy sourcing beyond 60% across campuses. Initiatives include enhanced automation for PUE/WUE optimization, zero-discharge water systems, CDU-free precision liquid cooling, and increased use of low-impact building materials and smart infrastructure in upcoming developments.

BENGALURU'S LALBAGH GLASS HOUSE, A 135+ YEAR-OLD HORTICULTURAL LANDMARK INSPIRED BY LONDON'S CRYSTAL PALACE, HOSTS THE CITY'S ICONIC FLOWER SHOWS AND WELCOMES VISITORS FROM ACROSS THE COUNTRY.

Waste Reduction Measures

SISL approaches waste reduction as a function of smarter design, disciplined operations, and conscious consumption, embedding sustainability into everyday processes while enhancing efficiency across its infrastructure. At the workplace level, the Company is steadily transitioning toward low-waste operations through digital-first practices and responsible resource use. This is complemented by continuous optimization of critical systems to ensure minimal resource loss and improved lifecycle efficiency.

Key initiatives:

- Reduction in paper consumption driven by increased digital adoption across facilities
- Decrease in single-use waste by supported by the transition to reusable alternatives
- Optimization in DG oil consumption through process and efficiency enhancements

Process and operational highlights:

- Increase in battery lifecycle enabled by the adoption of lithium-ion technology
- Reduction in equipment replacement rates driven by preventive maintenance under the AMC model

At an operational level, the Company is minimizing waste at source through technology upgrades and structured lifecycle management.

These measurable interventions enable SISL to systematically reduce waste while strengthening operational efficiency and supporting its broader sustainability objectives.

Recycling and Reuse Initiatives

SISL is strengthening its circularity framework through structured partnerships, technology-led waste management, and internal reuse practices, enabling measurable recovery, responsible disposal, and extended asset lifecycles.

The Company collaborates with authorized recyclers through a platform-driven, transparent vendor ecosystem, ensuring compliant and efficient handling of waste streams.

Vendor collaboration and recycling metrics:

- **100%** of e-waste processed through PCB-authorized recyclers, ensuring regulatory compliance
- Engagement with **20+** certified recycling vendors via a software-enabled waste management platform

Reuse and circularity outcomes:

- Recovery and reintegration of components through authorized vendors, contributing to **100%,** material sent to recyclers/total waste

In parallel, SISL is actively promoting **reuse and lifecycle extension** within its operations to reduce material consumption and procurement dependency.

Through these initiatives, SISL is not only ensuring responsible waste handling but also **embedding circular economy principles** into its operations, driving efficiency, cost optimization, and sustainability at scale.

Future Sustainability Plans

SISL is advancing a forward-looking sustainability agenda, centered on building resilient, energy-efficient, and environmentally responsible operations. The Company is focused on integrating clean energy, intelligent infrastructure, and robust governance practices to support long-term, sustainable growth. A key priority is to increase renewable energy adoption and strengthen energy resilience across its operations. SISL plans to progressively transition its energy mix through strategic sourcing and smarter energy management.

Key initiatives:

- Expanding renewable energy sourcing through long-term Power Purchase Agreements (PPAs)
- Exploring captive and group captive renewable energy solutions
- Investing in advanced power management systems and smart meters to optimize energy usage

Technology-led interventions:

- Adoption of high-efficiency cooling systems across data center facilities
- Deployment of intelligent Building Management System (BMS)
- Leveraging AI-driven monitoring tools for real-time energy optimization

In parallel, the Company is accelerating the deployment of next-generation, energy-efficient technologies to reduce its overall carbon footprint and enhance operational efficiency.

Beyond infrastructure, SISL is embedding sustainability into its core operating philosophy, ensuring that environmental considerations are integrated into design, execution, and governance frameworks.

Core focus areas:

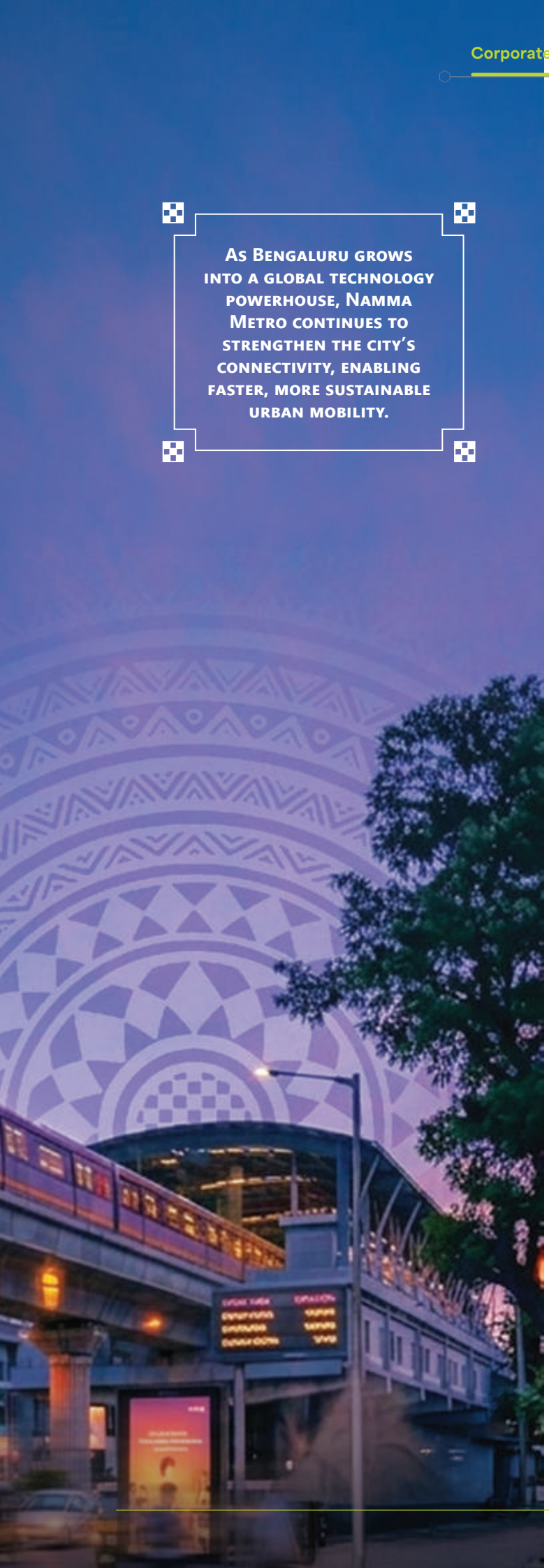
- Incorporating green building principles in data center design and development
- Strengthening water management and efficiency practices
- Advancing waste management aligned with circularity principles
- Enhancing ESG data tracking, monitoring, and reporting systems
- Aligning with evolving regulatory requirements and global sustainability standards

MANUFACTURED CAPITAL

Building Digital FOUNDATIONS

The Company continues to strengthen its digital infrastructure to meet the growing demand for reliable connectivity and data services. Enhancements across network assets and data center facilities focus on improving capacity, operational efficiency, and service reliability.

A strong emphasis on modernization and scalability ensures the infrastructure remains capable of supporting evolving enterprise needs and rising digital workloads. Continuous upgrades and expansion of capabilities create a resilient foundation that enables seamless digital operations and supports long-term growth.



As Bengaluru grows into a global technology powerhouse, Namma Metro continues to strengthen the city's connectivity, enabling faster, more sustainable urban mobility.

Impact on Other Capitals

Financial

Human

Intellectual

Natural

Social & Relationship

UN SDG Mapping

Management Quote

"Our focus remains on continuously refining data center design and power optimization to enhance speed and efficiency. This enables faster commissioning, improved asset utilization, and disciplined capital deployment. As we scale, we continue to build resilient, high-performance infrastructure that supports quicker delivery and consistent value creation for all stakeholders."

Sharad Agarwal
CEO

192.36 MW
Total built capacity

128.40 MW
Total operational capacity

14
Number of data centers across India

03
AI-ready hyperscale data centers

1,14,953 Kms
Fiber access

93
Connected DC

SISL's Integrated Service Offerings

SISL enables organizations to accelerate their digital transformation journeys within a secure, scalable, and resilient infrastructure environment. The Company offers a comprehensive suite of data center solutions, ranging from single-cabinet deployments to multi-megawatt hyperscale capacities, delivered through carrier-neutral facilities integrated within a multi-IX and multi-telecom ecosystem. SISL's capabilities span the entire lifecycle of data center services, including colocation, infrastructure design and build, migration support, and managed operational services.

Key service offerings include:

Data Center Colocation:

Flexible colocation solutions designed to meet diverse customer requirements, ranging from single cabinets to large-scale, multi-megawatt deployments. SISL also provides fully customized, built-to-suit infrastructure within its hyperscale facilities.

Smart Hands:

Round-the-clock technical support provided by skilled engineers and technicians who assist customers with on-site operational tasks within their colocation environments, ensuring smooth and uninterrupted operations.

Secure Cages with Multi-Factor Authentication:

Customizable secure cage environments with opaque panels or mesh enclosures extending from raised floor to ceiling. Access is protected through self-closing doors with badge and biometric authentication to ensure enhanced security and privacy.

Physical Migration:

End-to-end support for the seamless migration of IT assets from enterprise facilities or third-party data centers to SISL campuses, ensuring minimal disruption and efficient transition of critical workloads.

Cross Connects:

Dedicated network connectivity links from Meet-Me Rooms (MMRs) to customer racks through copper or single-mode fiber infrastructure. These connections enable seamless interconnection between customers hosted at SISL data centers and telecom operators or bandwidth service providers.

Secure Office Spaces:

Dedicated and fully secured office environments within the data center campuses, equipped with essential fit-outs, furniture, and multi-factor authentication systems. These spaces are designed to support customer teams operating on-site with convenience and security.

Service Transparency:

Information on service specifications, availability commitments, information security, data privacy requirements and safe service usage is communicated through customer contracts, service agreements, technical documentation, customer communication channels and the Company's website across 100% of service categories. Information related to product sourcing, content/substances and disposal is not applicable to the Company's service offerings.

Data Center Infrastructure Details

Information on the types of cooling systems, power infrastructure, security systems, and network connectivity used in the data centers.

Parameter	Description	Specifications/ Features	Comments/ Notes
Cooling systems	A fixed primary and variable secondary system, consisting of Chillers and Pumps is deployed, for the cooling of server halls and other associated areas like UPS and battery rooms.	Special purpose-built chillers for data center application with various unique features are selected. Air-cooled chillers placed on elevated platforms, supported by thermal storage tanks; precision air handling units (PAHUs) for server halls; and Dx units for ancillary areas.	Cooling design supports redundancy and phase-wise scalability; equipment is distributed across levels to support concurrent maintenance.
Power infrastructure	A modular and scalable power system supports the data center's IT and facility loads, designed for fault tolerance and concurrent maintainability. Entire power distribution schematic has been designed to be concurrently maintainable and fault tolerant to avoid any downtime, resulting from either an electrical fault (breaker trip) or a scheduled preventive maintenance activity.	Power sourced from dedicated high-voltage substations and distributed via transformer-generator pairs in a modular (Tx-DG) configuration; UPS systems for critical loads.	The power system enables independent module-based deployment with no need for parallel operation, ensuring high availability.

Parameter	Description	Specifications/ Features	Comments/ Notes
Security measures	Comprehensive facility security is managed through a centralized control setup and integrated electronic surveillance.	Security Command Center at upper level; integrated with Building Management System (BMS); expected use of access control and surveillance systems.	Multi-layered security design addressing monitoring, access, and incident response across the entire facility.
Network connectivity	The data center supports robust, carrier-neutral connectivity with provisions for diverse routing and high bandwidth distribution.	Carrier-neutral setup with multiple Meet-Me Rooms (MMRs), structured cabling, and dedicated risers for seamless network access.	Enables high-speed, redundant connectivity to multiple service providers, with flexibility for customer-specific configurations.
Redundancy systems	Redundancy is a core part of the electrical and mechanical infrastructure, allowing systems to stay online even during faults or maintenance.	N+N or N+2 configurations across power, cooling, and network systems; auto and manual failover paths for critical infrastructure. N+2 block-redundant electrical architecture. UPS with N+N design for all critical loads.	Allows concurrent maintenance without loss of redundancy. Each standby module can catch one failed working module. Designed to withstand two consecutive faults.

Advanced Infrastructure Capabilities

- **AI-ready infrastructure:** Next-generation facilities designed to support high-density AI workloads of up to **130 kW per rack** using advanced direct-to-chip cooling technology.
- **NVIDIA DGX-ready capability:** Rabale Data Center (Tower 5) recognized as **India's first NVIDIA DGX-ready data center** supporting both air and liquid cooling.
- **Global connectivity infrastructure:** Chennai 02 Data Center hosts **India's first on-premises subsea cable landing station**, enabling strong global network connectivity.
- **High availability infrastructure:** Facilities designed to deliver **99.999%+ uptime** at Chennai 02 (Tower B), Noida 02 (Tower B) and Rabale (Tower 5).
- **Robust power infrastructure:** Onsite substations, step-down transformers and backup systems ensure reliable and uninterrupted power supply.
- **Resilient backup systems:** Data centers maintain **48-hour backup fuel arrangements**, supported by multiple fuel suppliers for operational continuity.
- **Hyperconnected ecosystem:** Carrier-neutral infrastructure enabling seamless connectivity with multiple telecom operators and cloud providers.
- **Performance-Optimized Design (POD):** Modular architecture enabling rapid capacity expansion, faster deployment, and agile response to client demand.
- **Advanced cooling technologies:** Deployment of air, liquid, and immersion cooling solutions to support diverse and high-performance computing workloads.
- **Multi-layered security framework: 10 levels of security** from perimeter to server, including biometric access, surveillance systems, and physical security controls.
- **Industry-leading certifications:** Key facilities hold **TIA-942 Rated 4 certification**, and IGBC **Green Building Platinum rating**.
- **Global compliance standards:** Data centers comply with leading frameworks including **PCI DSS, SOC 1, SOC 2, SOC 3, ISO 9001, ISO 27001, and ISO 20000-1**.

Expanding the Footprint

SISL's expansion strategy remains focused on strengthening infrastructure capacity and supporting long-term growth. The Company has planned the development of 11 new data centers over the coming years across Mumbai, Lucknow, Chandigarh, Nagpur, Noida, Bangalore, and Chennai.

These planned developments are aligned with the Company's strategic objective of expanding market presence and increasing market share through continued investment and the proposed public listing journey. By building ahead of demand and investing in future infrastructure, SISL aims to strengthen its competitive position and support sustained growth.

Supporting this expansion strategy is the availability of captive land for the development of edge data centers and future infrastructure projects, providing flexibility for long-term capacity creation and infrastructure development.

Kempegowda International Airport, one of India's busiest airports, serves millions of passengers annually and connects Bengaluru's innovation ecosystem to global markets.

INTELLECTUAL CAPITAL

Advancing Insight and INNOVATION

The Company leverages deep technical expertise and industry insight to design digital infrastructure that meets the evolving needs of modern enterprises. By closely tracking technological advancements and market dynamics, the Company continuously strengthens its capabilities, tools, and engineering practices.

Its teams combine strong experience across data center design, operations, and digital infrastructure, enabling the creation of solutions that are both resilient and scalable. This depth of knowledge allows SISL to anticipate emerging trends, architect efficient platforms, and deliver high-performance infrastructure tailored to client requirements. Through continuous learning and innovation, the Company supports enterprises in building robust digital foundations that enable long-term transformation and growth.

Bengaluru is the heart of ISRO's space revolution, with over 50 successful satellite launches, including Chandrayaan and Mangalyaan.

Impact on Other Capitals

Financial

Human

Natural

Manufactured

Social & Relationship

UN SDG Mapping

Management Quote

"At Sify, our intellectual capital is central to how we evolve our infrastructure and platforms to meet next-generation digital demands. We are advancing our design capabilities to support AI-ready capacities that align with hyperscaler expectations, while seamlessly integrating global IPs from clients across diverse profiles. Through continued investments in our people, processes, and technologies, we are building secure, scalable, and future-ready solutions that enable our customers to accelerate their digital transformation with confidence."

Roopesh Kumar P
Executive Vice President – DC Projects

99.982% - 99.999%
Industry-leading uptime

Up to **130** kW AI-ready campus average rack density capability

2.23
PUE (Power Usage Effectiveness)

15.87
Energy intensity per rupee of turnover

322.82
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)

50.54%
(95.04 MW)
Capacity AI-ready

Integrated Engineering Expertise

- Strong in-house capabilities across facility operations, civil engineering, and project management

End-to-End Design & Development

- Expertise spanning construction engineering, IT and non-IT design, and data center development

Specialized Infrastructure Capabilities

- Advanced engineering for cloud connectivity and cooling systems for high-performance environments

Multi-Disciplinary Technical Strength

- Diverse engineering services supporting colocation, project execution, and structural design

Robust Engineering Workforce

- 215 skilled professionals dedicated to engineering functions across core data center operations

Advancing Secure Digital Operations

Cybersecurity Framework

Guided by the core principles of **confidentiality, integrity, and availability**, ensuring secure, resilient, and trusted digital infrastructure for all stakeholders

Resilient Infrastructure and Continuity Planning

Business continuity management and recovery site readiness are regularly tested to minimize operational disruptions and ensure rapid service restoration

Global Standards and Certifications

Maintains **ISO 27001** for Information Security Management and **ISO 20000** for IT Service Management, reinforcing globally aligned security and service practices

Independent Assurance

Annual **SOC 1 Type 2 and SOC 2 Type 2** assessments conducted by external auditors validate the strength of operational and security controls

Data Protection Governance

Implemented a **Data Protection Policy (April 2025)** aligned with **ISO 27001** and the **Digital Personal Data Protection Act, 2023**, ensuring transparent data collection, regulatory compliance, and robust protection mechanisms

Continuous Capability Building

Ongoing employee training in **information security, data privacy, and business continuity** strengthens organizational awareness and preparedness

Advanced Security Measures

Employs layered controls including access management, encryption, continuous monitoring, periodic audits, vulnerability assessments, data masking, and vendor risk management, supported by **robust backup and disaster recovery frameworks**

Risk-led Governance

Integrated cybersecurity risk management enhances operational resilience while driving continuous improvements across policies, processes, and IT systems

SISL's Foundations of Digital Excellence

Anvaya – A Unified CMMS Platform for Data Center Automation

In today's mission-critical data center environment, operational excellence is driven by automation, predictability, and visibility. To address these priorities, SISL has developed and deployed **Anvaya** – an in-house, integrated **Computerized Maintenance Management System (CMMS)** platform tailored specifically for its data center operations.

Anvaya consolidates all key maintenance and operational workflows into a single digital ecosystem, offering centralized control, proactive decision-making, and compliance management. By enabling data-driven insights and automating routine functions, Anvaya significantly reduces manual effort, improves response times, and enhances infrastructure reliability.

The platform comprises multiple interlinked modules designed to streamline asset management, preventive maintenance, incident handling, logistics, safety, and service level compliance – all aligned with the Company's broader objective of end-to-end data center automation.

Value Offered:

- **Centralization:** A single platform to monitor, track, and control all facility and operational activities, reducing information silos.
- **Automation:** Replaces manual interventions with scheduled, rules-based workflows, improving reliability and reducing errors.
- **Predictability:** Supports proactive maintenance and incident response through real-time data and analytics.
- **Compliance:** Digitally enforces adherence to safety, statutory, and operational standards with audit trails.
- **Efficiency:** Enhances workforce productivity and optimizes resource usage by digitizing routine operations.

Anvaya Modules and Key Benefits in Data Center Automation

Module Name	Application in Anvaya	Objective and Benefits
Asset Management	Core Asset Lifecycle & Maintenance Module	Centralized tracking and real-time health monitoring of critical assets to minimize downtime and improve lifecycle management.
Daily Task Management	Task Automation Engine	Ensures scheduled execution of routine tasks with digital checklists, minimizing human error and improving operational discipline.
Planned Preventive Maintenance (PPM)	Preventive Strategy Module	Automates time- and condition-based maintenance, increasing equipment uptime and reducing breakdown risk.
Service Desk	Centralized Ticketing System	Facilitates quick resolution of faults, service requests, and infrastructure issues while ensuring SLA adherence.
Compliance	Regulatory & Internal Compliance Monitor	Tracks statutory and internal compliance checkpoints, ensures audit readiness, and flags deviations proactively.
Incident Reporting	Incident Analysis & RCA Tracker	Captures, categorizes, and analyzes incidents to enable root cause identification and corrective action implementation.
Work Permit Management	Digital Permit-to-Work System	Streamlines permit approvals and enforces safety protocols for all high-risk and maintenance-related jobs within data center premises.
Material & Logistics Management	Inventory & Spare Parts Control	Provides real-time visibility into stock levels, manages issuance and return of materials, and reduces delays in task execution.
Shift Handover (HOTO)	Digital Shift Management	Standardizes handover protocols, logs pending actions, and ensures operational continuity between teams.
AMC Tracker	Contractual Service Management	Tracks vendor AMCs, service coverage, renewal dates, and associated obligations, reducing risk of support lapses.
SLA Tracker	Performance Compliance Monitor	Monitors performance of internal teams and external vendors against agreed SLAs, ensuring timely escalations and breach mitigation.

CanopyPower Dashboard

The **CanopyPower Dashboard** is a smart and easy-to-use platform that helps SISL monitor and manage its renewable energy systems. It brings together live data from solar panels, wind turbines, and battery storage, and shows everything in one place. This dashboard is a valuable tool that supports SISL's goals of reducing energy costs, improving system performance, and becoming more sustainable.

Value Offered:

- **All Energy Data in One Place**
  The dashboard shows how much energy the Company is generating, using, storing, and exporting. Everything is visible in real-time, making it easier for the team to monitor RE energy systems across different locations.
- **Supports Sustainability Goals:**
  The dashboard tracks the amount of renewable energy generated by the Company and the corresponding carbon savings. It serves as a tool to measure environmental impact and reinforces the Company's commitment to green and responsible operations.
- **Quick Problem Detection:**
  If there is an issue with any part of the system, such as a faulty sensor or a drop in solar output, the dashboard immediately triggers an alert. This enables the team to respond promptly, helping to prevent larger problems or system downtime.

The **CanopyPower Dashboard** gives clear, real-time control over SISL's renewable energy systems. It helps the Company work more efficiently, reduce costs, and support its sustainability journey. By using this dashboard, SISL is not only improving its operations but also moving closer to its vision of being a leader in green and smart energy solutions.

Research and Development

Focus Areas Driving Operational Resilience

SISL invests in research and development to explore cutting-edge data center technologies and strengthen operational resilience.

Key areas of focus

- Advanced cooling technologies
- Energy-efficient infrastructure
- AI-enabled monitoring systems
- Automation
- IoT systems to monitor utility data
- Intelligent capacity management solutions

The Company also evaluates emerging technologies in data center operations, including:

- Next-generation power and cooling systems
- Digital infrastructure optimization
- Predictive maintenance tools

These efforts are aimed at improving uptime, operational reliability, and energy efficiency across facilities through continuous investment and experimentation.

Strengthening Capabilities Through Partnerships

The Company collaborates with technology partners, OEMs, hyperscalers, and industry experts to drive innovation and strengthen technological capabilities across its operations. SISL also continues to hire fresh graduates from engineering and management colleges to create future leaders.

Collaboration Ecosystem

Stakeholder Group	Focus
Technology partners and OEMs	Adoption of advanced digital infrastructure solutions
Hyperscalers and industry experts	AI-enabled and next-generation data center technologies
Industry forums and certification bodies	Alignment with global best practices and emerging technology trends
Knowledge-sharing platforms	Continued engagement with industry developments

Enabling Seamless Digital Operations

The Company designs and deploys advanced technology architectures to enhance performance, scalability, and reliability across its digital infrastructure.

Integrated ecosystem

Interconnected data centers | **Cloud platforms** | **Network infrastructure** | **Cybersecurity solutions** | **Managed services**

These capabilities enable seamless digital operations for customers. The Company further leverages virtualization, automation, AI-enabled monitoring tools, and intelligent infrastructure management systems to optimize performance, improve resource utilization, and enhance operational visibility across its digital infrastructure ecosystem.

Knowledge and Process Excellence

The Company institutionalizes knowledge and process excellence through structured learning and development initiatives, standardized operating procedures, and a culture of continuous improvement. These frameworks support operational efficiency while enabling consistent and high-quality service delivery across locations and functions.

Cross-functional collaboration and the systematic documentation of best practices further strengthen organizational learning, ensuring that knowledge is retained, shared, and embedded across teams to drive sustained operational excellence.

SOCIAL AND RELATIONSHIP CAPITAL

Partnering for Shared VALUE

The Company places strong emphasis on cultivating enduring relationships built on trust, transparency, and shared value. By engaging closely with customers, partners, suppliers, and the wider ecosystem, the Company fosters collaboration that supports long-term progress and mutual success.

Its approach centers on responsible engagement, consistent communication, and a commitment to high standards across the value chain. Through these relationships, SISL strengthens its ecosystem, enabling innovation, reliability, and sustained growth in an increasingly connected digital landscape.

Bengaluru's Cubbon Park, a 150+ year-old urban oasis spread across nearly 300 acres, is home to thousands of trees and remains one of the city's most iconic public spaces.

Impact on Other Capitals

Financial

Manufactured

Intellectual

Natural

UN SDG Mapping

Management Quote

"We recognize our responsibility to communicate environmental and social impact with clarity, consistency, and transparency across diverse stakeholder groups and reporting frameworks. Our approach aligns with the expectations of communities, investors, regulators, and partners, reinforcing accountability in how we operate. Beyond responsible corporate citizenship, we are nurturing a culture that empowers employees to become catalysts for social change and contribute to inclusive, sustainable growth."

Praveen Krishna
Head, Communication & ESG

INR 271.3
CSR Spend

100%
Customer Retention Rate

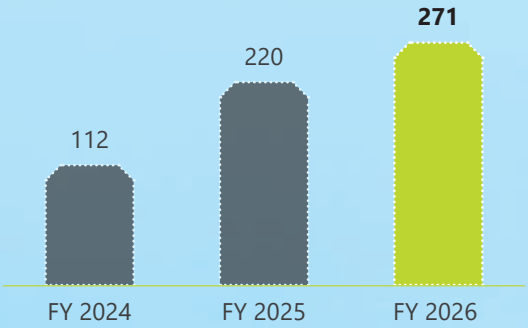
68%
Share of Long-Term Contracts

3
CSR Beneficiaries

5.90
Customer Satisfaction Score

Total CSR Spend

INR in Lakh



Beneficiaries of CSR Programs

Raju Vegesna Foundation

Raju Vegesna Foundation, Visakhapatnam

NOIDA

New Okhla Industrial Development Authority (NOIDA)

VHS

Voluntary Health Services, Chennai

Customer Relationships

SISL adopts a structured and customer-centric approach to building enduring relationships, anchored in proactive engagement, consistent service delivery, and continuous feedback-led improvement. A dedicated Customer Experience (CX) team plays a central role in managing client interactions, ensuring responsiveness, and driving overall satisfaction.

The Company maintains multiple channels to capture customer feedback and address grievances, including quarterly customer engagement surveys, regular engagement by Sales and Marketing teams, and direct customer communication. Complaints are managed through the Aakash portal, a 24/7 helpdesk, and dedicated CX teams, supported by field technicians and service personnel to ensure continuous monitoring, timely response, and effective resolution of customer concerns.

Service Delivery Excellence

Robust governance frameworks and always-on support systems ensure high service quality and responsiveness.

- Quarterly Business Reviews (QBRs) and Quarterly Service Reviews (QSRs) with key clients
- 24/7 service helpdesk with multi-channel customer support
- Defined SLAs and performance tracking for service reliability
- Strong focus on turnaround time (TAT) and first-response efficiency

Customer Satisfaction

SISL follows a data-driven approach to assess and enhance customer experience through formal feedback mechanisms.

- Quarterly customer surveys
- Customer Satisfaction Survey score of **5.90**, reflecting customer loyalty and satisfaction
- Feedback-driven service improvements integrated into operations
- Continuous monitoring of customer experience metrics

Client Retention and Growth

SISL's focus on trust, reliability, and value creation translates into strong client retention and repeat business.

- Customer retention rate of **100%**
- **97.10%** of revenue from repeat / long-term clients
- **5 years** average client relationship tenure
- Dedicated account management enabling upselling and cross-selling opportunities
- Long-standing client relationships driven by consistent service excellence

Through this integrated approach, SISL continues to strengthen client trust, enhance service quality, and build long-term partnerships that support sustained business growth.

Customer Engagement

The Company fosters long-term partnerships through continuous engagement, structured account management, and SLA-driven service delivery.

- Dedicated CX team managing key client relationships and service delivery
- **99.982 - 99.999**% SLA adherence, ensuring reliability and consistency
- **Zero** complaints received related to customer data privacy issue and **Zero** instances of data breaches
- Regular engagement through structured touchpoints and account reviews
- Proactive issue resolution to minimize escalations and improve client experience

Community Engagement

SISL's community engagement efforts are rooted in a long-standing commitment to address critical societal needs while creating meaningful and sustainable impact. Through its CSR initiatives, the Company focuses on healthcare, livelihood development, environmental sustainability, and social welfare, aligned with the broader interests of the communities it serves.

Social Initiatives

Over the years, SISL has supported a range of programs aimed at improving quality of life and enabling inclusive development.

- **Healthcare Initiatives:** Contributions to The Voluntary Health Services for strengthening healthcare infrastructure, including procurement of advanced medical equipment and improving standards of care
- **Livelihood Enhancement & Community Development:** Support to Shree Anand Charitable Trust and Child Trust for livelihood generation, slum development, and community upliftment
- **Eradication of Hunger & Necessities:** Contributions to Sri Veda Paripalana Sabha for distributing food and essential supplies
- **Environmental Sustainability & Safe Drinking Water:** Initiatives with Raju Vegesna Foundation focusing on ecological balance, water restoration, and access to safe drinking water

Community Impact Management

No operations were identified as having significant actual negative impacts on local communities during the reporting period. Potential impacts related to data centre development and operations—including construction-related noise and dust, increased traffic, waste generation, emissions from backup power systems, and pressure on local resources—are managed through environmental monitoring, regulatory compliance, pollution prevention measures, stakeholder engagement, and grievance redressal mechanisms. Consequently, no significant adverse impacts on local communities were reported during the year.

Employee Volunteering

Employee volunteering forms a key part of the Company's CSR initiatives, which are primarily executed through external agencies to ensure structured and scalable impact. Through these partnerships, employees are actively engaged in volunteering opportunities, contributing their time and skills to meaningful community initiatives.

Partnerships for Impact

SISL collaborates with credible implementing partners to ensure effective and compliant CSR execution, following the Companies (CSR Policy) Rules, 2014. The Company engages with a range of organizations to deliver impactful initiatives, leveraging a collaborative model that enables wider outreach and efficient program delivery.

Key partners include:

- The Voluntary Health Services
- Raju Vegesna Foundation
- Sri Veda Paripalana Sabha

Impact Measurement and Governance

The Company follows a structured approach to track and report CSR performance, ensuring transparency and accountability across its initiatives. CSR expenditure and program details are disclosed through statutory filings and reports, while fund utilization is closely monitored to ensure alignment with approved CSR objectives.

In addition, internal review mechanisms are in place to periodically assess program effectiveness, enabling continuous improvement and responsible governance of CSR activities.

Supplier Relationships

SISL adopts a structured and responsible approach to managing supplier relationships, focused on strengthening collaboration, ensuring ethical sourcing, and maintaining consistent performance standards across its value chain.

Ethical Sourcing

SISL places strong emphasis on responsible sourcing practices, ensuring that all suppliers adhere to defined ethical, environmental, and social standards.

- **100%** of suppliers onboarded under a mandatory Supplier Code of Conduct
- Code of Conduct covers EHS, working conditions, prevention of sexual harassment, non-discrimination, prohibition of child and forced labor, and fair wages
- No significant risks or non-compliance identified through supplier assessments
- Reinforces a transparent and ethically governed supply chain
- No suppliers were identified with significant actual or potential adverse environmental impacts
- **101** new suppliers on-boarded this year

Responsible Procurement

SISL promotes responsible procurement practices by engaging with local suppliers and MSMEs across its operational locations. By strengthening local sourcing, the Company supports regional economic participation, improves supply responsiveness, and contributes to building resilient value chains.

During FY 2026, **27.6%** of procurement was sourced from MSMEs and local producers, marking an increase from 11.91% in FY 2025 and reinforcing the Company's commitment to responsible and inclusive sourcing practices.

Shareholders

The Company is committed to maintaining transparent and timely engagement with its shareholders. It ensures that investors are well-informed and can actively participate in governance and decision-making processes.

- **Shareholder Communication:** The Company holds Annual General Meetings (AGMs) each year and convenes Extraordinary General Meetings (EGMs) as required for special matters needing shareholder approval. All relevant information and updates are consistently made available on the Company's website.
- **Value Creation:** The Company focuses on initiatives that deliver sustainable returns. Its well-executed data center projects in India combine resilient infrastructure with the growth potential of a rapidly expanding digital economy. With high margin contracted revenues, low reinvestment needs, and growing demand for advanced workloads, these projects serve as long-term value creators in a market poised for sustained acceleration.
- **Governance Practices:** Strong governance underpins shareholder trust. Regular audits by internal auditors, statutory auditors, and the secretarial auditor ensure accountability, while day-to-day compliance is managed by the internal compliance team in a structured manner.

Supplier Performance Monitoring

The Company evaluates supplier performance through a structured and periodic review mechanism, ensuring accountability and continuous improvement.

- Quarterly performance reviews conducted for key suppliers
- Assessment parameters include quality, timeliness, reliability, and regulatory compliance
- Ongoing engagement to address gaps and drive performance improvements
- Clear alignment with contractual obligations and service standards

Through these measures, SISL continues to build a resilient, responsible, and high-performing supplier ecosystem that supports its operational excellence and sustainability objectives.

HUMAN CAPITAL

Cultivating EXCELLENCE

At SISL, people form the foundation of sustained growth and operational excellence. The Company cultivates a performance-oriented environment that enables employees to take ownership, collaborate effectively, and contribute to shared outcomes with clarity and purpose.

A strong focus is placed on building capabilities through structured learning, continuous upskilling, and exposure to evolving technologies. Employees are supported by inclusive policies, a safe working environment, and initiatives that promote overall wellbeing. By encouraging open dialogue, recognizing contributions, and fostering a sense of belonging, SISL nurtures an engaged and future-ready workforce that is equipped to drive the Company's long-term ambitions.

Impact on Other Capitals

Financial

Manufactured

Intellectual

Natural

UN SDG Mapping

Management Quote

"Strong business momentum has reinforced our focus on building a high-performance organization anchored in productivity, effective resource utilization, and future-ready capabilities. We remain committed to identifying and nurturing talent, ensuring development keeps pace with our growth ambitions. Through structured succession planning and leadership development, we are strengthening organizational continuity and resilience, enabling responsible growth and sustained value creation for both our people and the business."

Arun Jayaprakash
Director, HR

People-Centric Approach

Strong emphasis on valuing employees and recognizing their contribution to organizational success

Culture of Learning & Progression

Environment that promotes continuous learning, innovation, and career advancement

Industry-Aligned Skill Building

Access to knowledge development programs on data center technologies through accredited institutions

Focused Retention & Development

Continued investment in initiatives that strengthen employee engagement, retention, and long-term growth

Structured Training Framework

Regular, role-specific training programs aligned to employee seniority and functional expertise

Cross-Functional Capability Development

Opportunities to build skills beyond core roles, including areas such as cloud computing and security

HR Philosophy and Approach

SISL's success has been driven by its unique culture that values every employee's contribution to its success story and growth journey.

SISL's HR philosophy is to be an Employer of Choice by creating a high-performance work culture through effective people practices that enable its associates to feel empowered and have a feeling of ownership and pride.

Diversity, Equity, and Inclusion

SISL is committed to building a workplace where individuals feel valued, respected, and empowered to perform at their best. The Company continues to enhance diversity across roles and levels while fostering an environment where varied perspectives are encouraged and heard.

Efforts are focused on embedding fairness and consistency in processes, ensuring equitable access to opportunities, and strengthening an inclusive culture that supports collaboration and innovation. Through thoughtful hiring practices, continuous awareness initiatives, and open channels of communication, SISL is shaping a workplace that is agile, future-ready, and enabling every employee to grow and contribute meaningfully.

Promoting Diversity, Equity, and Inclusion

Systems
A look at practices, processes, and systems to weed out sexism, racism, ageism, ableism, gender disparities, and others

People
To engage and know people well for shared vision and voices heard

Fairness
Provide what people need, specifically in equity as well as access and opportunity

Inclusion
Create inclusive strategies that foster representation and belonging

---

Campus Visits and Recruitment

Engineering Campuses

01
Visits

12
Trainees Recruited Directly

Workforce Composition

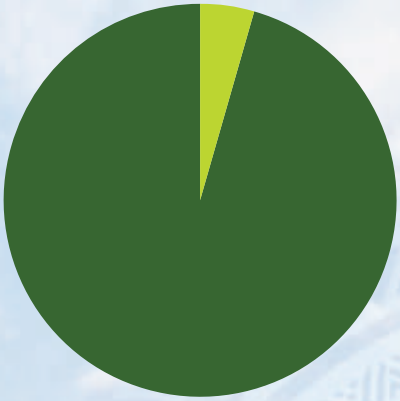
279
Total

240
Permanent

39
Non-Permanent

01
Differently Abled

Gender Diversity Across SISL



13
Female

266
Male

279
Total

Fostering a Connected Workplace

MFINE

This is an online platform that helps employees get unlimited teleconsultation medical checks and book medical services at discounted prices for themselves and for their six dependents.

TRIJOG: One-to-One Personal Counseling Solutions

Sify offers a voluntary Employee Assistance Program (EAP) in partnership with TRIJOG, providing employees access to a panel of psychologists and counselors for confidential one-to-one counseling support across personal and professional concerns. The programme addresses non-work-related health and wellbeing aspects, including emotional regulation, work-life balance, personal development, bias correction, distressing concerns, and trauma and abuse. Extending beyond employees to cover up to four family members, the programme is accessible through dedicated helplines and a company-specific web portal, ensuring ease of enrolment and timely support.

HRMS-People Strong

This tool helps employees raise requests on any HR-related issue and track the progress of their requests until resolution.

POSH Policy

Sify has constituted a grievance panel to implement the POSH policy, address complaints of sexual harassment, and deal with all cases of alleged sexual harassment. The POSH policy is strictly enforced with the aim of providing a safe and secure working environment for all employees, regardless of their gender. The grievance panel created for the policy includes senior women employees and other members from different businesses and geographies. Period training programs are organized on POSH to educate the employees and increase awareness on the provisions of the POSH Act, No complaints were reported under the POSH Act during the year.

Grievance Redressal Mechanism

SISL has established a structured Grievance Redressal Mechanism to ensure concerns raised by employees and workers are addressed in a fair, transparent, and timely manner. Employees are encouraged to raise concerns through designated reporting channels, with escalation mechanisms supported by the HR and Legal teams where required. The Company strives to resolve grievances in line with its internal policies, with most cases addressed within an indicative timeline of seven working days.

Occupational Health & Safety

SISL has implemented an Occupational Health and Safety (OHS) Management System covering all employees and major operational areas to maintain safe workplace conditions, strengthen emergency preparedness, and manage operational risks. The Company identifies and assesses workplace hazards through regular site inspections, safety audits, preventive maintenance practices, and periodic reviews of emergency response mechanisms.

To strengthen workplace safety awareness, SISL conducts regular safety training, refresher programs, and awareness initiatives supported by audio-visual learning materials. Periodic fire, evacuation, and emergency response drills are also conducted to enhance preparedness and ensure employees remain informed, skilled, and equipped to maintain a safe working environment.

Supporting this approach, Sify addresses occupational health and safety risks across its data center operations through a structured Environment, Health and Safety (EHS) framework governed by its EHS Policy. Key preventive measures include mandatory use of personal protective equipment (PPE), controlled access to hazardous and hot zones, and the prohibition of open flames, chemicals, and smoking within premises. Near-miss incidents are reported directly to the EHS department to strengthen risk identification and preventive action. The Company also requires contractors, vendors, and business partners to adhere to the same safety standards followed by employees.

Emergency preparedness remains an integral component of the Company's safety framework. Facilities are equipped with AEDs, gas suppression systems, manual call points, fire extinguishers, hydrants, sprinklers, eyewash stations, spill kits, evacuation wheelchairs, and first aid boxes across floors. A clearly defined emergency response protocol covering fire alarm activation, staircase evacuation, and muster procedures is in place. The EHS Policy further supports continuous hazard assessment, regular equipment maintenance, and a sustained focus on achieving zero-incident operations across data center facilities.

During the reporting period, work-related hazards with the potential for high-consequence injuries were identified and assessed in accordance with the EHS framework and policy requirements. No such hazards caused or contributed to high-consequence injuries during the year.

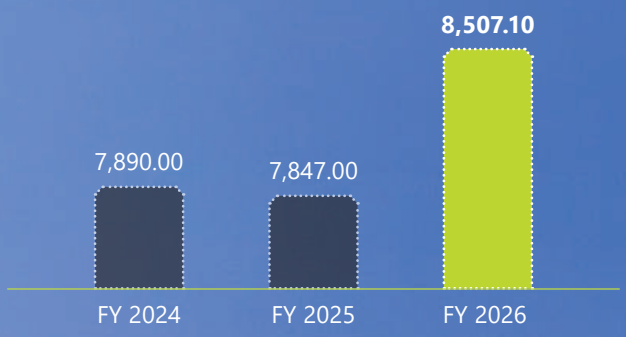
- 100% of plants and offices assessed for health & safety practices and working conditions
- Routine facility inspections and operational reviews conducted across operational locations
- Zero complaints reported relating to health & safety during FY 2026
- Zero complaints reported relating to working conditions during FY 2026
- Continued focus on workplace safety, preparedness, and employee wellbeing

Learning and Development

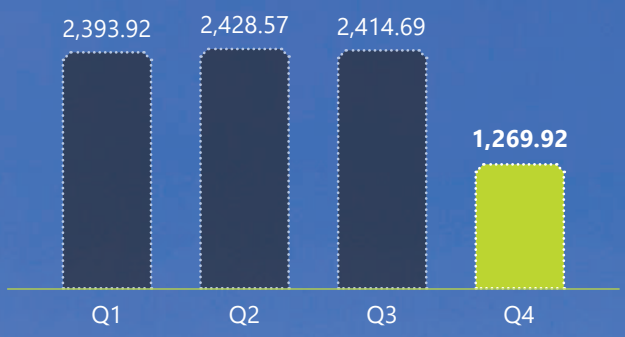
SISL places strong emphasis on building a workforce that is agile, skilled, and ready to meet the demands of both today and tomorrow. Learning and development are deeply integrated into the employee experience, with structured programs designed to build technical expertise, leadership capability, and future-focused thinking. The Company ensures that learning is accessible, relevant, and aligned with its evolving business priorities.

As the industry transforms, so do the skills required to lead and innovate. SISL continues to invest in upskilling and reskilling initiatives that enable employees to stay future-ready, embrace new challenges, and contribute with confidence. The focus remains on empowering individuals at every level to grow their potential and drive sustained impact.

No. of Learning Hours (Y-O-Y)



Quarterly Comparison on Learning Hours



Training Delivery Mode – Learning Hours

E-learning

3,206.40 Hrs
DC

109.39 Hrs
Sales & Marketing

ILT

4,778.09 Hrs
DC

226.34 Hrs
Sales & Marketing

Supplementary

522.62 Hrs
DC

Zero
Sales & Marketing

Learning Hours

Q1

2,393.92 Hrs
DC

90.06 Hrs
Sales & Marketing

Q2

2,428.57 Hrs
DC

114.65 Hrs
Sales & Marketing

Q3

2,414.69 Hrs
DC

72.58 Hrs
Sales & Marketing

Q4

1,269.92 Hrs
DC

58.44 Hrs
Sales & Marketing

Parental Leave

SISL remains committed to building a supportive and inclusive workplace by strengthening employee wellbeing practices and enabling a balanced work environment. As part of this commitment, the Company continues to provide parental leave benefits in line with applicable policies and statutory requirements, while also focusing on smooth employee reintegration and long-term retention.

Key highlights for FY 2026 include:

- During the year, **279** employees were eligible for parental leave
- During the year, **11** employees availed parental leave benefits
- Achieved a **100%** return-to-work rate for employees whose parental leave period concluded during the reporting period
- Performance and career development review is conducted for **100%** of the employees
- Recorded a **67%** retention rate for employees retained 12 months after returning from parental leave

These indicators reflect the Company's continued focus on employee engagement, workforce continuity, and fostering a people-centric organizational culture.

Nurturing Current and Future Leaders

Sify strengthened leadership capabilities through structured learning and capability-building initiatives aimed at developing current and future leaders.

The organization leveraged its enhanced Learning Management System (LMS) to provide leaders and high-potential employees with access to:

- Continuous learning resources
- Leadership courses
- Knowledge-sharing platforms

To further strengthen leadership and professional capabilities, the following programs were conducted:

- Coaching Skills for Leaders
- Situational Leadership
- Design Thinking Workshop
- PRINCE2 Agile Foundation
- Business Etiquette for Success

Advancing Professional Credentials

Employees acquired industry-relevant certifications during the year, including:

- Certified Data Center Professional (CDCP®)
- PRINCE2 Agile Foundation
- NSE 2 – The Evolution of Cybersecurity

Strengthening Technical Capabilities

Technical capability development was supported through in-house technical trainings and OEM-supported trainings for engineers and technical teams.

A structured **Training Request Submission Form** was introduced to identify technical training needs across the organization in a consistent manner.

In addition, cohort-based enrollment management and knowledge-sharing initiatives such as **Thought Leadership blogs** supported continuous technical upskilling and capability development across teams.

Continuous Learning in Action

During the year, Sify conducted a wide range of instructor-led training (ILT) programs focused on technical, leadership, operational, and behavioral skill enhancement.

Technical and infrastructure-focused programs included:

- HVAC Training by Vertiv
- Diesel Generator Training by GMMCO, CAT and Gainwell
- STULZ Cooling Workshop
- Selection of LV Switchgear and Applications
- Certified Data Center Professional (CDCP)
- AI in Data Centers and Digital Infrastructure
- Microsoft Project Tool Training

Communication and productivity-focused programs included:

- Communication Mastery
- Effective Business Communication
- Communication Excellence
- AI-Powered Productivity
- Gen AI Prompt Engineering

Enhancing Learning Experiences

Key learning and development highlights during the year included significant enhancements to the LMS platform and the launch of a centralized Training Request Submission Form. Employees gained access to mobile learning, self-service reports, integrated progress dashboards, and a refreshed learning interface, improving accessibility and learning experience. The organization also introduced FY-based training hour tracking to strengthen compliance with annual learning requirements. Further encouraging knowledge sharing, Sify's Thought Leadership initiative published 16 insightful blogs contributed by 7 associates. Collectively, these initiatives enhanced learner engagement, accessibility, and overall learning effectiveness across the organization

THE DECCAN'S EMERGING CLOUD HUB: SISL'S FOUNDATION FOR DIGITAL GROWTH

HYDERABAD

At the crossroads of innovation and progressive governance, Hyderabad is steadily strengthening its position in India's digital infrastructure landscape. Supported by forward-looking initiatives from the Government of Telangana and a rapidly expanding technology ecosystem, the city is attracting growing interest from hyperscalers, enterprises, and digital service providers seeking scalable and resilient infrastructure.

Within this dynamic environment, SISL operates a high-performance, carrier-neutral data center designed to support mission-critical enterprise workloads. The facility integrates multiple telecom providers and redundant network architecture, enabling seamless connectivity, high availability, and low-latency access to digital platforms and applications.

Enterprises across sectors, including IT, BFSI, manufacturing, healthcare, and pharmaceuticals, rely on the facility for colocation, managed services, and customized infrastructure solutions tailored to their evolving digital needs. Robust physical and cybersecurity measures further ensure the protection, integrity, and reliability of critical data environments.

As Hyderabad's technology corridors expand and hyperscale cloud investments deepen, the city continues to evolve into a key hub within India's growing data center network, supporting the next phase of enterprise digital transformation and data-driven innovation.

From 7-strand Satlada necklaces to generations of pearl artisans, Hyderabad's pearls carry centuries of Nizami craftsmanship, and timeless shine.

Financial District

Carrier-Neutral
Facility

14.40 MW
Built IT power capacity

Hyperscale
Data center

HYDERABAD'S MARKET OVERVIEW

India's Emerging CLOUD CAPITAL

Hyderabad is steadily emerging as an important data center destination in India, supported by strong government initiatives, expanding digital demand, and a growing hyperscale presence. The Government of Telangana has played a proactive role in enabling this growth through policy incentives, faster approvals under the TS iPASS framework, and access to land at concessional rates to attract large-scale digital infrastructure investments.

The regional demand is largely driven by hyperscale cloud providers and a rapidly expanding digital user base generating significant data traffic across applications, platforms, and enterprise services. While Mumbai continues to benefit from proximity to submarine cable landing stations, Hyderabad offers compelling advantages including low real estate costs, strong infrastructure, and supportive government policies, positioning the city as a growing hub within India's data center ecosystem.

Key Micro-Markets

Hyderabad's data center landscape is primarily divided into two micro-markets:

- **South Hyderabad (Hyperscale-led):**
  - Dominated by hyperscale cloud providers developing large self-built facilities
  - Approximately 82 MW of built hyperscale capacity, with additional capacity under development
  - Colocation providers are gradually entering the corridor, with ~48 MW of planned capacity
- **West Hyderabad (Enterprise-driven):**
  - Strong presence of domestic colocation operators including SISL
  - Demand largely led by enterprise workloads and regional business clusters

Market Growth Outlook

Hyderabad's data center capacity has historically been modest compared with markets such as Bengaluru and Pune, with colocation capacity currently around 53 MW. Capacity additions remained largely stable between FY 2020 and FY 2022 before witnessing gradual expansion.

Looking ahead, the market is expected to enter a stronger growth phase, with average annual additions projected at around 33 MW over the next three to five years, supported by hyperscale investments, favorable policies, and growing enterprise demand for digital infrastructure.

SUSTAINABILITY AT SISL

Architecting the Digital Backbone, RESPONSIBLY

As digital adoption accelerates and data consumption intensifies, data centers have emerged as critical infrastructure underpinning modern economies. However, this growth brings with it a heightened responsibility — to ensure that digital progress does not come at the cost of environmental and social balance. With data centers accounting for nearly 1–1.5% of global electricity consumption and ~1% of energy-related emissions, sustainability is no longer a peripheral consideration; it is central to long-term resilience and competitiveness.

Against this backdrop, the Company approaches sustainability as a strategic, embedded discipline, integrating energy transition, operational efficiency, resource stewardship, and governance into every layer of its infrastructure and operations.

Energizing Toward Defined Sustainability Goals

The industry is moving from intent to measurable outcomes.

Short-term priorities (by 2026):

Increasing renewable energy share beyond 50%

Reducing emissions intensity significantly

Optimizing operating conditions to lower cooling demand

Long-term ambitions (by 2030):

Achieving carbon-neutral operations

Designing zero-discharge, resource-efficient facilities

Expanding dedicated renewable energy investments

These targets reflect a broader commitment to aligning with global decarbonization pathways.

From one 1998 landmark to a global tech corridor, Madhapur–HITEC City turned Hyderabad into Cyberabad, where skyline growth move at digital speed.

Decarbonizing Through Clean Energy Transition

The shift to renewable energy lies at the core of sustainable data center operations, with operators increasingly reconfiguring their energy mix to integrate solar, wind, and hydropower. This transition is reducing dependence on fossil fuels while enhancing long-term cost stability. Solar installations, both rooftop and utility-scale, are proving effective in high-irradiance regions, while wind energy offers scalable capacity for large campuses, and hydropower provides a stable, low-carbon supply where accessible. In parallel, long-term Power Purchase Agreements (PPAs) and green tariffs are enabling predictable access to renewable energy, while onsite generation is strengthening energy autonomy and resilience. Hybrid sourcing models are further aligning sustainability goals with the need for uninterrupted operations.

At the same time, nuclear energy is emerging as a complementary solution, particularly in the context of rising AI-led demand. Unlike intermittent renewables, nuclear power provides continuous baseload energy, making it a reliable anchor for energy-intensive workloads. Policy support is also strengthening this pathway, with India's Union Budget 2026 allocating investments toward Small Modular Reactors (SMRs), which offer high energy density, scalability, and low emissions — well suited for hyperscale infrastructure. By enhancing grid stability and supporting renewable integration, nuclear energy is helping reduce reliance on fossil fuels.

Together, these evolving energy pathways are shaping a more balanced, resilient, and low-carbon energy architecture for the data center industry.

Emerging Energy Pathways and Market Mechanisms

Beyond conventional renewables, a new set of market mechanisms and technologies is expanding the sustainability toolkit. Instruments such as Renewable Energy Certificates (RECs) are enabling emissions offsetting by linking consumption to renewable generation, while exchange-traded power is introducing greater flexibility to procure cost-efficient, greener energy through open markets. At the same time, intra- and inter-state policy frameworks are improving access to renewable-rich geographies, helping optimize both cost and sustainability outcomes.

Looking ahead, the energy mix is being redefined by next-generation solutions. Green hydrogen is emerging as a clean, long-duration alternative to diesel-based backup; tidal energy offers predictable, low-impact power, particularly for coastal infrastructure; and advanced nuclear technologies, including Small Modular Reactors (SMRs), are enabling decentralized and scalable baseload capacity. Together, these innovations signal a decisive shift towards more resilient, diversified, and carbon-neutral energy ecosystems.

Strategic Implications for Data Center Development

Sustainability is increasingly embedded in core business decisions, shaping everything from site selection to infrastructure design. Location strategies are evolving to prioritize regions with strong renewable ecosystems, enabling access to cleaner and more reliable energy sources. At the same time, policy alignment with India's long-term commitments, such as achieving 50% non-fossil fuel capacity by 2030 and net zero by 2070, is guiding strategic planning and investment decisions.

Complementing this, blended energy models are gaining prominence, integrating renewables with nuclear and energy storage solutions to ensure both operational uptime and sustainability. Together, this convergence of policy, infrastructure, and innovation is enabling data centers to scale in a manner that is both responsible and efficient.

Measuring Impact: ESG Metrics and Certifications

Transparent measurement frameworks are central to driving accountability and sustained performance in data center operations. Core sustainability metrics provide critical insight into operational impact. These include Power Usage Effectiveness (PUE), which measures energy efficiency; Water Usage Effectiveness (WUE), which tracks water efficiency in cooling systems; and Carbon Usage Effectiveness (CUE), which assesses the carbon intensity of operations. These indicators are increasingly scrutinized by investors, regulators, and enterprise clients, reinforcing ESG alignment as a business imperative.

At the same time, adherence to global standards and certifications, such as ISO 14001 and IGBC green building guidelines, ensures that sustainability is systematically embedded across the entire lifecycle, from design and construction to ongoing operations.

Designing the Green Data Center of the Future

Sustainability is being engineered into infrastructure from the ground up, shaping the way data centers are designed and operated. Green power provisioning is being scaled beyond baseline requirements to increase the share of renewable energy, while advanced cooling systems, including liquid cooling and thermal optimization, are reducing overall energy load. Water stewardship is also gaining prominence through the use of recycled water, rainwater harvesting, and zero-discharge systems, alongside a stronger focus on circular resource management through the segregation and responsible disposal of e-waste.

Complementing these efforts, smart operations powered by real-time monitoring and AI-driven optimization are enhancing energy efficiency. Together, these practices are enabling data centers to achieve higher efficiency, lower resource intensity, and improved lifecycle sustainability.

Scaling Sustainability at SISL

The Company's sustainability journey is anchored in energy efficiency, renewable integration, and transparent governance.

- Maintains **high renewable energy share (~34%)** across key data center campuses
- Secured **309.60 MWp of renewable capacity through long-term PPAs**
- Early adopter of renewable energy integration, with group-level initiatives dating back to 2013
- Implements **onsite substations and power infrastructure** to ensure reliability and control
- Designs facilities with **industry-aligned PUE and optimized water usage**
- Holds key environmental certifications, including **ISO 14001**

In addition, the Company has embedded sustainability into its governance and reporting practices:

- Publishes **integrated and sustainability reports**, enhancing transparency
- Aligns material ESG topics with **global frameworks and stakeholder expectations**
- Focuses on priority areas, such as **energy efficiency, water management, emissions reduction, and sustainable supply chains**

Resilient Infrastructure and Power Redundancy

Reliability remains non-negotiable, even as sustainability ambitions intensify. Data centers are engineered with robust redundancy frameworks, such as N+1, N+2, and 2N configurations, ensuring uninterrupted operations even in the event of system failures. These architectures are aligned with global benchmarks, including Uptime Institute Tier classifications and TIA-942 standards, which define performance, availability, and fault tolerance.

The industry's shift toward Tier III and Tier IV facilities reflects a growing need to deliver high uptime alongside sustainable operations, while hyperscalers are advancing custom performance standards that integrate redundancy with energy efficiency and modular scalability. This evolution underscores a critical shift: sustainability is not a trade-off with reliability, but an enabler that strengthens it.

Toward a Sustainable Tomorrow

As the digital economy accelerates, the future of data center infrastructure will be defined by how effectively scale is balanced with sustainability and resilience. The next phase of growth will demand not just capacity, but a more conscious and well-orchestrated approach to expansion.

In this evolving landscape, the Company remains focused on advancing the transition to clean, dependable energy, driving greater efficiency across energy, water, and materials, and embedding sustainability into every layer of design, delivery, and operations. At the same time, it continues to build infrastructure that is robust, future-ready, and responsibly engineered.

Through these priorities, the Company is shaping a digital ecosystem that delivers performance at scale while remaining firmly aligned with the imperatives of a sustainable future.

STRATEGY

Engineered to SCALE AHEAD

SISL's strategy is shaped by a clear long-term vision — to build scale with precision, resilience, and purpose. In a rapidly evolving digital landscape, the Company takes a dynamic view of growth, continuously aligning its direction with emerging technologies, shifting market forces, and rising stakeholder expectations.

The focus remains on creating a strong, adaptable foundation that can support sustained expansion while maintaining operational discipline. By sharpening its strategic priorities and reinforcing core capabilities, SISL ensures it remains agile, responsive, and future-ready.

This deliberate approach positions the Company to navigate complexity with confidence, unlock new avenues of growth, and deliver consistent, long-term value at scale.

Expanding Capacity in High-Growth Markets

India's data center demand is expected to grow from 1.3 GW in FY 2025 to 4.7–5.7 GW by FY 2030, representing a CAGR of 30–35%. Anticipating this structural growth, the Company is expanding its infrastructure platform across key digital corridors.

As of June 30, 2025, 11 facilities were under development across Mumbai, Noida, Chennai, Bengaluru, Lucknow and Chandigarh, strengthening the Company's ability to deliver capacity at scale.

Strategic focus areas include:

- Developing facilities in high-growth digital hubs
- Integrating advanced infrastructure, including subsea cable connectivity
- Designing campuses with seismic-resilient architecture
- Aligning expansion with evolving data localization regulations
- Deepening hyperscaler and enterprise partnerships

Alongside strengthening its presence in established markets, the Company continues to evaluate emerging locations based on traffic growth and digital demand.

Scaling AI-Ready Infrastructure

Artificial intelligence is rapidly reshaping data center architecture. AI workloads are expected to grow from less than 1% of demand in FY 2025 to 15–20% by FY 2030, creating an estimated 0.7–1.1 GW of AI-driven infrastructure demand.

AI environments require fundamentally different infrastructure capabilities, including:

- **Higher power densities** to support accelerated computing
- **Advanced cooling technologies**, such as direct-to-chip and immersion cooling
- **Greater fiber density** to support high-speed data movement
- **Modular zonal architecture** to optimize energy and performance

AI-optimized facilities at Rabale (Tower 5), Noida 02 (Tower B) and Chennai 02 (Tower B) are designed to support high-density deployments and attract next-generation workloads. These capabilities are being embedded across new developments to ensure long-term competitiveness.

Advancing Renewable Energy and Sustainability

Sustainability forms a core pillar of the Company's operating philosophy. Approximately **33.85%** of the power consumed at select Mumbai campuses — Rabale Towers 1–5 in FY 2026 was sourced from renewable energy.

The Company is further investing in **102 MW** of renewable power capacity, reinforcing its commitment to environmentally responsible infrastructure.

Key sustainability priorities include:

- Improving energy efficiency and reducing carbon intensity
- Expanding renewable energy adoption
- Implementing sustainable procurement practices
- Optimizing water usage and conservation measures
- Progressing toward long-term carbon neutrality
- Supporting communities through healthcare, education, and water initiatives

Sustainability disclosures are independently audited and aligned with the United Nations Sustainable Development Goals (UN SDGs) and GRI standards.

Deepening Hyperscaler and Enterprise Engagement

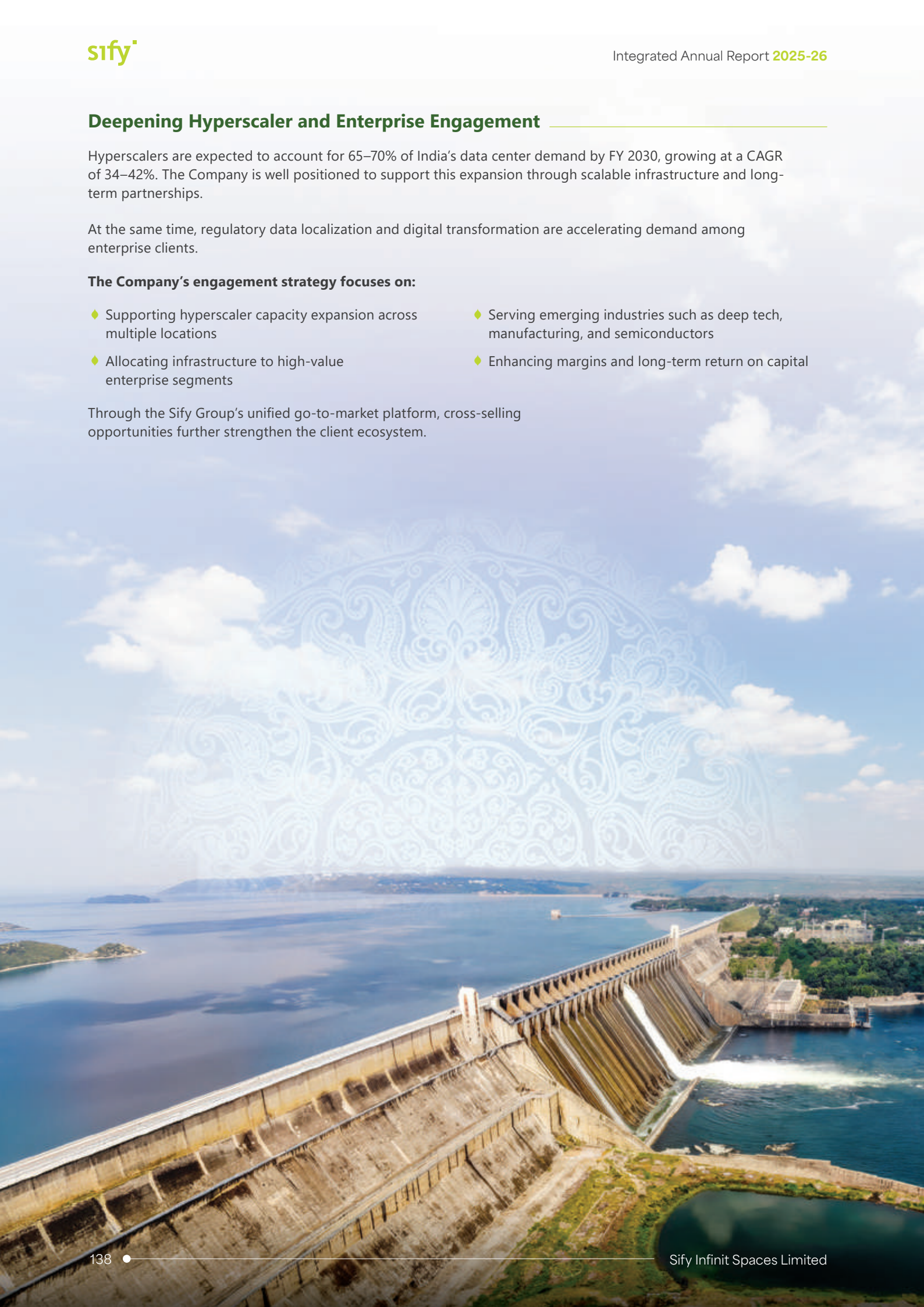
Hyperscalers are expected to account for 65–70% of India's data center demand by FY 2030, growing at a CAGR of 34–42%. The Company is well positioned to support this expansion through scalable infrastructure and long-term partnerships.

At the same time, regulatory data localization and digital transformation are accelerating demand among enterprise clients.

The Company's engagement strategy focuses on:

- Supporting hyperscaler capacity expansion across multiple locations
- Allocating infrastructure to high-value enterprise segments
- Serving emerging industries such as deep tech, manufacturing, and semiconductors
- Enhancing margins and long-term return on capital

Through the Sify Group's unified go-to-market platform, cross-selling opportunities further strengthen the client ecosystem.



Strengthening Interconnection Density

As digital ecosystems expand, low-latency connectivity is becoming mission critical. The Company continues to enhance interconnection capabilities, enabling seamless connectivity between hyperscalers, enterprises, and cloud platforms.

Clients benefit from direct access to multiple cloud availability zones, creating a highly connected digital ecosystem.

Scaling Edge Infrastructure

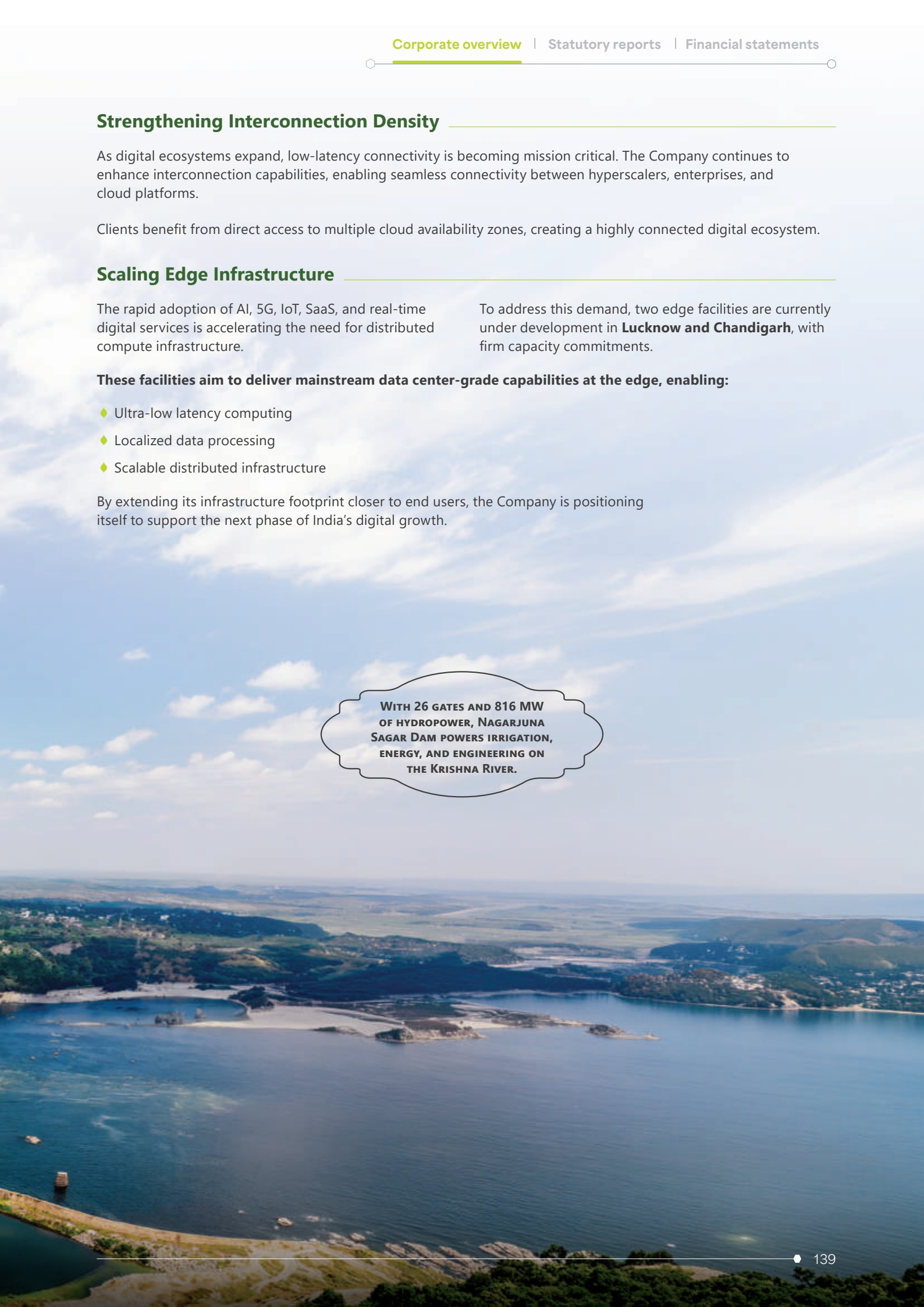
The rapid adoption of AI, 5G, IoT, SaaS, and real-time digital services is accelerating the need for distributed compute infrastructure.

To address this demand, two edge facilities are currently under development in **Lucknow and Chandigarh**, with firm capacity commitments.

These facilities aim to deliver mainstream data center-grade capabilities at the edge, enabling:

- Ultra-low latency computing
- Localized data processing
- Scalable distributed infrastructure

By extending its infrastructure footprint closer to end users, the Company is positioning itself to support the next phase of India's digital growth.



A STRATEGIC POWERHOUSE FOR DATA INFRASTRUCTURE: SISL'S PLATFORM FOR REGIONAL DIGITAL GROWTH

KOLKATA

In Kolkata, digital infrastructure is steadily gaining strategic relevance as organizations across eastern India accelerate their adoption of cloud, data platforms, and connected services. The city's geographic position and improving connectivity are strengthening its role as an access point linking regional enterprises to national and global digital networks.

Within this landscape, SISL operates a data center that supports organizations seeking reliable and secure infrastructure for their digital operations. The facility provides a stable environment for hosting applications, data, and IT systems while enabling businesses to scale their digital capabilities with confidence.

The carrier-neutral environment connects multiple telecom providers through redundant network pathways, ensuring dependable connectivity and operational continuity. A range of services — including colocation, managed infrastructure, and disaster recovery solutions — allows organizations to deploy and manage their workloads with flexibility.

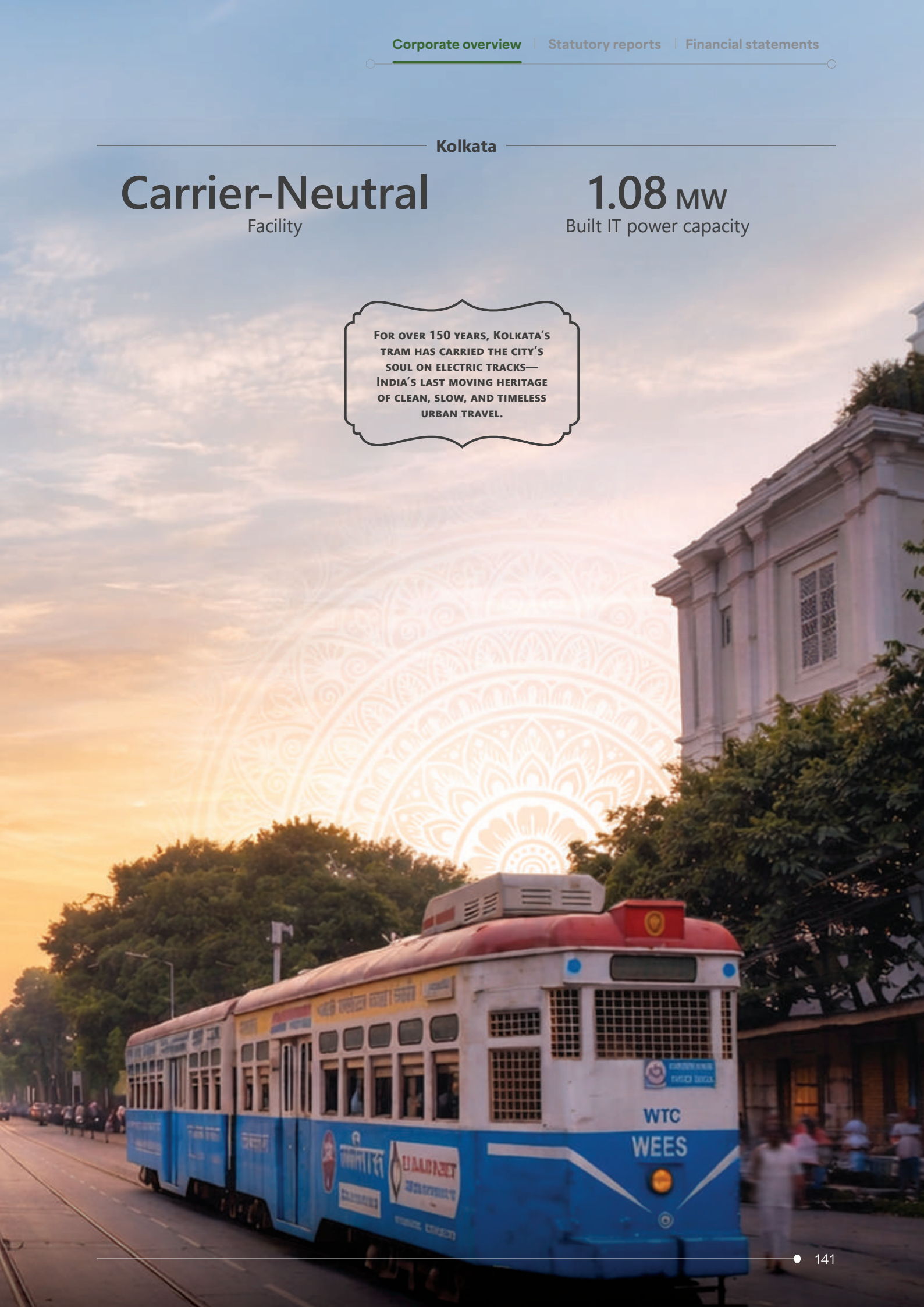
Operational resilience is reinforced through layered physical and cybersecurity controls, continuous monitoring, and robust infrastructure systems designed to maintain uptime and protect critical data assets. As eastern India's digital ecosystem expands, SISL's presence in Kolkata contributes to strengthening the region's technology backbone, supporting organizations as they participate in an increasingly data-driven economy.

Kolkata

Carrier-Neutral
Facility

1.08 MW
Built IT power capacity

For over 150 years, Kolkata's tram has carried the city's soul on electric tracks—India's last moving heritage of clean, slow, and timeless urban travel.



KOLKATA'S MARKET OVERVIEW

India's Eastern DATA FRONTIER

Kolkata is an emerging data center market, gaining attention for its strategic location near Southeast Asia and its role as a potential digital gateway to eastern and neighboring regional markets. Supported by state-led technology initiatives and infrastructure development, the city is gradually positioning itself within India's expanding data center ecosystem.

Proximity to the Digha Submarine Cable Landing Station strengthens Kolkata's strategic relevance by enabling connectivity to regional networks and facilitating data flows across the SAARC region. While the current colocation footprint remains modest, increasing investor interest and policy support are beginning to shape a stronger growth trajectory.

Built from reclaimed wetlands into a 55.51 sq. km planned city with 6.34 lakh people, Salt Lake transformed Kolkata's edge into a hub of homes, tech, culture, and urban ambition.

Key Clusters

Kolkata's emerging data center activity is concentrated in two developing technology corridors:

- Salt Lake:
  - Hosts approximately 2 MW of existing data center capacity
  - One of the city's established technology districts with IT parks and enterprise presence
- New Town:
  - Emerging as the focal point for upcoming data center developments
  - Supported by initiatives such as the Bengal Silicon Valley Tech Hub and modern infrastructure

Market Development

Kolkata's current colocation landscape is relatively small, with operators including SISL and other global providers operating facilities of around 1 MW each. However, the market is witnessing renewed momentum, with several new projects being announced.

Recent proposals include data center developments with capacities of around 16 MW and 9 MW, reflecting growing operator interest in the region. As connectivity infrastructure improves and digital demand rises across eastern India, Kolkata is expected to gradually evolve into a strategic eastern gateway for India's digital infrastructure network.

GOVERNANCE

Powering Responsible and Resilient PROGRESS

SISL integrates strong governance practices into every aspect of its operations, with a clear focus on ethical conduct, accountability, and transparent decision-making. The Company ensures that its actions remain aligned with stakeholder expectations while adhering to applicable regulatory standards.

A well-defined governance framework supports effective oversight, risk management, and strategic execution, enabling responsible growth and operational discipline. This framework is continuously strengthened to remain responsive to evolving regulations, industry dynamics, and emerging risks.

SISL provides transparency into its performance, strategies, and the impact of its decisions, in alignment with globally recognized frameworks such as the International Integrated Reporting Council (IIRC) and the Global Reporting Initiative (GRI). This approach reinforces credibility, builds stakeholder trust, and supports long-term value creation.

Kolkata's Writers' Building, a 240+ year-old landmark built in 1777, stands as one of India's oldest administrative institutions and a symbol of the city's historic importance.

UN SDG Mapping

Pillars of Our Corporate Governance Framework

Integrity

Transparency

Openness

25%
Women representation on the Board

50%
of the Board comprised of Independent Directors

SISL actively participates across 12 industry and professional associations, supporting industry collaboration, knowledge exchange, and engagement with evolving sector and regulatory developments.

Board of DIRECTORS

The Board of Directors serves as the steward of the Company's values, guiding its strategic course while ensuring that decisions are taken with integrity, accountability, and a clear focus on sustainable value creation. This oversight is supported by a robust governance framework, comprising well-defined policies and disciplined processes that shape every facet of SISL's operations. Together, they uphold high standards of responsibility, transparency, and compliance, in line with both domestic regulations and global best practices.

Mr. Raju Vegesna
Director

Mrs. Vegesna Bala Saraswathi
Director

Mr. C.R. Rao
Whole Time Director

Mr. Arun Seth
Independent Director

Mrs. Padmaja Chunduru
Independent Director

Dr. Ram Sewak Sharma
Independent Director

Dr. Thomas Michael Bradicich
Independent Director

Mr. Mark Evan Adams
Director

Board Evaluation and Effectiveness

SISL is committed to maintaining an effective and accountable governance framework through periodic evaluation of Board performance and leadership effectiveness. The Committee undertakes annual evaluations of Directors, Key Managerial Personnel (KMP), and Senior Management Personnel, while the Board periodically assesses its own performance to identify strengths and areas for improvement.

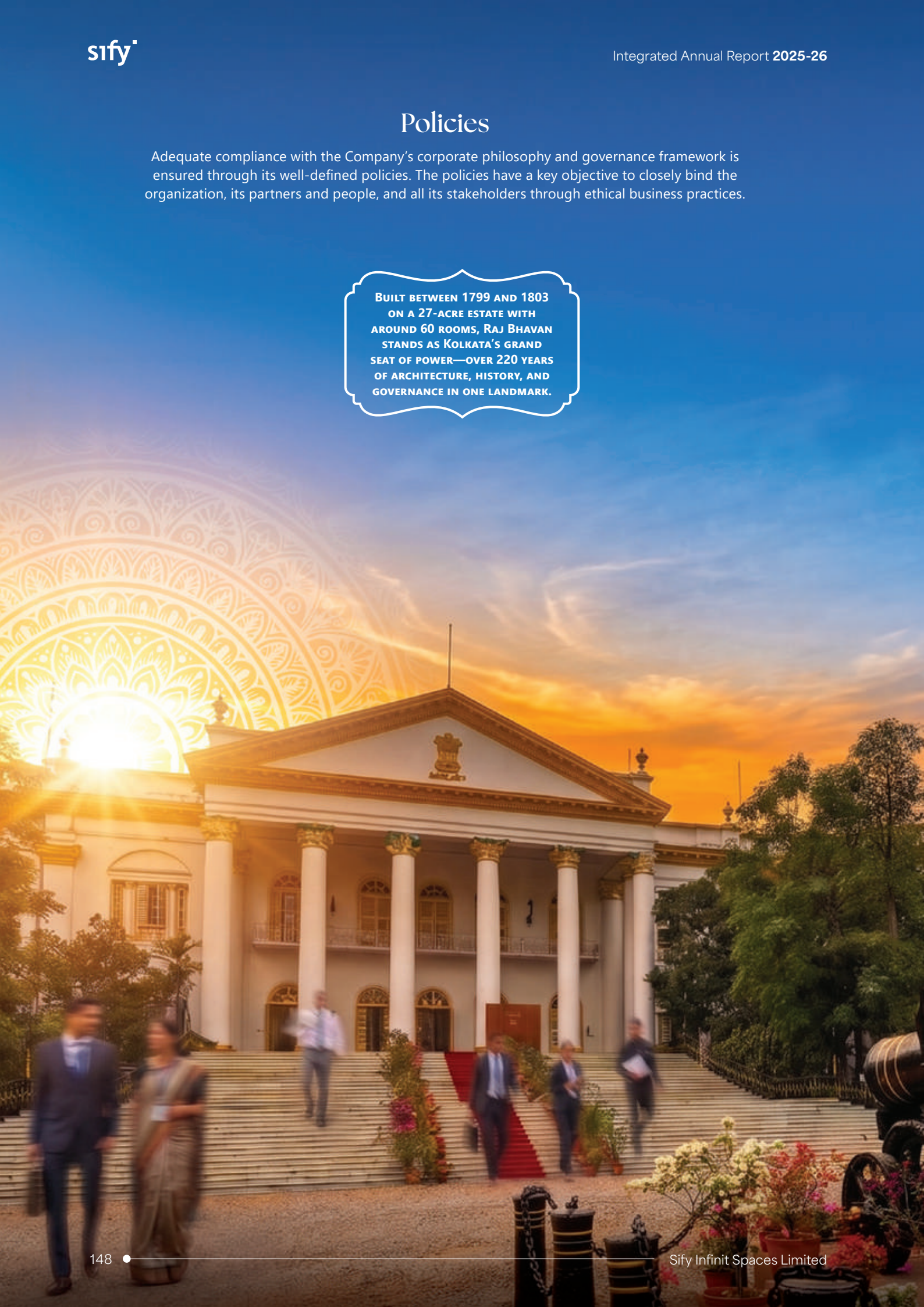
The evaluation process is conducted through structured questionnaires and feedback mechanisms covering Board composition, effectiveness of processes, quality of deliberations, strategic guidance, and participation of Directors. Separate evaluations of Independent Directors are also undertaken in accordance with applicable regulatory requirements. The outcome of the evaluation process supports decisions relating to the appointment, re-appointment, and continuation of Directors, reinforcing transparency, accountability, and sound governance practices. Training and awareness programs covering Business Review Sessions, the Code of Conduct, induction training, POSH and cybersecurity were conducted for 100% of Board members and KMPs.

Committees	Name	Designation
Audit Committee	Mr. Arun Seth	Chairman
	Mrs. Vegesna Bala Saraswathi	Member
	Dr. Ram Sewak Sharma	Member
	Mrs. Padmaja Chunduru	Member
Nomination & Remuneration Committee	Dr. Ram Sewak Sharma	Chairman
	Mr. Arun Seth	Member
	Mr. Mark Evan Adams	Member
Corporate Social Responsibility Committee	Mrs. Vegesna Bala Saraswathi	Chairperson
	Mr. C.R. Rao	Member
	Dr. Thomas Michael Bradicich	Member
Risk Management Committee	Mrs. Padmaja Chunduru	Chairperson
	Mr. C.R. Rao	Member
	Dr. Thomas Michael Bradicich	Member
	Mr. Mark Evan Adams	Member
Stakeholder Relationship Committee	Mrs. Padmaja Chunduru	Chairperson
	Mrs. Vegesna Bala Saraswathi	Member
	Mr. C.R. Rao	Member
	Mr. Mark Evan Adams	Member

Policies

Adequate compliance with the Company's corporate philosophy and governance framework is ensured through its well-defined policies. The policies have a key objective to closely bind the organization, its partners and people, and all its stakeholders through ethical business practices.

Built between 1799 and 1803 on a 27-acre estate with around 60 rooms, Raj Bhavan stands as Kolkata's grand seat of power—over 220 years of architecture, history, and governance in one landmark.



Investor/Shareholder Transparency Policy

Periodic meetings are conducted with all the shareholders to serve their needs and demands. During the blackout period, no selective engagement is done with any shareholder/investor and no announcement perceived as having material benefit is shared.

Human Rights Policy

This policy is well aligned with the UN Guiding Principles on Business and Human Rights (UNGPs). The Human Rights policy encompasses stringent prohibition of child or forced labor, either directly or through contract labor. A mandate is laid down in its Business Ethics and Code of Conduct that protects the fundamental rights of all employees (direct and indirect), communities, and the immediate supply chain and prohibits any violation of the above kind.

Whistle Blower Policy

This policy is a critical tool that enables stakeholders to raise actual or suspected violations of any kind. All the necessary safeguards on protection of the employees from reprisals or victimization for whistle blowing are well covered in the Whistle Blower policy. It prescribes methods in which stakeholders can voice their concerns related to any kind of suspected violation to any Code or to applicable national and international laws, including statutory/regulatory rules and regulations. Suspected or actual violation of any kind can be reported on the Code of Ethical Business Conduct, Accounting, Internal Accounting Controls, and Auditing Matters.

Anti-Corruption Policy

All transactions related to Sify's business are adequately and accurately recorded in its books. The Company maintains an Anti-Corruption Policy that mandates ethical and lawful conduct for all directors, officers, associates, and employees. The policy prohibits bribery, kickbacks, or any other illegal payments in transactions involving suppliers, agents, distributors, consultants, or other business partners, including the misuse of gifts or hospitality and improper indirect or political payments through third parties. To ensure continued relevance and effectiveness, the policy is periodically reviewed by the HR Department and is accessible to all personnel through the Company's intranet.

During the year, 100% of operations were assessed for risks related to corruption, with no significant corruption-related risks identified. Further, anti-corruption policies and procedures were communicated to 100% of governance body members and employees, reinforcing the Company's commitment to ethical business conduct, transparency, and compliance.

The Company reported zero confirmed incidents of corruption during the year, and accordingly, there were no employees dismissed or disciplined for corruption-related misconduct. No contracts with business partners were terminated or not renewed due to violations related to corruption, and no public legal cases concerning corruption were brought against the Company or its employees during the reporting period.

Embedding Policy

Sify Technologies Limited is committed to embedding ethical, environmental, and human rights values across its operations and extended supply chain. The company's commitments are institutionalized through well-defined governance frameworks, such as the Supplier Code of Conduct, Ethics Policy, and associated corporate compliance mechanisms.

Remuneration and Compensation Governance

SISL maintains a structured remuneration framework governed by the Nomination and Remuneration Committee (NRC) and approved by the Board in line with applicable laws and governance standards. Designed to be fair, performance-linked, and market-aligned, the framework supports the Company's long-term strategic objectives.

Remuneration for Key Managerial Personnel (KMP) and Senior Management follows a "Total Rewards" approach comprising fixed pay, performance-linked incentives, and stock-based rewards, aligning leadership performance with shareholder value creation and long-term growth. Director remuneration, reviewed by the NRC and approved through established governance processes, includes sitting fees and commission for Non-Executive and Independent Directors based on Company performance, governance participation, and strategic contribution. Independent Directors are not eligible for stock incentives.

During the year, the ratio of annual total compensation of the highest-paid individual to the median employee compensation stood at 29.29. The remuneration framework is periodically reviewed to ensure competitiveness, transparency, and alignment with organizational priorities and governance expectations.

Standards that Shape Every Action

SISL integrates ethical conduct, environmental responsibility, and respect for human rights into the fabric of its operations and across its broader value chain. These priorities are formalized through structured governance systems, including a robust Supplier Code, comprehensive ethics guidelines, and established compliance protocols that guide conduct and reinforce accountability at every level.

Founded in 1814 with over 1,00,000 treasures, the Indian Museum stands as Kolkata's "House of Magic"—where 210 years of history, science, art, and civilization come alive under one roof.

Nomination of Highest Governance Body

The Company nominates and selects the Board of Directors, which is the highest governance body in the organization. It oversees the Company's strategic direction, management, and overall performance. Its role is to set key objectives, monitor progress, and ensure that the organization operates in the best interests of all its stakeholders.

The Board then nominates its peers by selecting individuals who are experienced in diverse fields and are highly recommended by the industry. The Board Members not only should have a strong track record of aligning with diverse industry leaders but should also be regarded as leaders in several governing domains.

Human Rights and Labor Standards

The Code prohibits all forms of forced labor, child labor, discrimination, harassment, and upholds international standards such as ILO conventions on working hours, freedom of association, and fair wages. Suppliers are expected to provide safe working conditions, comply with legal employment standards, and support workers' rights.

Environmental Responsibility

Suppliers are required to comply with environmental laws and regulations, minimize emissions and waste, and adopt climate-conscious practices across product lifecycles. Sustainable packaging and energy-efficient technologies are encouraged.

Anti-Corruption and Business Integrity

SISL has a zero-tolerance approach to bribery, facilitation payments, and conflicts of interest. Suppliers must comply with international anti-corruption laws, maintain transparency, and report any ethical breaches or risks to the designated compliance team. No complaints related to conflicts of interest involving Directors or KMPs were reported during the year.

Cybersecurity and Data Privacy

Recognizing the growing relevance of data protection, the Code mandates that suppliers implement robust information security measures and promptly report any breach incidents to Sify.

Diversity and Inclusion

The Company prioritizes partnerships with suppliers who promote inclusive practices, supporting Indigenous procurement, gender equity, and disability inclusion.

Sify integrates these commitments through a combination of contractual provisions, self-assessments, training initiatives, regular reviews, and audit rights. Suppliers are required to develop internal policies aligned with Sify's Code and demonstrate active compliance through documentation and transparent communication.

Any breach or risk of breach must be immediately reported to Sify's Legal & Compliance function. Non-compliance may lead to corrective actions or, in severe cases, termination of the business relationship. Sify emphasizes continuous improvement, encouraging all partners to exceed compliance requirements and proactively enhance ethical, social, and environmental practices in their operations.

This comprehensive approach reflects Sify's dedication to responsible business conduct and its ongoing efforts to uphold stakeholder trust and sustainability principles across its ecosystem.

RISK AND MITIGATION

Approach to RISK MANAGEMENT

SISL places strong emphasis on managing risk as a critical enabler of operational resilience, service reliability, and data security. Operating in a rapidly evolving environment shaped by technological change, cybersecurity challenges, and regulatory developments, the Company adopts a forward-looking approach to identify and address potential risks. Its structured framework ensures that risks are systematically assessed and mitigated, supporting uninterrupted operations and safeguarding client data.

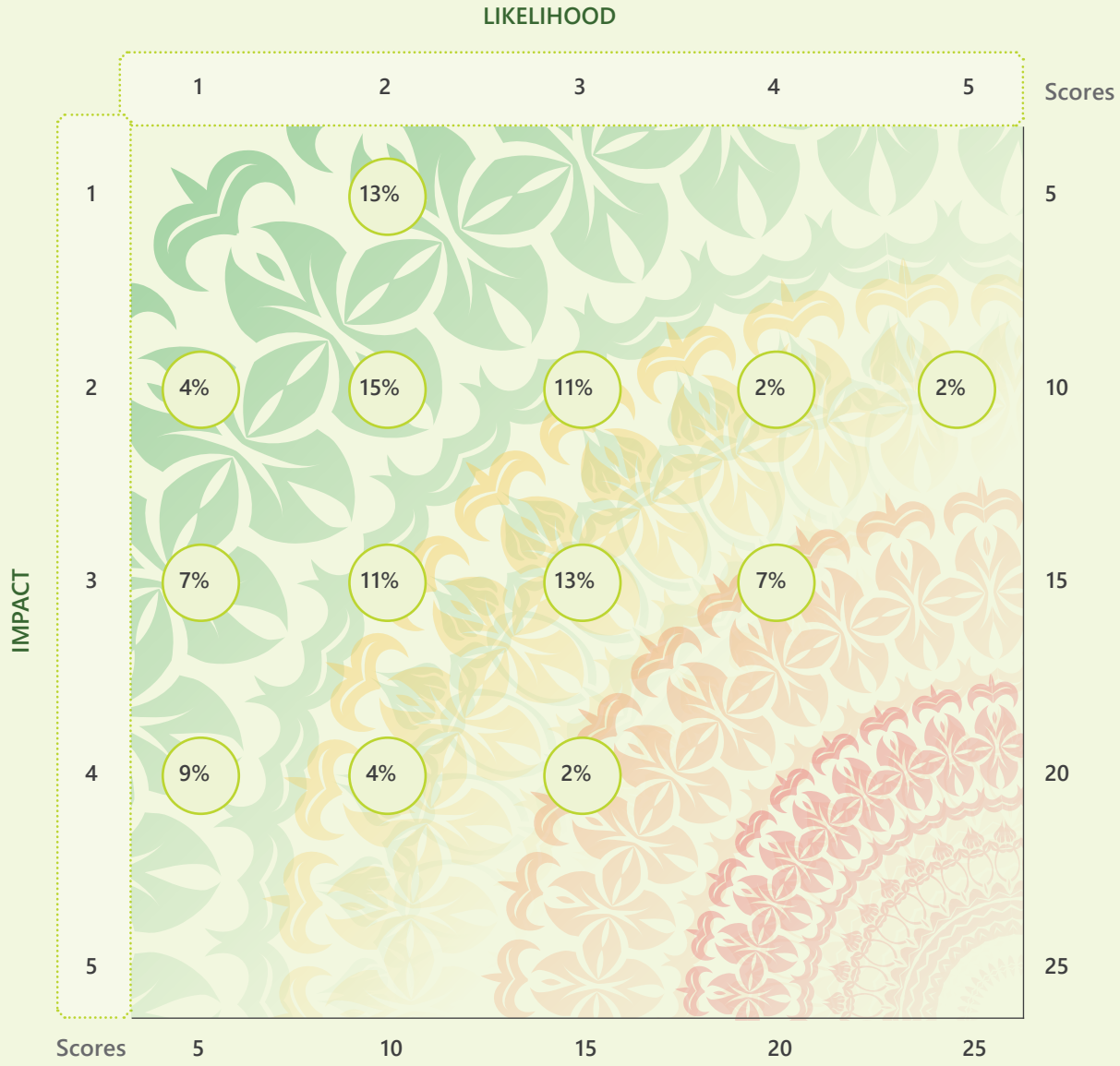
Since 1962, Kolkata's yellow taxis have carried the city's rhythm through crowded streets—an iconic fleet now shrinking from 18,000 to under 3,000, but still driving its timeless nostalgia.

This approach is supported by robust tools and processes, including a comprehensive **Risk Heat Map** to evaluate exposure, **Risk Scaling** mechanisms to guide mitigation efforts, site-wise HIRA register, regular internal assessments on EHS risks, and a dedicated **Data Center Risk Register** for continuous tracking and oversight. Together, these enable informed decision-making and timely response to emerging challenges.

By embedding risk awareness across operations, SISL strengthens financial stability, ensures regulatory compliance, and reinforces stakeholder confidence. This disciplined approach not only minimizes uncertainties but also positions the Company to capitalize on emerging opportunities while sustaining long-term growth.

Risk Heat Map

The Risk Heat Map is a visual tool that provides an overview of the company's risk exposure by assessing the likelihood and impact of potential risks. It categorizes risks into **four levels — Low, Moderate, High**, and **Critical** — enabling effective prioritization and management. With real-time insights into risk trends, the heat map supports informed decision-making, ensuring proactive mitigation measures and operational resilience.



Scores	Risk Level	% of Risks
1-5	Low	48%
6-10	Moderate	43%
11-15	High	9%
16-25	Critical	0%

Risk Scaling

The Risk Scaling framework provides a structured approach to assessing and categorizing risks based on their likelihood and potential impact. It uses a five-level scale — from **Very Low to Very High** — to gauge the probability of risk occurrence and its corresponding consequences. This system ensures consistent evaluation and prioritization of risks, enabling timely decision-making and effective resource allocation. Risk scores are assigned, and appropriate actions are defined for each level to proactively mitigate threats, maintain operational stability, and safeguard stakeholder interests.

Scaling	Likelihood	Impact
Very Low	Highly unlikely to occur in the foreseeable future.	Minimal impact, negligible consequences.
Low	The risk is not expected to happen, but it is possible / Unlikely but possible under extreme conditions.	Manageable impact, requires minor interventions.
Medium	There is a moderate chance the risk could occur / Possible within a 3-5-year timeframe.	Noticeable impact, requires intervention.
High	The risk is expected to happen, though not frequently / Likely to occur within the next 1-3 years.	Significant impact, major disruptions.
Very High	Almost certain; expected within a year.	Severe impact, critical consequences.

Risk Score		Risk Level	Actions
Low	High		
1	5	Low	No immediate action required, monitor the risk.
6	10	Moderate	Implement mitigation strategies, review controls.
11	15	High	Immediate risk mitigation required.
16	25	Critical	High-priority risk; executive-level intervention needed.

Data Center Risk Register

The Data Center Risk Register serves as a comprehensive record of potential risks across data center operations. It captures detailed information, including risk descriptions, likelihood, impact, and calculated risk scores. This allows for proactive monitoring and the implementation of effective mitigation strategies. Through continuous assessment and management, it supports operational resilience and ensures business continuity.

Area (Risk)	Risk Description	Mitigation Strategy
Projects (Site Selection and Infrastructure Limitations)	Extreme weather events, seismic activity, air quality issues, inadequate transportation access, and insufficient power grid capacity may impact the construction, accessibility, and operations of the data center.	Selection of location with minimum natural disaster risk. Selection of locations having stable power supply and sufficient public infra-availability.
Projects (Project Delays)	Delays in project completion due to environmental hazards, Government approval delays, internal process delays, supply chain & man-made issues may lead to cost overruns, reputational damages, legal suits & regulatory fines.	Employ experienced project managers & regular follow-up meetings to ensure adherence to timelines and budgets.
Business & Strategy (Competition Risk)	The increasing number of companies offering data center services in India may lead to competition & price pressure.	Differentiate with specialized services, focus on niche markets, strategic partnerships. Need to constantly innovate to stay competitive, and potential loss of market share.
Business & Strategy (Geopolitical & Economic Risks)	Trade restrictions, currency fluctuations, economic downturns, and political tensions in regions where key components are manufactured can disrupt production and delivery schedules, which may lead to delayed customer delivery.	Diversified suppliers, monitoring & regular risk assessments, & maintaining optimized inventory levels.
Operational (Power Outage)	Power outages can cause significant downtime, leading to data loss, service interruptions, and financial losses.	Implement multiple layers of redundancy, including UPS systems and backup generators, to ensure continuous power supply during outages. Use advanced monitoring systems to track power usage and detect anomalies in real-time, allowing for quick response to potential problems.

Area (Risk)	Risk Description	Mitigation Strategy
Operational (Network Outages)	Failure of power, hardware, cooling systems, and cyberattacks may lead to network outages.	Implement redundant network path, power supply & cooling systems. Establish proactive monitoring and alerting systems.
Business & Strategy (Customer Concentration Risks)	Relying heavily on a small number of customers can make the business vulnerable to significant revenue loss if one or more key customers leave.	Diversify customer base, long-term contracts, strong customer relationships
Operational (Cybersecurity Threats)	Increasingly sophisticated cyberattacks can compromise data security and integrity.	Strong security policies, regular vulnerability testing, multi-layer defense strategy to be established.
Technology (Security Vulnerabilities)	Advanced technologies can introduce new security risks, including vulnerabilities that may not yet be fully understood or mitigated.	Invest in advanced security solutions and continuous monitoring to protect against new vulnerabilities introduced by emerging technologies
Regulatory & Compliance (Non-adherence to Industry Standards)	Failure to comply with CERT-In guidelines, ISO 27001, SOC 2, PCI DSS may affect business credibility.	Certification programs, internal policy enforcement, and third-party audits. Conduct regular cybersecurity assessments & implement robust incident reporting processes.

OUTLOOK

Building for the Next DIGITAL WAVE

The data center industry is entering a decisive phase of expansion, where growth is being shaped not just by rising demand, but by how intelligently and sustainably that demand is served. The convergence of digital acceleration, evolving regulatory landscapes, and next-generation technologies is redefining what infrastructure must deliver — greater performance, deeper resilience, and sharper efficiency.

In this shifting environment, India is emerging as a focal point of opportunity, supported by strong digital fundamentals and increasing global interest. For SISL, this moment represents more than scale. It is about building with foresight and discipline.

Kolkata's Howrah Bridge, an 80+ year-old engineering marvel spanning the Hooghly River, carries over 100,000 vehicles daily and ranks among the world's busiest cantilever bridges.

AI-Led Demand: Shaping the Next Phase

Generative AI is rapidly transforming India's digital landscape, with the country emerging as a global leader in adoption across sectors. As enterprises increasingly deploy AI to enhance efficiency, reduce costs, and unlock new value, infrastructure requirements are shifting toward high-performance, GPU-led environments with significantly higher power and cooling demands.

This shift is expected to materially impact data center demand. AI workloads are projected to grow from <1% today to 15–20% by 2030, driving an incremental 0.7–1.1 GW of capacity. Government initiatives such as the IndiaAI Mission are further accelerating this momentum by enabling large-scale, indigenous AI compute infrastructure.

SISL is strategically aligned to this transition. The Company is building AI-ready data centers, enhancing power and cooling capabilities, and leveraging its integrated ecosystem across data center, cloud, and network platforms to support evolving enterprise and hyperscaler needs.

As AI adoption deepens, the opportunity extends beyond capacity to enabling intelligent, scalable infrastructure. SISL's focus remains on capturing this shift through future-ready design, disciplined expansion, and sustainable operations, positioning it to play a key role in powering India's AI-driven digital future.

Data Localization and Digital Scale: Unlocking Domestic Demand

India generates nearly 20% of global data but hosts only ~3% of global data center capacity, highlighting a significant infrastructure gap. This imbalance, coupled with rising internet penetration, 5G rollout, cloud adoption, and AI/IoT usage, is accelerating the need for domestic, large-scale data infrastructure.

Regulatory tailwinds are further strengthening this shift. The Digital Personal Data Protection Act (DPDPA) mandates local storage for certain categories of data, particularly for Significant Data Fiduciaries, while frameworks from the Reserve Bank of India (RBI) and Telecom Regulatory Authority of India (TRAI) reinforce localization across financial and telecom data. As these regulations operationalize, enterprises are expected to increasingly onshore data workloads, driving demand for domestic capacity.

SISL is well-positioned to benefit from this structural shift. With its integrated digital infrastructure platform, the Company is enabling both hyperscalers and enterprises to transition toward secure, compliant, and scalable in-country deployments.

As India's digital economy expands and global players deepen investments, SISL's focus on capacity expansion, regulatory alignment, and ecosystem integration positions it to capture this long-term opportunity, supporting a more resilient and self-reliant digital infrastructure landscape.

Enterprise Migration to Colocation: A Structural Shift

Indian enterprises are steadily transitioning from captive server rooms to data center and colocation environments, driven by the need for scalability, security, and operational efficiency. With nearly two-thirds of enterprises moving applications to the cloud, infrastructure strategies are evolving toward hybrid and multi-cloud models, balancing public cloud flexibility with private and on-premises control.

This shift is not merely technological, but structural. Enterprises are reallocating workloads across environments to optimize cost, performance, and data security, while reducing dependence on in-house infrastructure. The rise of AI further accelerates this transition, as traditional server rooms lack the power density, cooling capability, and scalability required for next-generation workloads.

Industry trends reflect this momentum, with the colocation share expected to expand significantly over the next few years, signaling a sustained move away from captive infrastructure toward professionally managed facilities.

SISL is well-positioned to capitalize on this shift through its data center offering. By enabling secure, scalable, and hybrid-ready environments, the Company supports enterprises in modernizing their IT infrastructure while ensuring resilience and compliance.

As this transition accelerates, SISL's focus on flexible capacity, high-performance infrastructure, and ecosystem integration positions it to play a pivotal role in India's enterprise digital transformation journey.

Global Demand Shifts: India as a Colocation Destination

India is positioning itself as a global hub for data center investments, driven by strong demand growth, cost advantages, and a rapidly expanding digital economy. With capacity projected to scale sharply by 2030, global technology players and investors are increasingly looking to colocate and build infrastructure in India to serve both domestic and international markets.

Structural constraints in other regions are accelerating this shift. In Singapore, land and energy limitations, along with stricter sustainability norms, are pushing operators to explore alternative markets. Similarly, Europe's rising energy constraints and surging power costs are prompting companies to diversify workloads into more energy-efficient and scalable geographies. At the same time, Middle Eastern economies are actively investing in overseas data infrastructure, with India emerging as a preferred destination due to its cost efficiency, talent availability, and policy support. Enhanced connectivity, including new undersea cable systems, is further strengthening India's position as a regional digital gateway.

SISL is well-aligned to benefit from this global realignment. With its scalable infrastructure, integrated capabilities, and focus on sustainable operations, the Company is well-positioned to support hyperscalers, global enterprises, and cross-border digital workloads.

As demand globalizes, SISL's ability to deliver reliable, cost-efficient, and future-ready infrastructure positions it to play a pivotal role in establishing India as a strategic node in the global data center ecosystem.

The path ahead is defined by both scale and responsibility. As digital infrastructure becomes central to economic growth and innovation, the emphasis will increasingly shift toward how capacity is built — efficiently, sustainably, and with long-term resilience in mind.

For SISL, this is an opportunity to lead with intent. By aligning growth with evolving technology demands, strengthening its energy and sustainability framework, and continuing to execute with discipline, the Company is well-positioned to navigate the next phase of industry transformation.

The focus remains clear: to build infrastructure aligned with today's digital needs and engineered for tomorrow's demands — scalable, resilient, and built to endure.

Carved from Makrana marble— the same stone that shaped the "Taj Mahal" and crowned by the "Angel of Victory" that turns with the wind, Victoria Memorial rises as Kolkata's timeless symbol of grandeur, grace, and history.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity:	U74999TN2017PLC119607
2.	Name of the Listed Entity:	SIFY INFINIT SPACES LIMITED ("The Company" or "SISL")
3.	Year of incorporation:	2017
4.	Registered office address:	2nd Floor, TIDEL Park No 4, Rajiv Gandhi Salai, Taramani, Chennai, Tamil Nadu, India, 600113
5.	Corporate address:	2nd Floor, TIDEL Park No 4, Rajiv Gandhi Salai, Taramani, Chennai, Tamil Nadu, India, 600113
6.	E-mail:	sisl.secretarial@sifycorp.com
7.	Telephone:	044-22540851
8.	Website:	https://sifyinfinitspaces.com/
9.	Financial Year for which reporting is being done:	2025-26
10.	Name of the Stock Exchange(s) where shares are listed:	NA
11.	Paid-up Capital (in ₹ Mn):	6,039.50
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Mr. Praveen Krishna, Head - Investor Relations praveen.krishna@sifycorp.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):	Standalone
14.	Name of assessment or assurance provider:	Forvis Mazars LLP
15.	Type of assessment or assurance obtained:	Reasonable assurance for BRSR Core indicators and Limited assurance for indicators other than BRSR Core.

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Information and communication	The company specializes in the development, ownership, and operation of data centre facilities in India, offering secure, scalable, and reliable digital infrastructure and related services to hyperscale cloud providers, enterprises, and institutional customers.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Information Service Activities (Other data processing, hosting and related activities not elsewhere classified)	63119	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices*	Total
National	14	0	14
International	0	0	0

*Data Centers operated by the Company are considered as operational plant locations for the purpose of this disclosure.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	PAN India
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

5.61%

c. A brief on types of customers.

SISL serves a diverse set of customers across the Hyperscalers, Manufacturing & Retail, Financial Services and Digital Ecosystem. The Company's customer base includes cloud service providers, general insurance companies, NBFCs, banks, payment gateway providers, manufacturers and new-age fintechs.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	240	227	95%	13	5%
2.	Other than permanent (E)	39	39	100%	0	0%
3.	**Total employees (D + E)**	**279**	**266**	**95%**	**13**	**5%**
WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total differently abled employees (D + E)**	**1**	**1**	**100%**	**0**	**0%**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	**Total differently abled workers (D + E)**					

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	8	2	25.00%
Key Management Personnel**	3	0	0%

*The Board comprises Eight Directors, of which one is a whole-time director, 4 Independent Directors (1 Woman Director) and 3 Non-Executive Directors (1 Woman Director)

**The Key Management Personnel (KMP) comprises the Company Secretary (CS), the Whole-time Director (WTD) and the Chief Financial Officer (CFO).

The WTD is on the payroll of Sify Infinit Spaces Limited from this Financial Year.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-2026 (Turnover rate in current FY)			FY 2024-2025 (Turnover rate in previous FY)			FY 2023-2024 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	28.77%	25.0%	28.57%	23.43%	31.58%	23.83%	20.55%	25.00%	20.78%
Permanent Workers	Not Applicable								

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Sify Technologies Limited	Holding	88.45	No
2	SKVR Software Solution Private Limited	Associate	49	No
3	Sarayu Cleangen Private Limited*	Associate	26	No
4	Tasoula Energy Private Limited*	Associate	38.87	No
5	Veh Srishti Energy Private Limited*	Associate	42.63	No
6	Sunsure Solarpark Eighteen Private Limited*	Associate	44.25	No
7	Murli Solar Enery Private Limited*	Associate	23.50	No

*These companies are considered as associate companies under companies act 2013 but not consider as Associate companies for the purpose of consolidation of financials under Ind AS.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in ₹ Millions): 17,605.28

(iii) Net worth (in ₹ Millions): 21,869.54

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes (The policy is available on the Company's intranet)	0	0	NA	0	0	NA
Investors (other than shareholders)		0	0	NA	0	0	NA
Shareholders		0	0	NA	0	0	NA
Employees and workers		0	0	NA	0	0	NA
Customers		0	0	NA*	0	0	NA*
Value Chain Partners (Direct Suppliers)		0	0	NA	0	0	NA
Other (please specify)	-	-	-	-	-	-	-

NA* - No customer complaints were reported during the reporting period. Routine service-related grievances are resolved in the normal course of operations and are excluded from this reporting.

NA-Not Applicable

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer Delight	Opportunity	SISL is committed to providing the best possible service to its customers. With a customer centric approach, we always put customers first and places strong importance on their satisfaction, ease of business and retention. Customer prioritization lies at the core of SISL's structure and is closely linked to its reputation.	-	Positive
2	Data Privacy & IT Security	Risk	Being a Data Center company, SISL is responsible for ensuring the security of its customers' data. Although SISL has not experienced any data breaches to date, any such incident could result in serious reputational damage, regulatory penalties, loss of customer trust, and potential legal liabilities.	To reduce the risk of any data breach, SISL maintains ISO 27001, ISO 27017, and ISO 27018 certifications across all its locations, ensuring end-to-end information security and data protection.	Negative
3	Regulatory & Compliance	Risk	With continuously evolving of laws and regulations, there is an ongoing risk of non-compliance. Any lapse in meeting updated regulatory requirements could result in financial penalties, sanctions from authorities, or disruption to business operations, along with potential reputational impact.	SISL emphasis on staying aligned with local, national, and global regulatory requirements. Compliance is embedded into its governance framework through regular monitoring of applicable laws, evolving regulations, and compliance obligations through periodic checks.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Business Ethics	Opportunity	Strong ethical conduct is essential for operating a sustainable business. Therefore, SISL enforces robust internal policies to uphold integrity and respect, while strengthening trust, investor confidence, and long-term business credibility. This approach fosters a safe working environment for employees and ensures transparency for all stakeholders.	-	Positive
5	Product Innovation	Opportunity	Continuous innovation in Data Center services is essential to meet evolving customer requirements such as higher uptime, scalability, security, and efficiency. Continuous innovation in our solutions with improved quality helps SISL to remain competitive in a rapidly evolving technology landscape.	-	Positive
6	Employee Engagement	Risk & Opportunity	**Risk:** Lower levels of employee engagement may increase operational risks, potentially impacting efficiency, service quality, and workforce stability. **Opportunity:** Higher levels of employee engagement can drive improved productivity, innovation, enhance service reliability, and support overall organizational stability.	To increase employee engagement SISL provides regular trainings and skill upgradation.	Negative/ Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Energy Efficiency & Management	Risk & Opportunity	**Risk:** Low levels of employee engagement may lead to increased operational risks, including reduced efficiency, lower morale, and potential disruptions to service delivery. **Opportunity:** Engaged employees can enhance productivity, foster innovation, improve service reliability, and strengthen overall organizational stability.	To regulate operational costs, SISL has adopted energy-efficient infrastructure, implemented real-time energy monitoring systems, and focused on optimising Power Usage Effectiveness (PUE) across its Data Center operations.	Negative/ Positive
8	Diversity & Inclusion	Opportunity	A diverse and inclusive workforce bringing together different perspectives, experiences, and ideas, improving the decision-making process. Diversity enhances employee engagement by inducing a sense of belonging and a positive work culture. Additionally, a diverse and inclusive framework strengthens brand image, enabling employee attract and retain.	-	Positive
9	Procurement & Supply Chain	Risk	As SISL operates in the Data Center sector, its interaction with suppliers is primarily limited to specialised equipment, power infrastructure, and essential services. However, engagement with unethical and non-compliant suppliers and service providers may SISL to reputational risks and potential operational disruptions. Such risks could impact service continuity, data security, and stakeholder trust.	To manage supplier-related risks, SISL has implemented a Supplier Code of Conduct and conducts periodic supplier audits. In addition, structured vendor recognition programmes is in place to promote compliance, ethical practices, operational reliability, and continuous improvement across the supply chain.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Water Management	Risk & Opportunity	**Risk:** High water consumption for Data Center cooling may lead to increased operating costs due to inefficiencies, particularly in water-stressed regions, and may raise concerns related to unsustainable resource management. **Opportunity:** Effective water management through efficiency improvements and conservation practices can enhance water-use efficiency, reduce operational risks, and contribute positively to local communities by supporting responsible water stewardship and long-term resource availability.	SISL monitors its water-use efficiency and implements water-efficient systems to minimise water wastage. In addition, it contributes positively to water management by investing in rainwater harvesting structures, supporting groundwater recharge and long-term water sustainability.	Negative/ Positive
11	GHG Emission	Risk & Opportunity	**Risk:** Dependence on energy-intensive cooling systems, including water-based technologies, refrigerant gases, and electricity, may result in elevated greenhouse gas emissions and expose operations to transition-related climate risks. **Opportunity:** Proactive emissions management and a strategic transition towards green Data Centers can create opportunities for business expansion, enhance competitiveness, and support long-term sustainable growth.	To effectively track and manage the associated risk SISL focuses on emissions tracking, improving energy efficiency, and increasing the use of renewable energy to reduce its greenhouse gas (GHG) emissions	Negative/ Positive
12	Community Engagement	Opportunity	Regular engagement with local communities supports SISL's reputation, contributes to maintaining its social licence to operate, and helps build long-term stakeholder trust.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies have been approved by the Board of Directors or by other competent authorities, as applicable.								
c. Web Link of the Policies, if available	A few of the key policies are publicly available on the Company's website and can be accessed at the following link: https://sifyinfinitspaces.com/corporate-governance/#policies Rest of the Policies are available on the Company's Intranet, accessible by all employees of the Company.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. Some of the Company's policies extend to certain value chain partners as well.								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• ISO 9001:2015 • ISO 27001:2013 • ISO 27017 & 27018 • ISO 45001 & 14001 • ISO 50001_2018 • TIA 942 • ISO 20000-1:2018 • PCI DSS • Service Organization Control (SOC) 1 • SOC 2 • SOC 3								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	In its endeavour to advance its sustainability agenda, SISL has developed an integrated Environment, Social and Governance (ESG) roadmap with defined priorities, commitments and medium-to-long-term targets aligned to its business strategy and regulatory environment. The material ESG topics remain unchanged and continue to guide the Company's ESG actions and disclosures. The key focus areas include: • Customer delight • Data privacy & IT security • Regulatory & compliance • Business ethics • Product innovation • Employee engagement • Energy efficiency & management • Diversity & inclusion • Procurement & supply chain • Water management • GHG emissions • Community engagement								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9

Key Commitments & Targets

Environmental Commitments

- Progressively increase the share of renewable energy in the overall energy mix through long-term Power Purchase Agreements (PPAs) and other clean energy sourcing mechanisms across Data Center operations, with phased adoption over the medium term.
- Improve resource efficiency across Data Centers by reducing Power Usage Effectiveness (PUE) and water intensity through energy-efficient cooling technologies, monitoring systems, and water stewardship practices.
- Work towards medium-to-long-term decarbonisation by reducing GHG emissions intensity, improving energy efficiency, and enhancing renewable energy procurement.
- Embed sustainability principles in Data Center design and expansion plans, including energy-efficient architecture, modular design, optimisation of space and capacity utilisation, and responsible resource management.
- Strengthen environmental compliance, monitoring and reporting processes in line with evolving regulatory requirements and stakeholder expectations.

Social Commitments

- Foster a safe, inclusive and engaging workplace by strengthening policies and practices related to diversity, equity and inclusion, employee wellbeing, learning and development, and occupational health and safety, with continuous improvement targets tracked annually.
- Enhance customer experience by maintaining high standards of service quality, uptime, reliability and transparent communication, supported by continuous improvement in operational resilience and service delivery frameworks.
- Strengthen data privacy and information security practices to protect customer and stakeholder data, aligned with evolving regulatory and contractual requirements.
- Continue structured community engagement initiatives aligned with local development priorities, with a focus on education, digital inclusion and responsible social impact over the medium term.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Governance & Innovation Commitments • Maintain robust governance frameworks, including strong Board oversight, risk management mechanisms, and internal controls for ESG-related risks and opportunities. • Ensure strict adherence to applicable legal and regulatory requirements, including data protection, cybersecurity, environmental compliance and corporate governance norms. • Strengthen ethical business conduct across the organisation through continuous training, awareness programmes and enforcement of the Code of Conduct and whistleblower mechanisms. • Enhance transparency and accountability in ESG performance measurement and reporting, with continued alignment to applicable domestic and global reporting frameworks (including BRSR and GRI), and progressive strengthening of ESG data governance systems. • Integrate ESG considerations into strategic decision-making and capital allocation, particularly in relation to infrastructure expansion, technology adoption and operational resilience.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	SISL has demonstrated consistent progress across the identified ESG KPIs, advancing towards the commitments and targets established in prior years. Initiatives across environmental, social, and governance pillars are being implemented in line with defined timelines, reflecting continued execution of these objectives. While certain targets are still in progress due to operational dependencies, efforts remain aligned with the planned trajectory.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	As the digital economy accelerates and India's Data Center ecosystem continues to expand, the industry faces a dual imperative to scale responsibly while strengthening environmental, social and governance performance. During FY 2025-26, our focus remained on embedding ESG considerations into core business planning and operational decision-making, recognising that sustainability is integral to long-term resilience and stakeholder trust. Key challenges for the sector continue to be managing rising energy intensity driven by high-density workloads, ensuring reliable and responsible water use, and navigating an evolving regulatory and compliance landscape. In parallel, heightened expectations around data privacy, cyber security and ethical business conduct require continuous strengthening of governance frameworks and internal controls. In response, the Company advanced initiatives aimed at improving energy and resource efficiency across its facilities, strengthening the integration of sustainability principles into Data Center design and operations, and progressively increasing the share of cleaner energy in its power mix. Efforts were also directed towards enhancing operational discipline, risk management, and ESG governance mechanisms to support transparency, accountability and regulatory readiness.								

Disclosure Questions	P1 P2 P3 P4 P5 P6 P7 P8 P9
	On the social front, continued emphasis was placed on employee well-being, capability building, and workplace inclusion, alongside maintaining high standards of service reliability and customer trust in an increasingly critical digital infrastructure environment. Engagement with partners and suppliers remains an important lever in extending responsible practices across the value chain. Looking ahead, our priorities remain centered on advancing energy efficiency and decarbonisation pathways, strengthening ESG governance and reporting practices, deepening stakeholder engagement, and building organisational capability to respond to emerging ESG risks and opportunities. As the industry transitions towards more energy-intensive, AI-ready infrastructure, we will continue to balance growth ambitions with responsible operations, guided by our commitment to long-term value creation for stakeholders and society at large.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors is the highest authority responsible for the implementation and oversight of the Business Responsibility policy(ies).
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No. Currently, the Company does not have a specified Committee of the Board/Director responsible for decision making on sustainability-related issues. However, the respective areas of the ESG and Sustainability are overseen currently by the Company's Board of Directors.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)
	P1 P2 P3 P4 P5 P6 P7 P8 P9	P1 P2 P3 P4 P5 P6 P7 P8 P9
Performance against above policies and follow up action	Yes, reviewed by the Board of Directors	Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, SISL complies with all currently applicable regulations and all regulations are reviewed during the Board Meetings	Quarterly

	P1 P2 P3 P4 P5 P6 P7 P8 P9
11. **Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**	No. The Company has not undertaken an independent external assessment of its policy implementation during the reporting period.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1 P2 P3 P4 P5 P6 P7 P8 P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	
It is planned to be done in the next Financial Year (Yes/No)	
Any other reason (please specify)	

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicator

1. **Percentage coverage by training and awareness programmes on any of the principles during the Financial Year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5	Business Review Session Code of Conduct Induction Training POSH Cyber Security	100%
Key Managerial Personnel	5	Business Review Session Code of Conduct Induction Training POSH Cyber Security	100%
Employees other than BoDs and KMPs*	13	• About Sify and its services • Anti-Corruption Policy • Anti-Sexual Harassment Policy (POSH) • Code of Conduct and Conflict of Interest Policy • Whistle Blower Policy • Information Security and data privacy • ISO 45001 • ISO 14001 • ISO 22301:2019 • ISO 20000-1:2018 • ISO 9001:2015 • ISO 27001:2022 • Cybersecurity Awareness Program	100%
Workers	Nil	NA	Nil

*The trainings mentioned above are mandatory for all employees and are required to be completed upon joining. In addition, the Company provides all employees with access to Livewire, its internal digital learning platform, and Percipio, a third-party digital learning platform. Through these platforms, employees undertook domain-related training and continuous learning programmes, covering functional, technical, and role-based areas to support ongoing professional development.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the Financial Year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	No fines/penalties/punishment/award/compounding fees/settlement amount were paid in proceedings by the Company or by directors/KMPs during the current Financial Year.				
Settlement					
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, SISL maintains an Anti-Corruption policy that mandates ethical and lawful conduct for all directors, officers, associates, and employees. The policy serves as a strict safeguard against integrity breaches by prohibiting the offering or acceptance of bribes and kickbacks, the misuse of gifts or hospitality, and the facilitation of improper indirect or political payments through third parties. To ensure these standards remain current and effective, the HR Department performs periodic reviews of the policy, which is accessible to all personnel via the Company's intranet.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2025-26 (Current Financial Year)	FY 2024-2025 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Not Applicable	

6. **Details of complaints with regard to conflict of interest:**

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable, as there were no reported instances of corruption or conflicts of interest throughout the year.

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	77	128

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	4.78%	1.59%
	b. Sales (Sales to related parties / Total Sales)	0.73%	1.45%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	6.05%	54.33%
	d. Investments (Investments in related parties / Total Investments made)	79.70%	73.35%

Leadership Indicator

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial Year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
The Company conducted induction and awareness programmes for value chain partners, including vendors and contractors, visiting its data centre facilities. These programmes focused on health and safety requirements, emergency preparedness, safe work practices and environmental awareness to ensure safe and responsible operations.		

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, SISL has established robust procedures to effectively manage potential conflicts of interest among Board members. These protocols are formalized within a dedicated Code of Conduct for Board Members and Senior Management Personnel, which provides a clear framework for identifying and addressing such issues with integrity. For full transparency, this Code is publicly accessible on the Company's website.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year 2025-26	Previous Financial Year 2024-25	Details of improvements in environmental and social impacts
R&D	Nil	Nil	-
Capex	9.41%	10.83%	The identified capital expenditure contributed to improved environmental and social outcomes through enhanced energy efficiency, optimized cooling and power systems, improved monitoring and control of resource consumption, and strengthened health, safety and working conditions across operational locations. These investments support reduced environmental footprint, improved operational reliability and enhanced employee well-being.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes, SISL follows defined procedures for sustainable sourcing within its procurement and vendor onboarding processes. Sustainability criteria are embedded in supplier selection, including compliance with the Supplier Code of Conduct, adherence to applicable environmental and regulatory requirements, and ethical practices such as anti-bribery and anti-corruption. Wherever feasible, preference is extended to suppliers offering energy-efficient technologies and environmentally compliant products.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   100%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   Not applicable to SISL, as the Company is not involved in any product manufacturing activities.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Not Applicable

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
No, SISL has not conducted a Life Cycle Assessment (LCA), as product-level LCA is not considered material to the Company's operations given the nature of its business.					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material (by weight of the input material)	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Not applicable, as SISL's Data Center operations do not utilise material inputs that are consumed in the course of service delivery.		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable, as SISL is not involved in the manufacturing or sale of physical products or packaging materials.					
E-waste						
Battery waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance#		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B)/ (A)	Number (C)	% (C)/ (A)	Number (D)	% (D)/ (A)	Number (E)	% (E)/ (A)	Number (F)	% (F)/ (A)
Permanent Employees											
Male	227	227	100%	227	100%	NA	NA	227	100%	NA	NA
Female	13	13	100%	13	100%	13	100%	NA	NA	NA	NA
Total	**240**	**240**	**100%**	**240**	**100%**	**13**	**5%**	**227**	**95%**	**NA**	**NA**
Other than Permanent Employees											
Male	39	39	100%	39	100%	NA	NA	39	100%	NA	NA
Female	0	0	100%	0	100%	0	0%	NA	NA	NA	NA
Total	**39**	**39**	**100%**	**39**	**100%**	**0**	**0%**	**39**	**100%**	**NA**	**NA**

#The Company provides 100% coverage to employees under its group Mediclaim policy.

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B)/ (A)	Number (C)	% (C)/ (A)	Number (D)	% (D)/ (A)	Number (E)	% (E)/ (A)	Number (F)	% (F)/ (A)
Permanent workers											
Male											
Female					Not Applicable						
Total											
Other than Permanent workers											
Male											
Female					Not Applicable						
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the Company	0.029%	0.027%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI*	0.42%	NA	Yes	NA	NA	NA
Others-please specify	-		-	-		-

Note: The above disclosure pertains to SISL's Permanent Employees

*ESI coverage applicable only for one employee, as the salaries of all the other employees exceed the threshold limit prescribed under the Employees' State Insurance (ESI) Act.

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. SISL's office premises are largely accessible to differently abled employees, in line with the requirements of the Rights of Persons with Disabilities Act, 2016. The facilities include ramps, washrooms, wheelchairs and elevators to support ease of movement. The Company continues to review its infrastructure and improve accessibility wherever needed.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

At present, SISL has formulated a draft Equal Opportunity Policy in alignment with the provisions of the Rights of Persons with Disabilities Act, 2016. The policy outlines the Company's commitment to providing a fair, inclusive, and accessible workplace for persons with disabilities, including non-discrimination in recruitment, equal access to opportunities, and provision of reasonable accommodation, wherever required.

The policy is currently awaiting approval from the Board of Directors. Upon approval, the policy will be formally adopted, implemented across the organization, and made available on the Company's website.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	Not Applicable	
Female	Not Applicable*	0%		
Total	**100%**	**67%**		

*The return to work rate of female employees post-maternity leave is reported as Not Applicable, as no female employee availed maternity leave during the current reporting period.

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	
Permanent Employees	Yes, SISL has established a well-defined Grievance Redressal Mechanism to ensure that concerns raised by employees and workers are addressed in a fair, transparent, and timely manner. The process encourages associates to initially approach their immediate supervisor to discuss any issues. Supervisors are expected to respond with sensitivity, paying attention to both verbal and non-verbal cues, and escalate matters to the HR team when necessary. In cases where the grievance involves the supervisor, employees may escalate the concern to the supervisor's reporting manager. Collective grievances or matters requiring policy interpretation are reviewed by senior management in consultation with the HR and Legal teams. Through this structured framework, SISL strives to resolve grievances in accordance with its internal policies, with most cases addressed within an indicative timeframe of 7 working days.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2025-2026 (Current Financial Year)			FY 2024-2025 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category I	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	240	0	0%	215	0	0%
Male	227	0	0%	204	0	0%
Female	13	0	0%	11	0	0%
Total Permanent Workers	Not Applicable					
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	266	37	14%	240	90%	251	154	61.35%	197	78.49%
Female	13	3	23%	13	100%	12	6	50.00%	9	75.00%
Total	**279**	**40**	**14%**	**253**	**91%**	**263**	**160**	**60.84%**	**206**	**78.33%**
Workers	**Not Applicable**									
Male										
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. (B)	% (B)/ (A)	Total (C)	No. (D)	%(D)/ (C)
Employees*						
Male	266	266	100%	251	251	100%
Female	13	13	100%	12	12	100%
Total	**279**	**279**	**100%**	**263**	**263**	**100%**
Workers	**Not Applicable**					
Male						
Female						
Total						

*Performance and career development reviews were conducted for all eligible employees during the reporting period.

10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?**

Yes. SISL has established an Occupational Health and Safety (OHS) Management System that encompasses all employees and major operational areas. This system is designed to ensure safe workplace conditions, enhance emergency readiness, and manage potential risks as part of the Company's continuous safety initiatives.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis entity?

SISL implements a systematic approach to identify occupational hazards and evaluate risks associated with both routine and non-routine operations. Routine monitoring mechanism such as site inspections, safety audits, and preventive maintenance are used to detect risks including electrical hazards from high-capacity equipment, fire hazards due to high-density infrastructure, and exposure to cleaning substances and fire suppression agents. For non-routine activities, including large-scale equipment replacements or emergency interventions, dedicated risk assessments and method statements are developed to analyse potential hazards. Additionally, evacuation pathways and emergency response mechanisms are periodically reviewed to identify and address any deficiencies, thereby maintaining readiness for incident or disaster situations.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Not Applicable

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Not Applicable	
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Not Applicable	
No. of fatalities	Employees	Nil	Nil
	Workers	Not Applicable	
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Not Applicable	

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

SISL ensures a safe and healthy workplace through a combination of structured training, mandatory certifications, and continuous awareness programs. Employees undergo regular safety training and refresher modules supported by tutorials and Audio-Video learning materials. Periodic safety drills including fire, evacuation, and emergency response drills are conducted to enhance preparedness and strengthen on-ground response capabilities. These measures ensure that all personnel remain informed, skilled, and equipped to maintain a safe working environment at all times.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	Nil	NA	NA	Nil	NA	NA
Health & Safety	Nil	NA	NA	Nil	NA	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Health & Safety practices	100%
Working Conditions	100%

*These assessments were carried out through routine facility inspections and operational reviews conducted by internal teams to ensure that safety practices and working conditions are maintained as per the Company's requirements.

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

    Not Applicable, as there were no significant risks/concerns which have arisen from assessments of health and safety practices and working conditions.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

    Yes, SISL extends life insurance coverage to its employees as part of the compensation framework, in line with applicable employment policies and statutory requirements. It offers financial protection to employees' families in the unfortunate event of death.

    SISL does not engage any workers therefore, this category is not applicable to workers.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

    The Company ensures that its value chain partners comply with applicable statutory dues through a combination of onboarding due diligence and contractual safeguards. At the onboarding stage, statutory registrations such as PAN, GST, and PF/ESI (where applicable) are verified. Vendor agreements mandate the deduction and remittance of statutory dues in accordance with legal requirements. Relevant documentation and transactions are reviewed periodically by the finance and tax teams to ensure continued compliance.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	0	0	0	0
Workers	Not Applicable			

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

    No, currently SISL does not have a formal transition assistance program however, established exit procedures and clearance processes are followed to facilitate employee separation.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed*
Health & Safety practices	70.77%
Working conditions	70.77%

*Assessment is carried out through the vendor evaluation process, which includes compliance submissions and mandatory acceptance of the Supplier Code of Conduct.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

    Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   SISL identifies its key stakeholder groups through continuous interactions and engagements across multiple platforms, including its website, customer and investor interactions, industry and marketing events, partnership collaboration and vendor engagements. Based on the nature and frequency of these engagements, SISL identifies its primary stakeholders such as shareholders, community, employees, customers, vendors and business partners.

2. **List stakeholders groups identified as key for our Company and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	• Investor calls • Non-deal roadshows • Analyst meets • Investor conferences • Investor website	Quarterly	Business Updates, market developments and Fund raising
Employees	No	• Employee engagement initiatives • Appraisal platforms • Training platforms • Mentoring platforms • Grievance redressal mechanism	Frequently	Skill upgradation, Well-being and Business Related
Vendors	No	• Audit and compliance measures • Quarterly Reviews • Financial health audit	Quarterly	Business Transactions
Partners	No	Maintain regular connections with global IT majors at various forums	Half yearly	Information sharing and collaboration
Customers	No	• Regular interaction with customers through digital and in-person meetings • Quarterly Reviews • Customer Survey, etc	As and when required	Expand business
Communities	No	• Need-based assessment Surveys • Community visits by Company's management and CSR Initiatives	As and when required	Goodwill

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Input on economic, environmental, and social aspects is gathered from relevant stakeholder groups through periodic interactions and structured reviews. The respective functional teams consolidate this input and present it to the Board on a quarterly basis as part of business and operational updates. This approach ensures that stakeholder perspectives and expectations are systematically conveyed to the Board and considered in strategic and operational decisions.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. The Company undertakes stakeholder consultations to support the identification and management of material environmental and social topics. These engagements include interactions with employees, local communities, customers, and internal functional teams through formal and informal channels such as feedback mechanisms, field-level assessments, and periodic reviews.

   Inputs received particularly on community needs, environmental concerns, and workplace practices are consolidated by field teams and shared with the Secretarial and relevant functional teams for evaluation. Key themes are reviewed by management and, where applicable, escalated to the CSR Committee for further deliberation and recommendation to the Board.

   The insights derived from these consultations are incorporated not only into CSR programmes but also into relevant policies, operational practices, and sustainability initiatives, ensuring that stakeholder expectations are systematically integrated into the Company's decision-making and long-term planning.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company actively engages with vulnerable and marginalized communities through its CSR partners to understand critical needs related to access to safe drinking water, education, and basic infrastructure. Based on these engagements, initiatives such as installation of RO water systems and borewells have been undertaken to address water scarcity in rural and underserved areas.

   Further, support has been extended towards educational needs of underprivileged students, including provision of learning materials and assistance for children with disabilities. The Company also contributes to rural infrastructure development and emergency response efforts, ensuring timely support during natural disasters. These interventions are aligned with stakeholder inputs and are aimed at improving overall community well-being and resilience.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees / workers covered* (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	240	107	45%	215	215	100%
Other than permanent	39	1	3%	48	48	100%
Total Employees	**279**	**108**	**39%**	**263**	**263**	**100%**
Workers						
Permanent						
Other than permanent			**Not Applicable**			
Total Workers						

*The POSH training is an annual compliance program conducted for all employees upon joining the organization. In the previous year, a mandatory POSH session was delivered, resulting in 100% attendance.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	240	0	0%	240	100%	215	0	0%	215	100%
Male	227	0	0%	227	100%	204	0	0%	204	100%
Female	13	0	0%	13	100%	11	0	0%	11	100%
Other than Permanent	39	0	0%	39	100%	48	0	0%	48	100%
Male	39	0	0%	39	100%	47	0	0%	47	100%
Female	0	0	0%	0	100%	1	0	0%	1	100%
Workers										
Permanent										
Male										
Female										
Other than Permanent					Not Applicable					
Male										
Female										

3. **Details of remuneration/salary/wages**

a. **Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	1	3,00,00,004	-	-
Key Managerial Personnel*	3	76,37,996	-	-
Employees other than BoD and KMP**	224	10,98,650	13	9,50,000
Workers	Not Applicable			

*SISL Comprises of 3 KMPs as stated in Section A, question 21.

The WTD is on the payroll of the Sify Infinit Spaces Limited from this Financial Year.

**Details are provided only for permanent employees

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	2.96%	3.04%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. Human rights-related issues are overseen by the Human Resources function, which acts as the focal point for addressing any potential or actual human rights impacts arising from the Company's operations. The HR team, along with designated committees such as the Grievance Redressal Committee and the POSH Committee, manages the resolution of concerns in line with applicable policies and established mechanisms.

In addition, the Company has formulated a draft Human Rights Policy which, along with the existing HR policies, Whistleblower Policy, POSH Policy, and Code of Conduct, reinforces the Company's commitment to upholding and safeguarding human rights across its operations and value chain. Upon approval, this policy will further strengthen the Company's framework for identifying, preventing, and addressing human rights risks across its operations and value chain.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has established internal mechanisms to address grievances related to human rights issues across its operations. Employees may raise concerns through the reporting hierarchy or approach the Human Resources function, which facilitates timely review and resolution of such matters.

In addition, the Company provides a formal grievance redressal mechanism that enables employees, vendors, and suppliers to report any actual or potential human rights violations. Concerns can be raised confidentially and, where required, anonymously through designated channels, including a dedicated email ID (sify.secretarial@sifycorp.com), which is accessible on a 24x7 basis.

These mechanisms are supported by the Company's Whistleblower Policy and Code of Conduct, ensuring protection against retaliation and fair, impartial investigation of all complaints. Further, a draft Human Rights Policy has been formulated and is awaiting Board approval, which will strengthen the overall framework for prevention and redressal of human rights concerns.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	NA	-	Nil	NA	-
Discrimination at workplace	Nil	NA	-	Nil	NA	-
Child Labour	Nil	NA	-	Nil	NA	-
Forced Labour/ Involuntary Labour	Nil	NA	-	Nil	NA	-
Wages	Nil	NA	-	Nil	NA	-
Other human rights related issues	Nil	NA	-	Nil	NA	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination harassment cases.**

SISL is committed to maintain a safe and inclusive workplace, ensuring that employees are protected from discrimination and harassment. SISL ensures that complainants are not subjected to any form of retaliation or adverse treatment for reporting the concerns.

Confidentiality of complaints is maintained to the extent possible through established internal processes, including the Whistleblower mechanism, which allows employees to report issues in a secure and protected manner. Where disclosure of identity, is required for investigation, it is handled with strict caution, and unauthorized sharing is treated as a policy breach.

SISL has also implemented a Prevention of Sexual Harassment (POSH) Policy in line with statutory requirements. Complaints related to sexual harassment are handled by the Internal Committee (IC), which follows procedures designed to ensure confidentiality, fairness and non-retaliation throughout the inquiry.

SISL reinforces no employee will face adverse action for reporting genuine concern, and any instance of victimization is addressed promptly in accordance with applicable policies.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, vendor registration forms and the Supplier Code of Conduct require reporting of discrimination or unethical practices and mandate compliance with applicable statutory requirements, including environmental, labour, and safety regulations. The onboarding process also includes formal confirmation of adherence to social accountability standards.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Child labour	100%
Forced/ Involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others- please specify	

*These assessments were carried out through routine facility inspections and operational reviews conducted by internal teams to ensure that safety practices and working conditions are maintained as per the Company's requirements.

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

    Not Applicable

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

   During the financial year, SISL did not receive any complaints or grievances related to human rights. Accordingly, no modifications to existing business processes were required.

   However, SISL has formulated a draft Human Rights Policy, which is currently awaiting Board approval. The introduction of this policy is expected to further formalize and strengthen existing processes related to the identification, prevention, and redressal of human rights risks, including enhanced due diligence and grievance handling mechanisms across operations and the value chain.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

   SISL is committed to respecting and promoting human rights, including fairness, dignity, and equal treatment for all stakeholders. While no formal, standalone human rights due diligence exercise was conducted during the reporting year, SISL continues to integrate human rights considerations into its existing processes across Human Resources, procurement, and other relevant functions.

   These ongoing reviews help identify and address potential human rights risks in day-to-day operations and interactions with employees and value chain partners. Further, SISL has formulated a draft Human Rights Policy, which is currently awaiting Board approval, and is expected to strengthen the framework for conducting structured human rights due diligence going forward.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes, all SISL's office premises are accessible to persons with disabilities, in compliance with the Rights of Persons with Disabilities Act, 2016. The facilities are designed to be equally accessible to both visitors and employees who are differently abled.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed*
Sexual harassment	70.77%
Discrimination at workplace	70.77%
Child labour	70.77%
Forced/ Involuntary labour	70.77%
Wages	70.77%
Others-please specify	-

*Assessment is carried out through the vendor evaluation process, which includes compliance submissions and mandatory acceptance of the Supplier Code of Conduct.

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From Renewable sources (GJ)		
Total electricity consumption (A)	11,17,242	9,30,558
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption from renewable sources (A+B+C)	**11,17,242**	**9,30,558**
From Non-Renewable sources (GJ)		
Total electricity consumption (D)	16,36,030	13,92,693
Total fuel consumption (E)#	40,921	35,287
Energy consumption through other sources (F)	-	-
Total energy consumption from non- renewable sources (D+E+F)	**16,76,951**	**14,27,979**
Total energy consumed (A+B+C+D+E+F)	**27,94,193**	**23,58,537**
Energy intensity per rupee of turnover (Total energy consumed in GJ/Revenue from operations in INR Lakhs)	15.87	16.51
Energy intensity per rupee of turnover adjusted for Purchasing power Parity (PPP)* (Total energy consumed in GJ/ Revenue from operations in INR Lakhs adjusted for PPP)	322.82	334.53
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*PPP: INR Revenue X PPP Factor (US$/INR); PPP Factor = 20.34; World Economic Outlook - Implied PPP conversion rate (imf.org)

#The numbers are exclusive of the data for Rabale T3 Data Center

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Forvis Mazars LLP

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable, as the Company does not have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Target (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kiloliters)#		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	2,30,790	2,85,440
(iv) Seawater / desalinated water	-	-
(v) Others - (Rainwater Harvesting)	1,746	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	**2,32,536**	**2,85,440**
Total volume of water consumption (in kiloliters)	**2,24,652**	**2,85,440.19**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water intensity per rupee of turnover (Water consumed in KL/ turnover in INR Lakhs)	1.28	2.00
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption in KL / Revenue from operations in INR Lakhs adjusted for PPP)*	25.95	40.49
Water intensity in terms of physical output	-	-
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

*PPP: INR Revenue X PPP Factor (US$/INR); PPP Factor = 20.34; World Economic Outlook- Implied PPP conversion rate (imf.org)

#The numbers are exclusive of the data for Rabale T3 Data Center

Note: The water consumption data for Bangalore Data Center has been estimated in line with the guidelines prescribed by the Central Ground Water Authority (CGWA), as referenced by the Industry Standards Forum under the BRSR Core framework. In accordance with CGWA norms, standard water usage for office-based settings is assumed to be 45 litres per person per working day. Accordingly, total water withdrawal and consumption data for those sites have been calculated by multiplying the average employee headcount with the number of working days and the standard consumption rate of 45 litres.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Forvis Mazars LLP

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in KL)#		
(i) To surface Water		
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(ii) To Ground Water		
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment (please specify level of treatment)	0	0
(v) Others		
- No treatment	7,884	8,960
- With treatment (please specify level of treatment)	0	0
Total water discharge (in KL)	**7,884**	**8,960**

*The previous year's values have been revised and regrouped wherever required

#The numbers are exclusive of the data for Rabale T3 Data Center

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

SISL operates sewage treatment plants (STPs) across most of its owned facilities to manage wastewater generated within its premises. At other Data Center sites where dedicated STPs are not available, wastewater is treated through shared or common STP infrastructure managed by the building management. The treated wastewater is subsequently utilized by the building management for non-potable purposes within the premises, wherever feasible, ensuring effective treatment and reuse of water resources across the facilities.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2025-26*# (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	MT	29.57	5.61
SOx	MT	1.49	0.97
Particulate matter (PM)	MT	2.20	0.68
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others-please specify	-	NA	NA

*Emissions have been calculated for all Data center locations this year, except for one of the Rabale facility due to feasibility constraints. Notably, facilities previously excluded facilities have been included in this year's assessment. Among these, one site represents one of the largest capacities in terms of MW and operates the highest number of DGs, contributing to the increase in air emissions reported this year

#The numbers are exclusive of the data for Rabale T3 Data Center

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Forvis Mazars LLP

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, if available)#	Metric tonnes of CO_2 equivalent	9,757	13,525
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	3,22,661	2,81,246
Total Scope 1 and Scope 2 emissions intensity per rupee of Turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent/INR Lakhs	1.89	2.06
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions in MT / Revenue from operations in INR Lakhs adjusted for PPP)*		38.41	41.81
Total Scope 1 and Scope 2 emission intensity in terms of physical output			-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			-

*PPP: INR Revenue X PPP Factor (US$/INR); PPP Factor = 20.34; World Economic Outlook- Implied PPP conversion rate (imf.org)

#The numbers are exclusive of the data for Rabale T3 Data Center except the emission due to the grid electricity consumed in Scope 2

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Forvis Mazars LLP

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes, SISL has undertaken targeted projects to reduce Greenhouse Gas (GHG) emissions, particularly at its Chennai and Rabale facilities, through a series of focused operational and infrastructure improvements. These include the installation of blanking panels within server racks to eliminate air recirculation, thereby improving cooling efficiency and reducing energy consumption, along with optimization of the floor grill structure to ensure uniform and directed airflow distribution across critical equipment areas. To further enhance airflow and cooling effectiveness, obsolete and unused cables have been removed to eliminate underfloor obstructions, and leakages in the Server Hall's false floor have been rectified to prevent the loss of conditioned air. Additional measures such as sealing of cooling air leakages have been implemented to strengthen containment and avoid the mixing of hot and cold air streams.

In parallel, several initiatives have been undertaken to improve the efficiency of cooling systems, particularly around chillers and Precision Air Conditioner (PAC) outdoor units (ODUs). These include the deployment of water mist systems for PAC ODUs to improve heat rejection efficiency and reduce overall cooling load, as well as the installation of cowling around chillers to enhance airflow direction and improve heat exchange efficiency. Further, sprinkler nozzles have been deployed to reduce ambient air temperature around chillers, thereby improving cooling performance and lowering energy consumption. The use of wet jute cloth around chiller areas has also been implemented to enable evaporative cooling, supporting a reduction in the overall thermal load on the system.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)#		
Plastic waste (A)	2.55	-
E-waste (B)	3.85	3.90
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	11.23	-
Battery waste (E)	232.55	345.60
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G) (Discarded Lube waste, mechanical, DG and service oils)	58.06	25.93
Other Non-hazardous waste generated (H). Please specify, if any.	114.43	119.75
Total (A+B + C + D + E + F + G + H)	**422.66**	**495.17**
Waste intensity per rupee of turnover (Total waste generated in MT / Revenue from operations in INR Lakhs)	0.0024	0.0035
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated in MT / Revenue from operations in INR Lakhs adjusted for PPP)*	0.05	0.07
Waste intensity in terms of physical output	-	-
Waste intensity - (optional)	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**-**	**-**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	422.66	495.17**
Total	**422.66**	**495.17**

*PPP: INR Revenue X PPP Factor (US$/INR); PPP Factor = 20.34; World Economic Outlook- Implied PPP conversion rate (imf.org)

**The previous year's values have been revised and regrouped wherever required.

#The numbers are exclusive of the data for Rabale T3 Data Center

Note: All the waste generated at the facility is safely disposed of through authorized recyclers and vendors.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Forvis Mazars LLP

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Waste generated at the Company's establishments is managed through segregation at source into appropriate categories, followed by disposal through government-authorised recyclers and vendors in compliance with applicable regulations. Electronic waste, including servers, storage devices, and IT equipment, is channelled through authorised recyclers and OEM take-back programmes to ensure responsible handling and recycling.

The Company's operations do not involve the use of hazardous or toxic chemicals, except for limited use of standard water-treatment chemicals, where required. Such chemicals are handled, stored, and disposed of in accordance with safety data sheets (SDS) and regulatory guidelines. The Company continues to promote responsible resource use and minimise environmental impact through efficient waste management practices.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
No, SISL does not have any operations or offices located in or around ecologically sensitive areas, and therefore no environmental approvals or clearances of this nature are required.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current Financial Year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant web link
SISL did not undertake any projects requiring an EIA under applicable laws during FY 2025-26					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, SISL is compliant with all applicable environmental laws and regulations. No instances of non-compliance were recorded during FY 2025-26.				

Leadership Indicators

1. **Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area: **Bangalore, Chennai, Hyderabad and Noida**

   (ii) Nature of operations: **Data Center**

   (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25* (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	1,24,919	1,85,414
(iv) Seawater / desalinated water	-	-
(v) Others - (Rainwater Harvesting)	1746	-
Total volume of water withdrawal (in kiloliters)	**1,26,665**	**1,85,414**
Total volume of water consumption (in kiloliters)	**1,26,665**	**1,85,414**
Water intensity per rupee of turnover (Water consumed / turnover)	0.72	1.30
Water intensity (optional) - the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged (in kiloliters)	**-**	**-**

*The previous year's values have been revised and regrouped wherever required.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Forvis Mazars LLP

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 Equivalent	SISL has not yet initiated the calculation of Scope 3 emissions. The Company is in the process of strengthening its data management systems and plans to undertake Scope 3 assessments in future reporting cycles.	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Forvis Mazars LLP

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary	Outcome of the initiative
1	Water Efficiency Initiatives	Optimisation of cooling systems to reduce water intensity, including use of closed-loop or hybrid cooling mechanisms wherever feasible to minimise freshwater consumption. Regular monitoring and tracking of Water Usage Effectiveness (WUE) across facilities, with periodic reviews to identify improvement opportunities and reduce consumption intensity. Leak detection and preventive maintenance programs implemented across facilities to minimise water losses and ensure efficient usage. Rainwater harvesting systems integrated at select facilities to augment water availability and reduce dependence on external freshwater sources.	WUE Improved compared to previous year
2	Rainwater Harvesting	The Company continues to enhance its rainwater harvesting capabilities by enabling efficient capture and recharge of rainwater at its facilities. These initiatives contribute to reducing dependence on external water sources while supporting groundwater replenishment and long-term water sustainability in the surrounding areas.	Improved local groundwater reserves
3	Paper Reduction and Digitization	SISL has undertaken digitization of records and internal processes, transitioning from paper-based documentation to digital formats such as spreadsheets and electronic records. This initiative aims to reduce paper consumption and improve operational efficiency.	Reduction in paper usage leading to improved resource conservation, cost efficiency, and enhanced accessibility and management of data.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

SISL ensures continuous 24/7/365 Data Center operations through a comprehensive Business Continuity Plan (BCP) focused on protecting personnel, infrastructure, and service availability. The approach mitigates risks such as utility outages, equipment failures, cyber threats, and other emergencies by leveraging system redundancies, robust physical security measures, and layered response mechanisms. A designated Emergency Response Team (ERT) is responsible for activating the BCP, managing communication, and driving service restoration. Critical IT infrastructure is supported by secure backups and advanced cybersecurity controls to maintain data integrity and enable swift recovery. Preparedness is ensured through regular disaster recovery (DR) drills, testing, and audits. Defined escalation procedures, structured customer communication protocols, and compliance with safety standards and CERT-In guidelines collectively ensure resilience and operational continuity during disruptions.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Considering the nature of its operations and procurement activities, SISL has not observed any material adverse environmental impacts within its value chain during the reporting period. Its value chain is primarily limited to the sourcing of equipment and services, where impacts are largely confined to indirect emissions and energy consumption. Despite this, SISL continues to promote responsible sourcing by prioritizing local procurement and energy-efficient technologies to mitigate potential environmental impacts.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Assessment is carried out through the vendor evaluation process, which includes compliance submissions and mandatory acceptance of the Supplier Code of Conduct.

8. **How many Green Credits have been generated or procured:**

a.	By the listed entity	No Green Credits have been generated or procured by SISL during the reporting period.
b.	By the top ten (in terms of value of purchases and sales, respectively) value chain partners	As Green Credits are a newly introduced, non-mandatory leadership indicator under the BRSR framework, SISL has not undertaken data collection on this aspect for the current reporting year. The Company will evaluate the feasibility of incorporating this disclosure within its value chain reporting in subsequent years.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: 12

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to;

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
2	Confederation of Indian Industry (CII)	National
3	NASSCOM	National
4	The Madras Chamber of Commerce & Industry (MCCI)	State (Tamil Nadu)
5	USIBC	International
6	Cochin Chamber of Commerce	State (Kerala)
7	Internet Service Providers Association of India (or relevant ISP-industry body)	National
8	Institute of Directors (IOD)	National
9	Madras Management Association (MMA)	State (Tamil Nadu / South)
10	Chief Information Officers (CIO) Association	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
	No	

Leadership Indicators

1. **Details of public policy positions advocated by the entity;**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
1	Data Center Policy	Advocated in drafting the policy for Associated Chambers of Commerce and Industry of India (Assocham)	No	Policy in draft stage is not reviewed by the board	NA
2	Sustainability Policy	Insisted on the operational & strategical insights for Confederation of Indian Industry (CII) Sustainability council	No		NA
3	Deeptech Policy/ Advocacy	Advocated in policy drafting for U.S.-India Business Council (USIBC)	No		NA
4	Infrastructure policy	Provided gudinace in terms of regulation and power infrastructure requirements for Guidance TN	No		NA

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current Financial Year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable, As the Company functions solely as a service provider, a social impact assessment is not material to its operations.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable, As the Company functions solely as a service provider, it has no ongoing R&R.						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company has established mechanisms to receive and address community-related grievances through its CSR implementation framework and stakeholder engagement processes. CSR activities are carried out either directly or through implementing agencies, which engage closely with local communities and act as the first point of contact for identifying and escalating concerns.

Inputs and grievances received at the field level are reviewed by the relevant internal teams and, where required, escalated to management and the CSR Committee for appropriate resolution and oversight.

Further, the Company has formulated a draft Community Grievance Redressal Policy, which is currently awaiting Board approval. Upon adoption, this policy will formalize a structured, transparent, and accessible framework for receiving, tracking, and resolving community grievances in a timely and fair manner.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2025-26 Current Financial Year	FY 2024-25* Previous Financial Year
Directly sourced from MSMEs/ small producers	27.63%	11.91%
Directly from within India	99.56%	99.99%

*The previous year's values have been revised and regrouped wherever required.

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2025-26 Current Financial Year	FY 2024-25* Previous Financial Year
Rural	0	0
Semi-Urban	0	0
Urban	4.45%	4.75%
Metropolitan	95.55%	95.25%

*The previous year's values have been revised and regrouped wherever required.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
-	-	-	-

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

   No

   (b) From which marginalized /vulnerable groups do you procure?

   Not Applicable

   (c) What percentage of total procurement (by value) does it constitute?

   Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current Financial Year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	New Okhla Industrial Development Authority (NOIDA) - Adoption and maintenance of a park	-	-
2	M/s. Raju Vegesna Foundation (Andra Pradesh, India) - Providing safe drinking water to rural communities and pilgrims, Safe drinking water projects, promotion of education, special education support, disaster relief initiatives, and rural infrastructure development	-	100%
3	M/s. The Voluntary Health Services (Chennai, Tamil Nadu)- Procurement of medical equipment for dermatological diagnostics and neonatal care facilities	-	-

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   SISL has implemented multiple channels to capture and address customer complaints and feedback. Inputs are gathered through quarterly NPS-based surveys, ongoing interactions by the Sales and Marketing teams, and direct communication via email. Complaints are recorded through the Aakash portal, a 24/7 helpdesk (email and telephonic support), and routine interactions with the Customer Experience team. All issues are managed with prompt support from field teams, with dedicated technicians and staff assigned for resolution. This round-the-clock support framework ensures ongoing monitoring, timely response, and effective closure of customer concerns.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	NA	-	-	NA
Advertising	-	-	NA	-	-	NA
Cyber-security	-	-	NA	-	-	NA
Delivery of essential services	-	-	NA	-	-	NA
Restrictive Trade Practices	-	-	NA	-	-	NA
Unfair Trade Practices	-	-	NA	-	-	NA
Other - please specify	-	-	-	-	-	-

4. **Details of instances of product recalls on account of safety issues**

	Number	Reasons for recall
Voluntary recalls	-	Not Applicable
Forced recalls	-	

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes, the company has established policies and frameworks on various IT and network security controls, and risk management practices, and measures to safeguard sensitive information from unauthorized access, breaches, and cyber threats. The framework is aligned with industry standards and is periodically reviewed to address evolving cybersecurity risks and regulatory requirements. The relevant policies are available on the Company's internal portal.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not Applicable

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact**

   0

   b. **Percentage of data breaches involving personally identifiable information of customers.**

   Not Applicable

   c. **Impact, if any, of the data breaches**

   Not Applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The information on entity's services can be assess from the official website.

   Web link - https://sifyinfinitspaces.com/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   SISL adopts a proactive approach to educating consumers on the safe and responsible use of its services. This is supported through regular in-house training sessions, audio-visual tutorials, and detailed capability presentations that provide guidance on best practices, service features, and safe usage protocols.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   SISL has established mechanisms to ensure that customers are promptly notified of any potential disruption or interruption to essential services. Automated, trigger-based email alerts generated through the Helpdesk provide real-time incident notifications. Additionally, each customer is supported by a dedicated Customer Experience (CX) team, which facilitates timely communication, proactive updates, and ongoing engagement regarding service issues and restoration status.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Not Applicable, as SISL does not deal in physical products.

   Yes, customer satisfaction surveys are conducted quarterly by the Group entity.

Independent Assurance Statement

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Independent Assurance Statement

To the Board of Directors of Sify Infinit Spaces Limited

Sify Infinit Spaces Limited (Corporate Identity Number: U74999TN2017PLC119607, hereafter also referred to as 'SISL' or 'the Company') has engaged Forvis Mazars LLP ('Forvis Mazars', 'us' or 'we' or 'our') to undertake independent assurance of the Company's disclosures in its Business Responsibility and Sustainability Report (hereafter referred to as 'BRSR') for the Financial Year (FY) 2025-26. The disclosures include BRSR Core as per Annexure 17A and the non-financial disclosures as per Annexure 16 of the Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.

Our Conclusion:

Reasonable level of Assurance- BRSR Core

Based on the review performed and the procedures undertaken to obtain a reasonable level of assurance, Forvis Mazars concludes that, in all material respects, the BRSR Core Key Performance Indicators (KPIs) across the nine ESG attributes (as detailed in Annexure I of this statement) for FY 2025-26 have been reported in accordance with the requirements specified in the Industry Standard on Reporting of BRSR Core.

Limited Level of Assurance- BRSR Disclosures other than core

Based on the assessment undertaken, nothing has come to our attention to suggest that the non-financial disclosures (as listed in Annexure II of this statement) in BRSR do not properly adhere to the reporting requirements as per BRSR reporting guidelines in Annexure 16 of SEBI's Master Circular.

Scope of Work

The scope of our engagement includes a reasonable level of assurance for the 'BRSR Core' attributes and a limited level of assurance for 'BRSR Disclosures other than core', for the FY 2025-26, in accordance with the identified sustainability information and criteria listed below.

We have performed an assurance engagement on the Identified Sustainability Information (ISI) for the Reporting Boundary as disclosed under Question No. 13 of Section A: General Disclosures of the BRSR on a standalone basis. The boundary includes the following Data Center locations and offices inclusive of owned and leased workplaces:

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S. No.	Site	Address
1	Airoli Data Center	4th, 5th, 6th and 7th floor, Plot no. 10, Reliable Plaza, Kalwa Block, TTC Industrial Area, Thane-Belapur Road, Airoli 400 706, Maharashtra, India
2	Bengaluru Data Center – Tower 1	Unit No. A102, Cyber Park, Electronic City Phase I, Doddathogur, Begur Hobli, Bangalore (Rural) 560 100, Karnataka, India
		Unit No. A201, Cyber Park, Electronic City Phase I, Doddathogur, Begur Hobli, Bangalore (Rural) 560 100, Karnataka, India
		3rd floor, Block A, Cyber Park, Electronic City Phase I, Doddathogur, Begur Hobli, Bangalore (Rural) 560 100, Karnataka, India
		Unit No. A501, Cyber Park, Electronic City Phase I, Doddathogur, Begur Hobli, Bangalore (Rural) 560 100, Karnataka, India
3	Hyderabad Data Center	Sy. No. 115/1, Financial District, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad 500 032, Telangana, India
4	Kolkata Data Center	Block C, DLF IT Park, Premise No. 8 – MAR, New Town, P.S. Rajarhat, North 24 Parganas 700 156, Kolkata, India
5	Noida 01 Data Center	B-07, Sector 132, Noida, Gautam Budh Nagar, Noida 201 301, Uttar Pradesh, India
6	Noida 02 Data Center	B-11, B-12 and B-13, Sector 132, Noida, Gautam Budh Nagar, Noida, 201 301, Uttar Pradesh, India
7	Rabale – Tower 1	Plot No. R-847/1/2, T.T.C. Industrial Area, Thane Belapur Road, Rabale, Navi Mumbai, Thane 400 701, Maharashtra, India
8	Rabale – Tower 2	Plot No. R-847/1/3, T.T.C. Industrial Area, Thane Belapur Road, Rabale, Navi Mumbai, Thane 400 701, Maharashtra, India
9	Rabale – Tower 3	Plot No. R-846/2, T.T.C. Industrial Area, Thane Belapur Road, Rabale, Navi Mumbai, Thane 400 701, Maharashtra, India
		R-846/3, T.T.C. Industrial Area, Thane Belapur Road, Rabale, Navi Mumbai, Thane 400 701, Maharashtra, India
10	Rabale – Tower 4 & 5	Plot No. R-979, T.T.C. Industrial Area, Thane Belapur Road, Rabale, Navi Mumbai, Thane 400 701, Maharashtra, India
		Plot No. R-847/2, T.T.C. Industrial Area, Thane Belapur Road, Rabale, Navi Mumbai, Thane 400 701, Maharashtra, India
		Plot No. R-979/1, T.T.C. Industrial Area, Thane Belapur Road, Rabale, Navi Mumbai, Thane 400 701, Maharashtra, India
11	Chennai 01 Data Center	2nd floor, TIDEL Park, No. 4 Rajiv Gandhi Salai, Taramani, Chennai 600 113, Tamil Nadu, India
12	Chennai 02 Data Center	H-11/1A, SIPCOT Information Technology Park, Eagattur, Tirupporur, Chengalputtu, Siruseri 603103, Tamil Nadu, India
13	Vashi Data Center	T-251, 5th floor, Vashi Infotech Park, Vashi Railway Station Commercial Complex, Vashi, Navi Mumbai, Thane 400 703, Maharashtra, India
		T-261, 6th floor, Vashi Infotech Park, Vashi Railway Station Commercial Complex, Vashi, Navi Mumbai, Thane 400 703, Maharashtra, India

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Identified Sustainability Information and Criteria

Identified Sustainability Information (ISI) and Criteria are detailed in the table below:

Identified Sustainability Information subject to assurance	Period subject to Assurance	Level of Assurance	Reporting criteria used by the Company to prepare Identified Sustainability Information
BRSR Core	From April 01, 2025, to March 31, 2026	Reasonable	i. Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
BRSR Disclosures other than core	From April 01, 2025, to March 31, 2026	Limited	ii. Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, and Industry Standard on Reporting of BRSR Core per SEBI Circular No. SEBI/HO/CFD/CFD-PoD1/P/CIR/2024/177 dated December 2024. iii. Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. iv. ISO 14064-1:2018 - Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

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Basis of our conclusion

As part of the assurance process, a multidisciplinary team of assurance specialists conducted assurance procedures across the sites of SISL. Assessment was conducted by means of physical mode (in-person) of site visit at Noida 01 and Noida 02 Data Centers located in Noida, Uttar Pradesh, and Rabale - Tower 1, Rabale - Tower 2, Rabale - Tower 4, and Rabale - Tower 5 Data Centers located at Navi Mumbai, Maharashtra and remote verification of other Data Centers.

The following activities were undertaken:

BRSR Core – Reasonable level of assurance	BRSR Disclosures other than core – Limited level of assurance
Reviewed the disclosures under the BRSR Core framework, which comprises a set of Key Performance Indicators (KPIs) across nine ESG attributes. These disclosures were evaluated in accordance with the Industry Standard on Reporting of BRSR Core, applying a reasonable level of assurance.	Reviewed the disclosures in line with BRSR reporting guidelines, covering general disclosures, management processes, principle-wise performance (including essential and leadership indicators), and other key metrics specified within the framework. These disclosures were assessed using a limited level of assurance.
Assessed the design and implementation of key systems, processes, and controls established for the collection, management, and reporting of BRSR Core indicators, including an evaluation of operational controls and reporting boundaries.	Gained an understanding of the key systems, processes, and controls established for the collection, management, and reporting of Disclosures other than BRSR Core, and performed sample-based testing to assess adherence to the reporting principles.
Obtained comprehensive evidence across all relevant areas to enable a thorough review of the BRSR Core Indicators and engaged directly with stakeholders to gather insights and supporting evidence for each disclosed indicator.	Collected and assessed documentary evidence and management representations to support compliance with the reporting principles. A risk-based approach was applied, focusing assurance efforts on areas of high material significance to the Company's operations and its key stakeholders.
The audit team conducted an on-site audit to perform data testing, assess consistency in reporting processes, and carry out quality checks at selected sites and offices. Sites selected for data testing and evaluation of reporting systems were determined based on their contribution to the reported indicators, and the nature of reporting systems in place.	The audit team conducted on-site audit at selected sites and offices, carrying out sample-based assessments of site-specific data disclosures.

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Management's Responsibility

SISL has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR Core and BRSR Disclosures other than core. The company is responsible for maintaining processes and procedures for collecting, analysing and reporting the information and also, ensuring the quality and consistency of the information presented in the BRSR. SISL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website. The Management and the Board of Directors of the Company are also responsible for overseeing the Company's compliance with the requirements of LODR Regulations and the SEBI Circular in relation to the BRSR.

Inherent limitations

The assurance engagements are conducted on the assumption that the data and information provided by the Company for our review have been supplied in good faith and are accurate, complete, adequate, authentic, and free from any material misstatements.

1) The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
2) Forvis Mazars has not participated in the evaluation or assessment of the Company's financial data or performance. Its opinion on specific BRSR Core Attribute 8 ("Number of days of accounts payable"), Attribute 9 ("Openness of business"), and all BRSR indicators expressed in currency or INR is based on the audit performed by the Company's statutory auditors. Accordingly, Forvis Mazars assumes no responsibility for the financial data presented in the Company's audited financial statements.
3) Data relating to operations outside the defined assurance boundary is excluded from this engagement, unless explicitly stated otherwise in this report.
4) Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
5) This assurance does not cover statements made by the Company that reflect opinions, claims, beliefs, aspirations, expectations, objectives, or forward-looking intentions. Furthermore, any assertions concerning Intellectual Property Rights or other competitively sensitive matters are outside the scope of this engagement.
6) The assessment does not extend to evaluating the Company's strategy or any related linkages presented in BRSR, as these elements fall beyond the assurance scope.
7) Additionally, this engagement does not include mapping BRSR against reporting frameworks other than those specifically referenced. Any evaluation or comparison with other frameworks is excluded from the scope.
8) Content within the BRSR that lies outside the defined scope and boundary has not been subjected to assurance, as the review is confined to the specified parameters.
9) Finally, this assurance engagement does not include an assessment of legal compliance. Ensuring adherence to applicable laws and regulations remains the responsibility of the Company.

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Our Independence and Quality Control

1) We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

2) Our firm applies International Standard on Quality Management ('ISQM') 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

In performing this assurance work, Forvis Mazars' responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. Forvis Mazars disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

We conducted our engagement in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information"*, issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that we plan and perform our engagement to obtain reasonable or limited assurance, as applicable, about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria and to issue a report.

Exclusions

Our assurance scope excludes the following and therefore we do not express an opinion on the same:

- Operations of the Company other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e., April 01, 2025 - March 31, 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

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Restriction on use

Our Reasonable and Limited Assurance report has been prepared and addressed to the Board of Directors of "Sify Infinit Spaces Limited" at the request of the Company solely, to assist the Company in reporting on its sustainability performance and activities. Accordingly, we accept no liability to anyone other than the Company.

Our Reasonable and Limited Assurance Report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For **FORVIS MAZARS LLP**

Firm Registration No.: AAI-2887

FORVIS MAZARS LLP

Suddhwa. S. Mukherjee

Suddhwasattwa Mukherjee
Partner

Gurugram, India
27-04-2026

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Annexure I

BRSR Core KPIs			
S. No.	**Attribute**	**Principles and Indicator reference**	**Parameter**
1.	Green-house gas (GHG) footprint	Principle 6, E-7	1. Total Scope 1 and Scope 2 emissions 2. GHG Emission Intensity (Scope 1+2)
2.	Water Footprint	Principle 6, E-3 Principle 6, E-4	1. Total water consumption 2. Water consumption intensity 3. Water Discharge by destination and levels of Treatment
3.	Energy footprint	Principle 6, E-1	1. Total energy consumed 2. Percentage of energy consumed from renewable sources 3. Energy Intensity
4.	Embracing circularity- details related to waste management by the entity	Principle 6, E-9	1. Total waste generated 2. Waste Intensity
5.	Enhancing Employee Wellbeing and Safety	Principle 3 – E1 (c) Principle 3 – E11	1. Spending on measures towards well-being of employees and workers 2. Details of safety related incidents for employees and workers
6.	Enabling Gender Diversity in Business	Principle 5 - E3 (b) Principle 5 – E7	1. Gross wages paid to females as percentage of wages paid 2. Complaints on POSH
7.	Enabling Inclusive Development	Principle 8 – E4 Principle 8 – E5	1. Input material sourced from following sources as percentage of total purchases – Directly sourced from MSMEs/ small producers and from within India 2. Job creation in smaller towns
8.	Fairness in Engaging with Customers and Suppliers	Principle 9 – E7 Principle 1 – E8	1. Instances involving loss/ breach of data of customers as percentage of total data breaches or cyber security events 2. Number of days of accounts payable
9.	Open-ness of business	Principle 1 – E9	1. Concentration of purchases & sales done with trading houses, dealers, and related parties 2. Loans and advances & investments with related parties

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Annexure II

BRSR Disclosures other than core - Limited level of assurance

- Section A: General Disclosures: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, 16, 17, 18, 19-c, 20-a, 20-b, 22
- Section C: Principle Wise Performance Disclosure:
  - Principle 1: Essential Indicators 2, 4, 5, 6; Leadership Indicator 2
  - Principle 2: Essential Indicator 1, 2
  - Principle 3: Essential Indicator 1-a, 1-b, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14; Leadership Indicator 1, 3
  - Principle 5: Essential Indicator 1, 2, 3, 4, 5, 8, 9, 10; Leadership Indicator 3
  - Principle 6: Essential Indicator 6, 10; Leadership Indicator 1, 5
  - Principle 7: Essential Indicator 1; Leadership Indicator 1
  - Principle 8: Essential Indicator 3, Leadership Indicator 6
  - Principle 9: Essential Indicator 1, 5; Leadership Indicator 1, 3, 4

STATUTORY REPORTS

Corporate Information

Board of Directors

Mr. Ananta Koti Raju Vegesna
Chairperson & Non-executive Director

Mrs. Vegesna Bala Saraswathi
Non-executive Director

Mr. Chintaluri Venkata Rajeswara Rao
Whole Time Director

Mr. Arun Seth
Independent Director

Mrs. Padmaja Chunduru
Independent Director

Dr. Ram Sewak Sharma
Independent Director

Mr. Mark Evan Adams
Non-executive Non-Independent Director

Dr. Thomas Michael Bradicich
Independent Director

Key Managerial Personnel

Mr. C R Rao
Whole-Time Director

Mr. Ganesh Sankararaman
Chief Financial Officer

Mr. D J Poornasandar
Company Secretary & Compliance Officer

Statutory Auditors

Manohar Chowdhry & Associates
Chartered Accountants
New No. 27, Subramaniam Street,
Abiramapuram, Chennai - 600018

Internal Auditors

Yoganandh & Ram LLP
Chartered Accountants
Plot No. G1, Shree Vishnu Apartments,
12th Cross Street, Dhandeeswaram Nagar,
Velachery, Chennai, Tamil Nadu - 600042

Registrar and Share Transfer Agent

KFin Technologies Limited (Equity)
Selenium Building, Tower-B, Plot No 31 & 32,
Financial District, Nanakramguda,
Hyderabad - 500032, Telangana.

GNSA Infotech Private Limited (Debt)
4th and 5th Floors,
F-Block, Nelson Chambers, No. 115,
Nelson Manickam Road, Aminjikarai,
Chennai - 600030

Stock Exchanges (Debt Listed)

BSE Limited (Scrip Code- 976061)
Dalal Street, PJ Towers Kala Ghoda,
Fort, Mumbai - 400001.

Secretarial Auditor

M Damodaran & Associates LLP
Practicing Company Secretaries
New No. 6, Old No. 12, Appavoo Gramani 1st Street,
Mandaveli, Chennai, Tamil Nadu - 600028

Debenture Trustee

Catalyst Trusteeship Limited
901, 9th Floor, Tower B, Peninsula Business Park
Tower, Senapati Bapat Marg, Lower Parel (W),
Mumbai, Maharashtra - 400013.

Registered Office

2nd Floor, TIDEL Park No 4, Rajiv Gandhi Salai,
Taramani, Chennai, Tamil Nadu, India, 600113
Email: sisl.secretarial@sifycorp.com
Telephone: +91 44 2254 0851
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Banker

Federal Bank Limited
Bank of Baroda
DBS Bank Limited
Canara Bank
Standard Chartered Bank
Kotak Mahindra Bank Ltd
State Bank of India
HDFC Bank Limited
Axis Bank Limited
IndusInd Bank Limited
IDFC First Bank Limited
Yes Bank Limited

Board's Report

To
The Members of
SIFY INFINIT SPACES LIMITED

The Board of Directors of your Company ("the Company" or "SISL") hereby presents the Report on the business and operations of the Company, along with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2026.

Financial Performance and State of Company's Affairs

(₹) in millions

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from operations	**17,605.28**	**14,283.65**	**17,605.28**	**14,283.65**
Earnings Before Finance Costs, Tax, Depreciation & amortization, Other Income and exceptional items (EBITDA)	7,932.17	6,342.91	7,921.49	6,342.46
Depreciation and Amortization	4,735.97	3,268.16	4,735.97	3,268.16
Earnings Before Finance Costs & Tax	**3,471.32**	**3,331.23**	**3,460.64**	**3,330.78**
Finance Costs	2,921.30	1,528.14	2,921.30	1,528.14
Other Income (Including Forex Gain, Gain on sale of PPE)	275.12	259.10	275.12	259.10
Other Expenses (Including Forex Loss, Loss on Sale of PPE)	1975.76	1,575.00	1975.76	1,575.00
Profit Before Tax (PBT)	**550.02**	**1,803.09**	**539.34**	**1,802.64**
Profit After Tax (PAT)	**372.17**	**1,264.05**	**361.49**	**1,263.60**

Notes:

The above figures are extracted from the audited standalone and consolidated financial statements of the Company as per the Indian Accounting Standards (Ind AS).

Results of operations for the years ended March 31, 2026 and 2025

In FY 2026, your Company's revenue grew by 23.25% to ₹ 17,605.28, up from ₹ 14,283.65 Millions in FY 2025. Profit after Tax was ₹ 372.17 Millions during FY 2026 compared to ₹ 1,264.05 Millions during the previous year. The reduction in profit is due to increase in finance cost, depreciation and capital expenditure added during the year and additional coupon payable to Kotak Special Situations Fund and Kotak Data Center Fund as per Waiver cum Amendment Agreement.

In compliance with the provisions of the Companies Act, 2013, Regulation 52 of the SEBI Listing Regulations, and the applicable Accounting Standards, the Audited Standalone and Consolidated Financial Statements of the Company for FY 2025-26, along with the Independent Auditors' Report, form an integral part of this Annual Report.

Business Review

Business Strategy and Overview

India's data center industry continues to experience strong structural growth, driven by expanding digital consumption, rapid adoption of cloud computing, the emergence of artificial intelligence (AI) workloads, and evolving data localization frameworks. According to industry estimates from JLL and NASSCOM, India's total data center capacity across the top seven cities surpassed 1,000 MW in early 2025 and is expected to cross 2,000 MW by 2026, underscoring the country's emergence as one of the fastest-growing digital infrastructure markets globally. This expansion is further supported by the Government of India's Digital India initiative, rising enterprise digitization, and the growing need for distributed computing architectures.

Against this backdrop, SISL continues to strengthen its position as a provider of enterprise-grade digital infrastructure. With 14 operational data centers across key metropolitan markets, the Company has steadily expanded its capacity footprint to support the growing demand for secure, scalable, and high-performance data center solutions.

The Union Budget 2026-27 introduced a tax holiday until 2047 for eligible foreign cloud service providers using India-based data centres. This initiative aims to establish India as a global AI and cloud infrastructure hub by encouraging global players to locate data infrastructure locally. When global hyperscalers, who

are cloud dominant, begin exploring data localisation with Indian companies, this should be a ready market for SISL's future expansion. This policy is anticipated to strengthen India's technology supply chain, attracting high-quality Foreign Direct Investment (FDI) in data infrastructure

A parallel event is the recent global unrest which has also cemented India's place as a safe international domicile for data. The Indian market is now seeing early enquires as a DR location for West Asian locations. This move is expected to transition India from just taxing digital transactions to actively attracting infrastructure investment, reducing operational costs for hyperscalers enhancing data sovereignty.

As of the end of FY 2025-26, SISL offers an built capacity of 192.36 MW to the market, supported by a strong focus on sustainability, with approximately 60% of this capacity powered through renewable energy sources at our largest campus. This reflects the Company's continued commitment to integrating environmentally responsible practices into its infrastructure development strategy.

Operational Data Center Footprint

Metric	FY 2025-26
Operational Data Centers	14
Total Market Capacity Offered	192.36 MW
Renewable Energy Composition	~60% at the largest campus, Rabale
Key Markets	Mumbai, Chennai,Bengaluru, Hyderabad, Noida

SISL's strategic presence in Mumbai, which accounts for nearly half of India's colocation capacity, reflects both foresight and market alignment. Seven of the Company's operational facilities are located in this data-dense data center hub, benefiting from proximity to submarine cable landing stations, global financial institutions and OTT platforms. These advantages continue to position Mumbai as a preferred destination for hyperscale cloud providers and large enterprise deployments.

Your Company's strategic approach of building capacity ahead of demand has enabled it to maintain deployment readiness for large-scale client requirements. This model allows SISL to deliver infrastructure at speed and scale while maintaining operational resilience. At the same time, new facilities at Chennai, Hyderabad, Lucknow and Bengaluru are positioning the Company to address emerging demand from high-growth technology clusters and distributed edge computing deployments.

Operational efficiency has been strengthened by Sharpened capital allocation, faster execution cycles, and greater decision-making agility. This structural realignment has shortened scope-to-invoicing timelines and enhanced the Company's ability to respond quickly to evolving customer requirements.

SISL's hybrid operating model-serving both hyperscale cloud providers and enterprise colocation clients-enables the Company to maintain diversified revenue streams while optimizing infrastructure utilization across its portfolio.

AI Infrastructure Readiness

The rapid advancement of artificial intelligence, particularly generative AI and large language models, is reshaping global infrastructure requirements. AI workloads demand high-density computing environments, accelerated networking, and robust power and cooling capabilities. Hyperscale cloud providers and digital enterprises are increasingly seeking data center facilities capable of supporting these specialized workloads.

SISL has been progressively aligning its infrastructure strategy to support AI-ready data center deployments, including modular architectures, scalable power provisioning, and advanced thermal management systems. These capabilities position the Company to support the next generation of compute-intensive applications, ranging from AI model training to real-time analytics and inference workloads.

Sustainability as a Strategic Differentiator

Sustainability and energy efficiency remain central to SISL's long-term strategy. Your Company continues to integrate renewable energy sourcing, energy-efficient infrastructure design, and operational monitoring tools into its facilities. The Mumbai data center cluster serves as a case study in implementing modular infrastructure, energy monitoring systems, and renewable power integration aimed at reducing carbon intensity and optimizing operational costs.

These initiatives also strengthen the Company's appeal among global enterprises and hyperscalers that increasingly prioritize ESG-aligned infrastructure partners.

Looking ahead, SISL's roadmap includes expanding capacity through a balanced mix of brownfield expansions and selective greenfield developments. The Company is also exploring renewable power partnerships and distributed edge infrastructure deployments to support latency-sensitive applications across emerging digital markets.

In an industry where scale, speed, reliability, and sustainability define competitiveness, SISL combines deep domestic market insight with enterprise-grade infrastructure capabilities. The Company remains committed to supporting India's digital transformation by delivering secure, scalable, and environmentally responsible data center solutions.

India's March to Clean Energy

India has articulated an ambitious roadmap for energy transition and decarbonization. In August 2022, the country submitted updated commitments under the United Nations Framework Convention on Climate Change (UNFCCC), targeting a 45% reduction in emissions intensity by 2030 compared with 2005 levels and committing to achieve 50% of cumulative electric power capacity from non-fossil fuel sources by 2030.

These commitments form part of India's Nationally Determined Contributions (NDCs) under the Paris Agreement.

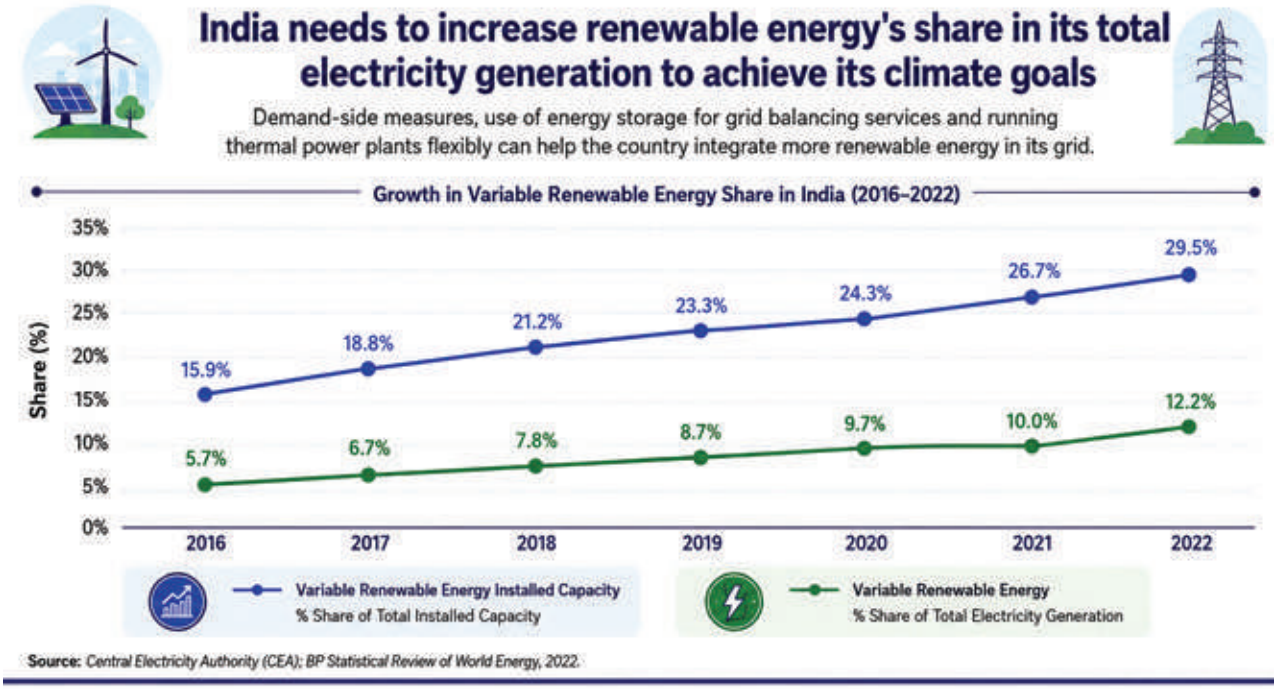
In addition, India has increased its renewable energy ambition to 500 GW of non-fossil energy capacity by 2030, significantly expanding upon earlier renewable targets. Achieving this milestone will enable the country to progressively transition toward a cleaner energy mix while supporting its rapidly growing electricity demand.

Projected Energy Mix Evolution

Government projections indicate that the share of fossil fuels in India's installed generation capacity is expected to decline to approximately 36% by 2030, compared with roughly 55% currently. Over the same period, renewable energy sources—including solar, wind, hydro, and other non-fossil technologies—are expected to increase to around 55% of total installed capacity.

According to the Central Electricity Authority (CEA), India's electricity demand is projected to reach 2,440 billion units (BU) by 2030, up from 1,255 BU in 2022. Meeting this demand will require installed capacity of approximately 777 GW, with the majority of incremental capacity expected to come from renewable sources.

While fossil fuels will continue to play an important role in ensuring grid stability, their share in electricity generation is expected to decline to approximately 56% by 2030. In contrast, renewable energy—currently contributing around 13% of electricity generation—is projected to account for up to 32% by the end of the decade.



This evolving energy landscape creates both opportunities and responsibilities for energy-intensive industries such as data centers to actively participate in the transition toward cleaner power sources.

Data Centers' Adoption of Renewable Energy

India's expanding digital economy has led to significant growth in data center infrastructure, which in turn has increased electricity consumption across the sector. As a result, data center operators are actively pursuing renewable energy adoption strategies to reduce carbon emissions while improving long-term operational efficiency.

Across the industry, operators are increasingly integrating solar and wind power into their energy mix while also exploring emerging technologies such as green hydrogen and nuclear energy as part of longer-term decarbonization pathways.

The Government of India has announced plans to accelerate renewable capacity additions, targeting approximately 250 GW of new renewable capacity over the next five years, supported by annual renewable energy auctions of around 50 GW, including at least 10 GW of wind capacity annually.

The government is also promoting green hydrogen development, with an incentive program valued at approximately USD 2.11 billion aimed at enabling domestic production of 5 million tonnes annually by 2030.

In addition, the Union Budget 2025 introduced the Nuclear Energy Mission for Viksit Bharat, targeting expansion of nuclear capacity to 100 GW by 2047 and the development of indigenously designed Small Modular Reactors (SMRs) by 2033.

Despite these promising initiatives, renewable energy adoption presents operational challenges for power-intensive industries. Renewable sources such as solar and wind are inherently intermittent, creating reliability considerations for data centers that require uninterrupted power availability.

Addressing these challenges will require continued investment in energy storage technologies, grid modernization, and flexible regulatory frameworks that allow operators to manage renewable power variability more effectively. While green hydrogen offers promising long-term potential, its commercial viability for large-scale data center operations will depend on continued technological and infrastructure advancements.

Technology Trends

A structured overview of the key technology trends shaping the sector is presented below:

Technology Trends	
AI and High-Performance Computing (HPC) Demand	The India AI Mission is driving the deployment of 10,000+ GPUs, necessitating AI-ready data centers with advanced, high-density cooling solutions
Expansion to Tier-2/3 Cities and Edge Computing	To reduce latency for 5G and gaming, operators are moving beyond metros like Mumbai into cities such as Jaipur, Kochi, and Kolkata with modular data centers
Green Energy & Sustainability Targets	Companies are shifting toward renewable energy sources, energy-efficient infrastructure, and waterless cooling systems to meet sustainability (ESG) commitments and environmental regulations
Hyperscaler Expansion and FDI	Global tech giants (Microsoft, AWS, Google) are heavily investing, encouraged by 100% Foreign Direct Investment (FDI) and data localization laws (DPDP Act)
Government Incentives and Policy Support	State-level policies (e.g., Tamil Nadu, Maharashtra, Uttar Pradesh) and central government initiatives (e.g., infrastructure status) offer tax relief, cheaper power, and faster clearance for new projects
Rise of Localized Cloud Providers	Increased demand for data sovereignty is fostering the growth of domestic cloud providers that offer cost-effective alternatives to international companies

Sustainability Measures

Sustainability has been an integral part of Sify's operational philosophy for nearly two decades, beginning with the early integration of wind and solar power into the Company's energy portfolio.

SISL accelerated its renewable energy transition since 2021 through the integration of large-scale renewable energy sources into its data center operations. As of FY 2025-26, approximately 40% of the Company's built capacity of 192.36 MW is supported by renewable energy sources, reflecting continued progress toward building a lower-carbon digital infrastructure platform.

Through these initiatives, SISL continues to strengthen its commitment to responsible infrastructure development, operational resilience, and environmental stewardship, while supporting India's rapidly expanding digital ecosystem.

Over the last year, your Company's efforts at strengthening its reporting on the sustainability front was recognised at multiple forums and reinforced by Reasonable Assurance for its Business Responsibility and Sustainability Reporting. Although not listed yet in the Indian space, Your Company's proactive reporting has come in for praise by the target audience, especially bankers and investment community.

Some of the recognitions included the Green Champion award by IGBC and the Gold place by the League of American Communications Professionals for the Company's Integrated Report for FY 2025-26.

Transfer to Reserves

Your Company has not transferred any amount to the Reserves out of the amount available for appropriation during the financial year ended March 31, 2026

Your Company did not have any amounts due or outstanding as at Balance Sheet date to be credited to the Investor Education and Protection Fund.

Dividend Distribution Policy

Your Company adheres to its Dividend Distribution Policy, which outlines the various criteria the Board may consider when recommending or declaring a dividend, as well as the use of retained profits, in accordance with Regulation 43 of the Listing Regulations.

The Dividend Distribution Policy, as per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is available on the Company's website at https://sifyinfinitspaces.com/ipo/#1760809101521-192f69c8-8aa0.

a) Equity Shareholders:

Your Company has several ongoing and upcoming business plans and projects that require substantial funding. These future initiatives are strategically designed to enhance operational efficiency and expand the Company's market presence.

The Board of Directors, after evaluation, has decided that such expansion and development activities shall be funded through internal accruals.

Your directors are confident that these projects will contribute significantly to revenue growth and are expected to yield strong profits and sustainable results in the years ahead.

Distribution of shareholding*

The shareholding pattern of the Company as at the reporting date is presented below:

Category of Shareholder	Name of Shareholder	Number of Shares Held	% of Total Shareholding
Promoter and Promoter Group			
	Sify Technologies Limited (STL)	534,182,589	88.45%
	Vegesna Ananta Koti Raju	-	-
	Vegesna Bala Saraswathi	-	-
	Ramanand Core Investment Company Private Limited (RCICPL)	-	-
	Raju Vegesna Infotech & Industries Private Limited (RVIIPL)	-	-
Non-Promoter (Non-Public)			
	Kotak Special Situations Fund	32,380,709	5.36%
	Kotak Data Centre Fund	37,386,997	6.19%
Total		**603,950,295**	**100.00%**

**The Company is a subsidiary of STL. STL is a subsidiary of RCICPL, which is a wholly owned subsidiary of RVIIPL. Accordingly, Mr. Vegesna Ananta Koti Raju, being a shareholder of RVIIPL, and Mrs. Vegesna Bala Saraswathi, being his spouse, are classified as Promoters of the Company.*

b) Preference shareholders:

During the year, your Company has declared and paid a preference dividend at the rate of 6% per annum on 5,00,00,000 (Five Crore) Non-Cumulative Compulsorily Convertible Preference Shares ("CCPS") of face value ₹ 10/- each, in accordance with the provisions of Section 123 of the Companies Act, 2013 and other applicable provisions of the Act.

The Company paid an interim dividend of ₹ 2,56,43,836 on the CCPS for Financial Year 2026, comprising ₹ 1,50,41,096 for the period April 1, 2025 to September 30, 2025 and ₹ 1,06,02,740 for the period October 1, 2025 to February 7, 2026. As the CCPS were converted into Equity Shares on February 7, 2026 pursuant to Board approval, no further/final dividend has been recommended for Financial Year 2026.

The details of dividend payout on CCPS for FY 2026 and FY 2025 are as under:

Particulars	FY 2026 (₹)	FY 2025 (₹)
Interim dividend	2,56,43,836	1,50,41,096
Final dividend	-	1,49,58,904
Total dividend	**2,56,43,836**	**3,00,00,000**

Note:

The Company declares and disburses dividend in Indian Rupees Based on standalone financial statements. Dividend is paid/distributed after deduction of applicable withholding tax, as per the prevailing tax regulations.

Change in nature of Business:

Your Company remains to engage in its core line of business of operating Data Centers. There is no change in nature of the business during the year under review.

Details and status of acquisition, merger, expansion, modernization, diversification and Strategic Investments in Renewable Energy

During the year under review, the Company has undertaken strategic initiatives in the renewable energy segment through execution of Power Purchase Agreements (PPAs) and corresponding equity investments in Special Purpose Vehicles (SPVs).

Your Company entered into a Power Purchase Agreement on March 26, 2026 with M/s. Netra Renewable Energy Private Limited, a special purpose vehicle of M/s. Sunsure Energy Private Limited, and also with M/s. Radiance Ka Sunbright Two Private Limited, pursuant to the approvals of the Board of Directors.

In the previous financial year 2024-25, the Company had entered into Power Purchase Agreements on January 23, 2025 with M/s. Sunsure Solarpark Eighteen Private Limited (SSEPL) and M/s. Murli Solar Enery Private Limited (MSEPL), both being special purpose vehicles of M/s. Sunsure Energy Private Limited, pursuant to the approval of the Board at its meeting held on January 17, 2025.

Pursuant to the aforesaid arrangements and subsequent approvals, the Company has made equity investments in the said SPVs. As on date, the Company holds 44.25% in SSEPL and 23.50% in MSEPL. Further, the Company has approved/ proposed additional investments in various renewable energy SPVs, typically up to 26% stake, as part of its long-term energy procurement and sustainability strategy.

Except as stated above, the Company has not undertaken or proposed any scheme of merger, amalgamation, acquisition, restructuring or strategic investments of its business. Furthermore, the Company has not initiated any major expansion, modernization, or diversification projects during the financial year.

The management continues to focus on strengthening the existing business operations and optimizing resources to enhance operational efficiency and profitability. Any future proposals for expansion, diversification, or strategic alliances will be evaluated in alignment with the long-term objectives and growth strategy of the Company, subject to requisite approvals.

Material Changes and commitments affecting the financial position of the Company

Your Directors confirm that there have been no material changes or commitments affecting the financial position of the Company between the close of the financial year and the date of this Report.

Capital and Debt Structure

a) Change in Authorized Share Capital of the Company

During the year, the authorised share capital of the Company increased from ₹ 1,070.25 Crores (Rupees One thousand Seventy Crores and Twenty-Five Lakhs only) to ₹ 1,270 Crores (Rupees One thousand Two hundred and Seventy Crores only). This increase has been undertaken to support the Company's expansion plans, including new project implementations, strategic business initiatives, and the proposed Initial Public Offering and to ensure adequate capital availability to meet the Company's long-term growth objectives.

The details of the authorised, issued, subscribed, and paid-up share capital of the Company at the end of the financial year post conversion is as follows:

Particulars	Amount (in ₹)
Authorised Share Capital	
100,00,00,000 Equity shares of ₹ 10/- Each	1,000,00,00,000
27,00,00,000 Preference shares of ₹ 10/- Each	270,00,00,000
TOTAL	**1,270,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
60,39,50,295 Equity shares of ₹ 10/- Each	6,03,95,02,950
TOTAL	**6,03,95,02,950**

b) Change in Paid-up Share Capital of the Company

During the year, in compliance with Regulation 5(2) of the SEBI Issue of Capital and Disclosure Requirements (ICDR) Regulations, 2018, the Company converted the following Securities into Equity Shares of the Company:

Name of the Holder	Type of Securities	Conversion Ratio	No. of Equity Shares
Sify Technologies Limited	6% Non-cumulative Compulsorily Convertible Preference Shares	0.08047746:1	40,23,873
Kotak Special Situations Fund- 1	6% Compulsorily Convertible Debentures	0.811243676:1	1,62,24,874
Kotak Special Situations Fund- 2	6% Compulsorily Convertible Debentures	0.80779174:1	1,61,55,835
Sify Technologies Limited- 1	6% Compulsorily Convertible Debentures	0.811243676:1	81,12,438
Sify Technologies Limited- 2	6% Compulsorily Convertible Debentures	0.811243676:1	18,25,298
Sify Technologies Limited- 3	6% Compulsorily Convertible Debentures	0.80779174:1	80,77,917
Kotak Data Center Fund- 1	6% Compulsorily Convertible Debentures	0.543483:1	2,60,87,184
Kotak Data Center Fund- 2	6% Compulsorily Convertible Debentures	0.941651116:1	1,12,99,813
Sify Technologies Limited- 4	6% Compulsorily Convertible Debentures	0.8047744:1	20,11,936

The above reflects the potential equity dilution on account of conversion of the outstanding CCDs/CCPS, based on the respective agreed conversion ratios.

c) Listed Non-Convertible Debentures

Pursuant to the approval of the Board of Directors and the shareholders, your Company has issued 25,000 (Twenty Five Thousand) Non-convertible Debentures in the form of Secured, Senior, Rated, Listed, Redeemable, Taxable, Non-convertible Debentures of the face value of ₹ 1,00,000 each, ("NCDs"), on private placement basis to identified investors for an amount of ₹ 250,00,00,000/-, (Rupees Two Hundred Fifty Crores Only) and the same were listed with BSE Limited on October 4, 2024.

The details of the allotment are as follows:

Particulars of Non-Convertible Debentures	
Date of issue and allotment	September 30, 2024
Method of allotment	Private Placement
Issue Price	₹ 1,00,000 per Debenture
Amount of NCD	₹ 250 Crores
Utilization of the proceeds	Refinance/prepayment of existing term loans of the Projects
Tenor	15 years
Security	Moveable Fixed Assets and receivable for the project i.e. Rabale Towers 1, 2, 4 (Data Centers) & Hyderabad Data Center.

Particulars of Non-Convertible Debentures	
Type of the instrument	Listed
Interest rate	8.95%
Credit Rating	AA (Stable)
Maturity Date	September 30, 2039

During the year, your Company has made timely payment of interest to the debenture holders.

d) Issue and Redemption of Commercial Papers (CPs)

During the year under review, the Company issued and redeemed Commercial Papers aggregating to ₹ 40 Crores, pursuant to Board approval and in compliance with applicable regulations. The CPs were listed on BSE Limited on May 15, 2025 and were issued to refinance existing term loans relating to operational projects.

Particulars of Commercial Paper	
Date of allotment	May 13, 2025
Redemption date	August 11, 2025
Face value	₹ 5,00,000 per CP
Issue Price	₹ 4,90,683.50 per CP
Quantity	800 CPs
Credit rating	CARE A1+
Purpose of issue	Refinancing existing term loans for operational projects

e) Employee Stock Option Scheme

Pursuant to the approval of the shareholders, your Company had introduced a Stock Option Plan titled "Sify Infinit Associate Stock Option Plan 2025" for granting stock options to eligible employees of the Company and its affiliates.

During the year, the Plan was renamed as "Employee Stock Option Plan 2025 (ESOP 2025)" and amended accordingly. The revised plan was adopted with effect from 26 September, 2025 pursuant to the approval of the Board of Directors and Shareholders of the Company.

Pursuant to the approval of the Special Committee, your Company has granted 1,87,90,000 options to eligible employees of the Company and the eligible employees of Sify Technologies Limited, the Holding Company.

The disclosures, as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, in respect of the aforesaid scheme are provided below:

Particulars	FY 2025-26 (No. of Options)	FY 2025-26 (No. of Employees)	FY 2024-25 (No. of Options)	FY 2024-25 (No. of Employees)
Options granted	1,87,90,000	46	NA	NA
Options vested	-	-	-	-
Options exercised	-	-	-	-
Total number of shares arising as a result of exercise of options	-	-	-	-
Options lapsed	-	-	-	-
Exercise price (as on date of grant)	₹ 150	-	-	-
Variation of terms of options	-	-	-	-
Money realized by exercise of options (₹ in lakhs)	-	-	-	-
Total number of options in force	1,87,90,000	46	-	-
Employee-wise details of options granted				
Key Managerial Personnel	58,80,000	3	-	-
Senior Management personnel	34,40,000	3	-	-
Employees receiving ≥5% of total options granted during the year	1,48,00,000	3	-	-
Employees granted options ≥1% of issued capital at the time of grant*	1,14,00,000	2	-	-

f) Other allotments

Your Company has not issued any Equity Shares with Differential Rights, Sweat Equity Shares, warrants or any other securities nor did it buy back any Shares during the financial year under review.

Changes to the Constitutional Documents During the year Under Review

a. Articles of Association:

During the year, your Company adopted a revised set of Articles of Association by replacing its existing Special Articles contained in Chapters I, II, and III in order to align with the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The updated Articles of Association was approved by the shareholders by way of a special resolution passed at the Extraordinary General Meeting held on September 26, 2025.

b. Memorandum of Association:

Object Clause

During the year, your Company amended the Objects Clause of its Memorandum of Association (MOA) to align with its strategic growth and expansion plans of the Company. The amendments were made to enhance clarity and transparency for investors, regulators, and other stakeholders, and to comprehensively articulate the Company's main objects, encompassing both existing operations and future strategic initiatives.

Accordingly, new sub-clauses (1) to (5) were inserted under Clause III(A) - Main Objects, replacing the earlier sub-clause (1), and all subsequent sub-clauses were renumbered to reflect the revised structure. Pursuant to the recommendation of the Board of Directors, the shareholders approved the amendment by way of a Special Resolution passed at the Extraordinary General Meeting held on September 26, 2025, in accordance with the applicable provisions of the Companies Act, 2013.

Capital Clause

During the year, the authorised share capital of the Company increased from 1,070.25 Crores (Rupees One Thousand Seventy Crores and Twenty-Five Lakhs only) to ₹ 1,270 Crores (Rupees One Thousand Two Hundred and Seventy Crores only).

This enhancement of authorised capital has been undertaken to support the Company's long-term expansion plans, including new project implementations, strategic business initiatives, and the proposed Initial Public Offering, and to ensure adequate capital availability for future growth and value creation.

Credit Rating

Your Company continues to maintain a strong credit profile, with ratings assigned by CRISIL Ratings Limited ("CRISIL"), ICRA Limited ("ICRA"), India Ratings and Research Private Limited ("India Ratings"), and CARE Ratings Limited ("CARE") for its various banking and debt facilities. All agencies have reaffirmed the highest rating for Short-Term facilities, along with strong ratings for Long-Term facilities and Non-Convertible Debentures (NCDs).

The Credit ratings of the company as on March 31, 2026, are summarised below:

Instrument	Term	CRISIL	CARE Ratings	ICRA
Bank Credit Lines	Short Term	A1+	A1+	A1+
	Long Term	AA (Stable)	AA (Stable)	AA (Stable)
NCD	Long Term	-	AA (Stable)	AA (Stable)
Commercial Paper	Short Term	-	A1+	-

The details of credit ratings received/revised by the Company during the Financial Year 2025-26 are set out below:

Summary of Rating				
Credit Rating Agency	**Date of Rating**	**Short-Term Rating**	**Long-Term Rating**	**Nature of Action**
CRISIL Ratings	May 12, 2025	A1+	AA; Positive	Initial/Outstanding Rating
ICRA Limited	September 3, 2025	A1+	AA; Stable	Reaffirmation
CARE Ratings	September 17, 2025	A1+	AA; Stable	Upgradation
CRISIL Ratings	December 5, 2025	A1+	AA; Stable	Upgradation
ICRA Limited	February 4, 2026	-	AA; Stable	Upgradation
ICRA Limited	February 5, 2026	A1+	AA; Stable	Reaffirmation

Accordingly, during the year under review, your Company witnessed reaffirmation of its credit ratings as well as multiple rating upgrades from leading credit rating agencies, reflecting improvement in its credit profile and financial position.

Further, Your Company has also received the **"CRISIL Diamond Credit Rating Report"** in March 2026.

The credit rating reports are available on the Company's website at https://sifyinfinitspaces.com/ready-reckoner/#Credit_rating.

Investor Education and Protection Fund (IEPF)

Your Company does not have any unclaimed amount as stipulated under Section 125 of the Companies Act, 2013 to be transferred to IEPF.

Draft Red Herring Prospectus (DRHP)

On October 17, 2025, your Company, as part of its strategic growth and capital raising initiatives, filed its Draft Red Herring Prospectus (DRHP) dated October 16, 2025 with the Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and National Stock Exchange of India Limited, in connection with the proposed Initial Public Offering (IPO) of its Equity Shares with an issue size of ₹ 3,700 crores (comprising a fresh issue amounting to ₹ 2,500 crores (the "fresh issue") and an offer for sale amounting to ₹ 1,200 crores (the "offer for sale")

The key strategies of the proposed IPO as follows:

- Expanding power capacity and Expertise
- Upscaling our AI- ready capabilities
- Focus on renewable investments and sustainability
- Upscaling relationships with existing and expanding our client base
- Strengthen access to interconnection strategies
- Widening our Edge Data Center presence

The proposed IPO is aimed at enabling the Company to access the capital markets, strengthen its capital structure, and enhance financial flexibility to support ongoing as well as future expansion and growth initiatives. The filing of the DRHP represents a significant milestone in your Company's growth trajectory and reaffirms its commitment to the highest standards of corporate governance, transparency, and regulatory compliance.

All necessary statutory and regulatory processes in relation to the proposed IPO are being undertaken in accordance with the applicable provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and other applicable laws and regulations.

Your Company has received in-principle approvals from both BSE and NSE for the proposed listing of its securities, pursuant to their letters dated January 2, 2026.

Directors and Key Managerial Personnel

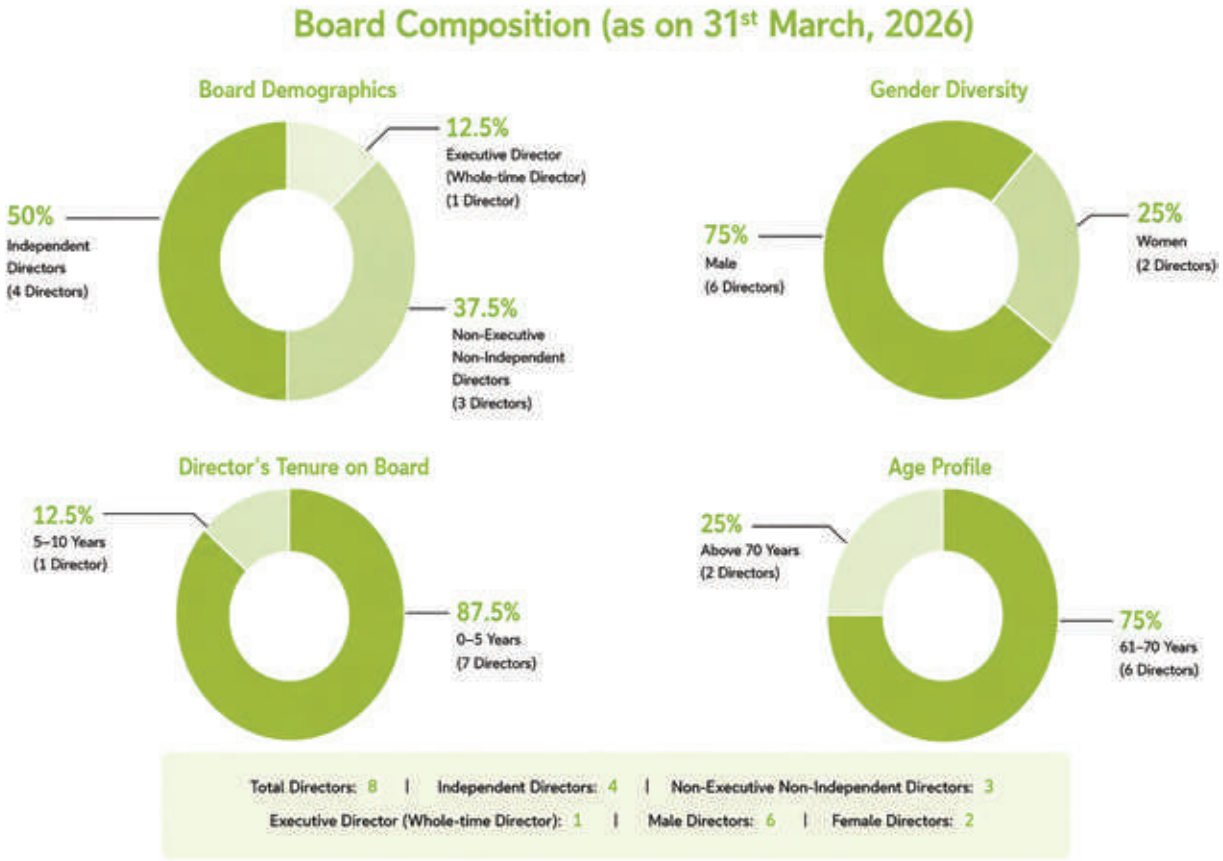
Criteria for Board Membership

Your Company will generally consider (i) The relevant experience in Leadership/ Strategy / Finance/ Governance / Legal and Regulatory or other disciplines related to Company's business and (ii) Having the highest personal and professional ethics, integrity, and values for selecting Board members.

a) Directors:

The following are the list of Directors as on date of the Report:

S. No.	Name of Director	DIN	Designation
1.	Mr. Ananta Koti Raju Vegesna	00529027	Non-executive Director
2.	Mrs. Vegesna Bala Saraswathi	07237117	Non-executive Director
3.	Mr. Chintaluri Venkata Rajeswara Rao	02624863	Whole-time Director
4.	Mr. Arun Seth	00204434	Independent Director
5.	Mrs. Padmaja Chunduru	08058663	Independent Director
6.	Dr. Ram Sewak Sharma	02166194	Independent Director
7.	Mr. Mark Evan Adams	11232866	Non-executive Non- Independent Director
8.	Dr. Thomas Michael Bradicich	10672895	Independent Director



b) Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013, and Articles of Association of the Company, Mr. Ananta Koti Raju Vegesna (DIN: 00529027), Non- Executive Director, retires by rotation at the ensuing Annual General as stated in the Notice convening the Annual General Meeting, and being eligible, offers himself for reappointment. The Board of Directors recommends his re-appointment for the approval of the Members of the Company.

c) Independent Directors

Your directors are not disqualified under the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Independent Directors of the Company have submitted a declaration confirming that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.

In the opinion of the Board, all Independent Directors are independent of the management. Pursuant to Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors, except Dr. Thomas Michael Bradicich, are exempt from the online proficiency self-assessment test requirement.

Composition of Board of Directors

During the year, the Composition of the Board of Directors of the Company underwent the following changes:

S. No.	Name of Director & DIN	Category	Nature of Change	Effective Date of Change	Term	Approval
1.	Dr. Ajay Kumar (DIN:01975789)	Independent Director	Resigned as Independent Director	May 15, 2025	Not Applicable	Resigned due to constitutional responsibility.
2.	Mrs. Padmaja Chunduru (DIN:08058663)	Independent Director	Appointed as Additional Independent Director;	October 12, 2024	5 years; Not liable to retire by rotation	Appointed as Independent Director at AGM held on July 30, 2025
			Regularized as Independent Director	July 30, 2025		
3.	Dr. Ram Sewak Sharma (DIN:02166194)	Independent Director	Appointed as Additional Independent Director;	June 20, 2025	5 years; Not liable to retire by rotation	Appointed as Independent Director at AGM held on July 30, 2025
			Regularized as Independent Director	July 30, 2025		
4.	Dr. Thomas Michael Bradicich (DIN:10672895)	Independent Director	Appointed as Additional Independent Director;	August 18, 2025	5 years; Not liable to retire by rotation	Appointed as Independent Director at EGM held on September 26, 2025
			Regularized as Independent Director	September 26, 2025		
5.	Mr. Mark Evan Adams (DIN:11232866)	Non-Executive Non-Independent Director	Appointed as Additional Non-Executive Non-Independent Director;	August 18, 2025	Not liable to retire by rotation	Appointed as Independent Director at EGM held on September 26, 2025
			Regularized as Director	September 26, 2025		
6.	Mr. Arun Seth (DIN:00204434)	Independent Director	Continuation of appointment approved by Special Resolution	September 26, 2025	5 years; Not liable to retire by rotation	Continuation approved at EGM held on Sept 26, 2025

d) Meeting of the Independent Directors

Pursuant to the provisions of Schedule IV to the Companies Act, 2013, the Independent Directors of the Company held a separate meeting on January 11, 2026, without the presence of the Chairperson Non-Independent Directors and members of the Management. The Independent Directors, inter alia:

(a) reviewed the performance of the Non-Independent Directors and the Board as a whole;

(b) reviewed the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Directors; and

(c) assessed the adequacy, quality and timeliness of the flow of information between the Management and the Board necessary for the Board to effectively and reasonably perform its duties.

The observations and suggestions arising from the meeting were subsequently communicated to the Chairman.

e) Disqualification of Directors

Based on the written representations received, none of the Directors are disqualified from being appointed as Directors as specified in Section 164 (2) of the Act.

Performance Evaluation of Directors

In line with the provisions of the Act and the SEBI Listing Regulations, the Nomination & Remuneration Committee and the Board have conducted an annual performance evaluation of its own performance, Committees, and individual Directors.

f) Board Meetings and attendance of Directors

During the year, the Board of Directors of the Company met 11 (Eleven) times. The details of the meetings and the attendance of the Directors are as follows:

Name of the Director	Board Meeting Dates and mode											Held during the Year/ Tenure	Attended	% of Attendance of a director
	Q1		Q2			Q3			Q4					
	1	2	3	4	5	6	7	8	9	10	11			
	April 18, 2025	July 18, 2025	Sept 25, 2025	Sept 27, 2025	Oct 14, 2025	Oct 17, 2025	Oct 25, 2025	Dec 3, 2025	Jan 11, 2026	Jan 12, 2026	Feb 07, 2026			
	VC	VC	VC	VC	VC	VC	VC	VC	VC	VC	VC			
Mr. Ananta Koti Raju Vegesna	✓	✓	✓	✓	✓	✓	✓	✓	x	x	✓	11	9	82%
Mrs. Vegesna Bala Saraswathi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	11	100%
Mr. Chintaluri Venkata Rajeswara Rao	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	11	100%
Mr. Arun Seth	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	10	91%
Dr. Ajay Kumar*	✓	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1	1	100%
Mrs. Padmaja Chunduru	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	11	100%
Dr. Ram Sewak Sharma#	NA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	100%
Mr. Mark Evan Adams^	NA	NA	✓	✓	✓	✓	✓	✓	x	✓	x	9	7	78%
Dr. Thomas Michael Bradicich^	NA	NA	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
% of attendance at a Meeting	83%	100%	100%	100%	100%	100%	100%	100%	75%	88%	88%			

*Resigned effective May 15, 2025

#Appointed effective June 20, 2025

^Appointed effective August 18, 2025

✓Attended through VC

xLeave of Absence

NANot Applicable

The Board met at least once in every Calendar Quarter and the gap between two consecutive Meetings did not exceed one hundred and twenty days as prescribed under 173(1) of the Companies Act, 2013. These Meetings were well attended by the Directors.

g) General Meetings:

Details relating to the Annual General Meeting of the Company and Special Resolutions passed during the year thereat are given below:

AGM FY2024-25

Date	Time	Venue	Special Resolution Passed	
July 30, 2025	11.00 A.M.	2nd Floor, TIDEL Park, 4, Rajiv Gandhi Salai, Taramani, Chennai 600 113,	1	Approval of Audited Financial Statements for the Year ended March 31, 2025
			2	Re-appointment of Director retiring by rotation
			3	Declaration of Preference Dividend
			4	Appointment & Change in terms of appointment of Mr. C R Rao as Whole Time Director
			5	Appointment of Mrs. Padmaja Chunduru as an Independent Director
			6	Appointment of Dr. Ram Sewak Sharma as an Independent Director
			7	Investment by M/s Sify Technologies Limited in Compulsorily Convertible Debentures
			8	Appointment of M/s M. Damodaran & Associates LLP, Practicing Company Secretaries as the Secretarial Auditor

Details relating to the Extra-Ordinary General Meetings of the Company and Special Resolutions passed during the year thereat are given below:

EGM 01/2025-26

Date	Time	Venue	Special Resolution Passed	
September 26, 2025	02.00 P.M.	2nd Floor, TIDEL Park, 4, Rajiv Gandhi Salai, Taramani, Chennai 600 113,	1	Initial Public Offer of the Equity shares of the Company
			2	Approval of Related Party Transaction with M/s. Sify Technologies Limited, Holding Company
			3	Approval of Related Party Transaction with M/s. Sify Digital Services Limited, Fellow Subsidiary Company
			4	Approval of Related Party Transaction with M/s. SKVR Software Solution Private Limited, Fellow Subsidiary Company
			5	Approval of Related Party Transaction with M/s. Sify Technologies (Singapore) Pte. Limited, Fellow Subsidiary Company
			6	Adoption of Revised Articles of Association of the Company
			7	Alteration of Object Clause of Memorandum of Association of the Company
			8	Increase in Authorised Share Capital of the Company
			9	Fixation of the Investment Limits for Non-Resident Indians and Overseas Citizens of India
			10	Adoption of Employee Stock Option Scheme of the Company
			11	Confirmation of Appointment of Mr. Arun Seth as an Independent Director
			12	Change in designation of Dr. Thomas Michael Bradicich as an Independent Director of the Company
			13	Change in designation of Mr. Mark Evan Adams as a Non-Executive Non-Independent Director of the Company

EGM 02/2025-26

Date	Time	Venue	Special Resolution Passed	
December 10, 2025	02.00 P.M.	2nd Floor, TIDEL Park, 4, Rajiv Gandhi Salai, Taramani, Chennai 600 113,	1	Approval for increase in the borrowing powers of the Company
			2	Approval for creation of charge/mortgage/hypothecation on the assets of the Company

h) Key Managerial Personnel (KMP)

In accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons constituted the Whole-Time Key Managerial Personnel of the Company as on March 31, 2026:

During the year, Your Company has re-appointed Mr. C R Rao as Whole-time Director of the Company with modifications to the terms of his appointment with effect from April 1, 2025 for the period of five years

S.No.	Name of the KMP	Designation	Appointment Date
1.	Mr. C R Rao*	Whole-Time Director	20/11/2017
2.	Mr. Ganesh Sankararaman	Chief Financial Officer	22/10/2024
3.	Mr. D J Poornasandar	Company Secretary & Compliance Officer	28/01/2021

*Mr. C. R. Rao was re-appointed as Whole-time Director, pursuant to the Board's recommendation at its meeting held on April 18, 2025, and approval of the shareholders at the Eighth Annual General Meeting held on July 30, 2025.

i) Senior Management Personnel

Particulars of Senior Management Personnel ("SMP") as on March 31, 2026 and changes therein since the close of the previous financial year.

S.No.	Name of the SMP	Designation
1.	Mr. Sharad Agarwal	Chief Executive Officer
2.	Mrs. C B Priya	Chief Risk Officer
3.	Mr. Arun Jayaprakash	Director- HR

j) Committees

In the year 2023, your Company had voluntarily constituted the Audit Committee, Nomination and Remuneration Committee, and Risk Management Committee (collectively referred to as the "Committees") as sub-committees of the Board. Subsequently, these Committees were formalised and re-designated as Committees of the Board with effect from October 22, 2024.

Further, on October 22, 2024, your Company voluntarily constituted the Stakeholders' Relationship Committee as a Committee of the Board.

The Committees form an integral part of the Company's governance framework and have been constituted to oversee specific areas of operations and compliance as mandated under applicable statutory and regulatory requirements. A majority of the Committee Members are Independent Directors, and each Committee is chaired by, or comprises, Independent Directors. The functioning of each Committee is guided by a formally adopted Charter or Terms of Reference, defining its scope, powers, duties, and responsibilities.

The Chairperson of each Committee places before the Board a summary of the deliberations and key recommendations arising from its meetings, and the Minutes of all Committee Meetings are submitted to the Board for review and noting.

During the year under review, all recommendations of the Committees, as required to be mandatorily considered by the Board, were duly accepted.

Further, during the financial year, the Committees were reconstituted on September 25, 2025, and the composition of the reconstituted Committees is provided below.

Composition of Board Committee

Audit Committee

S. No.	Name of the Director	Category	Designation
1	Mr. Arun Seth	Independent Director	Chairperson
2	Mrs. Vegesna Bala Saraswathi	Non-Executive Director	Member
3	Mrs. Padmaja Chunduru	Independent Director	Member
4	Dr. Ram Sewak Sharma	Independent Director	Member

Nomination & Remuneration Committee

S. No.	Name of the Director	Category	Designation
1	Dr. Ram Sewak Sharma	Independent Director	Chairperson
2	Mr. Arun Seth	Independent Director	Member
3	Mr. Mark Evan Adams	Non- Executive Non- Independent Director	Member

Corporate Social Responsibility Committee

S. No.	Name of the Director	Category	Designation
1	Mrs. Vegesna Bala Saraswathi	Non-Executive Director	Chairperson
2	Mr. C. R. Rao	Whole-time Director	Member
3	Dr. Thomas Michael Bradicich	Independent Director	Member

Risk Management Committee

S. No.	Name of the Director	Category	Designation
1	Mrs. Padmaja Chunduru	Independent Director	Chairperson
2	Mr. C. R. Rao	Whole-time Director	Member
3	Dr. Thomas Michael Bradicich	Independent Director	Member
4	Mr. Mark Evan Adams	Non-Executive Non-Independent Director	Member

Stakeholder Relationship Committee

S. No.	Name of the Director	Category	Designation
1	Mrs. Padmaja Chunduru	Independent Director	Chairperson
2	Mrs. Vegesna Bala Saraswathi	Non-Executive Director	Member
3	Mr. C. R. Rao	Whole-time Director	Member
4	Mr. Mark Evan Adams	Non- Executive Non-Independent Director	Member

NCD Issue Committee

S. No.	Name of the Director	Category	Designation
1	Mr. C. R. Rao	Whole-time Director	Chairperson
2	Mr. Ganesh Sankararaman	Chief Financial Officer	Member
3	Mr. D J Poornasandar	Company Secretary & Compliance Officer	Member
4	Mr. M P Vijay Kumar	Group CFO	Member

Meetings of Board Committee

i) Audit Committee

During the year, the Committee met 7 (Seven) times. The dates of Meetings are April 17, 2025, July 17, 2025, September 25, 2025, October 14, 2025, October 16, 2025, January 11, 2026 and February 07, 2026.

Name of the Director	Committee Meeting Dates and mode							Held during the Year/ Tenure	Attended	% of Attendance of a director
	Q1	Q2		Q3		Q4				
	1	2	3	4	5	6	7			
	April 17, 2025	July 17, 2025	Sept 25, 2025	Oct 14, 2025	Oct 16, 2025	Jan 11, 2026	Feb 07, 2026			
	VC	VC	VC	VC	VC	VC	VC			
Mrs. Vegesna Bala Saraswathi	✓	✓	✓	✓	✓	✓	✓	7	7	100%
Mr. Arun Seth	✓	✓	✓	✓	✓	✓	✓	7	7	100%
Dr. Ajay Kumar*	✓	NA	NA	NA	NA	NA	NA	1	1	100%
Mrs. Padmaja Chunduru	✓	✓	✓	✓	✓	✓	✓	7	7	100%

Name of the Director	Committee Meeting Dates and mode							Held during the Year/ Tenure	Attended	% of Attendance of a director
	Q1	Q2		Q3		Q4				
	1	2	3	4	5	6	7			
	April 17, 2025	July 17, 2025	Sept 25, 2025	Oct 14, 2025	Oct 16, 2025	Jan 11, 2026	Feb 07, 2026			
	VC	VC	VC	VC	VC	VC	VC			
Dr. Ram Sewak Sharma#	NA	✓	✓	✓	✓	✓	✓	6	6	100%
% of attendance at a Meeting	100%	100%	100%	100%	100%	100%	100%			

*Relinquished effective May 15, 2025

#Appointed effective June 20, 2025

✓Attended through VC

xLeave of Absence

NANot Applicable

ii) Nomination & Remuneration Committee

During the year, the Committee met 5 (five) times. The dates of Meetings are April 17, 2025, July 17, 2025, September 25, 2025, October 17, 2025 and January 11, 2026.

Name of the Director	Committee Meeting Dates and mode					Held during the Year/ Tenure	Attended	% of Attendance of a director
	Q1	Q2		Q3	Q4			
	1	2	3	4	5			
	April 17, 2025	July 17, 2025	Sept 25, 2025	Oct 17, 2025	Jan 11, 2026			
	VC	VC	VC	VC	VC			
Mrs. Vegesna Bala Saraswath**	✓	✓	✓	NA	NA	3	3	100%
Mr. Arun Seth	✓	✓	✓	✓	✓	5	5	100%
Dr. Ajay Kumar*	✓	NA	NA	NA	NA	1	1	100%
Mrs. Padmaja Chunduru**	✓	✓	✓	NA	NA	3	3	100%
Dr. Ram Sewak Sharma#	NA	✓	✓	✓	✓	4	4	100%
Mr. Mark Evan Adams***	NA	NA	NA	✓	x	2	1	50%
% of attendance at a Meeting	100%	100%	100%	100%	66%			

*Relinquished effective May 15, 2025

#Appointed effective June 20, 2025

**Relinquished effective September 25, 2025

***Appointed effective September 25, 2025

✓Attended through VC

xLeave of Absence

iii) Corporate Social Responsibility Committee

During the year, the Committee met 1 (one) time. The date of meeting is April 17, 2025,

Name of the Director	Q1	Held during the Year/ Tenure	Attended	% of Attendance of a director
	1			
	April 17, 2025			
	VC			
Mrs. Vegesna Bala Saraswathi	✓	1	1	100%
Mr. Chintaluri Venkata Rajeswara Rao	✓	1	1	100%

Name of the Director	Q1 1 April 17, 2025 VC	Held during the Year/ Tenure	Attended	% of Attendance of a director
Mrs. Padmaja Chunduru*	✓	1	1	100%
Dr. Thomas Michael Bradicich**	NA			
% of attendance at a Meeting	100%			

*Relinquished effective September 25, 2025

**Appointed effective August 18, 2025

✓Attended through VC

xLeave of Absence

iv) Risk Management Committee

During the year, the Committee met 2 (two) times on July 17, 2025 and January 11, 2026

Name of the Director	Q2 1 July 17, 2025 VC	Q4 2 Jan 11, 2026 VC	Held during the Year/ Tenure	Attended	% of Attendance of a director
Mrs. Vegesna Bala Saraswath*	✓	NA	1	1	100%
Mr. Chintaluri Venkata Rajeswara Rao	✓	✓	2	2	100%
Mrs. Padmaja Chunduru	✓	✓	2	2	100%
Mr. Mark Evan Adams**	NA	x	1	-	-
Dr. Thomas Michael Bradicich**	NA	✓	1	1	100%
% of attendance at a Meeting	100%	75%			100%

*Relinquished effective September 25, 2025

**Appointed effective August 18, 2025

✓Attended through VC

xLeave of Absence

k) Sitting fees

The Non-Executive and Independent Directors are entitled to sitting fees for attending meetings of the Board and Committees thereof. During the Financial Year 2025-26, sitting fees of ₹ 1,00,000 per meeting per person was paid for Board and Audit Committee meetings and ₹ 75,000 per meeting per person for meetings of other Committees of the Board.

The details of sitting fees paid during the year are set out below:

(In ₹)

Particulars of Fee for attending Board and Committee Meetings

Independent Directors	Dr. Ajay Kumar	Mr. Arun Seth	Dr. Ram Sewak Sharma	Mrs. Padmaja Chunduru	Dr. Thomas Michael Bradicich	Mr. Mark Evan Adams
Board Meeting	1,00,000	10,00,000	10,00,000	11,00,000	9,00,000	7,00,000
Nomination and Remuneration Committee	75,000	3,75,000	3,00,000	2,25,000	-	75,000
Audit Committee	75,000	5,25,000	4,50,000	5,25,000	-	-
Corporate Social Responsibility Committee	-	-	-	75,000	-	-

(In ₹)

Particulars of Fee for attending Board and Committee Meetings

Independent Directors	Dr. Ajay Kumar	Mr. Arun Seth	Dr. Ram Sewak Sharma	Mrs. Padmaja Chunduru	Dr. Thomas Michael Bradicich	Mr. Mark Evan Adams
Risk Management Committee	-	-	-	1,50,000	75,000	-
Stakeholder Relationship Committee	-	-	-	-	-	-
IPO Committee	-	1,50,000	-	-	-	-

l) Statement of Performance Evaluation by the Board

The evaluation of all the Directors, the Board as a whole and each of the Committees of the Board and Chairman of the Board was conducted based on the the performance evaluation criteria for Directors are determined by the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee oversees the annual self-evaluation of the Board including committees thereof and of individual directors. It reviews and discusses all matters pertaining to the performance of all directors including independent directors, periodically as may be necessary on the basis of the detailed performance parameters set forth.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The Board and the Nomination and Remuneration Committee reviewed the performance of Individual Directors on the basis of criteria such as the contribution of the Individual Director to the Board and Committee Meetings.

m) Details of Remuneration to Directors

Your Company being an Unlisted Public Limited Company and as per Section 197 (12) and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable. Hence the disclosure is not furnished.

n) Directors' responsibility statement

Your Directors state:

i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii) that they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;

iii) that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that they had prepared the annual accounts on a going concern basis;

v) that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Adequacy of Internal Financial Controls

Internal Financial Control is a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with applicable reporting requirement standards. Our Internal Financial Control includes:

- that all disclosures as required by law and applicable accounting/reporting standards have been complied with;
- that all policies and procedures of the Company have been adhered to and those policies and procedures relating to safeguarding of assets have been complied with;
- that compliance of such policies and procedures enable prevention and detection of fraud and error;
- that policies and procedures adopted by the Company ensure accuracy and completeness of accounting records.

On account of its inherent limitations, Internal Financial Control may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Your Company has been continuously striving to strengthen the internal control over financial reporting and improve the operational efficiency by providing training to its associates. During the year, Your Company imparted specific training to its associates in the area of classification and presentation of financial instruments.

Details of Subsidiary / Joint Ventures / Associate Companies and Performance thereof

As of March 31, 2026, the Company has one Associate Company, SKVR Software Solution Private Limited, a deemed public subsidiary in the Information Technology - Data Center Business & Leasing. For the financial year, your Company reported consolidated operating revenue of ₹ 17,605.28 million, compared to ₹ 14,283.65 million in the previous year, reflecting a growth of 23.25%, and a consolidated Profit after tax, of ₹ 361.49 million, as against ₹ 1,263.60 million in the previous year, showing a reduction in profit of 71.39%.

Pursuant to Rule 9 of the Electricity Rules, 2005, the Company is required to maintain a minimum equity shareholding of 26% in Renewable Energy (RE) companies for the purpose of captive consumption. In compliance with the said requirement, the Company has made investments in various RE companies.

S. No.	Name of the Company	No. of Shares Held	% of Holding
1	SKVR Software Solutions Private Limited	4,900	49.00%
2	Tasoula Energy Private Limited*	70,31,250	38.87%
3	Sunsure Solarpark Eighteen Private Limited*	95,723	44.25%
4	VEH Srishti Energy Private Limited*	1,50,12,000	42.63%
5	Murli Solar Enery Private Limited*	38,776	23.50%
6	Sarayu Cleangen Private Limited*	1,56,000	26.00%

*As per the provisions of Section 2(6) of the Companies Act, 2013, these entities qualify as Associate Companies of the Company. However, for the purpose of consolidation of financial statements, such entities are not considered as associates in accordance with the applicable Indian Accounting Standards (Ind AS 28 - Investments in Associates and Joint Ventures), considering the absence of significant influence as defined therein.

Pursuant to Sections 129(3) and 136 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the Company has prepared consolidated financial statements. A statement containing the salient features of the financial statements of the Associate in Form AOC-1 forms part of these Financial Statements. The audited financial statements of the Company and its Associate are available on the Company's website at https://sifyinfinitspaces.com/ready-reckoner/

Auditors

a. Statutory Auditors

M/s Manohar Chowdhry & Associates, Chartered Accountants (ICAI Firm Registration No. 001997S), were appointed by the shareholders at the Annual General Meeting held on August 16, 2021, as the statutory auditors of the Company under Sections 139 and 141 of the Companies Act, 2013, for a term of five consecutive years, concluding with the AGM for the financial year ending March 31, 2026. Accordingly, their term of appointment will conclude at the forthcoming AGM in 2026. The Board proposed the reappointment of the firm for a further period of 5 consecutive years subject to the approval of the members at the ensuing AGM.

The Auditors' Report for the financial year 2025-26 is unmodified, with no qualifications, reservations, or adverse remarks made by the statutory auditors.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and based on the recommendations of the Audit Committee, the Board of Directors at its meeting held on April 18, 2025, approved and recommended to the shareholders the appointment of M/s M. Damodaran & Associates LLP, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a term of five consecutive years from April 1, 2025, to March 31, 2030. The shareholders approved their appointment at the Annual General Meeting held on July 30, 2025.

The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2026 is annexed as **Annexure 1**. The Report does not contain any qualification, reservation or adverse remark in their report.

c. Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 8(4) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Yoganandh & Ram LLP, Chartered Accountants (ICAI Firm Registration Number: 005157S) were appointed by the Board of Directors at their meeting held on April 18, 2025, as the Internal Auditors of the Company to conduct the internal audit for the financial year ended March 31, 2026.

Reporting of Fraud by Auditors

During the year under review, the Statutory Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

Deposits

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Loans, Guarantees, Investments and Securities

Pursuant to the provisions of Section 186 of the Companies Act, 2013, the details of loans granted, investments made, guarantees given, and securities provided, along with the purpose for which such loans, guarantees, or securities are intended to be utilized by the recipients, form part of the Notes to the Financial Statements of the Company for the financial year ended March 31, 2026.

During the year under review, the Company has undertaken strategic initiatives in the renewable energy segment through execution of Power Purchase Agreements (PPAs) and corresponding equity investments in Special Purpose Vehicles (SPVs).

Particulars of Contracts or Arrangements with Related Parties

During the year under review, all transactions with related parties were conducted on an arm's length basis and in the ordinary course of business, in compliance with the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Material Related Party Transactions were carried out with the prior approval of the Members of the Company.

Your company has also obtained the shareholders' approval for the material related party transactions proposed to be entered with the holding company, fellow subsidiary companies, and associate companies which are identified as the related parties of the company at their extra-ordinary general meeting held on September 26, 2025 and the same is valid till September 26, 2026.

There were no materially significant transactions with promoters, directors, key managerial personnel, or other designated persons that could potentially conflict with the interests of the Company.

In accordance with Regulation 53 read with Para A of Schedule V of the Listing Regulations, the Company has made adequate disclosures of related party transactions.

Your Directors draw attention of the shareholders to Note 38 to the Financial Statements which sets out disclosures on related party transactions.

Your Company confirms that no transactions with related parties were entered into during the year that were outside the ordinary course of business or not on an arm's length basis. A confirmation to this effect, as required under Sections 134(3)(h) and 188(1) of the Companies Act, 2013, is provided in Form AOC-2 as **Annexure 2**, which forms part of this Report.

The policy on related party transactions as approved by the Board of Directors has been uploaded on the website of the Company at https://sifyinfinitspaces.com/corporate-governance/#policies.

Corporate Social Responsibility (CSR)

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company's mandated CSR expenditure for the financial year 2025-26 amounts to ₹ 2,85,22,000.

During the year under review, the Company has incurred a CSR expenditure of ₹ 2,71,31,320 towards eligible CSR activities in accordance with the applicable statutory provisions. The unspent amount of ₹ 13,90,680, pertaining to an ongoing project, has been duly transferred to the designated "Unspent CSR Account" in compliance with Section 135(6) of the Act, and shall be utilised for the maintenance of the park located at Noida.

The details of CSR expenditure during the financial year are set out below:

Name of the Trust / Beneficiary	Purpose	Amount (₹)	Status of Project
New Okhla Industrial Development Authority (NOIDA)	Adoption and maintenance of the park located adjacent to the Company's Noida DC-02 premises	28,01,320	Ongoing Project
M/s. Raju Vegesna Foundation (India)	Providing safe drinking water to rural communities and pilgrims across Devasthanams in Andhra Pradesh, Telangana, and Maharashtra	2,25,00,000	Completed
M/s. Raju Vegesna Foundation (India)	Safe drinking water projects, promotion of education, special education support, disaster relief initiatives, and rural infrastructure development	15,00,000	Completed
M/s. The Voluntary Health Services, Chennai	Procurement of medical equipment for dermatological diagnostics and neonatal care facilities	3,30,000	Completed

The Companies (Corporate Social Responsibility Policy) Rules, 2014 read with section 134(3) and 135(2) of the Companies Act, 2013, as amended, has been annexed as **Annexure 3**, Annual Report on CSR Activities of the company

The Corporate Social Responsibility Committee formulated and recommended the Corporate Social Responsibility Policy ("CSR Policy") to the Board, which was duly approved and is being implemented by the Company. The CSR Policy is available on the website of the Company at https://sifyinfinitspaces.com/corporate-governance/#policies.

Business Responsibility and Sustainability Report

In accordance with Regulation 34 of the SEBI Listing Regulations, the top 1,000 listed entities are required to submit a Business Responsibility and Sustainability Report ("BRSR") in the prescribed format, and the top 250 entities must undertake BRSR Core assessment or assurance from FY 2025-26. While the Company is not mandated to comply, it has voluntarily prepared its BRSR for FY 2024-25 in line with SEBI's Master Circular dated November 11, 2024 (as amended) and the Industry Standards on BRSR Core issued on December 20, 2024.

The BRSR provides standardized and comparable ESG disclosures, enabling a more comprehensive evaluation of the Company's environmental, social, and governance performance. It supports informed stakeholder decision-making and strengthens overall transparency. The Company's BRSR is available on the website of the Company at https://sifyinfinitspaces.com/wp-content/uploads/2026/01/SISL-BRSR.pdf.

Human Resource Management

Your Company recognizes that its workforce is central to achieving its strategic and operational objectives, particularly in an evolving technology-driven business environment. Accordingly, the Company has established a structured framework for learning and development, aimed at aligning employee capabilities with organizational transformation initiatives.

The learning and development programs are designed to foster a culture of continuous learning, with a focus on skill enhancement, performance excellence, and professional growth. These initiatives seek to build a capable, agile, and future-ready workforce equipped to respond effectively to emerging opportunities and challenges.

The Company remains committed to nurturing talent across all levels through a diverse range of training interventions and development platforms.

The total number of employees (including contract and international employees) as on March 31, 2026 was 249 as per the Company's payroll records.

Disclosure of Gender-wise Employee Distribution (as on March 31, 2026)

The gender-wise distribution of employees across the group entities is set out below:

Gender	No. of Employees
Male	235
Female	14
Total	**249**

Disclosure on Compliance with Maternity Benefits

The Board affirms that the Company is in compliance with the provisions of the Maternity Benefit Act, 1961, as amended from time to time, including the provision of maternity leave of up to 26 weeks.

Nomination and Remuneration Policy

In accordance with Section 178 of the Companies Act, 2013 the NRC has formulated a Nomination and Remuneration Policy (NRC Policy) to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The policy seeks to provide criteria for performance evaluation, disclosures on the remuneration of Directors, and criteria for making payments to Non-Executive Directors as part of ensuring Corporate Governance.

The Nomination and Remuneration policy as approved by the Board of Directors has been uploaded on the website of the Company at https://sifyinfinitspaces.com/corporate-governance/#policies.

Conservation of Energy, Technology Absorption and Foreign Exchange Outgo

The particulars prescribed under clause (m) of sub section (3) of Section 134 of the Companies. Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014 of the following:

i. Conservation of Energy & Technology Absorption

To enhance operational visibility and energy optimization, SISL has implemented a customized energy monitoring dashboard across its initial cluster of three data centers. This platform integrates real-time data from renewable energy sources such as solar and wind generation systems.

The dashboard provides granular insights into power consumption patterns, enabling operational teams to dynamically manage energy sourcing based on workload intensity and facility demand. It also tracks cumulative renewable energy generation and associated carbon emission reductions over time.

Where renewable generation declines due to weather conditions or maintenance activities, the system provides visibility into the volume of electricity being drawn from the state grid to maintain uninterrupted operations. Automated alerts are triggered in the event of generation disruptions or data anomalies, enabling rapid response and seamless transition to alternate power sources where necessary.

ii. Technology absorption

The technology was commissioned this financial year and uses data that is fed from the individual tower based on the type of energy used and the time it is used.

iii. Foreign Exchange Earnings and Outgo

Details of Foreign Exchange Earnings and outgo during the year are as follows:

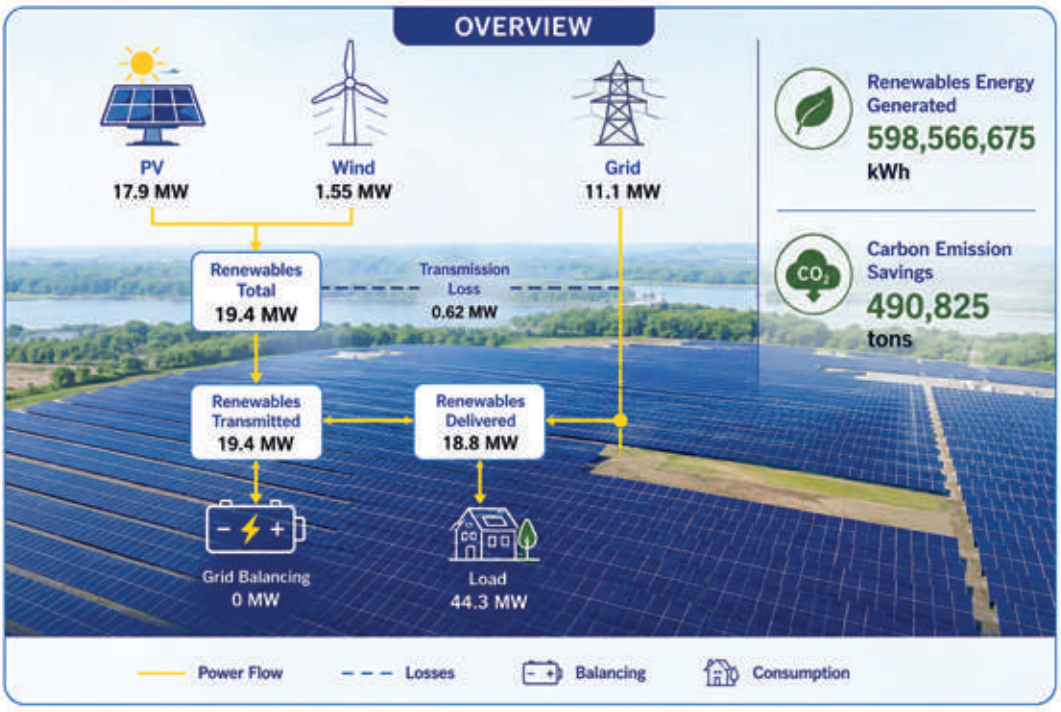
₹ In Millions

Total Foreign Exchange Earned and Outgo	For the Financial Year ended March 31, 2026 ₹	For the Financial Year ended March 31, 2025 ₹
Foreign Exchange Inflow	992.43	465.58
Foreign Exchange Outgo	2,190.98	1,179.93

Sustainability Report

This Sustainability Report is guided by a robust materiality assessment that identifies the issues most pertinent to the Company and its stakeholders. The assessment incorporates evolving stakeholder expectations, industry trends, regulatory developments, and the Company's long-term strategic objectives. It encompasses both qualitative and quantitative evaluations of the Company's environmental and social impact, risk management framework, governance practices, stakeholder outcomes, and progress against strategic ESG priorities.

The Company's commitment to sustainable and responsible business practices has been recognized by ICRA, which assigned an ESG Impact Score of 79 (Good) out of 100, reflecting the Company's strong performance across environmental, social, and governance dimensions.



The Company also published its first Environment, Social Impact Assessment Report independently assessed by Dun & Bradstreet, 2025.

Risk Management

The Board has approved a comprehensive Risk Management Policy to identify and assess all material risks, with the revised Policy becoming effective September 25, 2025, upon approval of the Board and Shareholders. During the year, Mrs. C.B. Priya was appointed as the Chief Risk Officer, effective July 18, 2025.

Your Company has constituted a Risk Management Committee empowered to monitor the risk management plan, review the risk certificate, and recommend modifications to the Policy. Business risks are identified through incident analysis and periodic evaluations of the operating environment. Key risks are assessed across appropriate organizational levels and reported to the Risk Management Committee.

Business risks are identified based on incident analysis and the environment in which the Company operates and the focus on Risk Management continues to be high. The periodic assessment of business risk environment is carried out to identify significant risks to the achievement of business objectives of the Company. Key risks are reported and evaluated at appropriate forums and levels within the Company. The Risk Committee of the Company is responsible for assisting the Audit Committee with a full status of the risk assessment and management of the risks. Audit Committee and the Board also obtain periodical updates on identified risks, depending upon the nature, quantum and likely impact on the business.

Whistleblower Policy / Vigil mechanism

Your Company has adopted a whistle blower policy and has established necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations and section 177 of the Companies Act, 2013 for stakeholders including directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethical policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism.

In compliance with the procedure laid down under the Whistleblower Policy / Vigil mechanism as required under the Companies Act, 2013, The Company has instituted a structured and comprehensive framework under its Whistle Blower Policy / Vigil Mechanism, as detailed below:

Sl. No.	Key Governance Framework Element	Description
i.	Complaint Management Framework	Established procedures for systematic receipt, retention and appropriate disposal of complaints.
ii.	Confidential Reporting Mechanism	Enables confidential and, where necessary, anonymous reporting by employees and directors on matters relating to questionable accounting or auditing practices, legal violations, or significant misuse of Company resources.
iii.	Ethical Reporting Channel	Facilitates reporting of genuine concerns by employees and directors in a secure and structured manner.
iv.	Whistleblower Protection Safeguards	Provides robust safeguards against victimisation or retaliation for individuals utilising the vigil mechanism.

During the year under review, no personnel was denied access to the Audit Committee.

The Whistleblower Policy / Vigil mechanism policy is posted on the website of the Company at https://sifyinfinitspaces.com/corporate-governance/#policies.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and operations of your Company in future.

Maintenance of Cost Records

The Central Government has not prescribed the maintenance of Cost Records under Section 148(1) of the Companies Act, 2013 for the Company.

Secretarial Standards

During the year, your Company has complied with the provisions of the applicable Secretarial Standards issued by Institute of Company Secretaries of India.

Annual Return

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended, the Annual Return of the Company as on March 31, 2025 is available on the website of the Company at https://sifyinfinitspaces.com/ready-reckoner/.

Employees' Particulars in terms of Section 197 read with rules therewith of the Act

Your Company is an unlisted public company and hence the provisions of Section 197(12) of the Act and the Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not applicable to the Company.

Policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has a zero-tolerance approach for sexual Harassment of Women at Workplace. A Policy has been framed and adopted for prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The Company is committed to providing a safe, secure and respectful working environment for all employees and has constituted the requisite Internal Committee to address complaints, if any, in accordance with applicable law.

The status of complaints during the year under review is as follows:

Particulars	Status
Number of complaints received	Nil
Number of complaints resolved	Not Applicable
Number of complaints pending for more than 90 days	Not Applicable

Proceedings under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

No application has been filed, and no proceedings have been initiated or are pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), that could have a material impact on the Company's business.

Awards, Certifications & Recognition:

- CIO Choice 2025 for AI Ready Data Centers by Core Media 2025
- Best Data Center Infrastructure in India Award by VAR India 2025
- Green Champion Award by IGBC, 2025
- Reasonable Assurance for SISL's BRSR (RA for 8 of the 9 Core Indicators) by Forvis Mazars 2026
- LACP SPOTLIGHT AWARDS 2025 for SISL Integrated Report

Others:

- There was no instance of one-time settlement with any Bank or Financial Institution.
- Apart from the forestated restatement, there were no revisions in the financial statements and Board's Report of the Company during the year under review.

Acknowledgement

Your directors take this opportunity to thank all Investors, Banks and Government Authorities for their continued support. Your directors also wish to place on record their appreciation of the valuable contribution made by the employees.

For and on behalf of Board of Directors

C R Rao
Whole Time Director
(DIN: 02624863)

Raju Vegesna
Director
(DIN: 00529027)

Chennai
April 12, 2026

Annexure - 1

FORM NO. MR-3

Secretarial Audit Report

For The Financial Year Ended March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SIFY INFINIT SPACES LIMITED
(CIN: U74999TN2017PLC119607),
2nd Floor, TIDEL Park, No 4, Rajiv Gandhi Salai,
Taramani, Chennai,
Tamil Nadu, India, 600 113.

We, M Damodaran & Associates LLP, Practicing Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SIFY INFINIT SPACES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2026** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The Company has complied with the following applicable Laws:

a) The Employees Provident Fund and Miscellaneous Provisions Act, 1952.

b) Employees State Insurance Act, 1948.

c) Maternity Benefit Act, 1961.

d) The Payment of Bonus Act, 1965.

e) The Payment of Gratuity Act, 1972.

f) The Tamilnadu Labour Welfare Fund Act, 1972.

g) The Tamilnadu Shops and Establishment Act, 1947.

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") including amendment/ re-enactment made thereto; (to the extent applicable):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to listed Non-Convertible Debentures;

e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with clients;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, to the extent applicable to the issuer of listed Non-Convertible Debentures;

j) The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, to the extent applicable to listed Non-Convertible Debentures; and

k) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

We have also examined compliance with the applicable clauses of the following:

i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Non High Value Debt Listed Entities ("HVDLE") and

ii. Secretarial Standards - 1 (SS-1) for Board Meeting and Secretarial Standards - 2 (SS-2) for General Meeting issued by the Institute of Company Secretaries of India.

During the year under review, the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Circulars, Notifications, Guidelines, Secretarial Standards, etc., mentioned above subject to the following:

Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires intimation of the record date for payment of interest on Non-Convertible Debentures for each quarter. However, the Company informed about the inadvertent omission of the record date intimation for the quarter ended June 30, 2025, in its letter dated June 29, 2025, filed with the exchange for the purpose of intimation of interest payment. Further, the Company ensured payment of the said interest to Non-Convertible debenture holders within the due date.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were in compliance of the applicable provisions.

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes, decisions at Board Meetings were taken unanimously/requisite majority.

We further report that during the year under review, the Board reconstituted various Committees with effect from September 25, 2025, and appointed Mr. Vegesna Ananta Koti Raju as Chairperson of the Company.

We further report that during the year under review, the Company was required to spend ₹ 2.85 crores towards CSR, of which ₹ 2.71 crores has been spent. One project undertaken by the Company will continue to be classified as an ongoing project, as its duration is 11 months from the date of commencement. The remaining amount will be transferred to the Unspent CSR Account in accordance with the applicable provisions of the Companies Act, 2013.

We further report that during the year under review, the Company has appointed M/s. KFin Technologies Limited as the Registrar and Share Transfer Agent (RTA) for equity shares with effect from August 11, 2025.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

a. the Company issued and allotted Commercial Paper aggregating to ₹ 40 crores on May 13, 2025, which was listed on May 14, 2025 and subsequently redeemed on August 11, 2025.

b. Dr. Ajay Kumar (DIN: 01975789), tendered his resignation as an Independent Director of the Company, effective from the close of business hours on May 15, 2025.

c. the Company issued 25,00,000 6% Unsecured CCDs (face value ₹ 100 each) to Sify Technologies Limited (STL), the Holding Company, aggregating ₹ 25 crore, through preferential allotment on August 12, 2025.

d. the Company has filed its Draft Red Herring Prospectus (DRHP) dated October 16, 2025, with the Securities and Exchange Board of India (SEBI), BSE Limited, and the National Stock Exchange of India Limited, in connection with its proposed Initial Public Offering (IPO) of equity shares of face value of ₹ 10 each. The proposed Offer comprises a fresh issue of equity shares aggregating up to ₹ 25,000 million and an offer for sale of equity shares aggregating up to ₹ 12,000 million by certain existing and eligible shareholders of the Company. The Company received in-principle approval for the DRHP from BSE and NSE on January 02, 2026. The Company is in the process of filing the Updated Draft Red Herring Prospectus with the Stock Exchanges.

e. Members of the Special Committee, at their meeting held on January 17, 2026, considered and approved the grant of 1,87,90,000 options under Associate Stock Option Plan, 2025 of the Company at a grant price of ₹ 150 to eligible employees of the Company and its Holding Company.

We further report that during the year under review, the Company paid cumulative preference dividend to STL for 5,00,00,000 CCPS at 6% per annum, amounting to ₹ 1,50,41,096 for the period 1st April 2025 to 30th September 2025 and paid an interim dividend of ₹ 1,06,02,740 for the period 1st October 2025 to 6th February 2026.

We further report that during the year under review the Board of Directors of the Company, inter-alia, has considered and approved, at its meeting held on February 07, 2026,

i. conversion of 5,00,00,000 compulsorily convertible preference shares of the Company into 40,23,873 equity shares, and the allotment of such equity shares to Sify Technologies Limited.

ii. conversion of 12,47,50,000 Compulsorily Convertible Debentures (CCDs) of the Company into 8,97,95,295 equity shares, and the allotment of such equity shares to the respective holder(s) of CCDs.

We further report that during the year under review, in terms of the powers conferred on the Board of Directors of the Company under Section 180(1)(a) & (c) of the Act by the Shareholders and with the approval of the Board:

a. The Company has created / modified the security both on the Movable and Immovable Properties of the Company for the various borrowings made, which were well within the limits approved by the shareholders by Special Resolution at the Extraordinary General Meeting held on December 10, 2025.

b. The Company has borrowed funds from Banks, Financial Institutions and Non-Banking Financial Companies, which were well within the limits approved by the shareholders by Special Resolution at the Extraordinary General Meeting held on December 10, 2025.

c. There was no amalgamation / reconstruction during the period under review.

During the period under review, the Company has not entered into any Foreign Technical Collaboration Agreement.

For **M DAMODARAN & ASSOCIATES LLP**
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837H000075049

Place: Chennai
Date : April 12, 2026

(This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report)

'Annexure 1'

To,
The Members,
SIFY INFINIT SPACES LIMITED
(CIN: U74999TN2017PLC119607),
2nd Floor, TIDEL Park No 4, Rajiv Gandhi Salai,
Taramani, Chennai,
Tamil Nadu, India, 600 113.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on the audit conducted by us.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **M DAMODARAN & ASSOCIATES LLP**
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837H000075049

Place: Chennai
Date : April 12, 2026

FORM AOC-2

Annexure - 2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2026 which were not at arm's length basis.

a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts / arrangements / transactions	Nil
c)	Duration of the contracts / arrangements / transactions	Nil
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date(s) of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the resolution was passed in general meeting as required under first proviso to Section 188	Nil

2. Details of material contracts or arrangements or transactions at arm's length basis

Except as stated below, there were no material contracts or arrangements or transactions entered into during the financial year ended March 31, 2026, pursuant to Section 188 of the Companies Act, 2013.

Particulars	M/s. Sify Technologies Limited	M/s. SKVR Software Solution Private Limited
Name(s) of the related party and nature of relationship	M/s. Sify Technologies Limited,the Holding Company	M/s. SKVR Software Solution Private Limited,the Associate Company
Nature of contracts / arrangements / transactions	Execution of lease agreement between STL and the Company	Execution of lease agreement between SKVR and the Company
Duration of the contracts / arrangements / transactions	10 years	10 years
Salient terms of the contracts or arrangements or transactions, including the value, if any	Leasing of office space - Rent of ₹ 35,78,220/-	Leasing of building - Rent of ₹ 3,20,00,000/-
Justification for entering into such contracts or arrangements or transactions	Required for business use	Required for business use
Date(s) of approval by the Board	April 18, 2025	April 18, 2025
Amount paid as advances, if any	₹ 1,07,34,660/- paid as refundable security deposit	₹ 9,60,00,000/- paid as refundable security deposit
Date on which the resolution was passed in general meeting as required under first proviso to Section 188	Not required, being within the limits specified under Section 188 of the Act	Not required, being within the limits specified under Section 188 of the Act

For and on behalf of Board of Directors

C R Rao
Whole Time Director
(DIN: 02624863)

Raju Vegesna
Director
(DIN: 00529027)

Chennai
April 12, 2026

Annexure - 3

FORM CSR - 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANICIAL YEAR 2025-26

1. Brief Outline on CSR Policy of the Company:

Sify Infinit Spaces Limited ("SISL") is committed to driving positive change by promoting social sustainability, environmental protection, and the welfare of underprivileged communities. Guided by its vision, the Company's CSR efforts aim to create meaningful social, economic, and environmental impact.

The CSR Policy of the Company outlines this purpose and direction as approved by the Board based on the CSR Committee's recommendations. It sets the guiding principles for selecting, implementing, and monitoring CSR activities and for formulating the annual CSR action plan. The policy also lists the CSR projects undertaken by the Company.

In accordance with the Companies Act, 2013, SISL has committed 2% of its average net profits annually towards CSR initiatives, ensuring sustained contribution to community development and environmental sustainability.

2. Composition of the CSR Committee

During the year under review, the CSR Committee was reconstituted, and the following members were appointed effective 25th September 2025.

i. Mrs. Vegesna Bala Saraswathi - Chairperson

ii. Mr. C R Rao - Member

iii. Dr. Thomas Michael Bradicich - Member

The Committee met once during the year to adopt the Company's CSR policy and to formulate the annual CSR action plan in accordance with the provisions of the Companies Act, 2013.

S. No	Name of Director	Designation	Date of the CSR Committee Meeting	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs Vegesna Bala Saraswathi	Chairperson	April 17, 2025	1	1
2.	Mr. C R Rao	Member	April 17, 2025	1	1
3.	Mrs. Padmaja Chunduru*	Member	April 17, 2025	1	1
4.	Dr. Thomas Michael Bradicich#	Member	April 17, 2025	NA	NA

*Relinquished effective 25th September 2025

#Appointed effective 18th August 2025

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

www.sifyinfinitspaces.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6. a) **Average net profit of the company as per sub-section (5) of section 135:-**

Financial Year	Net Profit before exceptional items in (₹ In Lakhs)
2024-25	18,181
2023-24	11,718
2022-23	12,884
Total	**42,783**

Average Net Profit = ₹ 14,260.93 lakhs

b) **Two percent of average net profit of the Company as per Section 135(5):-**

₹ 2,85,21,900/- (Rupees Twenty Crore Eighty Five Lakh Twenty One Thousand Nine Hundred only)

c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:-** Nil

d) **Amount required to be set off for the financial year, if any:-** Nil

e) **Total CSR obligation for the financial year (b+c-d):-** ₹ 2,85,21,900

f) **Excess amount for set off if any:** Nil

S. No	Particular	Amount (₹ in lakhs)
(1)	(2)	(3)
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	2,85,21,900
ii.	Total amount spent for the Financial Year	2,71,31,320
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. a) **Spent on CSR Projects (other than Ongoing Project) Amount spent as on March 31, 2026:**

Name of the Trust / Beneficiary	Purpose	Amount (₹)	Status
New Okhla Industrial Development Authority (NOIDA)	Adoption and maintenance of the park is located adjacent to the Company's Noida DC-02 premises.	28,01,320/-	Ongoing Project
M/s. Raju Vegesna Foundation (India)	Contribution towards provision of safe drinking water to rural communities and pilgrims across various Devasthanams in Andhra Pradesh, Telangana and Maharashtra, along with initiatives relating to promotion of education (including special education), disaster relief, and rural infrastructure development.	2,40,00,000/-	Completed Project
M/s. The Voluntary Health Services	Procurement of medical equipment for strengthening dermatological diagnostics and neonatal care facilities	3,30,000/-	Completed Project

(The details are given as annexure)

b) **Amount spent in Administrative Overheads: -** Nil

c) **Amount spent on Impact Assessment, if applicable: -** Nil

d) **Total amount spent for the Financial Year [(a)+(b)+(c)]: -** ₹ 2,71,31,320

e) CSR amount spent or unspent for the Financial Year:

CSR Amount Spent for the Financial Year in ₹	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer*	Name of the fund	Amount.	Date of Transfer
₹ 2,71,31,320	₹ 13,90,680		Not Applicable		

*The unspent CSR amount to a separate bank account in compliance with the Companies Act, 2013.

8. a) Details of Unspent CSR amount for the preceding three Financial Years: Nil

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount in Unspent CSR Account under subsecti on (6) of section 135 (in ₹)	Amount in Unspent CSR Account under subsecti on (6) of section 135 (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
Not Applicable							

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding Financial Year(s): Not Applicable

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

Not Applicable

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of Creation	Amount of CSR amount Spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
-	-	-	-	-	CSR Registration Number, if applicable	Name	Registered Address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Grampanchayat are to be specified and also the area of immovable property as well as boundaries)

10. Specify the reason, if the Company has failed to spend 2% of the average net profit as per Section 135(5). Not Applicable

Vegesna Bala Saraswathi
Chairperson - CSR Committee
DIN: 07237117

C R Rao
Member
DIN: 02624863

CSR Project Implementation Summary

The following table presents a consolidated overview of the Corporate Social Responsibility (CSR) initiatives undertaken, aligned with Schedule VII of the Companies Act, 2013. The activities reflect the organisation's commitment to community welfare, environmental sustainability, and livelihood enhancement.

S. No.	Name of the project	Item from the list of activities in schedule VII to the Act	Local Area	Location of the Project	Amount spent for the project (in ₹)	Unspent Amount Transferred, if any	Mode of Implementation -Direct/Indirect	Mode of implementation through implementing agency	Implementing Agency Registration No
1.	NA	Item No 1 & 3 Eradication of hunger and Environmental sustainability, including ecological restoration of drinking water sources	NA	Across the State of Andhra Pradesh	₹ 2,40,00,000	Nil	Indirect	Contribution to M/s. Raju Vegesna Foundation (India)	CSR00025627
2.	NA	Item 2 Livelihood enhancement and skill development activities	NA	Noida	₹ 28,01,320	₹ 13,90,680	Direct	Contribution to New Okhla Industrial Development Authority (NOIDA)	NA
3.	NA	Item 2 Promoting health including preventive health care	Yes	Chennai	₹ 3,30,000	Nil	Indirect	Contribution to M/s. Voluntary Health Services (India)	CSR000003444

Vegesna Bala Saraswathi
Chairperson - CSR Committee
DIN: 07237117

C R Rao
Member
DIN: 02624863

Management Discussion and Analysis

Global Economy

Overview[1 2 3]

The global economy in 2026 reflects measured resilience within an increasingly complex and fragmented macroeconomic environment. Global growth is projected at 3.3%, broadly stable year-on-year but below historical averages, indicating a structurally moderated expansion cycle.

This outlook is being shaped by a volatile geopolitical backdrop. Escalating tensions in the Middle East and the prolonged conflict in Eastern Europe have disrupted energy supply chains, with crude oil prices crossing USD 100 per barrel, intensifying inflationary pressures and weakening growth momentum. At the same time, rising protectionism is constraining global trade, with growth expected to slow sharply to 1.9% in 2026, down from 4.6% in the previous year.

Emerging markets continue to anchor global expansion, contributing a majority share of incremental growth, with Asia at the forefront. Economic momentum remains concentrated among a few large economies, particularly the United States, China, and India.

Inflation is moderating but remains uneven. Global inflation is expected at 3.8%, with persistent core pressures in advanced economies. This has resulted in a prolonged higher interest rate environment, particularly in the United States, sustaining a strong US dollar and tightening global liquidity conditions.

Growth divergence persists, with advanced economies expanding at 1.5-1.8% and emerging markets at over 4%. The global economy is thus moving into a phase of measured but constrained expansion, with stability sustained amid elevated risks.

Outlook[4 5]

The global economic outlook points to continued but constrained expansion, with growth expected to remain in the 3.2%-3.3% range through 2027, below the pre-pandemic average of 3.7%, indicating limited cyclical upside.

The next phase of growth is expected to be increasingly productivity-led. AI adoption is estimated to contribute 0.2-0.4 percentage points annually to global productivity growth over the medium term, reinforcing technology as a key driver of incremental output. At the same time, global capital allocation is becoming more selective, with investment concentrated in digital infrastructure, energy transition, and supply chain reconfiguration.

Downside risks are becoming more measurable. A 10% increase in oil prices could reduce global GDP growth by ~0.15 percentage points, highlighting the sensitivity of the outlook to energy market disruptions. Trade is expected to remain structurally weaker, with growth projected at 2-3% over the medium term, significantly below pre-2019 levels, reflecting persistent fragmentation and regionalization.

Financial conditions are likely to remain tight. U.S. policy rates are expected to stay above ~4% through much of 2026, sustaining a strong dollar, influencing capital flows toward developed markets, and increasing external financing pressures for emerging economies.

Overall, the outlook indicates stable but capacity-constrained growth, where incremental expansion will depend on productivity gains, policy effectiveness, and resilience to external shocks.

[1] https://www.imf.org/-/media/files/publications/weo/2026/january/english/text.pdf

[2] https://argaamplus.s3.amazonaws.com/8ba61fbd-b022-400b-82f5-7a2d93f3c31f.pdf

[3] https://openknowledge.worldbank.org/server/api/core/bitstreams/a9e24256-baf8-45bb-9075-75e437e1d6f7/content

[4] https://www.oecd.org/en/topics/economic-outlook.html

[5] https://www.imf.org/en/Publications/WEO/Issues/2026/01/19/world-economic-outlook-update-january-2026

Indian Economy

Overview[6] [7] [8]

India's economic trajectory in 2026 remains resilient, with GDP growth projected at 7.3%, reinforcing its position as the fastest-growing major economy. Growth is expected to moderate to 6.4% over the next two years, reflecting a gradual shift toward more structurally anchored expansion.

Inflation remains within the central bank's 2%-6% tolerance band, though recent data indicates emerging pressures. Retail inflation rose to 3.21% year-on-year in February 2026, up from 3.15% in January, driven primarily by food prices, underscoring the continued influence of supply-side factors.

Structural drivers continue to support momentum. India is benefiting from global supply chain realignments, with exports accounting for 21.2% of GDP and services contributing 47% of total exports, providing resilience amid global trade volatility. Sustained expansion in manufacturing and services PMI indicates continued breadth in economic activity.

External linkages are becoming more pronounced. Financial flows at 28.5% of GDP are increasing sensitivity to global liquidity, while crude oil volatility continues to influence inflation and external balances. At the same time, foreign exchange reserves of USD 700 Billion and a current account deficit of ~1% of GDP provide macroeconomic buffers.

Overall, India's outlook reflects strong domestic resilience and rising global integration, with moderation signaling a transition to sustainable growth.

Outlook[9] [10] [11]

India's growth trajectory is expected to stabilize at 6.3%-6.5% over the medium term, reflecting a transition from post-pandemic momentum to a more trend-aligned expansion path. This moderation is driven by easing fiscal support and tighter global financial conditions, even as domestic demand remains a structural anchor.

Inflation is projected to stay broadly aligned with target levels but is becoming more externally sensitive, with estimates drifting toward 4.5%. Currency dynamics are emerging as a key transmission channel, with the rupee weakening past ₹ 93 per US dollar, highlighting increased sensitivity to geopolitical shocks and capital flow volatility.

External pressures are intensifying. India's crude import dependence (over 80%) exposes it to energy price shocks, with recent geopolitical disruptions pushing oil prices above USD 100 per barrel, impacting both inflation and current account dynamics.

Financial conditions are also tightening, with foreign outflows exceeding USD 8 Billion in a single month, underscoring the influence of global liquidity cycles. In parallel, slowing global trade growth (~2.6%) is expected to weigh on export demand.

Overall, India's outlook reflects structural resilience alongside rising external risks, with sustained growth dependent on managing currency stability, external balances, and commodity-linked volatility.

[6] https://www.reuters.com/world/india/imf-raises-india-fy26-growth-forecast-73-sees-slower-pace-next-two-years-2026-01-19/

[7] https://www.spglobal.com/en/research-insights/special-reports/india-forward/shifting-horizons/how-indian-economic-growth-realigns-with-shifting-global-trends

[8] https://www.reuters.com/world/india/view-indias-february-retail-inflation-quickens-321-yy-2026-03-12/

[9] https://www.imf.org/en/publications/weo/issues/2026/01/19/world-economic-outlook-update-january-2026

[10] https://www.reuters.com/world/india/iran-war-spotlights-india-rupees-vulnerability-banks-pitch-cross-currency-trades-2026-03-18/

[11] https://www.reuters.com/world/india/rupee-hits-record-low-iran-war-spurred-economic-risks-mount-2026-03-20/

Industry Overview

Global Data Centre Industry[12] [13]

The global data centre industry is undergoing a phase of unprecedented expansion, driven by the rapid acceleration of artificial intelligence, cloud adoption, and data-intensive digital ecosystems. Global capacity is expected to nearly double from 103 GW to 200 GW by 2030, with close to 100 GW of new capacity being added over the next five years.

This expansion reflects a sustained growth trajectory of approximately 14% CAGR through 2030, positioning the sector among the fastest-growing infrastructure asset classes globally. The scale of this opportunity is driving a USD 3 Trillion investment supercycle, encompassing real estate development, energy infrastructure, and technology deployment.

Demand fundamentals remain strong, underpinned by hyperscale cloud providers, enterprise digital transformation, and the rapid emergence of AI-led workloads. Hyperscalers alone are expected to deploy substantial capital toward capacity expansion, reinforcing the long-term structural nature of demand.

At the same time, the industry is evolving beyond traditional real estate dynamics into a more integrated infrastructure ecosystem. Power availability, energy strategy, and grid connectivity are becoming central to site selection and development timelines, shaping how and where new capacity is built.

The global data centre landscape is transitioning into a scale-driven, capital-intensive, and energy-dependent growth phase, anchored in long-term digital demand and increasingly defined by infrastructure readiness.

Indian Data Centre Industry[14] [15]

India's data centre industry is entering a phase of accelerated expansion, supported by strong digital demand and rising capital commitments. The sector is witnessing a significant investment pipeline, with total investments projected to reach ~USD 100 Billion by 2027, driven by large conglomerates and global technology players.

Capacity growth reflects this momentum. India's installed data centre capacity has expanded from 375 MW in 2020 to 1,500 MW by 2025, marking a fourfold increase within five years. This rapid scale-up underscores the rising demand for data storage, processing, and digital infrastructure across sectors.

The industry is also characterized by a strong development pipeline. Current operational capacity of approximately 1.4 GW is complemented by a substantial under-construction and planned capacity base, indicating sustained expansion over the medium term.

India's data centre landscape is evolving from a metro-centric footprint toward a more distributed network. While cities such as Mumbai, Chennai, and Hyderabad continue to anchor capacity, new locations are emerging, supported by infrastructure readiness and policy incentives.

At the same time, the scale of expansion is introducing new considerations around resource availability, particularly power and water, which are becoming integral to long-term capacity planning and operational sustainability.

The sector is transitioning into a high-growth, infrastructure-intensive phase, supported by capital inflows, digital demand, and increasing strategic relevance within India's broader economic landscape.

[12] https://www.jll.com/en-in/insights/market-outlook/data-center-outlook

[13] https://www.jll.com/en-us/newsroom/global-data-center-sector-to-nearly-double-to-200gw-amid-ai-infrastructure-boom

[14] https://www.reuters.com/world/india/india-file-100-billion-data-centre-boom-tests-resource-limits-2025-12-03/#:~:text=N)%20%2C%20opens%20new%20tab%20with,2027%2C%20according%20to%20consultancy%20Deloitte.

[15] https://www.ibef.org/news/data-centre-capacity-in-the-country-has-increased-from-about-375-mw-in-2020-to-around-1500-mw-by-2025#:~:text=Campaigns,of%20the%20global%20average%20cost.

Key Trends in the Industry[16] [17]

- **AI as a Structural Demand Driver**

  Artificial intelligence is reshaping the industry at a foundational level. AI workloads are expected to account for up to 50% of total data centre capacity by 2030, driving a shift toward higher power densities, specialized infrastructure, and new workload patterns.

- **Emergence of an Investment Supercycle**

  The sector is entering a prolonged capital deployment phase, with total investments projected to reach USD 3 Trillion by 2030. This includes real estate, compute infrastructure, and energy systems, reflecting the scale and criticality of data centres in the digital economy.

- **Power and Energy as Strategic Determinants**

  Access to reliable and scalable power is becoming the primary constraint and a key differentiator in data centre development. Energy infrastructure, including renewables and storage solutions, is increasingly integrated into planning and operations.

- **Shift Toward Distributed and AI-Optimized Architectures**

  The rise of AI inference workloads is driving more distributed infrastructure models, influencing data centre design, location strategy, and capacity planning.

- **Evolving Site Selection and Market Expansion**

  Data centre development is expanding beyond traditional hubs into new and frontier markets, guided by access to power, land availability, and regulatory support.

- **Rising Complexity in Development and Execution**

  Longer equipment lead times, grid connection delays, and increased project scale are adding complexity to execution timelines, reinforcing the need for integrated planning across real estate, energy, and technology ecosystems.

Growth Drivers in India[18] [19] [20]

- **Exponential Growth in Data Consumption**

  India's expanding digital economy is generating significant volumes of data, driven by widespread internet usage, digital platforms, and enterprise digitization. This is creating sustained demand for scalable data storage and processing infrastructure.

- **Cloud Adoption and AI Integration**

  Increasing adoption of cloud computing, artificial intelligence, and high-performance computing applications is accelerating the need for advanced data centre capacity and higher compute density infrastructure.

- **Large-Scale Capital Investments**

  Significant capital commitments from domestic conglomerates and global technology firms are supporting rapid capacity addition and ecosystem development, with total investments expected to reach ~USD 100 Billion by 2027.

- **Strong Capacity Expansion Pipeline**

  The presence of substantial under-construction and planned capacity, alongside a fourfold increase in installed capacity between 2020 and 2025, reflects sustained long-term growth visibility for the sector.

- **Policy and Digital Infrastructure Push**

  Government-led initiatives to strengthen digital infrastructure and promote technology adoption are facilitating data centre development, enhancing connectivity, and supporting ecosystem growth.

- **Emerging Demand for AI-Ready Infrastructure**

  The growing role of AI and data-intensive technologies is driving demand for next-generation, high-capacity data centres, positioning the sector as a critical enabler of India's digital and technological ambitions.

[16] https://www.jll.com/en-us/newsroom/global-data-center-sector-to-nearly-double-to-200gw-amid-ai-infrastructure-boom

[17] https://www.datacenterfrontier.com/cloud/article/55341273/jlls-2026-global-data-center-outlook-navigating-the-ai-supercycle-power-scarcity-and-structural-market-transformation

[18] https://economictimes.indiatimes.com/tech/artificial-intelligence/indias-data-centre-capacity-grew-fourfold-to-more-than-1500-mw-in-5-years-it-ministry/articleshow/129659510.cms?from=mdr

[19] https://www.reuters.com/world/india/india-file-100-billion-data-centre-boom-tests-resource-limits-2025-12-03/#:~:text=N)%20%2C%20opens%20new%20tab%20with,2027%2C%20according%20to%20consultancy%20Deloitte.

[20] https://www.ibef.org/news/data-centre-capacity-in-the-country-has-increased-from-about-375-mw-in-2020-to-around-1500-mw-by-2025#:~:text=Campaigns,of%20the%20global%20average%20cost.

Company Overview

About Sify Infinit Spaces Limited (SISL)

SISL is among India's leading providers of data center colocation services, in terms of built IT capacity. The Company operates 14 colocation data centers across six cities, with a built IT power capacity of 192.36 MW. Its facilities are strategically located in key demand hubs, including Mumbai, Chennai, Noida and Hyderabad.

SISL is part of the Sify Group, a pioneer in India's digital ecosystem with a three-decade track record across network, data center and digital services. The Company leverages this legacy to deliver secure, reliable, sustainable and energy-efficient digital infrastructure solutions. Its carrier-neutral, hyperconnected platform enables seamless scalability and connectivity.

SISL serves over 500 clients, including hyperscalers and enterprises, fostering long-term relationships that support their digital transformation journeys.

Offerings

The Company offers a converged ecosystem of data centre services, including colocation, build-to-suit, interconnection, and value-added services, enabling clients to securely house IT infrastructure, connect with partners and cloud providers, and optimize operations. It also provides incidental services such as "meet-me rooms," asset set-up, and maintenance support for hyperscaler and enterprise clients.

- **Colocation**

  The Company is among the leading providers of colocation solutions in India by built IT capacity. It offers flexible deployments ranging from single cabinets to multi-megawatt and build-to-suit configurations, supported by power, cooling, bandwidth, and multi-layered security systems.

- **Build-to-Suit**

  The Company delivers customized data centre solutions aligned to client requirements, covering design, construction, and operations. Leveraging extensive industry experience, it provides cost-effective, compliant solutions to enterprise and public sector clients.

- **Interconnection**

  The Company enables seamless connectivity across data centres through a carrier-neutral, hyperconnected ecosystem, supporting scalability, redundancy, low latency, and efficient multi-cloud integration.

- **Value-Added Services**

  The Company provides services such as inter-rack cabling, rack and stack, security deployment, and equipment procurement. Through a unified go-to-market approach with STL and SDSL, it offers integrated end-to-end ICT solutions, enhancing client value and driving growth.

Financial Review

Total Income

- Total Income - **₹ 17,880.40 Millions**
- Revenue from Operations - **₹ 17,605.28 Millions**
- Other Income - **₹ 275.12 Millions**

Total Expenses

- Cost of Services Rendered - **₹ 6,851.78 Millions**
- Employee Benefit Expense - **₹ 845.57 Millions**
- Finance Costs - **₹ 2,921.30 Millions**
- Depreciation and Amortization Expense - **₹ 4,735.97 Millions**
- Other Expenses - **₹ 1,975.76 Millions**

₹ 539.34 Millions
Profit Before Tax

₹ 177.85 Millions
Tax Expense

₹ 361.49 Millions
Profit After Tax

Risks

The Company's activities expose it to financial risks, including market, credit and liquidity risks. Its risk management framework focuses on identifying and analyzing these risks, setting appropriate limits, and monitoring adherence. Policies and systems are reviewed periodically to reflect evolving market conditions and business activities. The Board of Directors provides oversight of risk management, with independent assurance from Internal Audit. Internal Audit evaluates the effectiveness of internal controls and reports its findings directly to the Board.

Credit Risk

Credit risk arises from the potential failure of clients or counterparties to meet contractual obligations, primarily relating to trade receivables, treasury operations and lease-related activities. The Company manages this through credit approvals, defined limits and continuous monitoring of counterparty creditworthiness, along with provisions for doubtful debts and impairment of receivables.

Liquidity Risk

Liquidity risk relates to the Company's ability to meet financial obligations as they fall due. It is managed by maintaining sufficient liquidity under both normal and stressed conditions, ensuring adequate cash availability for operations and debt servicing. The Company also maintains arrangements with financial institutions, including unutilized credit lines, to address short-term requirements.

Market Risk

Market risk arises from potential adverse movements in interest rates, foreign exchange rates and other market variables impacting earnings, cash flows and asset values. This exposure stems from investing, borrowing and foreign currency operations, and is categorized into currency risk and interest rate risk.

- **Currency Risk**

  The Company is exposed to exchange rate fluctuations where obligations are denominated in foreign currencies, primarily against the Indian rupee. This risk is managed through forecasting foreign currency cash flows over a 12-month horizon, assessing net exposure, applying appropriate hedging strategies within defined limits, and conducting ongoing variance analysis, with stop-loss actions triggered beyond defined thresholds, subject to Board review.

- **Interest Rate Risk**

  Interest rate risk arises from fluctuations affecting bank deposits and borrowings. As of March 31, 2026, 72.53% of the Company's total indebtedness comprised variable rate borrowings.[AT1.1][PS1.2]

Opportunities

- **Strategic Alliances with BFSI Leaders**

  India's BFSI sector is undergoing rapid digital transformation, supported by regulatory emphasis on cybersecurity, IT governance, and data protection. This is driving demand for secure, scalable, and compliant digital infrastructure. The Company, with its integrated portfolio of data centres, cloud, and managed network services, is well-positioned as a trusted partner to support BFSI players in their digital transformation journeys.

- **Rising Adoption of 5G**

  India's rapid 5G rollout and growing readiness for next-generation technologies are accelerating data generation from real-time applications, IoT, and digital platforms, increasing the need for secure, in-country data infrastructure.

- **Growing Demand for Data Localization**

  Evolving regulations, including the Digital Personal Data Protection Act, 2023, and sector-specific guidelines, are driving the need for in-country data storage and processing. This presents a significant opportunity for the Company to support compliance-driven sectors through its secure, India-based data centre infrastructure.

- **Surge in OTT and Public Sector Demand**

  Rising OTT consumption, increasing digital adoption across Tier 2 and Tier 3 cities, and growing government-led digital initiatives are driving demand for low-latency, high-resilience infrastructure. The Company is well-positioned to support this shift with its scalable and secure data centre network.

- **Rising Demand Amid Global AI Infrastructure Shift**

  Improved access to advanced AI hardware and increasing adoption of AI technologies are driving demand for high-performance computing infrastructure. The Company's expanding data centre footprint and AI-ready facilities position it to support this emerging opportunity.

- **Edge Data Centre Opportunity**

  Increasing internet penetration and latency-sensitive applications such as digital payments, streaming, and real-time analytics are driving the need for edge data centres. By extending infrastructure closer to end users, the Company can enable low-latency, high-performance digital experiences.

Internal Control Systems and Their Adequacy

The Company has instituted a comprehensive Internal Control Framework to ensure the efficient conduct of its operations, safeguard assets, prevent and detect frauds and errors, and maintain the accuracy and reliability of financial reporting.

This framework is anchored in clearly defined policies, standard operating procedures, and an appropriate delegation of authority across functions. Technology-enabled systems further strengthen process controls, enhance data integrity, and support compliance with applicable statutory and regulatory requirements.

The effectiveness of these controls is periodically assessed through an independent internal audit function, which reviews key business processes and recommends improvements where necessary. The Audit Committee provides oversight, regularly reviewing audit findings and monitoring the implementation of corrective actions.

Human Resources

As of March 31, 2026, the Company employed 279 personnel across data centre colocation engineering, project engineering, and structural engineering functions.[AT3.1] The Company follows a structured recruitment process spanning requisition, defined criteria, advertising, application screening, and interviews. It places strong emphasis on valuing employees and recognizes their contributions as critical to its success. Accordingly, the Company invests in retention and development initiatives, fostering a culture of learning, innovation, and career progression.

Employees are provided with a range of training programs to build capabilities relevant to the data centre industry. These include periodic, role- and seniority-based training sessions, as well as knowledge development programs on data centre technologies and innovations delivered through nationally accredited institutions. Additionally, employees are encouraged to develop complementary skills, such as security and cloud computing, to enhance their overall expertise.

The Company also maintains in-house engineering expertise across facility operations, civil engineering, and project management to support its operations and client requirements. Its capabilities include construction-related engineering for data centre development, IT and non-IT design engineering, and services related to network connectivity and cooling infrastructure, along with other operational engineering support.

FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Sify Infinit Spaces Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying Standalone financial statements of Sify Infinit Spaces Limited ("the Company"), which comprise the Standalone balance sheet as at March 31, 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including a summary of the Material accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	**Valuation of Trade Receivables:** The collectability of the Company's aged Trade Receivables and the valuation of allowance for impairment of Trade Receivables is a Key Audit Matter due to the judgement involved in assessing the recoverability. The Trade Receivables as at March 31, 2026 is ₹ 3,693.12 Million and Allowance for bad and doubtful debts charged in the Standalone Statement of Profit and Loss for the year ended March 31, 2026 is Nil.	**Principal Audit Procedures Performed:** In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: • We evaluated and tested the Company's processes for trade receivables, including the credit control, collection and provisioning processes. • We evaluated the management view point and estimates used to determine the allowance for bad and doubtful debts. • We verified the appropriateness of the accounting policies as disclosed in Note C(2)(a) to the Standalone financial statements. • We have reviewed the ageing, tested the validity of the receivables, the subsequent collections of trade receivables, the past payment and credit history of the customer, disputes (if any) with customers and based on discussion with the Company's management (information and explanation provided by them) and evidences collected, we understood and evaluated the reason for delay in realisation of the receivables and possibility of realisation of the aged receivables.

S. No.	Key Audit Matter	Auditor's Response
		• Where there were indicators that trade receivables were unlikely to be collected, we assessed the adequacy of allowance for impairment of trade receivables. • We tested the sufficiency of the allowance for bad and doubtful debts charged in the Standalone Statement of Profit and Loss for the year ended March 31, 2026.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Consolidated financial statements, Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in clauses 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Standalone balance sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control with reference to the Standalone financial statements.

g. With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements - Refer Note D(24) (Contingent liabilities) to the Standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note D(39)(a) (Derivative Financial instruments) to the Standalone financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the

aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The preference dividend paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note D(49) to the Standalone financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Place: **Chennai**
Date: April 12, 2026

For **Manohar Chowdhry & Associates**
Chartered Accountants
Firm Registration No: 001997S

K S Y Suryanandh
Partner
Membership No: 237830
UDIN: 26237830ORTLTT1001

Annexure A

To The Independent Auditor's Report

With reference to the Annexure A referred to in paragraph 1 in 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended March 31, 2026, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) The Company has a program of verification to cover all the items of Property, Plant and Equipment and right of use assets in a phased manner of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note D(1A) and Note D(2) to the Standalone financial statements included in Property, Plant and Equipment and Right of Use Assets respectively are held in the name of the Company except the below mentioned title deeds of immovable properties, in the nature of leasehold land and buildings, which were acquired from Sify Technologies Limited ('Holding Company') pursuant to a Business Transfer Agreement ('BTA') dated January 28, 2021 with effect from April 1, 2020:

Description of Property	Gross carrying value as at March 31, 2026 (₹ Millions)	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Rabale Tower 1 - Leased Land (Right of Use Assets)	252.34	Sify Technologies Limited ('STL')	Promoter - STL	6 years from FY 2020-21	In process of transferring the lease agreements
Rabale Tower 2 - Leased Land (Right of Use Assets)	98.73	Sify Technologies Limited ('STL')	Promoter - STL	6 years from FY 2020-21	In process of transferring the lease agreements
Rabale Tower 3 - Leased Land (Right of Use Assets)	499.97	Sify Technologies Limited ('STL')	Promoter - STL	6 years from FY 2020-21	In process of transferring the lease agreements
Rabale Tower 1 - Building (Property, Plant & Equipment)	744.43	Sify Technologies Limited ('STL')	Promoter - STL	6 years from FY 2020-21	In process of transferring the title deeds
Rabale Tower 2 - Building (Property, Plant & Equipment)	224.56	Sify Technologies Limited ('STL')	Promoter - STL	6 years from FY 2020-21	In process of transferring the title deeds
Rabale Tower 3 - Building (Property, Plant & Equipment)	1,590.63	Sify Technologies Limited ('STL')	Promoter - STL	6 years from FY 2020-21	In process of transferring the title deeds

(i) (d) According to the information and explanations provided to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026. Hence, the requirement to report on clause 3(i)(d) of the Order is not applicable.

(i) (e) According to the information and explanations provided to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Hence, the requirement to report on clause 3(i)(e) of the Order is not applicable.

(ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(ii) (b) As disclosed in note D(20) to the Standalone financial statements, the Company had been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on our examination of the records of the Company, the quarterly returns / statements filed by the Company for the quarters ended June 30, 2025, September 30, 2025 and December 31, 2025 with such banks and financial institutions are in agreement with the books of account of the Company. The returns for the quarter ended March 31, 2026 were not filed by the Company at the time of finalising the audit.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee or provided security to Companies as follows:

Particulars	Guarantees (₹ Millions)	Loans (₹ Millions)
Aggregate amount granted/ provided during the year		
• Associates	Nil	190.00
Balance outstanding as at Standalone balance sheet date in respect of above cases		
• Associates	1,155.80	500.00

The Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties during the year.

(iii) (b) In our opinion, the investments made, the guarantees provided and the terms and conditions of the grant of loans, during the year are, prime facie, not prejudicial to the Company's interest.

(iii) (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayment of principal and receipt of interest have generally been regular as per stipulation.

(iii) (d) According to the information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there are no overdue amounts remaining outstanding as at the balance sheet date which are overdue for more than ninety days.

(iii) (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year.

(iii) (f) As disclosed in Note D(6) to the Standalone financial statements, the Company has granted loans to its associate, which are repayable on demand.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, and guarantees provided, as applicable.

(v) According to the information and explanations provided to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Hence, the requirement to report on clause 3(v) of the Order is not applicable.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products / services of the Company. Hence, the requirement to report on clause 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and based on the examination of the records of the Company,

- In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities.
- no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below.

Nature of the Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in Millions)
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeal)	AY 2023-24	93.15
The Income Tax Act, 1961	Income Tax	National Faceless Assessment Center	AY 2024-25	2.48

(viii) According to the information and explanations provided to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Hence, the requirement to report on clause 3(viii) of the Order is not applicable.

(ix) (a) According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) According to the information and explanations provided to us, the Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

(ix) (c) According to the information and explanations provided to us and based on our examination of the records of the Company, term loans were applied for the purpose for which the loans were obtained.

(ix) (d) According to the information and explanations provided to us and based on an overall examination of the Standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) On an overall examination of the Standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The Company does not hold any investment in any subsidiary or joint venture during the year.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its Associate Company. The Company does not hold any investment in any subsidiary or joint venture during the year. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has complied with the provisions of section 62 of the Companies Act, 2013, in respect of the preferential allotment of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised. The Company has not made private placement of shares/ fully or partially or optionally convertible debentures respectively during the year.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) (b) No report under section 143(12) of the Act has been filed in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) According to the information and explanations provided to us and based on our examination of the records of the Company, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) In our opinion and according to the information and explanations provided to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause (xvi)(c) of the Order is not applicable to the Company.

(xvi) (d) The Group has one Core Investment Company as part of the Group.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note D(51) to the Standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Standalone balance sheet as and when they fall due within a period of one year from the Standalone balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Standalone balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note D(41) to the Standalone financial statements.

(xx) (b) The Company has not transferred the amount remaining unspent in respect of ongoing projects, to a Special Account, till the date of the report. However, the period for such transfer i.e., thirty days from the end of the financial year as permitted under sub section (6) of section 135 of the Companies Act, has not elapsed till the date of our report. This matter has been disclosed in Note D(41) to the Standalone financial statements.

Place: **Chennai**
Date: April 12, 2026

For Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No: 001997S

K S Y Suryanandh
Partner
Membership No: 237830
UDIN: 26237830ORTLTT1001

Annexure B

To The Independent Auditor's Report

Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date.

Report on the Internal Financial Controls with reference to Standalone financial statements under clause (i) of sub section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls with reference to Standalone financial statements of **Sify Infinit Spaces Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Standalone financial statements based on the internal financial controls criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) ("Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone financial statements included obtaining an understanding of internal financial controls with reference to Standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone financial statements

A Company's internal financial control with reference to Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

Because of the inherent limitations of internal financial controls over with reference to Standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone financial statements to future periods are subject to the risk that the internal financial control with reference to Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to Standalone financial statements and such internal financial controls with reference to Standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to Standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note.

Place: **Chennai**
Date: April 12, 2026

For **Manohar Chowdhry & Associates**
Chartered Accountants
Firm Registration No: 001997S

K S Y Suryanandh
Partner
Membership No: 237830
UDIN: 26237830ORTLTT1001

Standalone Balance Sheet

as at March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Note No. (D)	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1A	23,635.38	18,099.34
(b) Right-of-use Assets	2	8,543.59	5,474.98
(c) Capital work-in-progress	1B	6,936.93	7,887.81
(d) Intangible assets	3	0.80	2.00
(e) Investment in Associates	4	2,946.00	1,686.00
(f) Financial assets			
(i) Investments	5	750.33	611.98
(ii) Loans	6	500.00	1,570.00
(iii) Other financial assets	7	2,158.06	1,791.46
(g) Deferred Tax assets (net)	32	1,101.12	915.08
(h) Income Tax assets (net)	8	249.34	471.27
(i) Other non-current assets	9	3,141.36	1,266.86
		49,962.91	**39,776.78**
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	10	3,693.12	2,879.27
(ii) Cash and Cash Equivalents	11A	2,122.21	2,969.39
(iii) Other Bank balances	11B	763.70	355.31
(iv) Other financial assets	12	130.45	112.51
(b) Other current assets	13	1,516.30	954.26
		8,225.78	**7,270.74**
Total Assets		**58,188.69**	**47,047.52**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	6,039.50	5,101.31
(b) Other Equity	15	15,921.44	12,307.40
		21,960.94	**17,408.71**
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	19,279.29	20,977.22
(ii) Lease liabilities	2	5,315.47	2,809.35
(iii) Other Financial liabilities	17	14.56	36.00
(b) Provisions	18	17.68	11.50
(c) Other non-current liabilities	19	0.08	-
		24,627.08	**23,834.07**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	7,048.94	2,204.27
(ii) Lease liabilities	2	411.05	214.59
(iii) Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		17.07	32.73
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,431.59	2,012.14
(iv) Other financial liabilities	22	2,076.37	787.44
(b) Other current liabilities	23	610.60	550.62
(c) Provisions	18	5.05	2.95
		11,600.67	**5,804.74**
Total Equity and Liabilities		**58,188.69**	**47,047.52**

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached
for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

Ganesh Sankararaman
Chief Financial Officer

C R Rao
Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Note No. (D)	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	25	17,605.28	14,283.65
Other income	26	275.12	259.10
Total income		**17,880.40**	**14,542.75**
Expenses			
Cost of services rendered	27	6,851.78	5,824.00
Employee benefits expense	28	845.57	544.36
Finance costs	29	2,921.30	1,528.14
Depreciation and amortisation expense	1,2 and 3	4,735.97	3,268.16
Other expenses	30	1,975.76	1,575.00
Total expenses		**17,330.38**	**12,739.66**
Profit Before Tax		**550.02**	**1,803.09**
Tax expense			
Current Tax	32	(363.30)	(681.23)
Deferred Tax	32	185.45	142.19
Total Tax Expenses		**(177.85)**	**(539.04)**
Profit After Tax		**372.17**	**1,264.05**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements of net defined benefit liability/(asset)		(2.33)	(2.28)
Income tax on items that will not be reclassified subsequently to profit or loss		0.59	-
Total other comprehensive income		**(1.74)**	**(2.28)**
Total comprehensive income for the year		**370.43**	**1,261.77**
Earnings per equity share (₹ 10 paid up)	34		
Basic		0.63	2.45
Diluted		0.63	2.41

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached
for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
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Raju Vegesna
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Chief Financial Officer

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Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

Standalone Statement of Cash Flow

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax		550.02	1,803.09
Adjustments for :			
Depreciation and amortisation expense		4,735.97	3,268.16
Share-based payments to employees		56.00	-
Finance costs		2,921.30	1,528.14
Loss allowance for doubtful debts		-	15.00
Unrealised foreign exchange fluctuation loss/(gain), net		7.00	4.51
Interest income		(194.86)	(210.17)
(Profit) /loss on sale of Property, Plant and Equipment (net)		(18.61)	(17.99)
Operating profit / (loss) before working capital changes		**8,056.82**	**6,390.74**
(Increase)/decrease in trade receivables - current		(820.85)	(283.18)
(Increase)/decrease in other financial assets - current / non-current		(97.66)	(1,830.10)
(Increase)/decrease in other current / non-current assets		(812.79)	(430.65)
(Increase)/decrease in other bank balances		(408.39)	1,281.05
Increase/(decrease) in trade payables		(597.62)	653.15
Increase/(decrease) in other financial liabilities - current		212.02	292.21
Increase/(decrease) in other current liabilities		213.42	38.47
Increase/(decrease) in provisions - current / non-current		6.54	(0.13)
Cash generated from operations		**5,751.49**	**6,111.56**
Tax (paid)/refund received		(297.18)	(637.40)
Net cash generated from operating activities	**(A)**	**5,454.31**	**5,474.16**
Cash flow from investing activities			
Purchase of Property, Plant and Equipment		(9,446.67)	(4,182.21)
Purchase of Intangibles		(0.20)	(0.20)
Investment in banks deposits		(314.14)	-
Purchase of Non-current Investments		(138.35)	-
Investment made in Preference Shares of associate company		(1,260.00)	(1,000.00)
Loans repaid by associate company		1,260.00	-
Loans given to associate company		(190.00)	-
Amount paid for acquisition of Right of use assets		(686.93)	(722.74)
Sale proceeds of Property, Plant and Equipment		18.61	17.97
Interest income received		226.82	203.21
Net cash used in investing activities	**(B)**	**(10,530.86)**	**(5,683.97)**

Standalone Statement of Cash Flow

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from financing activities			
Proceeds from long-term borrowings		9,432.51	8,356.10
Repayment of long-term borrowings		(7,724.52)	(5,884.81)
Proceeds from issue of Compulsorily Convertible Debentures		250.00	-
Proceeds from issue of Non-Convertible Debentures		-	2,500.00
Increase/(decrease) in short-term borrowings		5,372.71	(279.50)
Loan repaid		-	(298.00)
Repayment of lease liabilities		(361.41)	(166.56)
Interest on lease liabilities		(560.88)	(279.29)
Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares		(40.50)	(22.50)
Premium received on issue of Non-Convertible Debentures		-	5.75
Interest paid		(2,138.54)	(2,035.03)
Net cash (used in)/ generated from financing activities	**(C)**	**4,229.37**	**1,896.16**
Effect of exchange differences on translation of cash and bank balances	**(D)**	-	0.20
Net increase/(decrease) in cash and cash equivalents during the year	**(A) + (B) + (C) + (D)**	**(847.18)**	**1,686.55**
Cash and cash equivalents at the beginning of the year		**2,969.39**	**1,282.84**
Cash and cash equivalents at the end of the year [Refer Note D (11A)]		**2,122.21**	**2,969.39**

Disclosure of changes in liabilities arising from financing activities [Refer Note D (31)]

Material accounting policies and notes to the standalone financial statements [(Refer notes C and D)]

As per our report of even date attached
for **Manohar Chowdhry & Associates**
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

Ganesh Sankararaman
Chief Financial Officer

C R Rao
Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

A. Equity Share Capital

Particulars	As at	
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	5,101.31	5,058.60
Change in Equity Share Capital due to prior period errors	-	-
Restated Balance at the beginning of the year	**5,101.31**	**5,058.60**
Change in Equity Share Capital during the year*	938.19	42.71
Balance at the end of the year	**6,039.50**	**5,101.31**

*Refer Note D(14) for the change in share capital during the year.

B. Other Equity

Particulars	Reserves and surplus			Share Application pending allotment*	Other Components of Equity				Total
	Retained earnings	Securities Premium	Capital Reserve		Stock Option Outstanding	Compulsorily Convertible Debentures	Compulsorily Convertible Preference Shares	Remeasurements of net defined benefit liability/ (asset)	
FY 2025-2026									
Balance as at April 1, 2025 - (A)	**4,393.06**	**382.34**	**91.40**	**-**	**-**	**6,951.20**	**500.00**	**(10.60)**	**12,307.40**
Changes in accounting policy/prior period errors -(B)	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2025 - (C = A+B)	**4,393.06**	**382.34**	**91.40**	**-**	**-**	**6,951.20**	**500.00**	**(10.60)**	**12,307.40**
Profit for the year -(D)	372.17	-	-	-	-	-	-	-	**372.17**
Other comprehensive income for the year- (E)	-	-	-	-	-	-	-	(1.74)	**(1.74)**
Total comprehensive income for the year - (F=D+E)	**372.17**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.74)**	**370.43**
Premium on conversion of Compulsorily Convertible Debentures to equity shares -(G)**	-	10,219.75	-	-	-	-	-	-	10,219.75
Premium on conversion of Compulsorily Convertible Preference Shares to equity shares -(H)**	-	459.56	-	-	-	-	-	-	459.56
Equity component of compound financial instrument - (I)	-	-	-	-	-	138.38	-	-	138.38
Transfer to Share Capital and Securities premium on conversion - (J)	-	-	-	-	-	(7,089.58)	(500.00)	-	(7,589.58)
Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares - (K)	(40.50)	-	-	-	-	-	-	-	(40.50)
Share-based payments to employees - (L)	-	-	-	-	56.00	-	-	-	56.00
Balance as at March 31, 2026 - [(M) = (C+F+G+H+I+J+K+L)]	**4,724.73**	**11,061.65**	**91.40**	**-**	**56.00**	**-**	**-**	**(12.34)**	**15,921.44**

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Reserves and surplus			Share Application pending allotment*	Other Components of Equity				Total
	Retained earnings	Securities Premium	Capital Reserve		Stock Option Outstanding	Compulsorily Convertible Debentures	Compulsorily Convertible Preference Shares	Remeasurements of net defined benefit liability/ (asset)	
FY 2024-2025									
Balance as at April 1, 2024 - (A)	**3,151.51**	**376.59**	**91.40**	**42.71**	**-**	**6,269.30**	**500.00**	**(8.32)**	**10,423.19**
Changes in accounting policy/prior period errors -(B)	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2024 - (C = A+B)	**3,151.51**	**376.59**	**91.40**	**42.71**	**-**	**6,269.30**	**500.00**	**(8.32)**	**10,423.19**
Profit for the year -(D)	1,264.05	-	-	-	-	-	-	-	**1,264.05**
Other comprehensive income for the year - (E)	-	-	-	-	-	-	-	(2.28)	**(2.28)**
Total comprehensive income for the year - (F=D+E)	**1,264.05**	**-**	**-**	**-**	**-**	**-**	**-**	**(2.28)**	**1,261.77**
Debenture premium on issue of Non-Convertible Debentures -(G)	-	5.75	-	-	-	-	-	-	**5.75**
Transfer to Share Capital* - (H)	-	-	-	(42.71)	-	-	-	-	**(42.71)**
Equity component of compound financial instrument - (I)	-	-	-	-	-	681.90	-	-	**681.90**
Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares - (J)	(22.50)	-	-	-	-		-	-	**(22.50)**
Balance as at March 31, 2025 - [(K) = (C) + (F) + (G)+(H)+(I)+(J)]	**4,393.06**	**382.34**	**91.40**	**-**	**-**	**6,951.20**	**500.00**	**(10.60)**	**12,307.40**

*In accordance with the scheme of amalgamation dated January 9, 2025, the Company has allotted 17.08546 equity shares of ₹ 10/- each for every 1 equity shares of M/s Patel Auto Engineering Company (India) Private Limited aggregating to 42,71,365 shares.(refer note D(48))

**Refer note D(15.2) & D(15.3)

Material accounting policies and notes to the standalone financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached
for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

Ganesh Sankararaman
Chief Financial Officer

C R Rao
Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

A. Corporate Information

Sify Infinit Spaces Limited ('Sify' or 'the Company') is a Company domiciled in India. The address of the Company's registered office is located at 2nd Floor, Tidel Park, 4, Rajiv Gandhi Salai, Taramani, Chennai - 600113, India. The Company offers Data Center services through its data centers located in Chennai, Mumbai, NOIDA, Bangalore, Hyderabad and Kolkata. The Company was incorporated on November 20, 2017 and is a Subsidiary of Sify Technologies Limited.

During the FY 2020-21, the Company acquired Data Center business from its holding company Sify Technologies Limited vide Business Transfer Agreement. During the financial year 2024-25, the Company issued Senior, Secured, Rated, Listed, Redeemable, Taxable, Non-convertible Debentures which are listed on BSE effective from October 4, 2024. The Company has filed its Draft Red Herring Prospectus on October 17, 2025 with the Securities and Exchange Board of India, BSE Limited, and National Stock Exchange of India Limited, in connection with its proposed Initial Public Offering of equity shares of face value ₹ 10 each.

B. Basis Of Preparation

The Standalone Financial Statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for Statement of Cash Flow and certain financial instruments which are measured on fair value basis. GAAP comprises Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 read together with relevant rules as amended from time to time, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set-out in note C (24). Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1. Statement of Compliance

The Standalone Financial Statements of the Company comprises of the Standalone Balance Sheet as at March 31, 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended, and notes to the Standalone Financial Statements including a material accounting policy information and other explanatory information.The Standalone financial statements were approved by the Board of Directors on April 12, 2026.

2. Basis of Measurement

The Standalone financial statements have been prepared on the historical cost basis except for the following:

- Derivative financial instruments are measured at fair value
- Financial assets at fair value through other comprehensive income are measured at fair value
- Financial instruments at fair value through profit or loss are measured at fair value.
- Share-based payments
- The defined benefit asset is recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit obligation.
- In relation to lease prepayments, the initial fair value of the security deposit is estimated as the present value of the refundable amount, discounted using the market interest rates for similar instruments. The difference between the initial fair value and the refundable amount of the deposit is recognized as a Right of Use Asset.

The above items have been measured at fair value and the methods used to measure fair values are discussed further in Note C (18).

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

3. Standards (Amendments) issued and but not effective

The Ministry of Corporate Affairs amended the Companies (Indian Accounting Standards) Rules, 2015 on August 13, 2025 by introducing certain changes to Ind AS 1 Presentation of Financial Statements. This amendments among other things, primarily relates to an entity's right to defer settlement for atleast 12 months. These amendments are applicable for annual reporting periods beginning on or after April 1, 2026. The Company does not expect any material impact on its financial statements due to this amendment.

4. Functional and Presentation Currency

The Standalone financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company. All financial information presented in Indian Rupees has been rounded to nearest Millions except where otherwise indicated.

Management elected to change the presentation of the Company's financial statements and accompanying footnote disclosures from Lakhs to Millions. The change in presentation had no material impact on previously reported financial information, but certain amounts reported for prior periods may differ by insignificant amounts due to the nature of rounding relative to the change in presentation. In addition, historical percentages and per share amounts presented may not add to their respective totals or recalculate due to rounding.

5. Use of estimates and judgements

The preparation of Standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of Standalone financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates, judgements and assumption having the most significant effect on the amounts recognized in the Standalone financial statements are:

- Valuation of financial instruments [Note C(2)]
- Expected Credit losses on Financial Assets [Note C(2)]
- Estimated Useful life of property, plant and equipment [Note C(4)]
- Estimated Useful life of intangible assets [Note C(6)]
- Estimate of Lease term and measurement of Right of Use Assets and Lease Liabilities [Note C(7)]
- Impairment testing [Note C(9)]
- Measurement of defined employee benefit obligations [Note C (10)]
- Measurement of share-based payments [Note C(11)]
- Provisions [Note C(12)]
- Identification of performance obligation and timing of satisfaction of performance obligation, measurement of transaction price on revenue recognition [Note C(13)]
- Utilization of tax losses and computation of deferred taxes [Note C(16)]
- Contingent Liabilities [Note C(23)]

C. Material Accounting Policies

1. Foreign currency

(i) Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized in the Standalone financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Standalone Statement of Profit and Loss for determination of net profit or loss during the period.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations and cash flows are translated to the functional currency using average exchange rates during the period. Any differences arising on such translation are recognized in other comprehensive income. Such differences are included in the foreign currency translation reserve "FCTR" within other components of equity. When a foreign operation is disposed off, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

2. Financial Instruments

a. Financial Assets

Financial assets comprises investments in equity other than Holding/Subsidiary/Joint venture and debt securities, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition:

All financial assets are recognised initially at fair value except trade receivables. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

(i) Financial assets measured at amortized cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortisation is recognised as finance income in the Statement of Profit and Loss.

The Group while applying above criteria has classified the following financial assets at amortised cost

a) Trade receivable

b) Other financial assets.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognised in other comprehensive income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same either as at FVTOCI or FVTPL. The classification is made on initial recognition and is irrevocable. Fair value changes on equity investments at FVTOCI, excluding dividends, are recognised in other comprehensive income (OCI).

(iii) Financial assets at fair value through profit or loss (FVTPL):

Financial asset are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes are recognised in the Standalone Statement of Profit and Loss.

Derecognition of financial assets:

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in the Standalone Statement of Profit and Loss.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Impairment of financial assets:

Trade receivables, contract assets, lease receivables under Ind AS 109, investments in debt instruments that are carried at amortised cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses for the respective financial asset.

(i) Trade receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

(ii) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

b. Financial liabilities

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value and any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortised cost
- at fair value through profit or loss

(i) Financial liabilities at amortised cost

The Group is classifying the following financial liabilities at amortised cost;

a) Borrowings from banks

b) Borrowings from others

c) Finance lease liabilities

d) Trade payables

e) Other financial liabilities

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss - Financial liabilities held for trading are measured at FVTPL.

Compound Financial Instrument:

The terms of a non-derivative compound financial instrument are evaluated to determine whether it contains both a liability and an equity component. Such components are classified as financial liabilities, financial assets or equity instruments in accordance with the substance of the contractual arrangement. Interest, dividends and gains relating to the component that is financial liability is recognized as income or expense in profit or loss. Distribution to holders of equity instruments is recognized directly in equity.

Derecognition of financial liabilities:

A financial liability shall be derecognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

c. Derivative financial instruments

Foreign exchange forward contracts and options are entered into by the Company to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. The Company also enters into cross currency and interest rate swaps for hedging the risk against variability in cash flows of its term loan. These derivative contracts do not qualify for hedge accounting under Ind AS 109, and are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through profit or loss. Gains or losses arising from changes in the fair value of the derivative contracts are recognized in profit or loss.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

d. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the Standalone Balance Sheet when, and only when, the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

e. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets (which are categorised as equity instruments) at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3. Share capital

Ordinary shares are classified as Equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from Equity, net of any tax effects.

4. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchases taxes, after deducting trade discounts and rebates and includes expenditure directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

When significant parts of an item of property, plant and equipment have different estimated useful life, they are accounted for as separate items (major components) of Property, Plant and Equipment and accordingly the depreciation is computed based on estimated useful life of the assets.

Amount paid as advances towards the acquisition of property, plant and equipment is disclosed separately under other non-current assets as capital advances and the cost of assets not put to use as on balance sheet date are disclosed under 'Capital work-in-progress'.

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognized net within "other income / other expenses" in the Standalone Statement of Profit and Loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Standalone Statement of Profit or Loss.

Depreciation

Depreciation is recognized in the Standalone Statement of profit and loss on a straight-line basis over the estimated useful life of each part

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

of an item of property, plant and equipment. Depreciation on contract-specific assets are charged co-terminus over the contract period. Management's estimated useful life for the year ended March 31, 2026 and March 31, 2025 were as follows:

Particulars	Estimated useful life in years	Useful life prescribed by Schedule II
Buildings	28	30
Plant and equipments		
• Power equipments	8	15
• Computer servers	5	6
• Computer laptops/ desktops	3	3
Furniture and fixtures	5	10
Leasehold improvements	5	10
Office equipment	5	5
Motor vehicles	3	8

The estimated useful life of these assets have been assessed based on technical advice, taking into the account the nature of the asset, its estimated usage, the operating conditions, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc. Residual Value of these assets is estimated as Nil. These estimates are reviewed at each reporting date.

5. Business combinations

Business combinations are accounted for using Ind AS 103 Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103. The cost of acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transactions costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

The acquisition of an asset or a group of assets that does not constitute a 'business' as per Ind AS 103 is accounted for by identifying and recognizing the individual identifiable assets acquired and liabilities assumed. The cost of the group of assets is allocated to such individual identifiable assets and liabilities on the basis of their relative fair values on the date of purchase.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method.

6. Intangible assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in Standalone statement of profit or loss as incurred.

Amortization of intangible assets with finite useful lives

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful life for the current and previous year are as follows:

	Estimate of useful life in years
System software	1 - 3

Amortization methods, estimated useful life and residual values are reviewed at each reporting date and adjusted if appropriate. Residual Value of these assets is estimated as Nil.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

7. Leases

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Standalone Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

8. Contract liability

Contract Liability (Unearned income) represents unserved portion of billed contracts. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

9. Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit or group of units on a pro rata basis.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

10. Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

(a) Defined contribution plan (Provident fund)

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The Company makes specified monthly contribution towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit and loss in the periods during which the related services are rendered by employees.

(b) Defined benefit plans (Gratuity)

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company.The gratuity fund is managed by the HDFC Life Insurance Company Limited. The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting any unrecognized past service cost and the fair value of any plan assets.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest), are recognised in other comprehensive income and presented within equity. Remeasurements are not reclassified to Standalone statement of profit or loss in subsequent periods. Service costs, net interest expenses and other expenses related to defined benefit plans are recognised in Standalone statement of profit or loss.

(c) Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(d) Compensated absences

The employees of the Company are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Company recognizes an obligation for compensated absences in the period in which the employee renders the services. The Company provides for the expected cost of compensated absence in the Standalone Statement of Profit and Loss as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated based on actuarial valuations carried out by an independent actuary at the balance sheet date.

11. Share-based payment transactions

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period.The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.Expenses recognized for employee stock options granted to key managerial personnel is disclosed as a related party transaction.

12. Provisions

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

The Company provides an ex-gratia retirement benefit to eligible employees over and above the statutory gratuity limit, at the discretion of management. Provision is accrued based on the estimate.

13. Revenue recognition

The Company derives revenue from Data Center services.

Data Center Services (DC):

Revenue from DC services consists co-location of racks and power charges billed to customers. The contracts are mainly for a fixed rate for a period of time. Revenue from co-location of racks, power charges and cross connect charges are series of distinct services where the performance obligations are completed. Service revenue is recognized as the related services are performed. Sale of equipments such as servers, switches, networking equipments, cable infrastructure and racks etc are accounted as separate performance obligations if they are distinct and its related revenues are recognised at a point in time when the control is passed on to the customer.

Multiple deliverable arrangements

In certain cases, some elements belonging to the services mentioned above are sold as a package consisting of all or some of the elements.

The Company accounts for goods or services of the package separately if they are distinct. i.e if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The Company allocate the transaction price to each performance obligation identified in the contract on a relative stand-alone selling price basis. Standalone selling price is the price at which Company would sell a promised good or service separately to the customer.

If the relative stand-alone selling prices are not available, the Company estimates the same. In doing so, the Company maximise the use of observable inputs and apply estimation methods consistently in similar circumstances.

Contract Cost

Costs to fulfil customer contracts i.e the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify or the costs generate/ enhance resources of the company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future or the costs that are expected to be recovered are recognised as asset and amortized over the contract period.

Incremental costs of obtaining a contract are recognised as assets and amortized over the contract period if entity expects to recover those costs. The Company recognise incremental cost of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

Costs to obtain a contract that is incurred regardless of whether the contract is obtained are recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

Significant judgements on applying Ind AS 115

The Company contracts with customer include promises or arrangements to transfer multiple goods or services to a customer. The Company assess whether such arrangements in the contract has distinct goods or services (performance obligation). Identification of distinct performance obligation involves judgment to determine ability of customer to benefit independently from other promises in the contract.

The judgment is required to measure the transaction price for the contract. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration could be fixed amount or variable amount or could be both. Transaction price could also be adjusted for time value of money if contract includes a significant financing component.

In the case of multiple arrangements in a contract, the Company allocate transaction price to each performance obligation based on Standalone transaction price. The determination of Standalone transaction price involves judgment.

The Company uses judgment in determining timing of satisfaction of performance obligation. The Company considers how customer benefits from goods or services as the services are rendered, who controls as the assets is created or enhanced, whether asset has an alternate use and the entity has an enforceable right to payment for performance completed to date, transfer of significant risk and reward to the customer, acceptance or sign off from the customer etc.,

The Company uses judgement when capitalising the contract cost as to whether it generates or enhances resources of the entity that will be used in satisfying performance obligation in the future.

14. Finance income

Finance income comprises interest income on funds invested, dividend income, fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in Standalone Statement of Profit and Loss, using the effective interest method. Dividend income is recognized in Standalone Statement of Profit and Loss on the date when the company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

15. Finance expense

Finance expense comprises borrowing costs, bank charges, unwinding of discount on provision, fair value losses on financial assets at fair value through profit or loss that are recognized in Standalone Statement of Profit and Loss. Fair value changes attributable to hedged risk are recognised in Standalone Statement of Profit and Loss.

Borrowing costs are interest and other costs (including exchange difference relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Interest expense is recognised using effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

16. Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in Standalone statement of profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

(i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss,

(ii) differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.

(iii) arising due to taxable temporary differences arising on the initial recognition of goodwill, as the same is not deductible for tax purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

17. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. To the extent that partly paid shares are not entitled to participate in dividends during the period, they are treated as the equivalent of warrants or options in the calculation of diluted earnings per share.

18. Fair value measurement

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described below:

Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the Standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investments in equity other than Holding/Subsidiary/Joint venture and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(ii) Trade and other receivables

The fair value of trade and other receivables expected to be realised beyond twelve months, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to the short term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

(iii) Derivatives

The fair value of forward exchange contracts is based on their quoted price, if available. If a quoted price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk free interest rate (based on government bonds). The fair value of foreign currency option contracts is determined based on the appropriate valuation techniques, considering the terms of the contract. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counter party when appropriate. The fair value of the cross currency swaps (principal only swaps) and interest rate swaps is determined based on the discounting of the future cash flows at the market rates existing on the reporting date.

(iv) Non derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

(v) Share-based payment transactions

The fair value of employee stock options is measured using the Black-Scholes method. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), expected term of the instrument (based on historical experience and general option holder behaviour), expected dividends, and the risk free interest rate (based on government bonds).

19. Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses if any.

20. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.Short term deposits with an original maturity of twelve months or less and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

21. Dividend distribution to Equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Standalone Statement of Changes in Equity, in the period in which it is paid.

22. Segment Reporting

The Company is principally engaged in a single business segment viz. Data Center Services. The Board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Accordingly, there is no other reportable segment in terms of Ind AS 108 'Operating Segments'. The Company has opted for exemption under Ind AS 108 'Operating Segments', as the segment reporting is reported in its Standalone financial statements.

23. Contingent Liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

24. Current/ non-current classification

An asset is classified as current if:

(a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realised within twelve months after the reporting period; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at lease twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

1A.Property, Plant and Equipment

The following table presents the changes in property, plant and equipment for the year ended March 31, 2026

Particulars	ORIGINAL COST					DEPRECIATION				NET BOOK VALUE		
	As at April 1, 2025	Additions during the year	Deletions/ Adjustments during the year**	Reclassification*	As at March 31, 2026	As at April 1, 2025	For the year	Deletions/ Adjustments during the year	Reclassification*	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Owned assets												
Buildings	**4,551.19**	3,404.20	-	770.90	**8,726.29**	**716.28**	229.00	-	12.90	**958.18**	7,768.11	3,834.91
Plant and equipment	**14,155.10**	4,734.30	1,251.52	619.00	**18,256.88**	**6,865.69**	1,819.60	1,251.52	10.30	**7,444.07**	10,812.81	7,289.41
Furniture and fittings	**43.10**	4.50	36.16	-	**11.44**	**40.40**	2.96	36.16	-	**7.20**	4.24	2.70
Office equipment	**2,909.40**	613.80	230.54	-	**3,292.66**	**1,592.30**	488.20	230.54	-	**1,849.96**	1,442.70	1,317.10
Motor vehicles	**3.10**	-	-	-	**3.10**	**1.10**	1.10	-	-	**2.20**	0.90	2.00
Leasehold improvements	**9,962.72**	831.50	503.29	(1,389.90)	**8,901.03**	**4,309.50**	1,511.40	503.29	(23.20)	**5,294.41**	3,606.62	5,653.22
	31,624.61	**9,588.30**	**2,021.51**	**-**	**39,191.40**	**13,525.27**	**4,052.26**	**2,021.51**	**-**	**15,556.02**	**23,635.38**	**18,099.34**

*The Company has disclosed certain assets which are in the nature of Buildings and Plant and Machinery along with Leasehold Improvements. These assets are depreciated over the estimated useful life of Buildings and Plant and Machinery in accordance with the accounting policy consistently applied by the Company. The Company believes that it is more appropriate to disclose such Assets as part of Buildings and Plant and Machinery rather than as part of Leasehold improvements. Hence, the cost of such Assets and the accumulated depreciation thereon, as on April 1, 2025 has been transferred to the respective category for a better presentation.

**During the year, the Company carried out an evaluation of its assets to assess the future economic benefits expected from its use or disposal. Accordingly, the Company identified the following assets which it assessed will not have any future economic benefits from it's use. These assets have been retired from active use and remain in the custody of the Company pending physical disposal.

Particulars	Original Cost	Accumulated Depreciation
Plant and equipment	1,210.82	1,210.82
Furniture and fittings	36.16	36.16
Office equipment	230.24	230.24
Leasehold improvements	503.29	503.29
	1,980.51	**1,980.51**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The following table presents the changes in property, plant and equipment for the year ended March 31, 2025

Particulars	ORIGINAL COST				DEPRECIATION				NET BOOK VALUE	
	As at April 1, 2024	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at April 1, 2024	For the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024 (Restated)
Owned assets										
Buildings	**4,484.19**	67.00	-	**4,551.19**	**554.18**	162.10	-	**716.28**	3,834.91	3,930.01
Plant and equipment	**10,366.20**	3,837.50	48.60	**14,155.10**	**5,781.03**	1,133.26	48.60	**6,865.69**	7,289.41	4,585.17
Furniture and fittings	**42.40**	0.70	-	**43.10**	**39.40**	1.00	-	**40.40**	2.70	3.00
Office equipment	**2,063.70**	846.30	0.60	**2,909.40**	**1,224.20**	368.70	0.60	**1,592.30**	1,317.10	839.50
Motor vehicles	**3.10**	-	-	**3.10**	**0.10**	1.00	-	**1.10**	2.00	3.00
Leasehold improvements	**6,272.30**	3,690.42	-	**9,962.72**	**3,058.60**	1,250.90	-	**4,309.50**	5,653.22	3,213.70
	23,231.89	**8,441.92**	**49.20**	**31,624.61**	**10,657.51**	**2,916.96**	**49.20**	**13,525.27**	**18,099.34**	**12,574.38**

Notes

(a) Refer note D (16) and D (20) for assets provided as security against borrowings

(b) Refer note D (24)(b) for capital commitments.

(c) Refer note D (29) for interest capitalisation

(d) The title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company except the below mentioned title deeds of immovable properties, in the nature of buildings, which were acquired from Sify Technologies Limited ('Holding Company') pursuant to a Business Transfer Agreement ('BTA') dated January 28, 2021 with effect from April 1, 2020:

Description of Property	Gross carrying value	Held in name of Promoter	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Rabale Tower 1 - Building (Property, Plant & Equipment)	744.43	Sify Technologies Limited ('STL')	More than 5 years	The Holding company (STL) transferred the remaining leasehold rights in the said plots pursuant to the Business Transfer Agreement after obtaining approval and transfer order from MIDC. STL and the Company executed the deed of assignment and presented the deed for formal registration. STL had earlier availed stamp duty exemption while acquiring the balance leasehold rights in the said properties which was later revoked by the Appellate Officer. This matter is pending for adjudication before the Mumbai High Court. The Collector of stamps refused to adjudicate on this deed of assignment on account of above pending adjudication. The Company after acquiring the leasehold rights is complying to the original lease terms.
Rabale Tower 2 - Building (Property, Plant & Equipment)	224.56			
Rabale Tower 3 - Building (Property, Plant & Equipment)	1,590.63			

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

1B. Capital work-in-progress

Particulars	As at April 1, 2025	Additions / Adjustments	Capitalised during the year	As at March 31, 2026
Capital work-in-progress	7,887.81	8,637.62	(9,588.50)	6,936.93

Particulars	As at April 1, 2024	Additions / Adjustments	Capitalised during the year	As at March 31, 2025
Capital work-in-progress	8,911.40	7,418.53	(8,442.12)	7,887.81

Refer note D(29) for interest capitalisation.

The following table presents the aging of the Capital work-in-progress for the year ended March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 to 2 Years	2- 3 Years	> 3 Years	
Projects in progress	4,838.55	1,889.15	209.23	-	**6,936.93**
Projects temporarily suspended	-	-	-	-	-
Total	**4,838.55**	**1,889.15**	**209.23**	**-**	**6,936.93**

The following table presents the aging of the Capital work-in-progress for the year ended March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 to 2 Years	2- 3 Years	> 3 Years	
Projects in progress	4,011.30	2,795.50	1,069.70	11.31	**7,887.81**
Projects temporarily suspended	-	-	-	-	-
Total	**4,011.30**	**2,795.50**	**1,069.70**	**11.31**	**7,887.81**

Of the above, there are no projects where the cost has exceeded the budget nor whose completion is delayed.

3. Intangible assets

The following table presents the changes in intangible assets for the year ended March 31, 2026

Particulars	ORIGINAL COST				AMORTISATION				NET BOOK VALUE	
	As at April 1, 2025	Additions during the year	Deletions/ Adjustments during the year**	As at March 31, 2026	As at April 1, 2025	For the year	Deletions/ Adjustments during the year	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
System software	79.50	0.20	61.62	18.08	77.50	1.40	61.62	17.28	0.80	2.00
	79.50	**0.20**	**61.62**	**18.08**	**77.50**	**1.40**	**61.62**	**17.28**	**0.80**	**2.00**

The following table presents the changes in intangible assets for the year ended March 31, 2025

Particulars	ORIGINAL COST				AMORTISATION				NET BOOK VALUE	
	As at April 1, 2024	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at April 1, 2024	For the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024 (Restated)
System software	80.00	0.20	0.70	79.50	76.90	1.30	**0.70**	77.50	2.00	3.10
	80.00	**0.20**	**0.70**	**79.50**	**76.90**	**1.30**	**0.70**	**77.50**	**2.00**	**3.10**

**During the year, the Company carried out an evaluation of its assets to assess the future economic benefits expected from its use or disposal. Accordingly, the Company identified certain intangible assets with Original cost of ₹ 61.62 and accumulated depreciation as at March 31, 2026 of ₹ 61.62 which it assessed will not have any future economic benefits from it's use.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

2. Right of Use Assets and Lease Liabilities

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2026

Particulars	Category of ROU asset		
	Land	Building	Total
Balance as of April 1, 2025	3,221.48	2,253.50	5,474.98
Additions (Refer note (b) below)	691.92	3,059.00	3,750.92
Deletions	-	-	-
Depreciation expenses	(54.32)	(627.99)	(682.31)
Balance as of March 31, 2026	**3,859.08**	**4,684.51**	**8,543.59**

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025

Particulars	Category of ROU asset		
	Land	Building	Total
Balance as of April 1, 2024	2,233.48	2,568.70	4,802.18
Additions	1,018.80	6.60	1,025.40
Deletions	-	(2.70)	(2.70)
Depreciation expenses	(30.80)	(319.10)	(349.90)
Balance as of March 31, 2025	**3,221.48**	**2,253.50**	**5,474.98**

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease liabilities	411.05	214.59
Non-current lease liabilities	5,315.47	2,809.35
Total	**5,726.52**	**3,023.94**

The movement in lease liabilities is given below :

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	3,023.94	2,903.40
Additions (Refer note (b) below)	3,063.99	289.80
Interest on lease liabilities	560.88	279.29
Deletions	-	(2.70)
Payment of lease liabilities	(922.29)	(445.85)
Balance at the end of the year	**5,726.52**	**3,023.94**

Note: Refer Note D (40) for contractual maturities of lease liabilities

Amounts recognised in profit or loss are given below

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation expenses	682.31	349.90
Interest on lease liabilities	560.88	279.29
Expenses relating to leases of low-value assets, including short-term leases of low value assets	73.78	74.05

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(a) The title deeds of immovable properties included in Right of Use Assets are held in the name of the Company except the below mentioned title deeds of immovable properties, in the nature of leasehold land, which were acquired from Sify Technologies Limited ('Holding Company') pursuant to a Business Transfer Agreement ('BTA') dated January 28, 2021 with effect from April 1, 2020:

Description of Property	Gross carrying value	Held in name of Promoter	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Rabale Tower 1 - Leased Land (Right of Use Assets)	252.34	Sify Technologies Limited	More than 5 years	The Holding company (STL) transferred the remaining leasehold rights in the said plots pursuant to the Business Transfer Agreement after obtaining approval and transfer order from MIDC. STL and the Company executed the deed of assignment and presented the deed for formal registration. STL had earlier availed stamp duty exemption while acquiring the balance leasehold rights in the said properties which was later revoked by the Appellate Officer. This matter is pending for adjudication before the Mumbai High Court. The Collector of stamps refused to adjudicate on this deed of assignment on account of above pending adjudication. The Company after acquiring the leasehold rights is complying to the original lease terms.
Rabale Tower 2 - Leased Land (Right of Use Assets)	98.73			
Rabale Tower 3 - Leased Land (Right of Use Assets)	499.97			

(b) Reconciliation of additions made during the year

Particulars	As at March 31, 2026	As at March 31, 2025
Additions to Right-of-use assets	3,750.92	1,025.40
Additions to Lease liability	(3,063.99)	(289.80)
Upfront premium and deposit deferment under Ind AS 109	**686.93**	**735.60**

Disclosures relating to leases

1. Escalation clause - The lease agreements include escalation clauses, with escalation rates ranging from 3% to 15%, and escalation intervals ranging from 11 months to 3 years.

2. Discount rate - The discount rate used for computation of right-of-use assets is 9.50%, determined based on the weighted average cost of capital.

3. Annual lease rentals - The annual lease rental for land ranges from ₹ 0.73 Million to ₹ 7.75 Million, and for buildings ranges from ₹ 1.37 Million to ₹ 96.39 Million. Further, the annual lease rental for the building payable to SKVR Software Solution Private Limited (an associate company) amounts to ₹ 384 Million per annum. The agreements also provide for extension of the lease term upon mutual agreement between the lessor and the lessee.

4. Lease term - The lease term for land ranges from 30 years to 90.1 years, and for buildings ranges from 1.5 years to 50.8 years, over which the right-of-use assets are depreciated on a straight-line basis.

5. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any major covenants other than the security interests in the leased assets that are held by the lessor. Leased assets are not used as security for borrowing purposes.

6. Lease commitments as at the reporting date amounting to ₹ Nil (March 31, 2025 : ₹ Nil).

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

4. Investment in Associates

Particulars		As at March 31, 2026	As at March 31, 2025
Investment in Equity shares "at cost"-unquoted			
SKVR Software Solution Private Limited [refer note: D (47)]			
[4,900 (March 31, 2025: 4,900) equity shares of ₹ 10 each fully paid up]		196.00	196.00
	A	**196.00**	**196.00**
Investment in Preference shares "at Cost"-unquoted			
SKVR Software Solution Private Limited[(1)]			
[27,50,00,000 (March 31, 2025: 14,90,00,000) 9% Non-Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up]		2,750.00	1,490.00
	B	**2,750.00**	**1,490.00**
Value of unquoted investments in associates	**(A) + (B)**	**2,946.00**	**1,686.00**

[(1)]Terms of Investment in 9% Non-Cumulative Redeemable Preference Shares

a) The Company holds investment in 9% Non-Cumulative Redeemable Preference Shares of ₹ 10 each, fully paid-up, issued by SKVR Software Solution Private Limited. The preference shares carry a non-cumulative dividend entitlement at the rate of 9% per annum.

b) In the event that dividend is not declared by the investee company for any financial year, the right to receive dividend for that year lapses and does not accumulate.

c) The preference shares are redeemable at the option of the investee company within a period of 20 years from the respective dates of allotment. The holders of these preference shares have preferential rights over equity shareholders with respect to receipt of dividend and repayment of capital in the event of winding up of the investee company.

d) The preference shares do not carry voting rights except in circumstances specified under the applicable provisions of the Companies Act, 2013.

e) During the year, the Company invested additional 9% Non-Cumulative Redeemable Preference Shares of SKVR Software Solution Private Limited, resulting in an increase in its holding from 14,90,00,000 shares to 27,50,00,000 shares.

f) The investment is carried at cost and is unquoted.

5. Investments - Non-current

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in equity instruments - unquoted		
Investment in equity of others (at FVTOCI)		
Investment in Vashi Railway Station Commercial Complex Limited	0.15	0.15
[15,000 (March 31, 2025 : 15,000) equity shares of ₹ 10 each fully paid up]		
Investment in Sarayu Clean Gen Private Limited	1.56	1.56
[1,56,000 (March 31, 2025 : 1,56,000) equity shares of ₹ 10 each fully paid up]		
Investment in VEH Srishti Energy Private Limited	375.30	375.30
[1,50,12,000 (March 31, 2025 : 1,50,12,000) equity shares of ₹ 10 each fully paid up]		
Investment in Tasoula Energy Private Limited	225.00	225.00
[70,31,250 (March 31, 2025: 70,31,250) equity shares of ₹ 10 each fully paid up]		
Investment in Sunsure Solarpark Eighteen Private Limited	99.74	9.97
[95,723 (March 31, 2025: 9,572) equity shares of ₹ 10 each fully paid up]		
Investment in Murli solar enery private limited	48.58	-
[38,776 (March 31, 2025: Nil) equity shares of ₹ 10 each fully paid up]		
Value of unquoted investments in Others	**750.33**	**611.98**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Details of Entities in which the Group holds Equity Interest :

Name of the Entity	Place of incorporation and Principal place of business	Principal activities	% of equity shareholding		Remarks
			March 31, 2026	March 31, 2025	
Vashi Railway Station Commercial Complex Limited[3]	India	Business Services - Facility Management Services	5.04%	5.04%	The investment does not provide the Company with significant influence over the investee as defined under the applicable accounting standards, and accordingly the entity is not considered an associate.
Sarayu Clean Gen Private Limited[2]	India	Production, collection, and distribution of electricity	26.00%	26.00%	They are considered as associate companies under the Companies Act, 2013. However, these entities are not considered as associate companies for the purpose of consolidation, in terms of the applicable accounting standards as there is no significant influence for the company over these entities.
VEH Srishti Energy Private Limited[2]	India		42.63%	42.63%	
Tasoula Energy Private Limited[1][2]	India		38.87%	38.87%	
Sunsure Solarpark Eighteen Private Limited[2]	India		44.25%	31.25%	
Murli solar enery private limited[2]	India		23.50%	-	
SKVR Software Solution Private Limited (Refer Note D(4))	India	Information Technology - Data Centre Business and leasing	49.00%	49.00%	The entity is considered as associate in accordance with the requirements of "Ind AS 28" and are accounted for in the consolidated financial statements using the equity method as prescribed under Indian Accounting Standards.

[1]Investment in Tasoula Energy Private Limited was made through issue of compulsorily convertible debentures i.e., for a consideration other than cash.

[2]These investments are made pursuant to Electricity Act, 2003 as these are treated as captive power plants under that act. The Company assesed the fair value of the above investments as at March 31, 2026. In accordance with the requirements of Ind AS 109 - Financial instruments, the company has classified the investments as measured as fair value through other comprehensive income. The carrying costs of investments has been considered as the best estimate of fair value as at the reporting date.

[3]The investments in the financial statements are held in the name of the Company except Vashi Railway Station Commercial Complex Limited and Sarayu Clean Gen Private Limited , which were acquired from Sify Technologies Limited ('Holding Company') pursuant to a Business Transfer Agreement ('BTA') dated January 28, 2021 with effect from April 1, 2020.

[4]Details related to uncalled capital commitments outstanding are as follows :

Name of the Entity	As at March 31, 2026	As at March 31, 2025
Murli solar enery private limited	90.52	-
Netra Renewable Energy Private Limited	94.50	-
Radiance Ka Sunbright Two Private Limited	32.40	-
Sunsure Solarpark Eighteen Private Limited	-	89.77
	217.42	**89.77**

6. Loans - Non-current

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Loans to related parties (Associate) - Refer Note D(38) & D(47)	500.00	1,570.00
	500.00	**1,570.00**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

7. Other financial assets - Non-current

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured,considered good unless otherwise stated)		
Security deposits[1]	430.36	377.90
Bank deposits[2]	1,727.70	1,413.56
	2,158.06	**1,791.46**

[1]Security Deposit includes lease deposits as follows:

Particulars	March 31, 2026	March 31, 2025
Deposits with Holding Company	34.47	34.47
Deposits with Associate Company	96.00	-

[2]Represents deposits with more than 12 months maturity, subject to lien in favour of banks for obtaining bank guarantees /letters of credit.

a. The above balances consists of refundable security deposits given in respect of lease arrangements. These deposits are generally interest-free and have been initially recognised at fair value by discounting the refundable amount using a discount rate of 9.5%, based on the Company's incremental borrowing rate. The tenure of such deposits land ranges from 30 years to 90.1 years, and for buildings ranges from 1.5 years to 50.8 years. The deposits are subsequently measured at amortised cost, and the unwinding of discount is recognised as finance income over the respective lease terms in accordance with Ind AS 109 Financial Instruments and Ind AS 116 Leases.

Carrying amount of deposits in accordance with Ind AS 109 are as follows :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Carrying value of fair-valued deposits April, 01	125.30	181.17
Add: Deposits given during the year	138.45	22.22
Less: Deposits refunded during the year	-	-
Less: Unwinding of discount during the year	(77.73)	(78.09)
Carrying value of fair-valued deposits March, 31#	**186.02**	**125.30**
Gross refundable deposit as at March, 31	**341.84**	**203.39**

#Security deposits over and above ₹ 5.00 is fair valued as per Ind AS 109.

8. Income tax assets - Non-current

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax and tax deducted at source (Net of Provision for tax)	249.34	471.27
	249.34	**471.27**

9. Other Non-current assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured,considered good unless otherwise stated)		
Capital advances	2,888.83	1,243.95
Others:		
Prepaid expenses*	252.53	22.91
	3,141.36	**1,266.86**

*Includes an amount of ₹ 220.47 incurred by the company in relation to its proposed Initial Public Offering of equity shares during the year ended March 31, 2026 (March 31, 2025 : ₹ Nil).

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The portion of expenses related to selling shareholders will be recovered from the selling shareholders. The expenses related to the Company's fresh issue of equity shares will be adjusted against equity as per provisions of the Companies Act, 2013.

10. Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured [Refer note (a) below]	3,750.89	2,879.27
Trade receivables which have significant increase in Credit Risk	-	79.30
Trade Receivables - credit impaired	-	41.75
Total	**3,750.89**	**3,000.32**
Loss Allowances [Refer note (b) below]		
for receivables considered good	(57.77)	(79.30)
for receivables credit impaired	-	(41.75)
Net Trade receivables	**3,693.12**	**2,879.27**

(a) This amount includes

Particulars	As at March 31, 2026	As at March 31, 2025
Amounts receivable from Holding Company	0.95	69.20
Amounts receivable from Fellow subsidiary	5.44	-

(b) The activity in loss allowance for doubtful receivables is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	121.05	117.70
Add: Additional provision during the year	-	15.00
Less: Bad debts written off	(63.28)	(11.65)
Balance at the end of the year	**57.77**	**121.05**

The following table presents the ageing of the Trade Receivables for the year ended March 31, 2026

Particulars	Not due	Outstanding for following periods from due date of Collection					Total
		less than 6 months	6 months - 1 year	1-2 years	2-3 years	greater than 3 years	
Trade receivables - Undisputed							
Considered good	2,800.94	158.00	34.50	39.45	-	-	3,032.89
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	2,800.94	**158.00**	**34.50**	**39.45**	**-**	**-**	**3,032.89**
Trade receivables - Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Provision for Doubtful Debts							(57.77)
Trade receivable - Unbilled							718.00
Total							**3,693.12**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The following table presents the ageing of the Trade Receivables for the year ended March 31, 2025

Particulars	Not due	Outstanding for following periods from due date of Collection					Total
		less than 6 months	6 months - 1 year	1-2 years	2-3 years	greater than 3 years	
Trade receivables - Undisputed							
Considered good	2,104.25	232.70	-	-	-	-	2,336.95
Which have significant increase in credit risk	16.60	1.70	0.60	0.40	60.00	-	79.30
Credit impaired	-	-	-	-	-	41.75	41.75
	2,120.85	**234.40**	**0.60**	**0.40**	**60.00**	**41.75**	**2,458.00**
Trade receivables - Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Provision for Doubtful Debts							(121.05)
Trade receivable - Unbilled							542.32
Total							**2,879.27**

11. Cash and Bank balances

11A. Cash and cash equivalents:

Particulars		As at March 31, 2026	As at March 31, 2025
Balance with banks			
(i) in current accounts		621.87	2,969.39
(ii) deposits with original maturities of less than three months		1,500.00	-
Cash on hand		0.34	-
	(A)	**2,122.21**	**2,969.39**

Cash and cash equivalents for the purpose of Cash Flow Statement:

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents as above	2,122.21	2,969.39
	2,122.21	**2,969.39**

11B. Other bank balances:

Particulars		As at March 31, 2026	As at March 31, 2025
Bank deposits [Refer Note below]		763.70	355.31
	(B)	**763.70**	**355.31**
	(A) + (B)	**2,885.91**	**3,324.70**
Note			
Balances in deposit accounts subject to lien in favour of banks for obtaining bank guarantees /letter of credits/borrowings.		**763.70**	**355.31**
Bank deposits have contractual maturities ranging from 12 days to 132 days as on March 31, 2026.			

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

12. Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured,considered good unless otherwise stated)		
Amounts receivable from Related Parties (Note (a) below)	32.60	0.78
Security deposits (Net of doubtful allowance) (Note (b) below)	80.45	35.92
Interest accrued on deposits	7.48	57.29
Derivative financial instrument	9.92	18.52
	130.45	**112.51**

Note:

a) Balances receivable from group entities on account of transfer of assets/liabilities, allocation of revenue and expenses, and settlement of customer and vendor transactions undertaken on behalf of the Company (Refer Note D (38))

Particulars	March 31, 2026	March 31, 2025
From Fellow subsidiary	-	0.78
From Holding company	32.60	-

b) The activity in allowance for doubtful deposits are given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	3.40	3.40
Add: Additional provision during the year	-	-
Less: Advance written off / adjustments	-	-
Balance at the end of the year	**3.40**	**3.40**

13. Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured,considered good unless otherwise stated)		
Balances with Government Authorities	1,268.77	738.22
Prepaid expenses	26.30	32.37
Deferred Contract Cost	160.40	107.31
Other advances	60.83	76.36
	1,516.30	**954.26**

14. Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized		
100,00,00,000 (March 31, 2025: 80,02,50,000) equity shares of ₹ 10 each	10,000.00	8,002.50
27,00,00,000 (March 31, 2025: 27,00,00,000) preference shares of ₹ 10 each	2,700.00	2,700.00
Issued		
51,01,31,127 (March 31, 2025: 50,58,59,762) equity shares of ₹10 each	5,101.31	5,058.60
Nil (March 31, 2025: 42,71,365) equity shares of ₹ 10 each - Increase on account of Merger (refer note (c) below)	-	42.71
9,38,19,168 (March 31, 2025: Nil) equity shares of ₹ 10 each - Shares issued on conversion (refer note (d) below)	938.19	-
	6,039.50	**5,101.31**
Subscribed and fully paid		
60,39,50,295 (March 31, 2025: 51,01,31,127) equity shares of ₹ 10 each fully paid up	6,039.50	5,101.31
	6,039.50	**5,101.31**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(a) The Company has two classes of authorised share capital i.e., equity shares and preference shares having a par value of ₹ 10 per share.

(b) Equity shares carry voting rights proportionate to the paid-up value per share. In the event of liquidation of the company, holders of the equity shares are entitled to be repaid the amounts credited as paid up on those equity shares. All surplus assets after settlement of liabilities and preference share capital as at the commencement of winding-up shall be paid to the holders of equity shares in proportion to their shareholdings. The above payment is subject to the rights of creditors, employees, taxes, if any, and any other sums as may be prescribed under the Companies Act, 2013.

(c) Consequent to the scheme of amalgamation between Sify Infinit Spaces Limited and Patel Auto Engineering Company (India) Private Limited, the authorized equity share capital of the Company stands increased from 80,00,00,000 equity shares of ₹ 10/- each to 80,02,50,000 equity shares of ₹ 10/- each aggregating to ₹ 8,002.50 and the authorised preference share capital of the Company is 27,00,00,000 preference shares of ₹ 10/- each aggregating to ₹ 2,700.00. The Company, in accordance with the scheme of amalgamation has allotted 17.08546 equity shares of the company of ₹ 10/- each aggregating to 42,71,365 shares to share holders of transferor company for every 1 equity shares of ₹ 10/- each held by them. (refer note D(48)).

(d) On February 7, 2026, The Board of Directors approved the conversion of Compulsorily Convertible Debentures (CCDs) and Compulsorily Convertible Preference Shares (CCPS) into Equity Shares respectively. Accordingly 12,47,50,000 CCDs were converted into 8,97,95,295 equity shares and 5,00,00,000 CCPS were converted into 40,23,873 equity shares of the Company.

(e) The authorised share capital of the Company increased from ₹ 10,702.50 to ₹12,700.00 vide shareholders' approval at the Extraordinary General Meeting held on September 26, 2025.

14.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount paid- up	Number of shares	Amount paid- up
Number of shares outstanding at the beginning of the year	51,01,31,127	5,101.31	50,58,59,762	5,058.60
Add: Shares issued on conversion of Compulsorily Convertible Debentures	8,97,95,295	897.95	-	-
Add: Shares issued on conversion of Compulsorily Convertible Preference shares	40,23,873	40.24	-	-
Add: On account of merger (refer note D(48))	-	-	42,71,365	42.71
Number of shares outstanding at the end of the year	**60,39,50,295**	**6,039.50**	**51,01,31,127**	**5,101.31**

14.2 Shareholders holding more than 5% of the shares of the Company:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Number of Shares held	Percentage of Total shares	Percentage change during the year	Number of Shares held	Percentage of Total shares	Percentage change during the year
Sify Technologies Limited (Promoter)*	53,41,82,589	88.45%	(11.55%)	51,01,31,127	100.00%	-
Kotak Special Situations Fund (KSSF)	3,23,80,709	5.36%	100.00%	-	-	-
Kotak Data Centre Fund (KDCF)	3,73,86,997	6.19%	100.00%	-	-	-

*Includes 8 shares (March 31, 2025 : 8) held by nominees of Sify Technologies Limited (Holding Company) to comply with the provisions of the Companies Act, 2013.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

14.3 Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

S. No.	Date of Allotment	Particulars	No. of Equity Shares Allotted
A.	February 1, 2021	Allotted pursuant to Business Transfer Agreement with Sify Technologies Limited	50,00,00,000
B.	December 22, 2023	Allotted pursuant to merger order dated July 10, 2023 (effective April 1, 2022) with Print House (India) Private Limited (Refer Note D(46))	8,59,762
C.	March 13, 2025	Allotted pursuant to merger order dated January 9, 2025 (effective April 1, 2023) with Patel Auto Engineering Company (India) Private Limited (Refer Note D(48))	42,71,365
D.	February 7, 2026	Allotted on conversion of Compulsorily Convertible Debentures to the following investors:	
		• Kotak Special Situations Fund	3,23,80,709
		• Kotak Data Center Fund	3,73,86,997
E.	February 7, 2026	Allotted on conversion of Compulsorily Convertible Debentures and Non-Cumulative Compulsorily Convertible Preference Shares to the following investors:	
		• Sify Technologies Limited	2,40,51,462

14.4 Shares reserved for issue:

The Company has constituted an SISL Employee Stock Option Plan 2025 (ESOP) under which 30 Million options have been approved for grant to eligible employees. Refer Note D(45) for share reserved for issue.

15. Other Equity

15.1 Reserves and surplus

Particulars		As at March 31, 2026	As at March 31, 2025
Retained earnings			
Balance at the beginning of the year		4,393.06	3,151.51
Adjustments:			
Add: Profit for the year		372.17	1,264.05
Less: Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares		(40.50)	(22.50)
Balance at the end of the year	**(A)**	**4,724.73**	**4,393.06**
Remeasurement of net defined benefit liability/asset			
Balance at the beginning of the year		(10.60)	(8.32)
Add: Additions during the year		(1.74)	(2.28)
Balance at the end of the year	**(B)**	**(12.34)**	**(10.60)**
Securities premium			
Balance at the beginning of the year		382.34	376.59
Add: Additions during the year on account conversion of Compulsorily Convertible Debentures		10,219.75	-
Add: Additions during the year on account conversion of Compulsorily Convertible Preference Shares		459.56	-
Add: Additions during the year on account of debenture premium on issue of Non-Convertible Debentures		-	5.75
Balance at the end of the year	**(C)**	**11,061.65**	**382.34**
Capital Reserve			
Balance at the beginning of the year		91.40	91.40
Add: Additions during the year		-	-
Balance at the end of the year	**(D)**	**91.40**	**91.40**
Stock Option outstanding account			
Balance at the beginning of the year		-	-
Add: Additions during the year		56.00	-
Balance at the end of the year	**(E)**	**56.00**	**-**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars		As at March 31, 2026	As at March 31, 2025
15.2 Compulsorily Convertible Debentures			
Balance at the beginning of the year		6,951.20	6,269.30
Add: Additions during the year		138.38	681.90
Transfer to Share Capital and Securities premium on conversion		(7,089.58)	-
Balance at the end of the year	**(F)**	**-**	**6,951.20**
15.3 Compulsorily Convertible Preference Shares			
Balance at the beginning of the year		500.00	-
Add: Additions during the year		-	500.00
Transfer to Share Capital and Securities premium on conversion		(500.00)	-
Balance at the end of the year	**(G)**	**-**	**500.00**
	(H) = (A)+(B)+(C)+ (D)+(E)+(F)+(G)	**15,921.44**	**12,307.40**

Nature and purpose of Reserves

a) Retained Earnings

Retained earnings represents accumulated undistributed profits of the Company that can be distributed by the Company as dividends to its equity share holders.

b) Remeasurement of defined benefit liability / asset

Remeasurement of defined benefit liability /asset represent the cumulative actuarial gain / loss recognized in other comprehensive income and presented within equity.

c) Securities premium

(i) Securities Premium used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) The Company received an order for merger of Patel Auto Engineering Company (India) Private Limited ("PAECIPL") on January 9, 2025.The Company will issue and allot 17.08546 equity shares of the Company for every one equity share held in PAECIPL. The Company issued 42,71,365 shares of ₹ 10/- each to the Shareholders of PAECIPL amounts to ₹ 42.71 and accordingly recognised a securities premium of ₹ 376.59 (refer note D(48)).

(iii) The Company has recognised a securities premium of ₹ 10,219.75 on account of conversion of Compulsorily Convertible Debentures to equity shares of the company.

(iv) The Company has recognised a securities premium of ₹ 459.56 on account of conversion of Compulsorily Convertible Preference Shares to equity shares of the company.

d) Capital Reserve

The Company has received order for merger of Print house (India) Private Limited ("PHIPL") on July 10, 2023.The Company issued 8,59,762 shares of ₹ 10/- each to Shareholders of PHIPL amounting to ₹ 8.59 and accordingly recognised a capital reserve of ₹ 91.40 (refer note D(46)).

e) Compulsorily Convertible Debentures and Compulsorily Convertible Preference Shares

Particulars	As at March 31, 2026	As at March 31, 2025
Compulsorily Convertible Debentures issued to Kotak Special Situations Fund	-	2,313.55
Compulsorily Convertible Debentures issued to Kotak Data Center Fund	-	3,405.80
Compulsorily Convertible Debentures issued to Sify Technologies Limited	-	1,231.85
	-	**6,951.20**
Compulsorily Convertible Preference shares issued to Sify Technologies Limited	-	500.00
	-	**500.00**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

A. The Company executed a Waiver Cum Amendment Agreement ('WCA') dated September 25, 2025, with KSSF and KDCF amending the Debenture Subscription Agreement ('DSA'). This WCA becomes effective and binding on the Parties from the date of filing of the Draft Red Herring Prospectus ('DRHP') in relation to the proposed Initial Public Offering of its equity shares ('Offer') with Securities and Exchange Board of India ('SEBI') and shall remain effective until such time WCA is terminated. As per the WCA, the Compulsory Convertible Debentures ('CCDs') held by KSSF and KDCF shall be fully, mandatorily, compulsorily and automatically convertible into equity shares upon earlier of:

1. October 1, 2031, and March 31, 2033, for KSSF and KDCF respectively without any act or application by KSSF or KDCF;
2. Prior to filing the updated DRHP with SEBI, the updated DRHP shall be filed within 10 business days from the conversion or such other extended time as may be mutually agreed;
3. At any time as may be required by KSSF or KDCF.

Pursuant to the Company filing DRHP on October 17, 2025 with Securities and Exchange Board of India ('SEBI'), BSE Limited and National Stock exchange of India Limited in connection with the Offer and in compliance with the SEBI (ICDR) Regulations, 2018, which prescribes that an Issuer shall not be eligible to make an initial public offer if there are any outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer, on February 7, 2026,the company has converted the outstanding CCDs into equity shares. The Company has filed the requisite Forms for effecting the conversion as per Companies Act and the shares have been allotted to KSSF and KDCF based on the methodology as per DSA.

Consequently, the CCD which was presented as a Compound Financial Instrument has been presented entirely as Equity in compliance with the above regulations. The balance amount of CCDs as on the date of conversion are entirely presented as Equity Share Capital - ₹ 697.68 and Other equity - ₹ 8,220.17.

B. The WCA shall stand automatically terminated upon the earlier of the following dates:

1. Twelve months from the date of receipt of final observations from SEBI;
2. Exit Long Stop Date as defined in the DSA;
3. The date on which the Board decides not to undertake the IPO or decides to withdraw the IPO or any offer document filed with any regulator/ authorities in respect of the IPO;
4. The date on which the offer agreement executed between the Company, KDCF or KSSF and the BRLMs, is terminated;
5. This WCA being terminated by the mutual written agreement of all Parties, including if the listing of the Equity Shares pursuant to the IPO is not completed by then, subject to a withdrawal of the DRHP upon such termination

In case of termination of WCA, the provisions of the DSA (as existing prior to the execution of WCA) shall

1. Immediately and automatically stand reinstated with full force and effect without any further action or deed required on the part of any Party; and
2. Be deemed to have been in force during the period between the date of execution of this WCA and the date of termination of this WCA, without any break or interruption whatsoever.

C. If these CCDs are presented as Compound Financial Instrument without considering conversion or in case of occurrence of any of the events as specified above which causes the termination of WCA, this Financial Instrument would be presented as below:

Details	Financial Instrument presented as Equity	Financial Instrument presented as compound Financial Instrument
Equity	697.68	5,719.38
Other Equity	8,220.17	-
Other Non-current Liabilities	-	3,198.47
	8,917.85	8,917.85

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The future obligations of coupons, if any shall be accounted for in the Income Statement and disclosed accordingly.

D. The CCDs held by Holding Company Sify Technologies Limited ('STL') presented as other equity of ₹ 1,370.23 and borrowing of ₹ 829.63 were also converted into equity (Equity Share Capital - ₹ 200.28 and Other equity - ₹ 1,999.58) as on February 7, 2026, pursuant to the Company filing DRHP with SEBI and to comply with the SEBI (ICDR) Regulations 2018.

E. The Compulsory Convertible Preference Shares held by Holding Company Sify Technologies Limited ('STL') presented as other equity of ₹ 500 were also converted into equity (Equity Share Capital - ₹ 40.24 and Other Equity - ₹ 459.76) as on February 7, 2026, pursuant to the Company filing DRHP with SEBI and to comply with the SEBI (ICDR) Regulations 2018.

f) Stock Option Outstanding Reserve

Stock Option Outstanding Reserve represents the stock compensation expense recognized in the statement of changes in equity.

16. Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Term loan from banks [Refer Note (a), (b), (d) and (e) below]	11,138.39	11,843.24
6% p.a. Compulsorily Convertible Debentures - [Refer Note D(15.2)]	-	3,142.90
8.95% p.a. Non Convertible Debentures [Refer Note (c) below]	2,500.00	2,500.00
From others* [Refer Note (a) below]	5,640.90	2,781.66
Unsecured		
6% p.a. Compulsorily Convertible Debentures - [Refer Note D(15.2)]	-	709.42
	19,279.29	**20,977.22**

*Others represent borrowings from financial institutions.

a. Of the above, facilities amounting to ₹ 21,455.52 (March 31, 2025: ₹ 16,829.17) are primarily secured by way of a pari-passu charge on the project receivables and charge on movable fixed assets as Specific DC Project and second charge on unencumbered current assets of the Company. Out of this, ₹ 5,751.66 (March 31, 2025: ₹ 2,784.16) is loan availed from other than banks. (NBFC).

b. During the FY 2020-21, the company has entered into External Commercial Borrowing (ECB) facility agreement for $ 5 Million and drawn down $ 5 Million out of sanctioned loan during FY 2020-21 and repaid $ 0.5 Million in FY 2021-22, $ 1 Million in FY 2022-23, $ 1 Million in FY 2023-24 ,$ 1 Million in FY 2024-25 and $ 1 Million in FY 2025-26. The Company has also entered into agreement for currency swap (from USD to Rupees) to fully hedge foreign currency exposure towards principal repayment and interest rate swap from floating to fixed in order to hedge the foreign currency exposure.

c. Listed Non-Convertible Debentures (NCD) facility issued for re-financing the existing debt for specific Data Centre Towers amounting to ₹ 2,500 (March 31, 2025: ₹ 2,500) by the Company is primarily secured by way of pari-passu charge on the project Receivables and charge on movable fixed assets. The Loan is repayable in ten equal installments starting from FY 2030-2031 till FY 2039-2040.

d. The current maturities of the above borrowings [Refer Note D(20)], carrying the aforesaid security and repayment terms are grouped under Note D (16).

e. Borrowings from banks is net of processing charges amounting to ₹ 280.12 (Previous year ₹ 258.99). The carrying value of the above borrowings are measured at amortised cost using effective interest method.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

f. Terms of repayment, interest rates and security in respect of borrowings are as follows :

Term Loan	Type of Security	Interest Rate Range	Period of loan
Long Term/Short term - From Banks	Secured by way of a pari-passu charge on the project Receivables and charge on movable fixed assets disbursed for the Specific DC Project and second charge on un-encumbered current assets of the Company.	7.25% to 8.90%	5 to 15 years
Long Term - From Others		8.46% to 8.75%	9 Years

17. Other Financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit	14.56	36.00
	14.56	**36.00**

18. Provisions

Particulars		As at March 31, 2026	As at March 31, 2025
Provisions for employee benefits - non-current			
Compensated absences		13.45	9.87
Gratuity [Refer note D (36)]		4.23	1.63
	(A)	**17.68**	**11.50**
Provisions for employee benefits - current			
Compensated absences		5.05	2.95
	(B)	**5.05**	**2.95**
	(A) + (B)	**22.73**	**14.45**

19. Other non-current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liability (Unearned income)*	0.08	-
	0.08	**-**

*Refer Note D (42) for the movement in Contract liability (Unearned income)

20. Borrowings (short-term)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand from banks - Secured [Refer notes (a),(b),(c) & (f) below]		
Working capital facilities	1,119.00	-
Loans repayable on demand from banks - Unsecured [Refer note (g) below]		
Supplier Finance arrangements	1,253.71	-
Short term Borrowings (excluding current maturities of long-term debt) - Secured [Refer note (d) below]	3,000.00	-
Current maturities of Long Term Loans - [Refer note (e) below]		
Current maturities of long term debt from Banks*	1,565.47	2,123.51
Current maturities of long term debt from Others*	110.76	80.76
	7,048.94	**2,204.27**

*Refer note D (16)

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(a) Working capital facilities are availed by the Company are primarily secured by way of pari-passu charge on the entire current assets of the Company to all working capital bankers under consortium.

(b) Loans repayable on demand from banks,

(i) Outstanding amounting to ₹ 870.00 (previous year ₹ NIL) is secured collaterally by way of pari-passu charge on the unencumbered movable fixed assets of the Company, both present and future.

(ii) Outstanding amounting to ₹ 440.00 (previous year ₹ NIL) is secured collaterally by way of equitable mortgage over the properties located at Tidel Park, Chennai, Vashi data center and Enterprise center at Vile Parle at Mumbai.

(c) Working capital facilities bear interest ranging from 6.75% p.a. to 8.50% p.a .(previous year: 8.00% p.a. to 9.00% p.a.) and the facilities are subject to renewal annually.

(d) The above facilities amounting to ₹ 3,000.00 (previous year ₹ NIL), availed by the Company through Secured - Short Term Loan for the working capital purposes of the Company on March 4, 2026 maturing on March 3, 2027.

(e) Borrowings from banks is net of processing charges amounting to ₹ 43.06 (Previous year ₹ 47.76)

(f) Working capital facilities comprises the following:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Outstanding	Drawal Limit	Outstanding	Drawal Limit
Supplier Finance arrangements	1,253.71	1,500.00	-	-
Other working capital facilities /Bank Overdraft	1,119.00	1,500.00	-	1,500.00
	2,372.71	**3,100.00**	**-**	**1,500.00**

(g) Supplier finance arrangement- Ind AS amendment w.e.f April 1, 2025

Terms and Conditions:

i) Payable to MSME-TReDS- The Company has a supplier finance arrangement with State bank of India, Central bank of India, under which MSME suppliers are to be paid within 45 days of deemed acceptance date.No guarantees or collateral are provided under the arrangement.

ii) Vendor bill discounting- The Company has a supplier finance arrangement with HSBC bank, DBS bank, IDFC Bank and Axis bank, under which suppliers (other than MSME) have to be paid within 0 to 65 days of invoice date. No guarantees or collateral are provided under the arrangement.

iii) The movement in supplier finance arrangement for the year ended March 31, 2026 is given below:

Particulars	Payable to MSME-TReDS	Vendor bill discounting
Balance at the beginning of the Year	20.71	828.61
Additions	712.65	3,279.52
Payment to supplier finance arrangement	(377.65)	(3,210.13)
Balance at the end of the year	**355.71**	**898.00**

Type	Amount of Outstanding as on March 31, 2026	Rate of Interest	Tenure of Average repayment	Security
MSME-TReDS	355.71	5.95% to 6.99%	173 to 179 days	Unsecured
Vendor bill discounting	898.00	7.15% to 8.60%	10 to 133 days	Unsecured

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

21. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Towards purchase of goods and services		
Undisputed Trade payables :		
(a) Total outstanding dues of micro enterprises and small enterprises	17.07	32.73
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,431.59	2,012.14
	1,448.66	**2,044.87**

*Includes the following amounts: (Also refer note D (38)).

Particulars	March 31, 2026	March 31, 2025
Payable to Holding Company	203.44	1.91
Payable to Fellow Subsidiary	13.50	0.27
Payable to Associate Company	18.48	-

The following table presents the aging of the Trade payables for the year ended March 31, 2026

Particulars	Outstanding for following periods from the date of Invoice				
	less than 1 year	1- 2 years	2 - 3 years	greater than 3 years	Total
Undisputed Trade payables :					
(a) Total outstanding dues of micro enterprises and small enterprises*	17.07	-	-	-	17.07
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	489.98	1.34	3.58	0.47	495.37
	507.05	**1.34**	**3.58**	**0.47**	**512.44**
Disputed Trade payables :					
(c) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(d) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
	-	-	-	-	-
Trade Payables - Unbilled					936.22
Total					**1,448.66**

*None of the amount outstanding to Micro and small enterprises are due more than 45 days as on March 31, 2026.

The following table presents the aging of the Trade payables for the year ended March 31, 2025

Particulars	Outstanding for following periods from the date of Invoice				
	less than 1 year	1- 2 years	2 - 3 years	greater than 3 years	Total
Undisputed Trade payables :					
(a) Total outstanding dues of micro enterprises and small enterprises*	32.73	-	-	-	32.73
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,184.24	30.70	2.60	0.30	1,217.84
	1,216.97	**30.70**	**2.60**	**0.30**	**1,250.57**
Disputed Trade payables :					
(c) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(d) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
	-	-	-	-	-
Trade Payables - Unbilled					794.30
Total					**2,044.87**

*None of the amount outstanding to Micro and small enterprises are due more than 45 days as on March 31, 2025.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

22. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Amounts Payable to related Parties (Refer Note (a) below)	4.16	138.99
Capital creditors (Refer Note (c) below)	1,043.36	357.85
Interest accrued	413.98	41.98
Other payables (Refer Note (b) below)	614.87	248.62
	2,076.37	**787.44**

a) Balances payable to group entities on account of transfer of assets, liabilities, revenue and expenses and settlement of customer/vendor transactions undertaken on behalf of the Company. (Refer Note D (38))

Particulars	March 31, 2026	March 31, 2025
From Fellow subsidiary	4.16	-
From Holding company	-	138.99

b) Other Payables include corporate credit card outstandings used for settlement of operational expenses. These balances carry an interest rate between 5.84% - 6.45% and are repayable within 45 - 51 days. As of March 31, 2026, the company has sanctioned limit of ₹ 650.00 from banks offering such credit cards.

c) Capital creditors includes amounts due to micro, small enterprises amounting to ₹ 330.45 (retention money payable ₹ 220.29) Refer note D(43) for details as per the MSMED Act, 2006.

23. Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Advances received from customers[(1)]	0.45	2.87
Statutory payables	36.80	25.82
Contract liability (Unearned income)[(2)]	520.54	355.32
Other payables	52.81	13.17
Current tax liability (Net of Advance tax paid and tax deducted at source)	-	153.44
	610.60	**550.62**

[(1)]Represents amounts billed and collected from customers for which revenue has not been recognised in accordance with Ind AS.

[(2)]Refer Note D (42) for the movement in Contract liability (Unearned income)

24. Contingent liabilities and commitments

(a) Contingent liabilities

The Company is subject to legal proceedings and claims which are arising in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's results of operations or financial conditions. Further the Company has given Corporate Guarantee for the Term Loan outstanding amounting to ₹ 1,155.80 [Initial guarantee executed ₹ 1,850.00] as at March 31, 2026 (₹ 1,464.58 as at March 31, 2025) for SKVR Software Solution Private Limited for Specific DC Project to the lenders.

(b) Capital commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	19,768.67	6,252.90

25. Revenue from operations

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Service Revenue:		
• Domestic	16,617.62	13,757.05
• Export	987.66	526.60
	17,605.28	**14,283.65**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

25.1 Revenue from Contracts

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Sale of Services		
• Colocation Services	17,605.28	14,283.65
Revenue from contracts with customers	**17,605.28**	**14,283.65**
Total Revenue	**17,605.28**	**14,283.65**
Revenue from operations includes the following amounts of revenue from related parties: (Refer note D (38))		
Holding Company	30.34	30.34
Fellow subsidiary	57.42	57.42
	87.76	**87.76**

25.2 Contract Balances

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Contract Assets		
Contract assets (including unbilled revenue)	3,693.12	2,879.27
	3,693.12	**2,879.27**
Contract Liabilities		
Deferred revenue	520.62	355.32
	520.62	**355.32**

26. Other Income

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest income		
From banks	89.64	189.28
Others[(1)]	105.22	20.89
Other non-operating income		
Profit on sale of property, plant and equipment (Net)	18.61	17.99
Gain on foreign exchange fluctuation (net)	23.03	-
Miscellaneous income[(2)]	38.62	30.94
	275.12	**259.10**
[(1)]Interest Income - Others includes		
Interest on loans received from associate company (Refer note D (38))	75.25	11.10
Interest on income tax refund	12.08	-
	87.33	**11.10**
[(2)]Miscellaneous income include the following amounts from related parties: (Refer note D (38))		
Lease rentals received from Holding Company	8.48	2.03
Lease rentals received from Fellow subsidiary	15.19	13.20
	23.67	**15.23**

27. Cost of services rendered

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Power expenses[(1)]	6,490.20	5,594.62
Other direct costs[(2)]	361.58	229.38
	6,851.78	**5,824.00**

This includes amount [(1)]power expenses reimbursed to associate company amounting to ₹ 127.99 (March 31, 2025 : Nil) and [(2)] Other direct costs reimbursed to associate company amounting to ₹ 0.91 (March 31, 2025 : Nil)

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

28. Employee benefits expense

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Salaries and wages	724.52	498.16
Contribution to provident and other funds	53.96	32.11
Staff welfare expenses	11.09	13.63
Share-based payments to employees	56.00	0.46
	845.57	**544.36**

29. Finance costs

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest Expenses[1][2]	2,245.75	1,171.46
Other finance costs[3]	114.67	77.39
Interest on lease liability	560.88	279.29
	2,921.30	**1,528.14**

[1]The Company has capitalised borrowing costs @ 9.30% p.a amounting to ₹ 150.12 and ₹ 515.33 for the year ended March 31, 2026 and March 31, 2025.

[2]Interest cost includes

Particulars	Interest on Compulsorily Convertible Debentures	4% additional coupon entitlement on the face value of Compulsorily Convertible Debentures
Sify Technolgies Limited (Holding Company) (Refer Note D(38))	42.73	-
Kotak Special Situations Fund (Refer Note D(15))	62.88	160.00
Kotak Data Center Fund (Refer Note D(15))	112.46	240.00
	218.07	**400.00**

[3]Other finance costs includes charges on refinancing of borrowings amounting to ₹ 40.00.

30. Other expenses

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Commission expenses	5.09	0.58
Communication expenses	2.86	2.21
Rent	73.78	74.05
Rates and taxes	142.12	104.27
Travelling expenses	33.64	22.23
Power and fuel expenses	27.81	45.39
Legal and professional	173.12	72.90
Sitting fees	7.87	2.65
Payment to auditors[1]		
• For Statutory audit fees	2.50	1.80
• For Other services	0.17	0.40
• For reimbursement of expenses	0.23	0.02
Repairs and maintenance expenses		
• Plant and machinery	384.05	244.21
• Buildings	73.92	81.98
• Others	673.32	587.28
Insurance	42.74	37.80
Outsourced manpower costs	35.28	27.41
Advertisement, selling and marketing expenses	74.48	44.80
Security Charges	149.07	172.54
Loss on foreign exchange fluctuation (net)	-	2.62
Provision for doubtful advances	15.43	-

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Contribution towards corporate social responsibility [Refer note D (41)]	27.13	22.01
Allowance for bad and doubtful debts (refer note D(10) for bad debts written off)	-	15.00
Miscellaneous expenses	31.15	12.85
	1,975.76	**1,575.00**

Legal and professional includes expenses reimbursed to fellow subsidiary amounting to ₹ 48.80 (Previous year ₹ Nil), Expense Transfer includes an amount of ₹ 802.68 (March 31, 2025: ₹ 526.88) charged by the Holding Company, ₹ 18.33 (March 31, 2025: ₹ 14.59) charged by the fellow subsidiary. Refer note D (38).

(1)Prepaid expenses as per note D(9) includes ₹ 6.83 Million paid to the statutory auditors during the year ended March 31, 2026 in relation to services rendered for the Company's proposed Initial Public Offering of its equity shares.

31. Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows for the year ended March 31, 2026

(i) Financing activities

Particulars	As at April 1, 2025	Proceeds	Repayment		Non-cash movement				As at March 31, 2026
			Principal	Interest	Foreign exchange movement	Re-classification	Interest	Net of Additions / (Deletions)	
Term loans from Bank and others*#	16,348.77	9,432.51	(7,308.28)	-	(7.54)	(9.94)	-	-	18,455.52
6% Compulsorily Convertible Debentures	4,332.72	250.00	(416.24)	-	-	(4,166.48)	-	-	-
8.95% p.a. Non Convertible Debentures	2,500.00	-	-	-	-	-	-	-	2,500.00
Working capital facilities excluding overdraft	-	4,119.00	-	-	-	-	-	-	4,119.00
Supplier Finance Arrangements	849.32	3,992.17	(3,587.78)	-	-	-	-	-	1,253.71
Lease Liabilities	3,023.94	-	(361.41)	(560.88)	-	-	560.88	3,063.99	5,726.52
Total liabilities from financing activities	**27,054.75**	**17,793.68**	**(11,673.71)**	**(560.88)**	**(7.54)**	**(4,176.42)**	**560.88**	**3,063.99**	**32,054.75**

*Borrowings from banks is net of processing charges amounting to ₹ 323.17.

#Others represent borrowings from financial institutions.

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows for the year ended March 31, 2025

(i) Financing activities

Particulars	As at April 1, 2024	Proceeds	Repayment		Non-cash movement				As at March 31, 2025
			Principal	Interest	Foreign exchange movement	Re-classification	Interest	Net of Additions / (Deletions)	
Term loans from Bank and others*#	13,837.60	8,356.10	(5,431.93)	-	(5.90)	(407.10)	-	-	16,348.77
6% Compulsorily Convertible Debentures	5,467.50	-	(452.88)	-	-	(681.90)	-	-	4,332.72
8.95% p.a. Non Convertible Debentures	-	2,500.00	-	-	-	-	-	-	2,500.00
Term loans from Holding Company	208.00	-	(208.00)	-	-	-	-	-	-
Loan from fellow subsidiary	90.00	-	(90.00)	-	-	-	-	-	-
Working capital facilities excluding overdraft	279.50	-	(279.50)	-	-	-	-	-	-
Lease Liabilities	2,903.40	-	(166.56)	(279.29)	-	-	279.29	287.10	3,023.94
Total liabilities from financing activities	**22,786.00**	**10,856.10**	**(6,628.87)**	**(279.29)**	**(5.90)**	**(1,089.00)**	**279.29**	**287.10**	**26,205.43**

*Borrowings from banks is net of processing charges amounting to ₹ 306.75.

#Others represent borrowings from financial institutions.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

32. Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax asset/(liability) and a description of the items that created these differences is given below :

Recognised deferred tax assets/ (liabilities)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets on temporary deductible differences		
Property, Plant and Equipment	792.24	739.00
Leases / Right of Use Assets	262.25	139.90
Provision for employee benefits	24.44	3.60
Allowances for doubtful debts	14.26	30.50
Provision for doubtful advances	3.88	0.90
Security Deposits	4.17	-
Payment to MSME Vendors	-	0.60
	1,101.24	**914.50**
Deferred tax liabilities on temporary taxable differences		
Intangible assets	(0.12)	0.58
	(0.12)	**0.58**
Net deferred tax assets / (liabilities) recognised in Balance Sheet	**1,101.12**	**915.08**

In assessing the realizability of the deferred income tax assets, management considers whether some portion or all of deferred tax assets will be realized. The ultimate realization of the deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and tax planning strategy in making this assessment. Based on the level of historical taxable income and projections of future taxable income over the periods in which deferred tax assets are deductible, management recognizes deferred tax assets on deductible temporary differences to the extent of deferred tax liabilities on taxable temporary differences. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income are reduced.

Movement in temporary differences during current and previous year

Movement	Provision for employee benefits	Allowances for doubtful debts	Provision for doubtful advances	Property, Plant and Equipment	Security Deposits	Intangible assets	Leases / Right of Use Assets & Unwinding of Interest	Payment to MSME Vendors
Balance as at March 31, 2024 (Restated)	**2.90**	**27.10**	**0.90**	**608.40**	**-**	**(0.81)**	**133.80**	**0.60**
Recognised in profit or loss	0.70	3.40	-	130.60	-	1.39	6.10	-
Recognised in Other Comprehensive Income	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	**3.60**	**30.50**	**0.90**	**739.00**	**-**	**0.58**	**139.90**	**0.60**
Recognised in profit or loss	20.25	(16.24)	2.98	53.24	4.17	(0.70)	122.35	(0.60)
Recognised in Other Comprehensive Income	0.59	-	-	-	-	-	-	-
Balance as at March 31, 2026	**24.44**	**14.26**	**3.88**	**792.24**	**4.17**	**(0.12)**	**262.25**	**-**

Income tax expense recognized in profit or loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax expense/ (reversal)	363.30	681.23
Deferred tax liability / (asset)	(185.45)	(142.19)
	177.85	**539.04**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Reconciliation of effective tax rates

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before taxes	550.02	1,803.09
Enacted tax rates in India	25.17%	25.17%
Expected tax expense/(benefit)	138.43	453.80
Expenses that are not deductible in determining taxable profit	38.89	103.03
Reversal of previously recognised temporary differences	0.53	(17.79)
	177.85	**539.04**

33. Payments to directors (other than Whole-time Director)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sitting fees	7.87	2.65
	7.87	**2.65**

34. Reconciliation of equity shares in computing weighted average number of equity shares

(a) Weighted average number of shares

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Issued fully paid up ordinary shares as on April 1	51,01,31,127	50,58,59,762
Issued as fully paid up in consideration for merger	-	2,22,345
Issued as fully paid up in conversion of Compulsorily Convertible debentures & Compulsorily Convertible Preference shares	1,36,23,057	-
Weighted average number of equity shares outstanding for Calculation of Basic Earnings Per Share	**52,37,54,184**	**50,60,82,107**

(b) Reconciliations of earnings used in calculating Basic Earnings Per Share (BEPS):

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net profit as per profit and loss account	**372.17**	**1,264.05**
Less: Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares	(40.50)	(22.50)
Profit attributable to the equity holders of the company used in calculating basic earnings per share	**331.67**	**1,241.55**
Basic Earnings per share	0.63	2.45
Diluted Earnings per share	0.63	2.41

Since the convertible instruments are issued based on the ranking of the instrument, Diluted earnings per share are calculated based on the ranking of the convertible instrument.

35. Foreign currency exposure

The details of foreign currency exposure as at March 31, 2026 are as follows:

Particulars	As at March 31, 2026		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Amounts receivable in foreign currency on account of:			
Cash and bank balances	USD	0.15	13.75
Trade Receivables	USD	2.49	235.44
Amounts payable in foreign currency on account of:			
Trade Payables	USD	0.26	24.61
Foreign currency long term loan	USD	0.50	47.33

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The details of foreign currency exposure as at March 31, 2025 are as follows:

Particulars	As at March 31, 2025		
	Foreign Currency	Amount in foreign currency	Amount in Indian Rupees
Amounts receivable in foreign currency on account of:			
Cash and bank balances	USD	*	0.33
Trade Receivables	USD	2.26	193.77
Amounts payable in foreign currency on account of:			
Foreign currency long term loan	USD	1.50	128.37

*amount is below the rounding off norm adopted by the Company

36. Employee benefits

a. Defined benefit plans (Gratuity)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation (Gratuity)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Projected benefit obligation at the beginning of the year	25.61	20.68
Current Service cost	5.27	4.20
Past Service Cost#	0.46	-
Interest cost	1.73	1.50
Remeasurement (gain)/losses	2.73	2.43
Benefits paid	(3.33)	(3.20)
Projected benefit obligation at the end of the year	**32.47**	**25.61**

#The Company has assessed the impact of Labour code, 2025 and revised the salary structure from November 21, 2025. The impact in gratuity is disclosed as part of past service cost under Ind AS 19.

Change in the fair value of plan assets

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair value of plan assets at the beginning of the year	23.98	17.78
Interest income	1.01	1.30
Employer contributions	6.18	8.00
Benefits paid	(3.33)	(3.20)
Return on plan assets, excluding amount recognised in net interest expense	0.40	0.10
Fair value of plan assets at the end of the year	**28.24**	**23.98**

Amount recognised in the Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of projected benefit obligation at the end of the year	32.47	25.61
Fair value of plan assets at the end of the year	(28.24)	(23.98)
Funded status amount of liability recognised in the Balance Sheet	**4.23**	**1.63**

Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service cost	5.27	4.20
Past Service cost	0.46	-
Interest cost	1.73	1.50
Interest income	(1.01)	(1.30)
Net gratuity costs	**6.45**	**4.40**

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Summary of actuarial assumptions

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate	6.70%	6.65%
Salary escalation rate	8.00%	8.00%
Average future working life time	20.98 years	21.51 years

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

The expected cash flows over the next few years are as follows:

Year	As at	
	March 31, 2026	March 31, 2025
1 year	6.87	4.80
2 to 5 years	21.61	16.80
6 to 10 years	10.51	9.50
More than 10 years	5.51	3.90

Plan assets: The Gratuity plan's weighted-average asset allocation at March 31, 2026 and March 31, 2025, by asset category is as follows:

Particulars	As at	
	March 31, 2026	March 31, 2025
Funds managed by insurers	100%	100%
Remeasurement (gain) /loss arising from		
• change in demographic assumptions	-	-
• change in financial assumptions	(0.14)	0.50
• experience variance	2.87	1.90
• return on plan assets, excluding amount recognised in net interest expense/income	(0.40)	(0.12)
	2.33	**2.28**

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	March 31, 2026		March 31, 2025	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	33.90	31.20	26.71	24.61
(% change compared to base due to sensitivity)	4.30%	(4.00)%	4.30%	(3.90)%
Attrition Rate (- / + 50% of attrition rates)	34.36	31.02	26.96	24.67
(% change compared to base due to sensitivity)	5.70%	(4.50)%	5.20%	(3.80)%
Mortality Rate (- / + 10% of mortality rates)	32.49	32.50	25.62	25.63
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%
Salary Growth rate (-/+ 1%)	31.54	33.49	24.86	26.41
(% change compared to base due to sensitivity)	(2.90)%	3.10%	(3.00)%	3.10%

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

b. Contributions to defined contribution plans

In accordance with Indian law, all employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The company has no further obligations under the plan beyond its monthly contributions. An amount of ₹ 32.89 and ₹ 24.75 was contributed for the year ended March 31, 2026 and March 31, 2025 respectively.

37. Segment reporting

The Company is in the business of providing Data Center services to clients which is the primary segment. As such, the Company's financial results are largely reflective of the Data Center services business and accordingly there are no separate reportable segments as per Ind AS 108 - Operating Segments, based on review by Chief Operating Decision Makers (CODM).

Major Customer

Revenue from three customers of Data center services represents approximately ₹ 11,504.69 (March 31, 2025 ₹ 9,761.63) of the company's total revenue.

38. Related parties and transactions

(a) Related parties

The related parties where control / significant influence exists are subsidiaries and associates. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or otherwise. Key management personnel includes the board of directors and other senior management executives. The other related parties are those with whom the Company has had transaction during the year ended March 31, 2026 and March 31, 2025 are as follows:

Particulars	Related Parties	Country of Incorporation	% of ownership interest
Ultimate Holding Company	Raju Vegesna Infotech and Industries Private Limited	India	
Holding Company [Refer Note - D(15)]	Sify Technologies Limited ("STL")	India	88.45%
Associate Company	SKVR Software Solution Private Limited*	India	49.00%
Fellow Subsidiaries	Sify Technologies (Singapore) Pte. Limited	Singapore	
	Sify Technologies North America Corporation	USA	
	Sify Data and Managed Services Limited ("SDMSL")	India	
	Sify Digital Services Limited ("SDSL")	India	
Key Managerial Personnel	Mr. Veeraraghavan Ramanujan - Chief Financial Officer (Till October 21, 2024)#		
	Mr. Ganesh Sankararaman - Chief Financial Officer (effective October 22, 2024)#		
	Mr. Ananta Koti Raju Vegesana - Promoter		
	Mrs.Vegesna Bala Saraswathi - Promoter		
	Mr. Chintaluri Venkata Rajeswara Rao - Whole Time Director		
	Dr. Thomas Michael Bradicich - Independent Director - from August 18, 2025		
	Dr. Ram Sewak Sharma - Independent Director - from June 20, 2025		
	Mrs. Padmaja Chunduru - Independent Director - from October 12, 2024		

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Related Parties	Country of Incorporation	% of ownership interest
	Mr. Arun Seth - Independent Director - from September 6, 2022		
	Mr. Mark Evan Adams - Director - from August 18, 2025		
	Mr. Devendiriya Jayaraman Poornasandar - Company Secretary		
Trust controlled by KMP of Holding Company##	Raju Vegesna Foundation, India		
	Vegesna Family Trust, India		
	Vegesna Family Trust, USA		

*SISL holds 49% of equity shares in SKVR Software Solution Private Limited.

#Mr. Ganesh Sankararaman appointed as a Chief Financial Officer of the Company effective October 22, 2024, due to relinquishment by Mr. V Ramanujan.

(b) Related party transactions and balances

Following is a summary of related party transactions:

Transactions	Refer Note	March 31, 2026					
		Raju Vegesna Foundation, India	Sify Technologies Limited	Sify Digital Services Limited	SKVR Software Solution Private Limited	Sify Technologies (Singapore) Pte. Limited	Key Management Personnel
Lease rentals received	D (26)	-	8.48	15.19	-	-	-
Lease rentals to holding company**	D (2)	-	276.34	-	-	-	-
Sitting fees paid to directors	D (30)/ D (33)	-	-	-	-	-	7.87
Lease Rent Paid	D (2)	-	-	-	384.00	-	-
Loan Given	D (6)	-	-	-	190.00	-	-
Receipt of services	D (30)	-	-	-	-	48.80	-
Rendering of services#	D (25)	-	30.34	57.42	-	-	-
Interest Received	D (26)	-	-	-	75.25	-	-
Investment in preference shares	D (4)	-	-	-	1,260.00	-	-
Revenue transfer*		-	40.06	-	-	-	-
Power Expenses reimbursed	D (27)	-	-	-	127.99	-	-
Other direct cost reimbursed	D (27)	-	-	-	0.91	-	-
Expenses transfers*	D (30)	-	802.68	18.33	-	-	-
Charge on share-based payments to holding company		-	19.45	-	-	-	-
Interest paid on CCDs	D (29)	-	121.47	-	-	-	-
Dividend paid on preference shares	D (15)	-	40.50	-	-	-	-
Issue of Compulsorily Convertible Debentures	D (15)	-	250.00	-	-	-	-
Transfer of leasehold land	D (2)	-	33.25	-	-	-	-
Loan Repaid	D (6)/ D (47)	-	-	-	1,260.00	-	-
Security Deposit given	D (7)	-	-	-	96.00	-	-
Contribution towards Corporate Social Responsibility##	D (41)	24.00	-	-	-	-	-
Salaries and other short term benefits***	D (28)	-	-	-	-	-	35.01
Contributions to defined contribution plans***	D (28)	-	-	-	-	-	1.53
Expense on account of Share-based payments	D (28)	-	-	-	-	-	17.46
Amount of outstanding balances							
Amount Payable	D(21)	-	(203.44)	-	(18.48)	(13.49)	-
Amount Receivable	D (10)	-	0.95	5.44	-	-	-

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Transactions	Refer Note	March 31, 2026					
		Raju Vegesna Foundation, India	Sify Technologies Limited	Sify Digital Services Limited	SKVR Software Solution Private Limited	Sify Technologies (Singapore) Pte. Limited	Key Management Personnel
Advance receivable/(payable)	D (12)/ D (22)	-	32.60	(4.16)	-	-	-
Loan receivable/(payable) Net	D (6)	-	-	-	500.00	-	-
Security Deposit	D (7)	-	34.47	-	96.00	-	-
Outstanding preference shares	D (4)	-	-	-	2,750.00	-	-
Guarantees and Collaterals on behalf of the Company							
Corporate Guarantee outstanding###	D (24)	-	-	-	1,155.80	-	-

*On account of Business Transfer agreement executed during FY 2020-21, the customer and vendor contracts novation was in progress during the period ended March 31, 2026 and hence the invoices related to vendor and customer pertaining to the Company have been booked in parent / fellow subsidiary company and subsequently transferred to subsidiary companies as expense and revenue transfers. (refer note D (10), D (21) and D (22)).

**During the financial year 2025-26, the Company had renewed the existing lease agreements with its parent Sify Technologies Limited to lease the additional Space in Chennai Tidel DC for a period of ten years effective April 1, 2025 on a rent of ₹ 3.58 (Rupees* Thirty five Lakhs Seventy Eight Thousand two hundred twenty) per month with an escalation of 10% on the last paid rent after the end of every three years.

***Represents salaries and other benefits of Key Management Personnel comprising of Mr. C R Rao (Whole Time Director), Mr Ganesh Sankararaman (Chief Financial officer) and Mr. Poorna Sandar DJ (Company Secretary).

#Pursuant to agreement for shared services between entities, SISL is charging to STL and SDSL for the services rendered.

##₹ 24.00 (Previous Year :₹ 14.81) contributed to Raju Vegesna Foundation, India which is controlled by KMP of holding company.

###The Corporate Guarantee given by Sify Infinit Spaces Limited in favour of SKVR Software Solution Private Limited shall be a continuing one and shall remain in full force and effect till such time SKVR Software Solution Private Limited repays the loan in full.

Transactions	Note Reference	March 31, 2025					
		Raju Vegesna Foundation, India	Sify Technologies Limited	Sify Digital Services Limited	SKVR Software Solution Private Limited	Sify Data and Managed Services Ltd	Key Management Personnel
Lease rentals received	D (26)	-	2.03	13.20	-	-	-
Lease rentals to holding company**	D (2)	-	227.71	-	-	-	-
Sitting fees paid to directors	D (30)/ D (33)	-	-	-	-	-	2.65
Lease rent paid	D (2)	-	-	-	19.95	-	-
Loan Given	D (6)	-	-	-	1,570.00	-	-
Rendering of services#	D (25)	-	30.34	57.42	-	-	-
Interest Received	D (26)	-	-	-	11.10	-	-
Investment in preference shares	D (4)	-	-	-	990.00	-	-
Revenue transfer*		-	118.90	-	-	-	-
Expenses transfers*	D (30)	-	526.88	14.59	-	-	-
Repayment of Capital advance	D (9)	-	-	-	3,606.90	-	-
Interest paid on Loan Received	D (29)	-	13.40	-	-	6.06	-
Interest paid on CCDs	D (29)	-	133.50	-	-	-	-
Loan Repaid***	D (16)	-	208.00	-	-	90.00	-
Dividend paid on preference shares	D (15)	-	22.50	-	-	-	-
Assets transfer	D (1)	-	3.89	-	-	108.53	-
Contribution towards Corporate Social Responsibility##	D (41)	14.81	-	-	-	-	-
Salaries and other short term benefits****	D (28)	-	-	-	-	-	2.47

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Transactions	Note Reference	March 31, 2025					
		Raju Vegesna Foundation, India	Sify Technologies Limited	Sify Digital Services Limited	SKVR Software Solution Private Limited	Sify Data and Managed Services Ltd	Key Management Personnel
Contributions to defined contribution plans****	D (28)	-	-	-	-	-	0.15
Amount of outstanding balances							
Amount payable	D(21)	-	(1.91)	(0.27)	-	-	-
Amount receivable	D (10)	-	69.20	-	-	-	-
Advance receivable/payable	D (12)/ D (22)	-	(138.99)	0.78	-	-	-
Loan receivable/(payable) Net	D (6)	-	-	-	1,570.00	-	-
Security Deposit	D (7)	-	34.47	-	-	-	-
Issue of Compulsorily Convertible Debentures###	D (15)	-	2,028.27	-	-	-	-
Outstanding preference shares	D (4)	-	-	-	1,490.00	-	-
Guarantees and Collaterals on behalf of the Company							
Corporate Guarantee outstanding####	D (24)	-	-	-	1,464.58	-	-

*On account of Business Transfer agreement executed during FY 2020-21, the customer and vendor contracts novation was in progress during the year ended March 31, 2025 and hence the invoices related to vendor and customer pertaining to the company have been booked in parent / fellow subsidiary company and subsequently transferred to subsidiary companies as expense and revenue transfers. The Expenses Transfer from Sify Technologies Limited for the FY 2024-25 includes ₹ 6.50 of KMP remuneration cross-charged to the Company. (refer note D (10), D (21) and D (22))

***Refer Note D (16)

****Represents salaries and other benefits of Key Management Personnel comprising of Mr. Poorna Sandar D J (Company Secretary) only. Other KMP's remuneration are included in Expense transfer.

#Pursuant to agreement for shared services between entities, SISL is charging to STL and SDSL for the services rendered.

##₹ 14.81 (March 31, 2024 :₹ 20.20) contributed to Raju Vegesna Foundation, India which is controlled by KMP of holding company.

###Out of above CCDs, ₹ 1,231.85 is classified as other equity (refer note D (15))

####The Corporate Guarantee given by Sify Infinit Spaces Limited in favour of SKVR Software Solution Private Limited shall be a continuing one and shall remain in full force and effect till such time SKVR Software Solution Private Limited repays the loan in full.

39. Financial instruments

a. Derivative financial instruments

i. Forward and option contracts

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. These derivative contracts are initially recognized at fair value on the date the contract is entered into and subsequently re-measured at their fair value. Gains or losses arising from changes in the fair value of the derivative contracts are recognized immediately in profit or loss. The counterparties for these contracts are generally banks or financial institutions.

Particulars	Currency	As at March 31, 2026	As at March 31, 2025
Forward/Option contracts (Sell)	USD	1.00	Nil
Forward/Option contracts (Buy)	USD	Nil	Nil
Net (gain) / loss on mark to market in respect of forward/option contracts outstanding	₹	0.93	Nil

The Company recognized a net loss on the forward contracts of ₹ 0.93 (Previous year : Net loss of ₹ Nil) for the year ended March 31, 2026.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The forward exchange contracts and option contracts mature between one and twelve months. The table below summarizes the notional amounts of derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

Particulars	As at March 31, 2026	As at March 31, 2025
Forward/Option contracts (Sell)	(USD)	(USD)
Not later than one month	-	-
Later than one month and not later than three months	1.00	-
Later than three months and not later than six months	-	-
Later than six months and not later than one year	-	-

ii. Swap Arrangements

The Company has entered into swap arrangement comprising of Cross Currency Swap (on Principal repayment) and Interest rate swap (floating to fixed), in order to hedge the cash flows arising out of the Principal and Interest payments of the underlying External Commercial Borrowing denominated in USD. The period of the swap contract is co terminus with the period of the underlying ECB. As per the terms of the arrangement, the Company shall pay ₹ fixed and receive fixed USD principal cash flows during the term of the contract and the Company shall pay fixed rate of interest (8.9%) and receive variable rate of interest equal to SOFR + 2.5% on notional amount. The swap arrangement is marked to market at the end of every period and profit / losses are recognised in the Statement of Profit and Loss. The details of Cross Currency Swap and Interest Rates Swap is as follows:

a. Cross Currency Swap

The outstanding balances as on March 31, 2026 is as follows

Particulars	Value of the ₹ term loan	Value of the $ principal	Mark to Market losses/ (gain)
Tranche 1	14.70	$ 0.20	-
Tranche 2	22.05	$ 0.30	-
Total	**36.75**	**$ 0.50**	**-**

The outstanding balances as on March 31, 2025 is as follows

Particulars	Value of the ₹ term loan	Value of the $ principal	Mark to Market losses/ (gain)
Tranche 1	44.10	$ 0.60	-
Tranche 2	66.15	$ 0.90	-
Total	**110.25**	**$ 1.50**	**-**

The maturity of these contracts extends till five years and six months. The table below summarizes the cash flows (principal) of these derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Receivable ($)	Payable (₹)	Receivable ($)	Payable (₹)
Less than 1 year	0.50	36.75	1.00	73.50
One to two years	-	-	0.50	36.75
Two to three years	-	-	-	-
Three to four years	-	-	-	-
Four to five years	-	-	-	-
More than five years	-	-	-	-
Total cash flows	**0.50**	**36.75**	**1.50**	**110.25**

The Company recognized a net loss on the cross currency swaps of ₹ Nil [Previous year : ₹ Nil] for the year ended March 31, 2026.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

b. Interest rate swap:

The maturity of these contracts extends till five years and six months. The table below summarizes the cash flows (interest) of these derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Receivable ($)	Payable (₹)	Receivable ($)	Payable (₹)
Less than 1 year	*	1.24	0.10	7.37
One to two years	-	-	*	1.24
Two to three years	-	-	-	-
Three to four years	-	-	-	-
Four to five years	-	-	-	-
More than five years	-	-	-	-
Total cash flows	**-**	**1.24**	**0.10**	**8.61**

*Amount is below the rounding off norm adopted by the Company

Total notional amount outstanding as on March 31, 2026 is $ 0.50 (March 31, 2025: $ 1.50)

The Company recognized a net mark to market gain on the interest rate swaps of ₹ 7.54 during the year ended March 31, 2026 (March 31, 2025: ₹ 8.48).

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2026 were as follows:

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	-	-	750.33	750.33	750.33
Trade receivables	3,693.12	-	-	3,693.12	3,693.12
Cash and Bank balances	2,885.91	-	-	2,885.91	2,885.91
Other financial assets	2,278.59	-	-	2,278.59	2,278.59
Derivative financial instruments	-	9.92	-	9.92	9.92
Loans	500.00	-	-	500.00	500.00
Liabilities					
Borrowings from banks & Others*	23,828.23	-	-	23,828.23	23,828.23
6% Compulsorily Convertible Debentures	-			-	-
8.95% Non - Convertible Debentures	2,500.00	-	-	2,500.00	2,500.00
Lease Liabilities	5,726.52	-	-	5,726.52	5,726.52
Trade payables	1,448.66	-	-	1,448.66	1,448.66
Other financial liabilities	2,090.93	-	-	2,090.93	2,090.93

*Others represent borrowings from financial institutions.

The carrying value and fair value of financial instruments by each category as at March 31, 2025 were as follows:

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	-	-	611.98	611.98	611.98
Trade receivables	2,879.27	-	-	2,879.27	2,879.27
Cash and Bank balances	3,324.70	-	-	3,324.70	3,324.70

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Other financial assets	1,885.45	-	-	1,885.45	1,885.45
Derivative financial instruments	-	18.52	-	18.52	18.52
Loans	1,570.00	-	-	1,570.00	1,570.00
Liabilities					
Borrowings from banks & Others*	16,348.77	-	-	16,348.77	16,348.77
6% Compulsorily Convertible Debentures	4,332.72	-	-	4,332.72	4,332.72
8.95% Non - Convertible Debentures	2,500.00	-	-	2,500.00	2,500.00
Lease Liabilities	3,023.94	-	-	3,023.94	3,023.94
Trade payables	2,044.87	-	-	2,044.87	2,044.87
Other financial liabilities	823.44	-	-	823.44	823.44

*Others represent borrowings from financial institutions.

Details of financial assets pledged as collateral

The carrying amount of financial assets as at March 31, 2026 and March 31, 2025 that the Company has provided as collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at	
	March 31, 2026	March 31, 2025
Trade receivables	3,693.12	2,879.27
Cash and Bank balances	2,885.91	3,324.70
	6,579.03	**6,203.97**

c. Fair value measurements:

The details of assets and liabilities that are measured on fair value on recurring basis are given below:

Particulars	Fair value as of March 31, 2026			Fair value as of March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Equity Instruments - designiated at FVTOCI	-	750.33	-	-	611.98	-
Derivative financial assets - gain on outstanding forward contracts	-	-	-	-	-	-
Liabilities						
Derivative financial liabilities - loss on outstanding option/forward contracts	-	-	1.06	-	-	-
Derivative financial liabilities - loss on outstanding cross currency swaps	-	-	-	-	-	-
Derivative financial liabilities - (Gain) / loss on outstanding interest rate swaps	-	-	7.54	-	-	8.48

- Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 - unobservable inputs for the asset or liability

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

d. Interest income/(expenses), gains/(losses) recognized on financial assets and liabilities

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
(a) Financial assets at amortised cost		
Interest income on bank deposits	89.64	189.28
Interest income on other financial assets	105.22	20.89
Impairment on trade receivables	-	(15.00)
(b) Financial assets/liabilities at fair value through profit or loss (FVTPL)		
Net gains/(losses) on fair valuation of derivative financial instruments	(8.60)	(8.48)
(c) Financial liabilities at amortised cost		
Interest expenses on lease obligations	(560.88)	(279.29)
Interest expenses on borrowings from banks, others and overdrafts	(2,360.42)	(1,248.85)

40. Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Board of Directors are assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade receivables, treasury operations and other activities that are in the nature of leases.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Company grants credit terms in the normal course of the business.

Cash and Bank balances and other investments

In the area of treasury operations, the Company is presently exposed to counter-party risks relating to short term and medium term deposits placed with banks. The Chief Financial Officer is responsible for monitoring the counterparty credit risk, and has been vested with the authority to seek Board's approval to hedge such risks in case of need.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2026 and March 31, 2025 was as follows:

Particulars	As at	
	March 31, 2026	March 31, 2025
Other investments	750.33	611.98
Loans	500.00	1,570.00
Trade receivables	3,693.12	2,879.27
Cash and Bank balances	2,885.91	3,324.70
Other financial assets	2,288.51	1,903.97
	10,117.87	**10,289.92**

Financial assets

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. Refer Note D (10) for ageing of trade receivables and for activity in the allowance for impairment of trade receivables.

Financial assets that are neither past due nor impaired

Cash and bank balances, other assets, other receivables and finance lease receivables are neither past due nor impaired.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Company has concluded arrangements with well reputed Banks, and has unused lines of credit that could be drawn upon should there be a need. The Company is also in the process of negotiating additional facilities with Banks for funding its requirements.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

As at March 31, 2026

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 Years
Non-derivative financial liabilities						
Borrowings from banks & Others*	23,828.23	33,299.60	8,764.41	6,454.54	5,598.90	12,481.75
6% Compulsorily Convertible Debentures	-	-	-	-	-	-
8.95% Non - Convertible Debentures	2,500.00	4,513.75	223.75	447.50	686.31	3,156.19
Lease Liabilities	5,726.52	14,002.10	937.78	1,801.02	1,594.61	9,668.69
Trade payables	1,448.66	1,448.66	1,448.66	-	-	-
Other financial liabilities	2,090.93	2,112.37	2,076.37	-	-	36.00
	35,594.34	**55,376.48**	**13,450.97**	**8,703.06**	**7,879.82**	**25,342.63**

*Supplier finance arrangement excluding interest.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

As at March 31, 2025

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 Years
Non-derivative financial liabilities						
Borrowings from banks & Others	16,348.77	24,148.10	2,971.20	6,537.00	5,824.60	8,815.30
6% Compulsorily Convertible Debentures	4,332.72	5,440.10	733.30	1,467.00	1,466.60	1,773.20
8.95% Non - Convertible Debentures	2,500.00	4,737.50	223.75	447.50	447.50	3,618.75
Lease Liabilities	3,023.94	9,445.70	492.70	990.30	866.90	7,095.80
Trade payables	2,044.87	2,044.87	2,044.87	-	-	-
Other financial liabilities	823.44	823.44	787.44	-	-	36.00
	29,073.74	**46,639.71**	**7,253.26**	**9,441.80**	**8,605.60**	**21,339.05**

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk:

The Company's exposure in USD, Euro and other foreign currency denominated transactions gives rise to Exchange rate fluctuation risk. Company's policy in this regard incorporates:

- Forecasting inflows and outflows denominated in US $ for a twelve-month period
- Estimating the net-exposure in foreign currency, in terms of timing and amount.
- Determining the extent to which exposure should be protected through one or more risk-mitigating instruments to maintain the permissible limits of uncovered exposures.
- Carrying out a variance analysis between estimate and actual on an ongoing basis, and taking stop-loss action when the adverse movements breaches the 5% barrier of deviation, subject to review by Board of Directors.

The Company's exposure to foreign currency risk as at March 31, 2026 was as follows:

All amounts in respective currencies as mentioned

Particulars	Cash and bank balances	Trade receivables	Trade payables	Foreign Currency Loan	Net Balance Sheet exposure
USD	0.15	2.49	(0.26)	(0.50)	1.88

The Company's exposure to foreign currency risk as at March 31, 2025 was as follows:

All amounts in respective currencies as mentioned

Particulars	Cash and bank balances	Trade receivables	Trade payables	Foreign Currency Loan	Net Balance Sheet exposure
USD	*	2.26	-	(1.50)	0.76

*amount is below the rounding off norm adopted by the Company

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

A 10% strengthening of the rupee against the respective currencies as at March 31, 2026 and March 31, 2025 would have increased / (decreased) other comprehensive income and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Other comprehensive income	Profit/(loss)
March 31, 2026	-	(17.73)
March 31, 2025	-	(6.57)

A 10% weakening of the rupee against the above currencies as at March 31, 2026 and March 31, 2025 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company.

Profile

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments were as follows:

Particulars	Carrying amount	
	March 31, 2026	March 31, 2025
Fixed rate instruments		
Financial assets		
• Fixed deposits with banks	3,991.40	1,768.87
Financial liabilities		
• Borrowings from banks	1,253.71	3,142.90
• Borrowings from others	2,500.00	3,209.42
Variable rate instruments		
Financial liabilities		
• Borrowings from banks*	16,822.86	13,966.76
• Borrowings from others	5,751.66	2,862.41

*Term loan from NIIF has a fixed rate of Interest rate for 5 years post which the spread shall be increased or decreased based on terms of loan.

Fair value sensitivity for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	Equity	Profit or (loss)
March 31, 2026	-	(0.94)
March 31, 2025	-	-

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

41. Contribution towards Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, the amounts required to be spent by the Company during the year ended March 31, 2026 and March 31, 2025 towards Corporate Social Responsibility (CSR) are ₹ 28.52 and ₹ 21.80 respectively. The details of CSR expenditure and CSR activities carried out by the Company are as follows.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amount required to be spent during the year	28.52	21.80
Amount of expenditure incurred	27.13	22.01
Shortfall at the end of the year (pertains to ongoing CSR projects)	(1.39)	-
Total of previous years shortfall	-	-

Nature of CSR activities

a) The details of CSR activities carried out by the Company for the year ending 2025-26 are as follows:

Name of the Organisation	Nature of activity	For the year ended March 31, 2026
Voluntary Health Services, Chennai	Procurement of medical equipment for strengthening dermatological diagnostics and neonatal care facilities	0.33
New Okhla Industrial Development Authority (NOIDA)	Adoption and maintenance of the park is located adjacent to the Company's Noida DC-02 premises.	2.80
Raju Vegesna Foundation, India*	Contribution towards provision of safe drinking water to rural communities and pilgrims across various Devasthanam's* in Andhra Pradesh, Telangana and Maharashtra, along with initiatives relating to promotion of education (including special education), disaster relief, and rural infrastructure development.	24.00
Total		**27.13**

*The trust is controlled by Key Managerial Personnel of Holding Company

b) Amount spent in Administrative Overheads: Nil

c) Amount spent on Impact Assessment, if applicable: Nil

d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 27.13

e) CSR amount spent or unspent for the Financial Year:

CSR Amount spent for the Financial year 25-26	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	₹	Date of Transfer	Name of the Fund	₹	Date of Transfer
₹ 27.13	1.39	To be transferred	Not Applicable		

a) The details of CSR activities carried out by the Company for the year ending 2024-25 are as follows:

Name of the Organisation	Nature of activity	For the year ended March 31, 2025
Voluntary Health Services, Chennai	Purchase of Ultra Sound equipment	2.00
Shree Anand Charitable Trust, Mumbai	Slum Development	5.00
Sri Veda Paripalana Sabha	Distribute food and other essentials to the poor	0.20
Raju Vegesna Foundation, India*	Safe drinking water initiatives, Compound wall for "Gandhi Drinking water pond" at Ganapavaram Village, Annaprasadam Complex, Yadadri Temple	14.81
Total		**22.01**

*The trust is controlled by Key Managerial Personnel of Holding Company

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

b) Amount spent in Administrative Overheads: Nil

c) Amount spent on Impact Assessment, if applicable: Nil

d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 22.01

e) CSR amount spent or unspent for the Financial Year:

CSR Amount spent for the Financial year 24-25	Amount Unspent			
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
	₹	Date of Transfer	Name of the Fund	₹	Date of Transfer
₹ 22.01			Not Applicable		

42. Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with the customers

Particulars	March 31, 2026	March 31, 2025
Contract assets	3,693.12	2,879.27
Contract liabilities - Deferred Revenue	520.62	355.32

Significant changes in deferred revenue balances during the year are as follows

Particulars	March 31, 2026	March 31, 2025
Revenue recognised that was included in the deferred revenue at the beginning of the year	355.31	337.40

Change in deferred revenue is as follows

Particulars	March 31, 2026	March 31, 2025
Balance as at April, 01	**355.32**	**337.40**
Deferral of revenue	16,674.22	13,514.05
Recognition of revenue	(16,508.92)	(13,496.13)
Balance as at March, 31	**520.62**	**355.32**

Costs to fulfil customer contracts are deferred and amortized over the contract period. For the year ended March 31, 2026 the Company has capitalised ₹ NIL (previous year ₹ NIL) and amortised ₹ NIL (previous year ₹ NIL). There was no impairment loss in relation to the capitalised cost.

43. Micro, Small & Medium Enterprises Development Act, 2006 ('MSMED') disclosure

As per the Office memorandum issued by the Ministry of Micro, Small and Medium Enterprises dated August 26, 2008 recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2026 and March 31, 2025 has been made in the financial statements based on information received and available with the Company. As the records available with the company, there are dues payable to micro, small and medium enterprises as on March 31, 2026. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at March 31, 2026	As at March 31, 2025
a. the principal amount and the interest due thereon remaining unpaid at the end of accounting year*	347.52	188.48
b. the amount of interest paid by the buyer beyond the appointed day during the accounting year	-	-

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	As at March 31, 2026	As at March 31, 2025
c. the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d. the amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
e. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*Includes dues of micro and small enterprises (MSE) of ₹ 330.45 (March 31, 2025: ₹ 155.75) payable against capital expenditure included within other financial liabilities.

44. Capital management

The Company's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximise shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Company does so by adjusting dividend paid to shareholders. The total capital as on March 31, 2026 is ₹ 21,960.94 (March 31, 2025 : ₹ 17,408.71).

The Company monitors capital using gearing ratio, which is net debt divided by total capital. Net debt comprises of long term, short term borrowings and lease liabilities less cash and cash equivalents. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows:

Particulars		As at March 31, 2026	As at March 31, 2025
Debt		32,054.75	26,205.43
Less: Cash and cash equivalents		(2,122.21)	(2,969.39)
Net debt	**A**	**29,932.54**	**23,236.04**
Equity	**B**	**21,960.94**	**17,408.71**
Net debt to Equity ratio	**A/B**	**136%**	**133%**

45. Employee share-based payments

a. Scheme details

The Company has instituted an employee share-based payment scheme titled "SISL Employee Stock Option Plan 2025" ("ESOP 2025"/"Plan"), which was approved by the shareholders at the general meeting held on September 26, 2025 for granting upto 30 Million options. Under the Plan, eligible employees of the Company and its holding company may be granted options to acquire equity shares of the Company upon payment of the grant price. Each option is convertible into one equity share upon exercise. The options vest subject to continued employment and achievement of specified performance conditions, with 40% vesting after two years from the grant date and the remaining 60% vesting over the subsequent three years in equal half-yearly tranches. Vesting is linked to both individual performance and Company performance parameters relating to capacity billed, revenue and EBIT. The options may be exercised upon occurrence of a liquidity event such as an initial public offering or strategic sale, in accordance with the terms of the Plan. The options do not carry rights to dividend or voting prior to exercise.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The following share based payment arrangements were in existence during the current year:

Option Plan	SISL Employee Stock Option Plan 2025
Number of options	1,87,90,000
Grant date	January 18, 2026
Expiry date	January 18, 2031
Exercise price	₹ 150
Vesting pattern	2/5th of the options vests at the end of two years from the date of grant.The remaining 3/5th of the options vests equally every six months over the next 3 years.

b. Fair value on the grant date

The fair value of options is measured using Black-Scholes valuation model. The fair value of the options granted under the stock option scheme is treated as discount and accounted as employee compensation over the vesting period. The key inputs used in the measurement of the grant date fair valuation of equity settled plans is given in the table below:

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Risk free interest rates	6.45%	-
Expected life	5 years	-
Volatility	15%	-
Dividend yield	0%	-
Exercise price ₹	150	-
Share price on the date of grant ₹	150	-

c. Movement in share options during the year:

The movement in the number of stock options are as follows:

No. of options granted, exercised and forfeited	For the year ended	
	March 31, 2026	March 31, 2025
Outstanding at the beginning of the year	-	-
Granted during the year	1,87,90,000	-
Forfeited and expired during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	**1,87,90,000**	**-**
Exercisable at the end of the year	**-**	**-**

Range of weighted average remaining contractual life, weighted average fair value and weighted average share price for the options are as follows:

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Remaining contractual life for the options outstanding as of (years)	4.8 Years	-
Fair value for the options granted during the year ended (₹)	38.36 to 48.40	-

46. Merger of Print House (India) Private Limited

During FY 2020-21, Sify Technologies Limited ("STL") has acquired Print House India Private Limited ('PHIPL') through Corporate Insolvency Resolution Process. STL emerged as successful Resolution Applicant (RA) vide Hon'ble National Company Law Tribunal ('NCLT') order dated June 23, 2020. STL took over the management of affairs of PHIPL on October 16, 2020.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

During FY2022-23, the Board of Directors has approved for submitting a Scheme of Amalgamation ('Scheme') for the merger of its fellow subsidiary, Print House (India) Private Limited ('PHIPL') with Sify Infinit Spaces Limited ('SISL') with Hon'ble NCLT. The Company has filed the Scheme of Amalgamation with NCLT. The appointed date of the Scheme was April 1, 2022. Further, Sify Infinit Spaces Limited has received approval for the said Scheme from the shareholders and unsecured creditors of the Company at its meeting held on November 27, 2022 convened by Hon'ble NCLT, Chennai. Hon'ble NCLT has approved the Scheme of Amalgamation filed by Sify Infinit Spaces Limited on July 10, 2023. As per the Hon'ble NCLT order, SISL has issued 8,59,762 equity shares to the shareholders of PHIPL.

47. Acquisition of SKVR Software Solution Private Limited

Sify Technologies Limited (Holding Company) has acquired SKVR Software Solution Private Limited ("SKVR"), a company engaged in Data Centre Business, through a Share Purchase Agreement dated September 1st, 2023. The Company has been paid ₹ 400 as consideration to shareholders of SKVR with 51% and 49% of the purchase price paid by Sify Technologies Limited and Sify Infint Spaces Limited, respectively.

SKVR holds 19,305 square meters of land allotted by the New Okhla Industrial Development Authority ("NOIDA") for a period of 90 years (effective from 2006). Share transfer was executed on March 26, 2025. The Leasehold land owned by SKVR has been used for construction of Data Centre.

Details of loans, investments and guarantees given to SKVR Software Solution Private Limited (associate company) under section 186(4) of the Companies Act, 2013

Name of the Entity	Particulars of loans given	Relationship	Amount Outstanding as on March 31, 2026	Amount Outstanding as on March 31, 2025	Purpose for which the loan is to be utilized by the recipient
SKVR Software Solution Private Limited	Inter-company loan*	Associate	500.00	1,570.00	Business Purpose
	Non-Cumulative Redeemable Preference Shares - unquoted (Refer Note D(4))		2,750.00	1,490.00	Business Purpose
	Equity Shares - unquoted (Refer Note D(4))		196.00	196.00	Business Purpose
	Corporate Guarantee#		1,155.80	1,464.58	Business Purpose

*These loans carry an interest rate of 8.5%.p.a. and are repayable at anytime within a period of three years at the option of lender. Refer Note D(38)

#Refer Note D(38)

48. Merger of Patel Auto Engineering Company (India) Private Limited

During the year 2022-23, Sify Technologies Limited (Holding Company) has acquired Patel Auto Engineering Company (India) Private Limited ("PAECIPL") having its registered office in Rabale, Navi Mumbai through Share Purchase agreement dated March 22, 2023 for a consideration of ₹ 525 which was paid to erstwhile shareholders of PAECIPL. PAECIPL have no other asset except a Land allotted by MIDC in their books as on the date of Acquisition.

During FY2023-24, the Board of Directors have given an approval to file a Scheme of Amalgamation ('Scheme') for the merger of its fellow subsidiary, PAECIPL with the Company and the same was filed with Hon'ble NCLT on February 9, 2024 . Scheme of amalgamation is approved by the Hon'ble NCLT on January 9, 2025 effective April 1, 2023. Accordingly, Company has issued 42,71,365 equity shares to the shareholders of PAECIPL on March 13, 2025.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

49. Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved as per the statutory requirements for record retention.

50. Events after the reporting period

There are no significant events that have occurred after the reporting period till the date of these financial statements that requires adjustments/disclosure in these financial statements.

51. Additional Regulatory Information

Clause (i)

The details of immovable properties not held in the name of the Company are given in Note (D)(1A)

Clause (ii)

The Company do hold any investment property. Hence, disclosure under said clause does not apply.

Clause (iii)

The Company has not done any revaluation of Property, Plant and Equipment. Hence the disclosure under this clause does not apply.

Clause (iv)

The Company has not done any revaluation of intangible assets and hence the disclosure under this clause does not apply.

Clause (v)

The Company has not made any loans or advances in the nature of loans to promoters, Directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.

Clause (vi)

Refer Note D(1B) for Ageing of Capital work-in-progress.

Clause (vii)

There are no intangible assets under development and hence disclosure under said clause does not apply.

Clause (viii)

There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder

Clause (ix)

The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. The returns for the quarter ended March 2026 will be filed post the date of signing of financial statements.

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Clause (x)

The company is not declared a wilful defaulter by any bank or financial institution or any other lender.

Clause (xi)

The company did not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956

Clause (xii)

There are no charges or satisfaction of charge that is yet to be registered with ROC beyond the statutory period.

Clause (xiii)

The company has complied with number of layers prescribed under clause (87) of Section 2 of the Act, read with Companies (Restrictions on number of Layers) Rules, 2017

Clause (xiv)

S. No	Ratio	Numerator	Denominator	FY 2025-26	FY 2024-25	% Variance	Reasons for variance (where variance is > 25%)
1	Current Ratio (in times)	Current assets	Current Liabilities	0.71	1.25	(43)%	Due to decrease in the Working capital during the year
2	Debt Equity Ratio (in times)	Total Debt = Total of current and non current portion of term loans and lease liabilities	Shareholder's funds	1.46	1.50	(3)%	NA
3	Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.71	0.70	1%	NA
4	Return on equity ratio (in %)	Net Profits after taxes less preference dividend (if any)	Average total Equity	1.68%	7.55%	(78)%	Due to decrease in the Net Profit for the current year on account of finance costs and depreciation.
5	Inventory Turnover ratio (in times)	COGS = Purchase of stock-in-trade + Change in Inventory	Average inventory	NA	NA	NA	NA
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average Trade receivables	5.36	5.20	3%	NA
7	Trade payables turnover ratio (in times)	Net Credit Purchases = Cost of services rendered+ Other Expenses	Average Trade payables	5.05	4.31	17%	NA

D. Notes Forming Part of the Standalone Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

S. No	Ratio	Numerator	Denominator	FY 2025-26	FY 2024-25	% Variance	Reasons for variance (where variance is > 25%)
8	Net capital turnover ratio (in times)	Revenue from operations	Average Working capital	(18.45)	12.31	(250)%	Due to decrease in the Working capital during the year
9	Net profit ratio (in %)	Profit for the year	Revenue from operations	2.11%	8.85%	(76)%	Due to decrease in the Net Profit for the current year on account of finance costs and depreciation.
10	Return on capital employed (in %)	EBIT	Capital Employed = Shareholder funds + Total Debt + Deferred Tax Liability - Intangible assets	6.56%	7.80%	(16)%	NA

The Company earns a return on investment ranging from 3.00 % to 7.50 % p.a on fixed deposit and mutual funds.

Clause (xv)

The company has not advanced or loaned or invested funds to other persons or entities with the understanding that the intermediary shall directly or indirectly lend or invest by or on behalf of the company or provide any guarantee, security or the like on behalf of the ultimate beneficiaries. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Clause (xvi)

There are no schemes that are approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013 during the period.

for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

C R Rao
Whole-time Director
DIN: 02624863

Ganesh Sankararaman
Chief Financial Officer

D J Poornasandar
Company Secretary

Independent Auditor's Report

To the Members of Sify Infinit Spaces Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of Sify Infinit Spaces Limited (the "Company") and its associate (the Company and its associate are collectively referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2026, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S No.	Key Audit Matter	Auditor's Response
1	**Valuation of Trade Receivables:** The collectability of the Group's aged Trade Receivables and the valuation of allowance for impairment of Trade Receivables is a Key Audit Matter due to the judgement involved in assessing the recoverability. The Trade Receivables as at March 31, 2026 is ₹ 3,693.12 Million and Allowance for bad and doubtful debts charged in the Statement of Profit and Loss for the year ended March 31, 2026 is Nil.	**Principal Audit Procedures Performed:** In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: • We evaluated and tested the Group's processes for trade receivables, including the credit control, collection and provisioning processes. • We evaluated the management view point and estimates used to determine the allowance for bad and doubtful debts. • We verified the appropriateness of the accounting policies as disclosed in Note C(2)(a) to the Consolidated financial statements.

S No.	Key Audit Matter	Auditor's Response
		• We have reviewed the ageing, tested the validity of the receivables, the subsequent collections of trade receivables, the past payment and credit history of the customer, disputes (if any) with customers and based on discussion with the Group's management (information and explanation provided by them) and evidences collected, we understood and evaluated the reason for delay in realisation of the receivables and possibility of realisation of the aged receivables. • Where there were indicators that trade receivables were unlikely to be collected, we assessed the adequacy of allowance for impairment of trade receivables. • We tested the sufficiency of the allowance for bad and doubtful debts charged in the Consolidated Statement of Profit and Loss for the year ended March 31, 2026.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Consolidated financial statements, Standalone financial statements and our auditor's report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate their respective company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its associate which are companies incorporated in India, has adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its associate company to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated financial statements.

   d. In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

   e. On the basis of the written representations received from the directors of the Company

as on March 31, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Company and its associate which are incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to the Consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its associate incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to the Consolidated financial statements of those companies.

g. With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its Consolidated financial position in its Consolidated financial statements - Refer Note D(24)(a) (Contingent liabilities) to the Consolidated financial statements;

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note D(39)(a) (Derivative Financial instruments) to the Consolidated financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its associate during the year ended March 31, 2026.

iv. (a) The respective managements of the Company and its associate which is incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company or associate to, or in, any other person or entity, outside the Company, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Company and its associate which is

incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or associate from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its associate which is incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The preference dividend paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

vi. Based on our examination which included test checks, performed by us on the Company and its associate incorporated in India, the Company and its associate have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note D(49) to the Consolidated financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company and above referred associate as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's reports issued by us for the Company and its associate as at and for the year ended March 31, 2026, included in the Consolidated financial statements of the Group, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except for the following:

S. No.	Name of the Company	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Sify Infinit Spaces Limited	U74999TN2017PLC119607	Holding Company	Clause 3(i)(c)

Place: **Chennai**
Date: April 12, 2026

For **Manohar Chowdhry & Associates**
Chartered Accountants
Firm Registration No: 001997S

K S Y Suryanandh
Partner
Membership No: 237830
UDIN: 26237830XRRVHY1532

Annexure A

To The Independent Auditor's Report

Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the Consolidated financial statements of Sify Infinit Spaces Limited ("the Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to Consolidated financial statements of the Company and its associate incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its associate incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by ICAI, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to these Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Consolidated financial statements included obtaining an understanding of internal financial controls with reference to these Consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated financial statements of the Company and its associate which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements

A company's internal financial control with reference to the Consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the Consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to the Consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company and its associate which are companies incorporated in India, have maintained, in all material respects, adequate internal financial controls with reference to the Consolidated financial statements and such internal financial controls with reference to the Consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to the Consolidated financial statements criteria established by such companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Place: **Chennai**
Date: April 12, 2026

For **Manohar Chowdhry & Associates**
Chartered Accountants
Firm Registration No: 001997S

K S Y Suryanandh
Partner
Membership No: 237830
UDIN: 26237830XRRVHY1532

Consolidated Balance Sheet

as at March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Note No. (D)	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1A	23,635.38	18,099.34
(b) Right-of-use Assets	2	8,543.59	5,474.98
(c) Capital work-in-progress	1B	6,936.93	7,887.81
(d) Intangible assets	3	0.80	2.00
(e) Investment in Associates	4	2,934.87	1,685.55
(f) Financial assets			
(i) Investments	5	750.33	611.98
(ii) Loans	6	500.00	1,570.00
(iii) Other financial assets	7	2,158.06	1,791.46
(g) Deferred Tax assets (net)	32	1,101.12	915.08
(h) Income Tax assets (net)	8	249.34	471.27
(i) Other non-current assets	9	3,141.36	1,266.86
		49,951.78	**39,776.33**
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	10	3,693.12	2,879.27
(ii) Cash and Cash Equivalents	11A	2,122.21	2,969.39
(iii) Other Bank balances	11B	763.70	355.31
(iv) Other financial assets	12	130.45	112.51
(b) Other current assets	13	1,516.30	954.26
		8,225.78	**7,270.74**
Total Assets		**58,177.56**	**47,047.07**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	6,039.50	5,101.31
(b) Other Equity	15	15,910.31	12,306.95
		21,949.81	**17,408.26**
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	19,279.29	20,977.22
(ii) Lease liabilities	2	5,315.47	2,809.35
(iii) Other Financial liabilities	17	14.56	36.00
(b) Provisions	18	17.68	11.50
(c) Other non-current liabilities	19	0.08	-
		24,627.08	**23,834.07**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	7,048.94	2,204.27
(ii) Lease liabilities	2	411.05	214.59
(iii) Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		17.07	32.73
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,431.59	2,012.14
(iv) Other financial liabilities	22	2,076.37	787.44
(b) Other current liabilities	23	610.60	550.62
(c) Provisions	18	5.05	2.95
		11,600.67	**5,804.74**
Total Equity and Liabilities		**58,177.56**	**47,047.07**

Material accounting policies and notes to the consolidated financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached
for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

Ganesh Sankararaman
Chief Financial Officer

C R Rao
Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Note No. (D)	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	25	17,605.28	14,283.65
Other income	26	275.12	259.10
Total income		**17,880.40**	**14,542.75**
Expenses			
Cost of services rendered	27	6,851.78	5,824.00
Employee benefits expense	28	845.57	544.36
Finance costs	29	2,921.30	1,528.14
Depreciation and amortisation expense	1,2 and 3	4,735.97	3,268.16
Other expenses	30	1,975.76	1,575.00
Total expenses		**17,330.38**	**12,739.66**
Profit before share of profit/(loss) of an associate		**550.02**	**1,803.09**
Associate Share of profit/(loss)		(10.68)	(0.45)
Profit Before Tax		**539.34**	**1,802.64**
Tax expense			
Current Tax	32	(363.30)	(681.23)
Deferred Tax	32	185.45	142.19
Total Tax Expenses		**(177.85)**	**(539.04)**
Profit After Tax		**361.49**	**1,263.60**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements of net defined benefit liability/(asset)		(2.33)	(2.28)
Income tax on items that will not be reclassified subsequently to profit or loss		0.59	-
Total other comprehensive income		**(1.74)**	**(2.28)**
Total comprehensive income for the year		**359.75**	**1,261.32**
Earnings per equity share (₹ 10 paid up)	34		
Basic		0.61	2.45
Diluted		0.61	2.41

Material accounting policies and notes to the consolidated financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached
for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

Ganesh Sankararaman
Chief Financial Officer

C R Rao
Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

Consolidated Statement of Cash Flow

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax		**539.34**	**1,802.64**
Adjustments for :			
Depreciation and amortisation expense		4,735.97	3,268.16
Share of loss of the associate		10.68	0.45
Share-based payments to employees		56.00	-
Finance costs		2,921.30	1,528.14
Loss allowance for doubtful debts		-	15.00
Unrealised foreign exchange fluctuation loss/(gain), net		7.00	4.51
Interest income		(194.86)	(210.17)
(Profit) /loss on sale of Property, Plant and Equipment (net)		(18.61)	(17.99)
Operating profit / (loss) before working capital changes		**8,056.82**	**6,390.74**
(Increase)/decrease in trade receivables - current		(820.85)	(283.18)
(Increase)/decrease in other financial assets - current / non-current		(97.66)	(1,830.10)
(Increase)/decrease in other current / non-current assets		(812.79)	(430.65)
(Increase)/decrease in other bank balances		(408.39)	1,281.05
Increase/(decrease) in trade payables		(597.62)	653.15
Increase/(decrease) in other financial liabilities - current		212.02	292.21
Increase/(decrease) in other current liabilities		213.42	38.47
Increase/(decrease) in provisions - current / non-current		6.54	(0.13)
Cash generated from operations		**5,751.49**	**6,111.56**
Tax (paid)/refund received		(297.18)	(637.40)
Net cash generated from operating activities	**(A)**	**5,454.31**	**5,474.16**
Cash flow from investing activities			
Purchase of Property, Plant and Equipment		(9,446.67)	(4,182.21)
Purchase of Intangibles		(0.20)	(0.20)
Investment in banks deposits		(314.14)	-
Purchase of Non-current Investments		(138.35)	-
Investment made in Preference Shares of associate company		(1,260.00)	(1,000.00)
Loans repaid by associate company		1,260.00	-
Loans given to associate company		(190.00)	-
Amount paid for acquisition of Right of use assets		(686.93)	(722.74)
Sale proceeds of Property, Plant and Equipment		18.61	17.97
Interest income received		226.82	203.21
Net cash used in investing activities	**(B)**	**(10,530.86)**	**(5,683.97)**

Consolidated Statement of Cash Flow

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from financing activities			
Proceeds from long-term borrowings		9,432.51	8,356.10
Repayment of long-term borrowings		(7,724.52)	(5,884.81)
Proceeds from issue of Compulsorily Convertible Debentures		250.00	-
Proceeds from issue of Non-Convertible Debentures		-	2,500.00
Increase/(decrease) in short-term borrowings		5,372.71	(279.50)
Loan repaid		-	(298.00)
Repayment of lease liabilities		(361.41)	(166.56)
Interest on lease liabilities		(560.88)	(279.29)
Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares		(40.50)	(22.50)
Premium received on issue of Non-Convertible Debentures		-	5.75
Interest paid		(2,138.54)	(2,035.03)
Net cash (used in)/ generated from financing activities	**(C)**	**4,229.37**	**1,896.16**
Effect of exchange differences on translation of cash and bank balances	**(D)**	**-**	**0.20**
Net increase/(decrease) in cash and cash equivalents during the year	**(A) + (B) + (C) + (D)**	**(847.18)**	**1,686.55**
Cash and cash equivalents at the beginning of the year		**2,969.39**	**1,282.84**
Cash and cash equivalents at the end of the year [Refer Note D (11A)]		**2,122.21**	**2,969.39**

Disclosure of changes in liabilities arising from financing activities [Refer Note D (31)]

Material accounting policies and notes to the consolidated financial statements [(Refer notes C and D)]

As per our report of even date attached
for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

Ganesh Sankararaman
Chief Financial Officer

C R Rao
Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

A. Equity Share Capital

Particulars	As at	
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	5,101.31	5,058.60
Change in Equity Share Capital due to prior period errors	-	-
Restated Balance at the beginning of the year	**5,101.31**	**5,058.60**
Change in Equity Share Capital during the year*	938.19	42.71
Balance at the end of the year	**6,039.50**	**5,101.31**

*Refer Note D(14) for the change in share capital during the year.

B. Other Equity

Particulars	Reserves and surplus			Share Application pending allotment*	Other Components of Equity				Total
	Retained earnings	Securities Premium	Capital Reserve		Stock Option Outstanding	Compulsorily Convertible Debentures	Compulsorily Convertible Preference Shares	Remeasurements of net defined benefit liability/ (asset)	
FY 2025-2026									
Balance as at April 1, 2025 - (A)	**4,392.61**	**382.34**	**91.40**	**-**	**-**	**6,951.20**	**500.00**	**(10.60)**	**12,306.95**
Changes in accounting policy/prior period errors -(B)	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2025 - (C = A+B)	**4,392.61**	**382.34**	**91.40**	**-**	**-**	**6,951.20**	**500.00**	**(10.60)**	**12,306.95**
Profit for the year -(D)	361.49	-	-	-	-	-	-	-	**361.49**
Other comprehensive income for the year- (E)	-	-	-	-	-	-	-	(1.74)	**(1.74)**
Total comprehensive income for the year - (F=D+E)	**361.49**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.74)**	**359.75**
Premium on conversion of Compulsorily Convertible Debentures to equity shares -(G)**	-	10,219.75	-	-	-	-	-	-	10,219.75
Premium on conversion of Compulsorily Convertible Preference Shares to equity shares -(H)**	-	459.56	-	-	-	-	-	-	459.56
Equity component of compound financial instrument - (I)	-	-	-	-	-	138.38	-	-	138.38
Transfer to Share Capital and Securities premium on conversion - (J)	-	-	-	-	-	(7,089.58)	(500.00)	-	(7,589.58)
Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares - (K)	(40.50)	-	-	-	-	-	-	-	(40.50)
Share-based payments to employees - (L)	-	-	-	-	56.00	-	-	-	56.00
Balance as at March 31, 2026 - [(M) = (C+F+G+H+I+J+K+L)]	**4,713.60**	**11,061.65**	**91.40**	**-**	**56.00**	**-**	**-**	**(12.34)**	**15,910.31**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Reserves and surplus			Share Application pending allotment*	Other Components of Equity				Total
	Retained earnings	Securities Premium	Capital Reserve		Stock Option Outstanding	Compulsorily Convertible Debentures	Compulsorily Convertible Preference Shares	Remeasurements of net defined benefit liability/ (asset)	
FY 2024-2025									
Balance as at April 1, 2024 - (A)	**3,151.51**	**376.59**	**91.40**	**42.71**	**-**	**6,269.30**	**500.00**	**(8.32)**	**10,423.19**
Changes in accounting policy/prior period errors -(B)	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2024 - (C = A+B)	**3,151.51**	**376.59**	**91.40**	**42.71**	**-**	**6,269.30**	**500.00**	**(8.32)**	**10,423.19**
Profit for the year -(D)	1,263.60	-	-	-	-	-	-	-	**1,263.60**
Other comprehensive income for the year - (E)	-	-	-	-	-	-	-	(2.28)	**(2.28)**
Total comprehensive income for the year - (F=D+E)	**1,263.60**	**-**	**-**	**-**	**-**	**-**	**-**	**(2.28)**	**1,261.32**
Debenture premium on issue of Non-Convertible Debentures -(G)	-	5.75	-	-	-	-	-	-	**5.75**
Transfer to Share Capital* - (H)	-	-	-	(42.71)	-	-	-	-	**(42.71)**
Equity component of compound financial instrument - (I)	-	-	-	-	-	681.90	-	-	**681.90**
Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares - (J)	(22.50)	-	-	-	-		-	-	**(22.50)**
Balance as at March 31, 2025 - [(K) = (C) + (F) + (G)+(H)+(I)+(J)]	**4,392.61**	**382.34**	**91.40**	**-**	**-**	**6,951.20**	**500.00**	**(10.60)**	**12,306.95**

*In accordance with the scheme of amalgamation dated January 9, 2025, the Company has allotted 17.08546 equity shares of ₹ 10/- each for every 1 equity shares of M/s Patel Auto Engineering Company (India) Private Limited aggregating to 42,71,365 shares.(refer note D(48))

**Refer note D(15.2) & D(15.3)

Material accounting policies and notes to the Consolidated financial statements (Refer notes C and D)

The accompanying notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached
for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

Ganesh Sankararaman
Chief Financial Officer

C R Rao
Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

A. Corporate Information

Sify Infinit Spaces Limited ('SISL' or 'the Company') is a Company domiciled in India. The address of the Company's registered office is 2nd Floor, Tidel Park, 4, Rajiv Gandhi Salai, Taramani, Chennai - 600113, India. The Company and its associate company SKVR Software Solution Private Limited (are together referred to as the 'Group' and individually as 'Group entities').The Group offers Data Center services through its data centers located in Chennai, Mumbai, NOIDA, Bangalore, Hyderabad and Kolkata. The Company was incorporated on November 20, 2017 and is a subsidiary of Sify Technologies Limited.

During the FY 2020-21, the Company acquired Data Center business from its holding company Sify Technologies Limited vide Business Transfer Agreement. During the financial year 2024-25, the Company issued Senior, Secured, Rated, Listed, Redeemable, Taxable, Non-convertible Debentures which are listed on BSE effective from October 4, 2024. The Company has filed its Draft Red Herring Prospectus on October 17, 2025 with the Securities and Exchange Board of India, BSE Limited, and National Stock Exchange of India Limited, in connection with its proposed Initial Public Offering of equity shares of face value ₹ 10 each.

B. Basis Of Preparation

The Consolidated Financial Statements of the group have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for Statement of Cash Flow and certain financial instruments which are measured on fair value basis. GAAP comprises Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 read together with relevant rules as amended from time to time, pronouncements of regulatory bodies applicable to the group and other provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set-out in note C (24). Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1. Statement of Compliance

The Consolidated Financial Statements of the Group comprises of the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended, and notes to the Consolidated Financial Statements including a material accounting policy information and other explanatory information (together referred to as the " Consolidated Financial Statements").The Consolidated financial statements were approved by the Board of Directors on April 12, 2026.

2. Basis of Measurement

The Consolidated financial statements have been prepared on the historical cost basis except for the following:

- Derivative financial instruments are measured at fair value
- Financial assets at fair value through other comprehensive income are measured at fair value
- Financial instruments at fair value through profit or loss are measured at fair value.
- Share-based payments
- The defined benefit asset is recognized as the net total of the plan assets, plus unrecognized past service cost and unrecognized actuarial losses, less unrecognized actuarial gains and the present value of the defined benefit obligation.
- In relation to lease prepayments, the initial fair value of the security deposit is estimated as the present value of the refundable amount, discounted using the market interest rates for similar instruments. The difference between the initial fair value and the refundable amount of the deposit is recognized as a Right of Use Asset.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The above items have been measured at fair value and the methods used to measure fair values are discussed further in Note C (18).

Principles of Consolidation

The Consolidated financial statements of the company and its associate (collectively referred as Group) have been prepared on the following basis:

The Consolidated financial statements include the Share of profit/(loss) of an associate company which have been accounted for using equity method as per "Accounting Standard (IndAS) 28 Investments in Associates and Joint Ventures". Accordingly, the share of profit/(loss) of the associate company has been added/(reduced) to the cost of investments.

The difference between the cost of investments in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the Consolidated financial statements as part of the carrying amount . The financial statements of an Associate used in the Consolidated financial statements are drawn upto the same reporting date as that of the Company i.e. March 31, 2026

The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

On September 1, 2023, the Company paid ₹ 196.00 to the shareholders of SKVR Software Solution Private Limited ("SKVR") towards the acquisition of a 49% equity interest. The share transfer was completed on March 26, 2025.

With effect from March 26, 2025, SKVR is classified as an associate of the Company in accordance with Ind AS 28 ""Investments in Associates and Joint Ventures"", as the Company has significant influence over SKVR. Accordingly, the investment in SKVR has been accounted for using the equity method from March 26, 2025. The financial results for the period from that date onwards include the Company's share of SKVR's results, while the financial results for the period prior to March 26, 2025 represent standalone financial results.

3. Standards (Amendments) issued and but not effective

The Ministry of Corporate Affairs amended the Companies (Indian Accounting Standards) Rules, 2015 on August 13, 2025 by introducing certain changes to Ind AS 1 Presentation of Financial Statements. This amendments among other things, primarily relates to an entity's right to defer settlement for atleast 12 months. These amendments are applicable for annual reporting periods beginning on or after April 1, 2026. The Group does not expect any material impact on its financial statements due to this amendment.

4. Functional and Presentation Currency

The Consolidated financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the group. All financial information presented in Indian Rupees has been rounded to nearest Millions except where otherwise indicated.

5. Use of estimates and judgements

The preparation of Consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of Consolidated financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates, judgements and assumption having the most significant effect on the amounts recognized in the Consolidated financial statements are:

- Valuation of financial instruments [Note C(2)]
- Expected Credit losses on Financial Assets [Note C(2)]
- Estimated Useful life of property, plant and equipment [Note C(4)]

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

- Estimated Useful life of intangible assets [Note C(6)]
- Estimate of Lease term and measurement of Right of Use Assets and Lease Liabilities [Note C(7)]
- Impairment testing [Note C(9)]
- Measurement of defined employee benefit obligations [Note C (10)]
- Measurement of share-based payments [Note C(11)]
- Provisions [Note C(12)]
- Identification of performance obligation and timing of satisfaction of performance obligation, measurement of transaction price on revenue recognition [Note C(13)]
- Utilization of tax losses and computation of deferred taxes [Note C(16)]
- Contingent Liabilities [Note C(23)]

C. Material Accounting Policies

1. Foreign currency

(i) Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized in the Consolidated financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the relevant functional currency at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate prevailing on the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency differences arising on translation are recognized in the Consolidated Statement of Profit and Loss for determination of net profit or loss during the period.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations and cash flows are translated to the functional currency using average exchange rates during the period. Any differences arising on such translation are recognized in other comprehensive income. Such differences are included in the foreign currency translation reserve "FCTR" within other components of equity. When a foreign operation is disposed off, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

2. Financial Instruments

a. Financial Assets

Financial assets comprises investments in equity other than Holding/Subsidiary/Joint venture and debt securities, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition:

All financial assets are recognised initially at fair value except trade receivables. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement:

(i) Financial assets measured at amortized cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortisation is recognised as finance income in the Consolidated Statement of Profit and Loss.

The Group While Applying Above Criteria Has Classified The Following Financial Assets At Amortised Cost

a) Trade receivable

b) Other financial assets.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(ii) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognised in other comprehensive income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same either as at FVTOCI or FVTPL. The classification is made on initial recognition and is irrevocable. Fair value changes on equity investments at FVTOCI, excluding dividends, are recognised in other comprehensive income (OCI).

(iii) Financial assets at fair value through profit or loss (FVTPL):

Financial asset are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes are recognised in the Consolidated Statement of Profit and Loss.

Derecognition of financial assets:

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in the Consolidated Statement of Profit and Loss.

Impairment of financial assets:

Trade receivables, contract assets, lease receivables under Ind AS 109, investments in debt instruments that are carried at amortised cost, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses for the respective financial asset.

(i) Trade receivables

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

(ii) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

b. Financial liabilities

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value and any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories:

- at amortised cost
- at fair value through profit or loss

(i) Financial liabilities at amortised cost

The group is classifying the following financial liabilities at amortised cost;

a) Borrowings from banks

b) Borrowings from others

c) Finance lease liabilities

d) Trade payables

e) Other financial liabilities

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss - Financial liabilities held for trading are measured at FVTPL.

Compound Financial Instrument:

The terms of a non-derivative compound financial instrument are evaluated to determine whether it contains both a liability and an equity component. Such components are classified as financial liabilities, financial assets or equity instruments in accordance with the substance of the contractual arrangement. Interest, dividends and gains relating to the component that is financial liability is recognized as income or expense in profit or loss. Distribution to holders of equity instruments is recognized directly in equity.

Derecognition of financial liabilities:

A financial liability shall be derecognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

c. Derivative financial instruments

Foreign exchange forward contracts and options are entered into by the Company to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. The Group also enters into cross currency and interest rate swaps for hedging the risk against variability in cash flows of its term loan. These derivative contracts do not qualify for hedge accounting under Ind AS 109, and are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through profit or loss. Gains or losses arising from changes in the fair value of the derivative contracts are recognized in profit or loss.

d. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the Consolidated Balance Sheet when, and only when, the Group has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

e. Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets (which are categorised as equity instruments) at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3. Share capital

Ordinary shares are classified as Equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from Equity, net of any tax effects.

4. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchases taxes, after deducting trade

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

discounts and rebates and includes expenditure directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

When significant parts of an item of property, plant and equipment have different estimated useful life, they are accounted for as separate items (major components) of Property, Plant and Equipment and accordingly the depreciation is computed based on estimated useful life of the assets.

Amount paid as advances towards the acquisition of property, plant and equipment is disclosed separately under other non-current assets as capital advances and the cost of assets not put to use as on balance sheet date are disclosed under 'Capital work-in-progress'.

Gains and losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment and are recognized net within "other income / other expenses" in the Consolidated Statement of Profit and Loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Consolidated Statement of Profit or Loss.

Depreciation

Depreciation is recognized in the Consolidated Statement of profit and loss on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Depreciation on contract-specific assets are charged co-terminus over the contract period. Management's estimated useful life for the year ended March 31, 2026 and March 31, 2025 were as follows:

Particulars	Estimated useful life in years	Useful life prescribed by Schedule II (in years)
Buildings	28	30
Plant and equipments		
• Power equipments	8	15
• Computer servers	5	6
• Computer laptops/desktops	3	3
Furniture and fixtures	5	10
Leasehold improvements	5	10
Office equipment	5	5
Motor vehicles	3	8

The estimated useful life of these assets have been assessed based on technical advice, taking into the account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc. Residual Value of these assets is estimated as Nil. These estimates are reviewed at each reporting date.

5. Business combinations

Business combinations are accounted for using Ind AS 103 Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103. The cost of acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transactions costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

The acquisition of an asset or a group of assets that does not constitute a 'business' as per Ind AS 103 is accounted for by identifying and recognizing the individual identifiable assets acquired and liabilities assumed. The cost of the group of assets is allocated to such individual identifiable assets and liabilities on the basis of their relative fair values on the date of purchase.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interests method.

6. Intangible assets

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in Consolidated statement of profit or loss as incurred.

Amortization of intangible assets with finite useful lives

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and previous year are as follows:

Particulars	Estimate of useful life in years
System software	1 - 3

Amortization methods, estimated useful life and residual values are reviewed at each reporting date and adjusted if appropriate.Residual Value of these assets is estimated as Nil.

7. Leases

As a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

Leases for which the group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

8. Contract liability

Contract Liability (Unearned income) represents unserved portion of billed contracts. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

9. Impairment of non financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit or group of units on a pro rata basis.

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

10. Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Group, as detailed below:

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(a) Defined contribution plan (Provident fund)

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The Group makes specified monthly contribution towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit and loss in the periods during which the related services are rendered by employees.

(b) Defined benefit plans (Gratuity)

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group.The gratuity fund is managed by the HDFC Life Insurance Group Limited. The group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting any unrecognized past service cost and the fair value of any plan assets.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest), are recognised in other comprehensive income and presented within equity. Remeasurements are not reclassified to Consolidated statement of profit or loss in subsequent periods. Service costs, net interest expenses and other expenses related to defined benefit plans are recognised in Consolidated statement of profit or loss.

(c) Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(d) Compensated absences

The employees of the Group are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Group recognizes an obligation for compensated absences in the period in which the employee renders the services. The Group provides for the expected cost of compensated absence in the Consolidated Statement of Profit and Loss as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated based on actuarial valuations carried out by an independent actuary at the balance sheet date.

11. Share-based payment transactions

The stock options granted to employees in terms of the Group's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period.The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.Expenses recognized for employee stock options granted to key managerial personnel is disclosed as a related party transaction.

12. Provisions

Provisions are recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

The Group provides an ex-gratia retirement benefit to eligible employees over and above the statutory gratuity limit, at the discretion of management. Provision is accrued based on the estimate.

13. Revenue recognition

The Company derives revenue from Data Center services.

Data Center Services (DC):

Revenue from DC services consists co-location of racks and power charges billed to customers. The contracts are mainly for a fixed rate for a period of time. Revenue from co-location of racks, power charges and cross connect charges are series of distinct services where the performance obligations are completed. Service revenue is recognized as the related services are performed. Sale of equipments such as servers, switches, networking equipments, cable infrastructure and racks etc are accounted as separate performance obligations if they are distinct and its related revenues are recognised at a point in time when the control is passed on to the customer.

Multiple deliverable arrangements

In certain cases, some elements belonging to the services mentioned above are sold as a package consisting of all or some of the elements.

The Group accounts for goods or services of the package separately if they are distinct. i.e if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer.

The Group allocate the transaction price to each performance obligation identified in the contract on a relative stand-alone selling price basis. consolidated selling price is the price at which Group would sell a promised good or service separately to the customer.

If the relative stand-alone selling prices are not available, the Group estimates the same. In doing so, the Group maximise the use of observable inputs and apply estimation methods consistently in similar circumstances.

Contract Cost

Costs to fulfil customer contracts i.e the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify or the costs generate/ enhance resources of the company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future or the costs that are expected to be recovered are recognised as asset and amortized over the contract period.

Incremental costs of obtaining a contract are recognised as assets and amortized over the contract period if entity expects to recover those costs. The Group recognise incremental cost of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

Costs to obtain a contract that is incurred regardless of whether the contract is obtained are recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

Significant judgements on applying Ind AS 115

The Company contracts with customer include promises or arrangements to transfer multiple goods or services to a customer. The Group assess whether such arrangements in the contract has distinct goods or services (performance obligation). Identification of distinct performance obligation involves judgment to determine ability of customer to benefit independently from other promises in the contract.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The judgment is required to measure the transaction price for the contract. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration could be fixed amount or variable amount or could be both. Transaction price could also be adjusted for time value of money if contract includes a significant financing component.

In the case of multiple arrangements in a contract, the Company allocate transaction price to each performance obligation based on consolidated transaction price. The determination of consolidated transaction price involves judgment.

The Group uses judgment in determining timing of satisfaction of performance obligation. The Group considers how customer benefits from goods or services as the services are rendered, who controls as the assets is created or enhanced, whether asset has an alternate use and the entity has an enforceable right to payment for performance completed to date, transfer of significant risk and reward to the customer, acceptance or sign off from the customer etc.,

The Group uses judgement when capitalising the contract cost as to whether it generates or enhances resources of the entity that will be used in satisfying performance obligation in the future.

14. Finance income

Finance income comprises interest income on funds invested, dividend income, fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in Consolidated Statement of Profit and Loss, using the effective interest method. Dividend income is recognized in Consolidated Statement of Profit and Loss on the date when the group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

15. Finance expense

Finance expense comprises borrowing costs, bank charges, unwinding of discount on provision, fair value losses on financial assets at fair value through profit or loss that are recognized in Consolidated Statement of Profit and Loss. Fair value changes attributable to hedged risk are recognised in Consolidated Statement of Profit and Loss.

Borrowing costs are interest and other costs (including exchange difference relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Interest expense is recognised using effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognized as expenses in the period in which they are incurred. To the extent the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowings costs eligible for capitalization by applying a capitalization rate to the expenditure incurred on such asset. The capitalization rate is determined based on the weighted average of borrowing costs applicable to the borrowings of the Group which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing costs that the Company capitalizes during a period does not exceed the amount of borrowing costs incurred during that period.

16. Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in Consolidated statement of profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(i) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss,

(ii) differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.

(iii) arising due to taxable temporary differences arising on the initial recognition of goodwill, as the same is not deductible for tax purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

17. Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. To the extent that partly paid shares are not entitled to participate in dividends during the period, they are treated as the equivalent of warrants or options in the calculation of diluted earnings per share.

18. Fair value measurement

A number of the Group accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described below:

Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.

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(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the Consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investments in equity other than Holding/Subsidiary/Joint venture and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

(ii) Trade and other receivables

The fair value of trade and other receivables expected to be realised beyond twelve months is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to the short term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

(iii) Derivatives

The fair value of forward exchange contracts is based on their quoted price, if available. If a quoted price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk free interest rate (based on government bonds). The fair value of foreign currency option contracts is determined based on the appropriate valuation techniques, considering the terms of the contract. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and the counter party when appropriate. The fair value of the cross currency swaps (principal only swaps) and interest rate swaps is determined based on the discounting of the future cash flows at the market rates existing on the reporting date.

(iv) Non derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

(v) Share-based payment transactions

The fair value of employee stock options is measured using the Black-Scholes method. Measurement inputs include share price on grant date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), expected term of the instrument (based on historical experience and general option holder behaviour), expected dividends, and the risk free interest rate (based on government bonds).

19. Investments in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The results and assets and liabilities of associates are incorporated in these Consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

When there is any objective evidence of impairment, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 'Impairment of Assets' as a single asset by comparing its recoverable amount (higher of value-in-use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate , or when the investment is classified as held for sale. When the investment becomes a subsidiary, the Group accounts for its investment in accordance with Ind AS 103 'Business Combination'. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures it at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued,and the fair value of any retained interest and any proceeds from disposing of a part interest is included in the determination of the gain or loss on disposal of the associate.

20. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management. Short term deposits with an original maturity of twelve months or less and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

21. Dividend distribution to Equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Consolidated Statement of Changes in Equity, in the period in which it is paid.

22. Segment Reporting

The Group is principally engaged in a single business segment viz. Data Center Services. The Board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Group performance, allocate resources based on the analysis of the various performance indicators of the Group as a single unit. Accordingly, there is no other reportable segment in terms of Ind AS 108 'Operating Segments'. The Group has opted for exemption under Ind AS 108 'Operating Segments', as the segment reporting is reported in its Consolidated financial statements.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

23. Contingent Liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

24. Current/ non-current classification

An asset is classified as current if:

(a) it is expected to be realised or sold or consumed in the Group normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be realised within twelve months after the reporting period; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

(a) it is expected to be settled in normal operating cycle;

(b) it is held primarily for the purpose of trading;

(c) it is expected to be settled within twelve months after the reporting period;

(d) it has no unconditional right to defer the settlement of the liability for at lease twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Group normal operating cycle is twelve months.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

1A.Property, Plant and Equipment

The following table presents the changes in property, plant and equipment for the year ended March 31, 2026

Particulars	ORIGINAL COST					DEPRECIATION					NET BOOK VALUE		
	As at April 1, 2025	Additions during the year	Deletions/ Adjustments during the year**	Reclassification*	As at March 31, 2026	As at April 1, 2025	For the year	Deletions/ Adjustments during the year	Reclassification*	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Owned assets												
Buildings	**4,551.19**	3,404.20	-	770.90	**8,726.29**	**716.28**	229.00	-	12.90	**958.18**	7,768.11	3,834.91
Plant and equipment	**14,155.10**	4,734.30	1,251.52	619.00	**18,256.88**	**6,865.69**	1,819.60	1,251.52	10.30	**7,444.07**	10,812.81	7,289.41
Furniture and fittings	**43.10**	4.50	36.16	-	**11.44**	**40.40**	2.96	36.16	-	**7.20**	4.24	2.70
Office equipment	**2,909.40**	613.80	230.54	-	**3,292.66**	**1,592.30**	488.20	230.54	-	**1,849.96**	1,442.70	1,317.10
Motor vehicles	**3.10**	-	-	-	**3.10**	**1.10**	1.10	-	-	**2.20**	0.90	2.00
Leasehold improvements	**9,962.72**	831.50	503.29	(1,389.90)	**8,901.03**	**4,309.50**	1,511.40	503.29	(23.20)	**5,294.41**	3,606.62	5,653.22
	31,624.61	**9,588.30**	**2,021.51**	**-**	**39,191.40**	**13,525.27**	**4,052.26**	**2,021.51**	**-**	**15,556.02**	**23,635.38**	**18,099.34**

*The Group has disclosed certain assets which are in the nature of Buildings and Plant and Machinery along with Leasehold Improvements. These assets are depreciated over the estimated useful life of Buildings and Plant and Machinery in accordance with the accounting policy consistently applied by the Group. The Group believes that it is more appropriate to disclose such Assets as part of Buildings and Plant and Machinery rather than as part of Leasehold improvements. Hence, the cost of such Assets and the accumulated depreciation thereon, as on April 01, 2025 has been transferred to the respective category for a better presentation.

**During the year, the Group carried out an evaluation of its assets to assess the future economic benefits expected from its use or disposal. Accordingly, the Group identified the following assets which it assessed will not have any future economic benefits from it's use. These assets have been retired from active use and remain in the custody of the Group pending physical disposal.

Particulars	Original Cost	Accumulated Depreciation
Plant and equipment	1,210.82	1,210.82
Furniture and fittings	36.16	36.16
Office equipment	230.24	230.24
Leasehold improvements	503.29	503.29
	1,980.51	**1,980.51**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The following table presents the changes in property, plant and equipment for the year ended March 31, 2025

Particulars	ORIGINAL COST				DEPRECIATION				NET BOOK VALUE	
	As at April 1, 2024	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at April 1, 2024	For the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024 (Restated)
Owned assets										
Buildings	**4,484.19**	67.00	-	**4,551.19**	**554.18**	162.10	-	**716.28**	3,834.91	3,930.01
Plant and equipment	**10,366.20**	3,837.50	48.60	**14,155.10**	**5,781.03**	1,133.26	48.60	**6,865.69**	7,289.41	4,585.17
Furniture and fittings	**42.40**	0.70	-	**43.10**	**39.40**	1.00	-	**40.40**	2.70	3.00
Office equipment	**2,063.70**	846.30	0.60	**2,909.40**	**1,224.20**	368.70	0.60	**1,592.30**	1,317.10	839.50
Motor vehicles	**3.10**	-	-	**3.10**	**0.10**	1.00	-	**1.10**	2.00	3.00
Leasehold improvements	**6,272.30**	3,690.42	-	**9,962.72**	**3,058.60**	1,250.90	-	**4,309.50**	5,653.22	3,213.70
	23,231.89	**8,441.92**	**49.20**	**31,624.61**	**10,657.51**	**2,916.96**	**49.20**	**13,525.27**	**18,099.34**	**12,574.38**

Notes

(a) Refer note D (16) and D (20) for assets provided as security against borrowings

(b) Refer note D (24)(b) for capital commitments.

(c) Refer note D (29) for interest capitalisation

(d) The title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Group except the below mentioned title deeds of immovable properties, in the nature of buildings, which were acquired from Sify Technologies Limited ('Holding Group') pursuant to a Business Transfer Agreement ('BTA') dated January 28, 2021 with effect from April 1, 2020:

Description of Property	Gross carrying value	Held in name of Promoter	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Rabale Tower 1 - Building (Property, Plant & Equipment)	744.43	Sify Technologies Limited ('STL')	More than 5 years	The Holding company (STL) transferred the remaining leasehold rights in the said plots pursuant to the Business Transfer Agreement after obtaining approval and transfer order from MIDC. STL and SISL executed the deed of assignment and presented the deed for formal registration. STL had earlier availed stamp duty exemption while acquiring the balance leasehold rights in the said properties which was later revoked by the Appellate Officer. This matter is pending for adjudication before the Mumbai High Court. The Collector of stamps refused to adjudicate on this deed of assignment on account of above pending adjudication. SISL after acquiring the leasehold rights is complying to the original lease terms.
Rabale Tower 2 - Building (Property, Plant & Equipment)	224.56			
Rabale Tower 3 - Building (Property, Plant & Equipment)	1,590.63			

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

1B. Capital work-in-progress

Particulars	As at April 1, 2025	Additions / Adjustments	Capitalised during the year	As at March 31, 2026
Capital work-in-progress	7,887.81	8,637.62	(9,588.50)	6,936.93

Particulars	As at April 1, 2024	Additions / Adjustments	Capitalised during the year	As at March 31, 2025
Capital work-in-progress	8,911.40	7,418.53	(8,442.12)	7,887.81

Refer note D(29) for interest capitalisation.

The following table presents the aging of the Capital work-in-progress for the year ended March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 to 2 Years	2- 3 Years	> 3 Years	
Projects in progress	4,838.55	1,889.15	209.23	-	6,936.93
Projects temporarily suspended	-	-	-	-	-
Total	**4,838.55**	**1,889.15**	**209.23**	**-**	**6,936.93**

The following table presents the aging of the Capital work-in-progress for the year ended March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 to 2 Years	2- 3 Years	> 3 Years	
Projects in progress	4,011.30	2,795.50	1,069.70	11.31	7,887.81
Projects temporarily suspended	-	-	-	-	-
Total	**4,011.30**	**2,795.50**	**1,069.70**	**11.31**	**7,887.81**

Of the above, there are no projects where the cost has exceeded the budget nor whose completion is delayed.

3. Intangible assets

The following table presents the changes in intangible assets for the year ended March 31, 2026

Particulars	ORIGINAL COST				AMORTISATION			NET BOOK VALUE		
	As at April 1, 2025	Additions during the year	Deletions/ Adjustments during the year**	As at March 31, 2026	As at April 1, 2025	For the year	Deletions/ Adjustments during the year	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
System software	79.50	0.20	61.62	18.08	77.50	1.40	61.62	17.28	0.80	2.00
	79.50	**0.20**	**61.62**	**18.08**	**77.50**	**1.40**	**61.62**	**17.28**	**0.80**	**2.00**

The following table presents the changes in intangible assets for the year ended March 31, 2025

Particulars	ORIGINAL COST				AMORTISATION			NET BOOK VALUE		
	As at April 1, 2024	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at April 1, 2024	For the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024 (Restated)
System software	80.00	0.20	0.70	79.50	76.90	1.30	0.70	77.50	2.00	3.10
	80.00	**0.20**	**0.70**	**79.50**	**76.90**	**1.30**	**0.70**	**77.50**	**2.00**	**3.10**

**During the year, the Group carried out an evaluation of its assets to assess the future economic benefits expected from its use or disposal. Accordingly, the Group identified certain intangible assets with Original cost of ₹ 61.62 and accumulated depreciation as at March 31, 2026 of ₹ 61.62 which it assessed will not have any future economic benefits from it's use.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

2. Right of Use Assets and Lease Liabilities

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2026

Particulars	Category of ROU asset		
	Land	Building	Total
Balance as of April 1, 2025	3,221.48	2,253.50	5,474.98
Additions (Refer note (b) below)	691.92	3,059.00	3,750.92
Deletions	-	-	-
Depreciation expenses	(54.32)	(627.99)	(682.31)
Balance as of March 31, 2026	**3,859.08**	**4,684.51**	**8,543.59**

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025

Particulars	Category of ROU asset		
	Land	Building	Total
Balance as of April 1, 2024	2,233.48	2,568.70	4,802.18
Additions	1,018.80	6.60	1,025.40
Deletions	-	(2.70)	(2.70)
Depreciation expenses	(30.80)	(319.10)	(349.90)
Balance as of March 31, 2025	**3,221.48**	**2,253.50**	**5,474.98**

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease liabilities	411.05	214.59
Non-current lease liabilities	5,315.47	2,809.35
Total	**5,726.52**	**3,023.94**

The movement in lease liabilities is given below :

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	3,023.94	2,903.40
Additions (Refer note (b) below)	3,063.99	289.80
Interest on lease liabilities	560.88	279.29
Deletions	-	(2.70)
Payment of lease liabilities	(922.29)	(445.85)
Balance at the end of the year	**5,726.52**	**3,023.94**

Note: Refer Note D (40) for contractual maturities of lease liabilities

Amounts recognised in profit or loss are given below

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation expenses	682.31	349.90
Interest on lease liabilities	560.88	279.29
Expenses relating to leases of low-value assets, including short-term leases of low value assets	73.78	74.05

(a) The title deeds of immovable properties included in Right of Use Assets are held in the name of the Group except the below mentioned title deeds of immovable properties, in the nature of leasehold land, which were acquired from Sify Technologies Limited ('Holding Group') pursuant to a Business Transfer Agreement ('BTA') dated January 28, 2021 with effect from April 1, 2020:

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Description of Property	Gross carrying value	Held in name of Promoter	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Rabale Tower 1 - Leased Land (Right of Use Assets)	252.34	Sify Technologies Limited	More than 5 years	The Holding Company ('STL') transferred the remaining leasehold rights in the said plots pursuant to the Business Transfer Agreement after obtaining approval and transfer order from MIDC. STL and SISL executed the deed of assignment and presented the deed for formal registration. STL had earlier availed stamp duty exemption while acquiring the balance leasehold rights in the said properties which was later revoked by the Appellate Officer. This matter is pending for adjudication before the Mumbai High Court. The Collector of stamps refused to adjudicate on this deed of assignment on account of above pending adjudication. SISL after acquiring the leasehold rights is complying to the original lease terms.
Rabale Tower 2 - Leased Land (Right of Use Assets)	98.73			
Rabale Tower 3 - Leased Land (Right of Use Assets)	499.97			

(b) Reconciliation of additions made during the year

Particulars	As at March 31, 2026	As at March 31, 2025
Additions to Right-of-use assets	3,750.92	1,025.40
Additions to Lease liability	(3,063.99)	(289.80)
Upfront premium and deposit deferment under Ind AS 109	**686.93**	**735.60**

Disclosures relating to leases

1. Escalation clause - The lease agreements include escalation clauses, with escalation rates ranging from 3% to 15%, and escalation intervals ranging from 11 months to 3 years.

2. Discount rate - The discount rate used for computation of right-of-use assets is 9.50%, determined based on the weighted average cost of capital.

3. Annual lease rentals - The annual lease rental for land ranges from ₹ 0.73 Million to ₹ 7.75 Million, and for buildings ranges from ₹ 1.37 Million to ₹ 96.39 Million. Further, the annual lease rental for the building payable to SKVR Software Solution Private Limited (an associate company) amounts to ₹ 384 Million per annum. The agreements also provide for extension of the lease term upon mutual agreement between the lessor and the lessee.

4. Lease term - The lease term for land ranges from 30 years to 90.1 years, and for buildings ranges from 1.5 years to 50.8 years, over which the right-of-use assets are depreciated on a straight-line basis.

5. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any major covenants other than the security interests in the leased assets that are held by the lessor. Leased assets are not used as security for borrowing purposes.

6. Lease commitments as at the reporting date amounting to ₹ Nil (March 31, 2025 : ₹ Nil).

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

4. Investment in Associates

Particulars		As at March 31, 2026	As at March 31, 2025
Investment in Equity shares "equity method"-unquoted			
SKVR Software Solution Private Limited [refer note: D (47)][(1)]			
[4,900 (March 31, 2025: 4,900) equity shares of ₹ 10 each fully paid up]		184.87	195.55
	A	**184.87**	**195.55**

[(1)]Terms of Investment in 9% Non-Cumulative Redeemable Preference Shares

a) SISL holds investment in 9% Non-Cumulative Redeemable Preference Shares of ₹ 10 each, fully paid-up, issued by SKVR Software Solution Private Limited. The preference shares carry a non-cumulative dividend entitlement at the rate of 9% per annum.

b) In the event that dividend is not declared by the investee company for any financial year, the right to receive dividend for that year lapses and does not accumulate.

c) The preference shares are redeemable at the option of the investee company within a period of 20 years from the respective dates of allotment. The holders of these preference shares have preferential rights over equity shareholders with respect to receipt of dividend and repayment of capital in the event of winding up of the investee company.

d) The preference shares do not carry voting rights except in circumstances specified under the applicable provisions of the Companies Act, 2013.

e) During the year, SISL invested additional 9% Non-Cumulative Redeemable Preference Shares of SKVR Software Solution Private Limited, resulting in an increase in its holding from 14,90,00,000 shares to 27,50,00,000 shares.

f) The investment is carried at cost and is unquoted.

Movement in Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Cost of Investments	196.00	196.00
Less: Cumulative Share of Profit/(Loss) of the associate	(11.13)	(0.45)
Carrying value of the investments	**184.87**	**195.55**

Particulars		As at March 31, 2026	As at March 31, 2025
Investment in Preference shares "at Cost"-unquoted			
SKVR Software Solution Private Limited			
[27,50,00,000 (March 31, 2025: 14,90,00,000) 9% Non-Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up]		2,750.00	1,490.00
	B	**2,750.00**	**1,490.00**
Value of unquoted investments in associates	**(A) + (B)**	**2,934.87**	**1,685.55**

5. Investments - Non-current

	As at March 31, 2026	As at March 31, 2025
Investment in equity instruments - unquoted - Other than equity accounting method		
Investment in equity of others (at FVTOCI)		
Investment in Vashi Railway Station Commercial Complex Limited	0.15	0.15
[15,000 (March 31, 2025 : 15,000) equity shares of ₹ 10 each fully paid up]		

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

	As at March 31, 2026	As at March 31, 2025
Investment in Sarayu Clean Gen Private Limited	1.56	1.56
[1,56,000 (March 31, 2025 : 1,56,000) equity shares of ₹ 10 each fully paid up]		
Investment in VEH Srishti Energy Private Limited	375.30	375.30
[1,50,12,000 (March 31, 2025 : 1,50,12,000) equity shares of ₹ 10 each fully paid up]		
Investment in Tasoula Energy Private Limited	225.00	225.00
[70,31,250 (March 31, 2025: 70,31,250) equity shares of ₹ 10 each fully paid up]		
Investment in Sunsure Solarpark Eighteen Private Limited	99.74	9.97
[95,723 (March 31, 2025: 9,572) equity shares of ₹ 10 each fully paid up]		
Investment in Murli Solar Enery Private Limited	48.58	-
[38,776 (March 31, 2025: Nil) equity shares of ₹ 10 each fully paid up]		
Value of unquoted investments in Others	**750.33**	**611.98**

Details of Entities in which the Group holds Equity Interest :

Name of the Entity	Place of incorporation and Principal place of business	Principal activities	% of equity shareholding		Remarks
			March 31, 2026	March 31, 2025	
Vashi Railway Station Commercial Complex Limited[3]	India	Business Services - Facility Management Services	5.04%	5.04%	Based on the equity interest held in the entity. The investment does not provide the Company with significant influence over the investee as defined under the applicable accounting standards, and accordingly the entity is not considered an associate.
Sarayu Clean Gen Private Limited[2]	India	Production, collection, and distribution of electricity	26.00%	26.00%	They are considered as associate companies, under the Companies Act, 2013. However, these entities are not considered as associate companies for the purpose of consolidation, in terms of the applicable accounting standards as there are no significant influence for the company over these entities.
VEH Srishti Energy Private Limited[2]	India		42.63%	42.63%	
Tasoula Energy Private Limited[1] [2]	India		38.87%	38.87%	
Sunsure Solarpark Eighteen Private Limited[2]	India		44.25%	31.25%	
Murli solar enery private limited[2]	India		23.50%	-	
SKVR Software Solution Private Limited (Refer Note D(4))	India	Information Technology - Data Centre Business and leasing	49.00%	49.00%	The entity is considered as associate in accordance with the requirements of "Ind AS 28" and are accounted for in the consolidated financial statements using the equity method as prescribed under Indian Accounting Standards.

[1]Investment in Tasoula Energy Private Limited was made through issue of compulsorily convertible debentures i.e., for a consideration other than cash.

[2]These investments are made pursuant to Electricity Act, 2003 as these are treated as captive power plants under that act. The Company assesed the fair value of the above investments as at March 31, 2026. In accordance with the requirements of Indas 109 - Financial instruments, the company has Classified the investments as measured as fair value through other comprehensive income. The carrying costs of investments has been considered as the best estimate of fair value as at the reporting date.

[3]The investments in the financial statements are held in the name of the Company except Vashi Railway Station Commercial Complex Limited and Sarayu Clean Gen Private Limited , which were acquired from Sify Technologies Limited ('Holding Company') pursuant to a Business Transfer Agreement ('BTA') dated January 28, 2021 with effect from April 1, 2020.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(4)Details related to uncalled capital commitments outstanding are as follows :

Name of the Entity	As at March 31, 2026	As at March 31, 2025
Murli Solar Enery Private Limited	90.52	-
Netra Renewable Energy Private Limited	94.50	-
Radiance Ka Sunbright Two Private Limited	32.40	-
Sunsure Solarpark Eighteen Private Limited	-	89.77
	217.42	**89.77**

6. Loans - Non-current

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Loans to related parties (Associate) - Refer Note D(38) & D(47)	500.00	1,570.00
	500.00	**1,570.00**

7. Other financial assets - Non-current

	As at March 31, 2026	As at March 31, 2025
(Unsecured,considered good unless otherwise stated)		
Security deposits(1)	430.36	377.90
Bank deposits(2)	1,727.70	1,413.56
	2,158.06	**1,791.46**

(1)Security Deposit includes lease deposits as follows :

Particulars	March 31, 2026	March 31, 2025
Deposits with Holding Company	34.47	34.47
Deposits with Associate Company	96.00	-

(2)Represents deposits with more than 12 months maturity, subject to lien in favour of banks for obtaining bank guarantees / letters of credit.

a. The above balances consists of refundable security deposits given in respect of lease arrangements. These deposits are generally interest-free and have been initially recognised at fair value by discounting the refundable amount using a discount rate of 9.5%, based on the Company's incremental borrowing rate. The tenure of such deposits land ranges from 30 years to 90.1 years, and for buildings ranges from 1.5 years to 50.8 years. The deposits are subsequently measured at amortised cost, and the unwinding of discount is recognised as finance income over the respective lease terms in accordance with Ind AS 109 Financial Instruments and Ind AS 116 Leases.

Carrying amount of deposits in accordance with Ind AS 109 are as follows :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Carrying value of fair-valued deposits April, 01	125.30	181.17
Add: Deposits given during the year	138.45	22.22
Less: Deposits refunded during the year	-	-
Less: Unwinding of discount during the year	(77.73)	(78.09)
Carrying value of fair-valued deposits March, 31#	**186.02**	**125.30**
Gross refundable deposit as at March, 31	**341.84**	**203.39**

#Security deposits over and above ₹ 5.00 is fair valued as per Ind AS 109.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

8. Income tax assets - Non-current

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax and tax deducted at source (Net of Provision for tax)	249.34	471.27
	249.34	**471.27**

9. Other Non-current assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured,considered good unless otherwise stated)		
Capital advances	2,888.83	1,243.95
Others:		
Prepaid expenses*	252.53	22.91
	3,141.36	**1,266.86**

*Includes an amount of ₹ 220.47 incurred by the group in relation to its proposed Initial Public Offering of equity shares during the year ended March 31, 2026 (March 31, 2025 : ₹ Nil).

The portion of expenses related to selling shareholders will be recovered from the selling shareholders. The expenses related to the Company's fresh issue of equity shares will be adjusted against equity as per and provisions of the Companies Act, 2013

10. Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured [Refer note (a) below]	3,750.89	2,879.27
Trade receivables which have significant increase in Credit Risk	-	79.30
Trade Receivables - credit impaired	-	41.75
Total	**3,750.89**	**3,000.32**
Loss Allowances [Refer note (b) below]		
for receivables considered good	(57.77)	(79.30)
for receivables credit impaired	-	(41.75)
Net Trade receivables	**3,693.12**	**2,879.27**

(a) This amount includes

Particulars	As at March 31, 2026	As at March 31, 2025
Amounts receivable from Holding Company	0.95	69.20
Amounts receivable from Fellow subsidiary	5.44	-

(b) The activity in loss allowance for doubtful receivables is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	121.05	117.70
Add: Additional provision during the year	-	15.00
Less: Bad debts written off	(63.28)	(11.65)
Balance at the end of the year	**57.77**	**121.05**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The following table presents the ageing of the Trade Receivables for the year ended March 31, 2026

Particulars	Not due	Outstanding for following periods from due date of Collection					Total
		less than 6 months	6 months - 1 year	1-2 years	2-3 years	greater than 3 years	
Trade receivables - Undisputed							
Considered good	2,800.94	158.00	34.50	39.45	-	-	3,032.89
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	2,800.94	**158.00**	**34.50**	**39.45**	**-**	**-**	**3,032.89**
Trade receivables - Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Provision for Doubtful Debts							(57.77)
Trade receivable - Unbilled							718.00
Total							**3,693.12**

The following table presents the ageing of the Trade Receivables for the year ended March 31, 2025

Particulars	Not due	Outstanding for following periods from due date of Collection					Total
		less than 6 months	6 months - 1 year	1-2 years	2-3 years	greater than 3 years	
Trade receivables - Undisputed							
Considered good	2,104.25	232.70	-	-	-	-	2,336.95
Which have significant increase in credit risk	16.60	1.70	0.60	0.40	60.00	-	79.30
Credit impaired	-	-	-	-	-	41.75	41.75
	2,120.85	**234.40**	**0.60**	**0.40**	**60.00**	**41.75**	**2,458.00**
Trade receivables - Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Provision for Doubtful Debts							(121.05)
Trade receivable - Unbilled							542.32
Total							**2,879.27**

11. Cash and Bank balances

11A. Cash and cash equivalents:

Particulars		As at March 31, 2026	As at March 31, 2025
Balance with banks			
(i) in current accounts		621.87	2,969.39
(ii) deposits with original maturities of less than three months		1,500.00	-
Cash on hand		0.34	-
	(A)	**2,122.21**	**2,969.39**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Cash and cash equivalents for the purpose of Cash Flow Statement:

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents as above	2,122.21	2,969.39
	2,122.21	**2,969.39**

11B. Other bank balances:

Particulars		As at March 31, 2026	As at March 31, 2025
Bank deposits [Refer Note below]		763.70	355.31
	(B)	**763.70**	**355.31**
	(A) + (B)	2,885.91	3,324.70
Note			
Balances in deposit accounts subject to lien in favour of banks for obtaining bank guarantees /letter of credits/borrowings.		**763.70**	**355.31**
Bank deposits have contractual maturities ranging from 12 days to 132 days as on March 31, 2026.			

12. Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured,considered good unless otherwise stated)		
Amounts receivable from Related Parties (Note (a) below)	32.60	0.78
Security deposits (Net of doubtful allowance) (Note (b) below)	80.45	35.92
Interest accrued on deposits	7.48	57.29
Derivative financial instrument	9.92	18.52
	130.45	**112.51**

Note:

a) Balances receivable from group entities on account of transfer of assets/liabilities, allocation of revenue and expenses, and settlement of customer and vendor transactions undertaken on behalf of the Company (Refer Note D (38))

Particulars	March 31, 2026	March 31, 2025
From Fellow subsidiary	-	0.78
From Holding company	32.60	-

b) The activity in allowance for doubtful deposits are given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	3.40	3.40
Add: Additional provision during the year	-	-
Less: Advance written off / adjustments	-	-
Balance at the end of the year	**3.40**	**3.40**

13. Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured,considered good unless otherwise stated)		
Balances with Government Authorities	1,268.77	738.22
Prepaid expenses	26.30	32.37
Deferred Contract Cost	160.40	107.31
Other advances	60.83	76.36
	1,516.30	**954.26**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

14. Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized		
100,00,00,000 (March 31, 2025: 80,02,50,000) equity shares of ₹ 10 each	10,000.00	8,002.50
27,00,00,000 (March 31, 2025: 27,00,00,000) preference shares of ₹ 10 each	2,700.00	2,700.00
Issued		
51,01,31,127 (March 31, 2025: 50,58,59,762) equity shares of ₹ 10 each	5,101.31	5,058.60
Nil (March 31, 2025: 42,71,365) equity shares of ₹ 10 each - Increase on account of Merger (refer note (c) below)	-	42.71
9,38,19,168 (March 31, 2025: Nil) equity shares of ₹ 10 each - Shares issued on conversion (refer note (d) below)	938.19	-
	6,039.50	**5,101.31**
Subscribed and fully paid		
60,39,50,295 (March 31, 2025: 51,01,31,127) equity shares of ₹ 10 each fully paid up	6,039.50	5,101.31
	6,039.50	**5,101.31**

(a) The Company has two classes of authorised share capital i.e., equity shares and preference shares having a par value of ₹ 10 per share.

(b) Equity shares carry voting rights proportionate to the paid-up value per share. In the event of liquidation of the company, holders of the equity shares are entitled to be repaid the amounts credited as paid up on those equity shares. All surplus assets after settlement of liabilities and preference share capital as at the commencement of winding-up shall be paid to the holders of equity shares in proportion to their shareholdings. The above payment is subject to the rights of creditors, employees, taxes, if any, and any other sums as may be prescribed under the Companies Act, 2013.

(c) Consequent to the scheme of amalgamation between Sify Infinit Spaces Limited and Patel Auto Engineering Company (India) Private Limited, the authorized equity share capital of the Company stands increased from 80,00,00,000 equity shares of ₹ 10/- each to 80,02,50,000 equity shares of ₹ 10/- each aggregating to ₹ 8,002.50 and the authorised preference share capital of the Company is 27,00,00,000 preference shares of ₹ 10/- each aggregating to ₹ 2,700.00. The Company, in accordance with the scheme of amalgamation has allotted 17.08546 equity shares of the company of ₹ 10/- each aggregating to 42,71,365 shares to share holders of transferor company for every 1 equity shares of ₹ 10/- each held by them. (refer note D(48)).

(d) On February 7, 2026, The Board of Directors approved the conversion of Compulsorily Convertible Debentures (CCDs) and Compulsorily Convertible Preference Shares (CCPS) into Equity Shares respectively. Accordingly 12,47,50,000 CCDs were converted into 8,97,95,295 equity shares and 5,00,00,000 CCPS were converted into 40,23,873 equity shares of the Company.

(e) The Company has increased its Authorised Share Capital from ₹ 10,702.50 to ₹ 12,700.00 vide shareholders' approval at the Extraordinary General Meeting held on September 26, 2025.

14.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount paid- up	Number of shares	Amount paid- up
Number of shares outstanding at the beginning of the year	51,01,31,127	5,101.31	50,58,59,762	5,058.60
Add: Shares issued on conversion of Compulsorily Convertible Debentures	8,97,95,295	897.95	-	-
Add: Shares issued on conversion of Compulsorily Convertible Preference shares	40,23,873	40.24	-	-
Add: On account of merger (refer note D(48))	-	-	42,71,365	42.71
Number of shares outstanding at the end of the year	**60,39,50,295**	**6,039.50**	**51,01,31,127**	**5,101.31**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

14.2 Shareholders holding more than 5% of the shares of the Company:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Number of Shares held	Percentage of Total shares	Percentage change during the year	Number of Shares held	Percentage of Total shares	Percentage change during the year
Sify Technologies Limited (Promoter)*	53,41,82,589	88.45%	(11.55%)	51,01,31,127	100.00%	-
Kotak Special Situations Fund (KSSF)	3,23,80,709	5.36%	100.00%	-	-	-
Kotak Data Centre Fund (KDCF)	3,73,86,997	6.19%	100.00%	-	-	-

*Includes 8 shares (March 31, 2025 : 8) held by nominees of Sify Technologies Limited (Holding Company) to comply with the provisions of the Companies Act, 2013.

14.3 Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

S. No.	Date of Allotment	Particulars	No. of Equity Shares Allotted
A.	February 01, 2021	Allotted pursuant to Business Transfer Agreement with Sify Technologies Limited	50,00,00,000
B.	December 22, 2023	Allotted pursuant to merger order dated July 10, 2023 (effective April 1, 2022) with Print House (India) Private Limited (Refer Note D(46))	8,59,762
C.	March 13, 2025	Allotted pursuant to merger order dated January 9, 2025 (effective April 1, 2023) with Patel Auto Engineering Company (India) Private Limited (Refer Note D(48))	42,71,365
D.	February 7, 2026	Allotted on conversion of Compulsorily Convertible Debentures to the following investors:	
		• Kotak Special Situations Fund	3,23,80,709
		• Kotak Data Center Fund	3,73,86,997
E.	February 7, 2026	Allotted on conversion of Compulsorily Convertible Debentures and Non-Cumulative Compulsorily Convertible Preference Shares to the following investors: • Sify Technologies Limited	2,40,51,462

14.4 Shares reserved for issue :

The Group has constituted an SISL Employee Stock Option Plan 2025 (ESOP) under which 30 Million options have been approved for grant to eligible employees. Refer Note D(45) for share reserved for issue.

15. Other Equity

15.1 Reserves and surplus

Particulars		As at March 31, 2026	As at March 31, 2025
Retained earnings			
Balance at the beginning of the year		4,392.61	3,151.51
Adjustments:			
Add: Profit for the year		361.49	1,263.60
Less: Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares		(40.50)	(22.50)
Balance at the end of the year	**(A)**	**4,713.60**	**4,392.61**
Remeasurement of net defined benefit liability/asset			
Balance at the beginning of the year		(10.60)	(8.32)
Add: Additions during the year		(1.74)	(2.28)
Balance at the end of the year	**(B)**	**(12.34)**	**(10.60)**
Securities premium			
Balance at the beginning of the year		382.34	376.59

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars		As at March 31, 2026	As at March 31, 2025
Add: Additions during the year on account conversion of Compulsorily Convertible Debentures		10,219.75	-
Add: Additions during the year on account conversion of Compulsorily Convertible Preference Shares		459.56	-
Add: Additions during the year on account of debenture premium on issue of Non-Convertible Debentures		-	5.75
Balance at the end of the year	**(C)**	**11,061.65**	**382.34**
Capital Reserve			
Balance at the beginning of the year		91.40	91.40
Add: Additions during the year		-	-
Balance at the end of the year	**(D)**	**91.40**	**91.40**
Stock Option outstanding account			
Balance at the beginning of the year		-	-
Add: Additions during the year		56.00	-
Balance at the end of the year	**(E)**	**56.00**	**-**
15.2 Compulsorily Convertible Debentures			
Balance at the beginning of the year		6,951.20	6,269.30
Add: Additions during the year		138.38	681.90
Transfer to Share Capital and Securities premium on conversion		(7,089.58)	-
Balance at the end of the year	**(F)**	**-**	**6,951.20**
15.3 Compulsorily Convertible Preference Shares			
Balance at the beginning of the year		500.00	-
Add: Additions during the year		-	500.00
Transfer to Share Capital and Securities premium on conversion		(500.00)	-
Balance at the end of the year	**(G)**	-	500.00
(H) = (A)+(B)+(C)+ (D)+(E)+(F)+(G)		**15,910.31**	**12,306.95**

Nature and purpose of Reserves

a) Retained Earnings

Retained earnings represents accumulated undistributed profits of the Group that can be distributed by the Group as dividends to its equity share holders.

b) Remeasurement of defined benefit liability / asset

Remeasurement of defined benefit liability /asset represent the cumulative actuarial gain / loss recognized in other comprehensive income and presented within equity.

c) Securities premium

(i) Securities Premium used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) The Group received an order for merger of Patel Auto Engineering Company (India) Private Limited ("PAECIPL") on January 9, 2025.The Group will issue and allot 17.08546 equity shares of the Group for every one equity share held in PAECIPL. The Group issued 42,71,365 shares of ₹ 10/- each to the Shareholders of PAECIPL amounts to ₹ 42.71 and accordingly recognised a securities premium of ₹ 376.59 (refer note D(48)).

(iii) The Group has recognised a securities premium of ₹ 10,219.75 on account of conversion of Compulsorily Convertible Debentures to equity shares of the Group.

(iv) The Group has recognised a securities premium of ₹ 459.56 on account of conversion of Compulsorily Convertible Preference Shares to equity shares of the company.

d) Capital Reserve

The Group has received order for merger of Print house (India) Private Limited ("PHIPL") on July 10, 2023.The Group issued 8,59,762 shares of ₹ 10/- each to Shareholders of PHIPL amounting to ₹ 8.59 and accordingly recognised a capital reserve of ₹ 91.40 (refer note D(46)).

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

e) Compulsorily Convertible Debentures and Compulsorily Convertible Preference Shares

Particulars	As at March 31, 2026	As at March 31, 2025
Compulsorily Convertible Debentures issued to Kotak Special Situations Fund	-	2,313.55
Compulsorily Convertible Debentures issued to Kotak Data Center Fund	-	3,405.80
Compulsorily Convertible Debentures issued to Sify Technologies Limited	-	1,231.85
	-	**6,951.20**
Compulsorily Convertible Preference shares issued to Sify Technologies Limited	-	500.00
	-	**500.00**

A. The SISL executed a Waiver Cum Amendment Agreement ('WCA') dated September 25, 2025, with KSSF and KDCF amending the Debenture Subscription Agreement ('DSA'). This WCA becomes effective and binding on the Parties from the date of filing of the Draft Red Herring Prospectus ('DRHP') in relation to the proposed Initial Public Offering of its equity shares ('Offer') with Securities and Exchange Board of India ('SEBI') and shall remain effective until such time WCA is terminated. As per the WCA, the Compulsory Convertible Debentures ('CCDs') held by KSSF and KDCF shall be fully, mandatorily, compulsorily and automatically convertible into equity shares upon earlier of:

1. October 1, 2031, and March 31, 2033, for KSSF and KDCF respectively without any act or application by KSSF or KDCF;
2. Prior to filing the updated DRHP with SEBI, the updated DRHP shall be filed within 10 business days from the conversion or such other extended time as may be mutually agreed;
3. At any time as may be required by KSSF or KDCF.

Pursuant to the SISL filing DRHP on October 17, 2025 with Securities and Exchange Board of India ('SEBI'), BSE Limited and National Stock exchange of India Limited in connection with the Offer and in compliance with the SEBI (ICDR) Regulations, 2018, which prescribes that an Issuer shall not be eligible to make an initial public offer if there are any outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer, on February 7, 2026,the company has converted the outstanding CCDs into equity shares. The SISL has filed the requisite Forms for effecting the conversion as per Companies Act and the shares have been allotted to KSSF and KDCF based on the methodology as per DSA.

Consequently, the CCD which was presented as a Compound Financial Instrument has been presented entirely as Equity in compliance with the above regulations. The balance amount of CCDs as on the date of conversion are entirely presented as Equity Share Capital - ₹ 697.68 and Other equity - ₹ 8,220.17.

B. The WCA shall stand automatically terminated upon the earlier of the following dates:

1. Twelve months from the date of receipt of final observations from SEBI;
2. Exit Long Stop Date as defined in the DSA;
3. The date on which the Board decides not to undertake the IPO or decides to withdraw the IPO or any offer document filed with any regulator/ authorities in respect of the IPO;
4. The date on which the offer agreement executed between the Company, KDCF or KSSF and the BRLMs, is terminated;
5. This WCA being terminated by the mutual written agreement of all Parties, including if the listing of the Equity Shares pursuant to the IPO is not completed by then, subject to a withdrawal of the DRHP upon such termination

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

In case of termination of WCA, the provisions of the DSA (as existing prior to the execution of WCA) shall

1. Immediately and automatically stand reinstated with full force and effect without any further action or deed required on the part of any Party; and
2. Be deemed to have been in force during the period between the date of execution of this WCA and the date of termination of this WCA, without any break or interruption whatsoever.

C. If these CCDs are presented as Compound Financial Instrument without considering conversion or in case of occurrence of any of the events as specified above which causes the termination of WCA, this Financial Instrument would be presented as below:

Details	Financial Instrument presented as Equity	Financial Instrument presented as compound Financial Instrument
Equity	697.68	5,719.38
Other Equity	8,220.17	-
Other Non-current Liabilities	-	3,198.47
	8,917.85	**8,917.85**

The future obligations of coupons, if any shall be accounted for in the Income Statement and disclosed accordingly.

D. The CCDs held by Holding Company Sify Technologies Limited ('STL') presented as other equity of ₹ 1,370.23 and borrowing of ₹ 829.63 were also converted into equity (Equity Share Capital - ₹ 200.28 and Other equity - ₹ 1,999.58) as on February 7, 2026, pursuant to the Company filing DRHP with SEBI and to comply with the SEBI (ICDR) Regulations 2018.

E. The Compulsory Convertible Preference Shares held by Holding Company Sify Technologies Limited ('STL') presented as other equity of ₹ 500 were also converted into equity (Equity Share Capital - ₹ 40.24 and Other Equity - ₹ 459.76) as on February 7, 2026, pursuant to the Company filing DRHP with SEBI and to comply with the SEBI (ICDR) Regulations 2018.

f) Stock Option Outstanding Reserve

Stock Option Outstanding Reserve represents the stock compensation expense recognized in the statement of changes in equity.

16. Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Term loan from banks [Refer Note (a), (b), (d) and (e) below]	11,138.39	11,843.24
6% p.a. Compulsorily Convertible Debentures - [Refer Note D(15.2)]	-	3,142.90
8.95% p.a. Non Convertible Debentures [Refer Note (c) below]	2,500.00	2,500.00
From others* [Refer Note (a) below]	5,640.90	2,781.66
Unsecured		
6% p.a. Compulsorily Convertible Debentures - [Refer Note D(15.2)]	-	709.42
	19,279.29	**20,977.22**

*Others represent borrowings from financial institutions.

a. Of the above, facilities amounting to ₹ 21,455.52 (March 31, 2025: ₹ 16,829.17) are primarily secured by way of a pari-passu charge on the project receivables and charge on movable fixed assets as Specific DC Project and second charge on unencumbered current assets of the Group. Out of this, ₹ 5,751.66 (March 31, 2025: ₹ 2,784.16) is loan availed from other than banks. (NBFC).

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

b. During the FY 2020-21, the group has entered into External Commercial Borrowing (ECB) facility agreement for $ 5 Million and drawn down $ 5 Million out of sanctioned loan during FY 2020-21 and repaid $ 0.5 Million in FY 2021-22, $ 1 Million in FY 2022-23, $ 1 Million in FY 2023-24 ,$ 1 Million in FY 2024-25 and $ 1 Million in FY 2025-26. The Group has also entered into agreement for currency swap (from USD to ₹) to fully hedge foreign currency exposure towards principal repayment and interest rate swap from floating to fixed in order to hedge the foreign currency exposure.

c. Listed Non-Convertible Debentures (NCD) facility issued for re-financing the existing debt for specific Data Centre Towers amounting to ₹ 2,500.00 (March 31, 2025: ₹ 2,500) by the Group is primarily secured by way of pari-passu charge on the project Receivables and charge on movable fixed assets. The Loan is repayable in ten equal installments starting from FY 2030-2031 till FY 2039-2040.

d. The current maturities of the above borrowings [Refer Note D(20)], carrying the aforesaid security and repayment terms are grouped under Note D (16).

e. Borrowings from banks is net of processing charges amounting to ₹ 280.12 (Previous year ₹ 258.99). The carrying value of the above borrowings are measured at amortised cost using effective interest method.

f. Terms of repayment, interest rates and security in respect of borrowings are as follows :

Term Loan	Type of Security	Interest Rate Range	Period of loan
Long Term/Short term - From Banks	Secured by way of a pari-passu charge on the project Receivables and charge on movable fixed assets disbursed for the Specific DC Project and second charge on un-encumbered current assets of the Group.	7.25% to 8.90%	5 to 15 years
Long Term - From Others		8.46 to 8.75%	9 Years

17. Other Financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit	14.56	36.00
	14.56	**36.00**

18. Provisions

Particulars		As at March 31, 2026	As at March 31, 2025
Provisions for employee benefits - non-current			
Compensated absences		13.45	9.87
Gratuity [Refer note D (36)]		4.23	1.63
	(A)	**17.68**	**11.50**
Provisions for employee benefits - current			
Compensated absences		5.05	2.95
	(B)	**5.05**	**2.95**
	(A) + (B)	**22.73**	**14.45**

19. Other non-current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liability (Unearned income)*	0.08	-
	0.08	**-**

*Refer Note D (42) for the movement in Contract liability (Unearned income)

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

20. Borrowings (short-term)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand from banks - Secured [Refer notes (a),(b),(c) & (f) below]		
Working capital facilities	1,119.00	-
Loans repayable on demand from banks - Unsecured [Refer note (g) below]		
Supplier Finance arrangements	1,253.71	-
Short term Borrowings (excluding current maturities of long-term debt) - Secured [Refer note (d) below]	3,000.00	-
Current maturities of Long Term Loans - [Refer note (e) below]		
Current maturities of long term debt from Banks*	1,565.47	2,123.51
Current maturities of long term debt from Others*	110.76	80.76
	7,048.94	**2,204.27**

*Refer note D (16)

(a) Working capital facilities are availed by the Company are primarily secured by way of pari-passu charge on the entire current assets of the Group to all working capital bankers under consortium.

(b) Loans repayable on demand from banks,

(i) Outstanding amounting to ₹ 870.00 (previous year ₹ NIL) is secured collaterally by way of pari-passu charge on the unencumbered movable fixed assets of the Group, both present and future.

(ii) Outstanding amounting to ₹ 440.00 (previous year ₹ NIL) is secured collaterally by way of equitable mortgage over the properties located at Tidel Park, Chennai, Vashi data center and Enterprise center at Vile Parle at Mumbai.

(c) Working capital facilities bear interest ranging from 6.75% p.a. to 8.50% p.a .(previous year: 8.00% p.a. to 9.00% p.a.) and the facilities are subject to renewal annually.

(d) The above facilities amounting to ₹ 3,000.00 (previous year ₹ NIL), availed by the Group through Secured - Short Term Loan for the working capital purposes of the Group on March 4, 2026 maturing on March 3, 2027.

(e) Borrowings from banks is net of processing charges amounting to ₹ 43.06 (Previous year ₹ 47.76)

(f) Working capital facilities comprises the following:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Outstanding	Drawal Limit	Outstanding	Drawal Limit
Supplier Finance arrangements	1,253.71	1,600.00	-	-
Other working capital facilities /Bank Overdraft	1,119.00	1500.00	-	1,500.00
	2,372.71	**3,100.00**	**-**	**1,500.00**

(g) Supplier finance arrangement- Ind AS amendment w.e.f April 1, 2025

Terms and Conditions:

i) Payable to MSME-TReDS- The Group has a supplier finance arrangement with State bank of India, Central bank of India, under which MSME suppliers are to be paid within 45 days of deemed acceptance date.No guarantees or collateral are provided under the arrangement.

ii) Vendor bill discounting- The Group has a supplier finance arrangement with HSBC bank, DBS bank, IDFC Bank and Axis bank, under which suppliers (other than MSME) have to be paid within 0 to 65 days of invoice date. No guarantees or collateral are provided under the arrangement.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

iii) The movement in supplier finance arrangement for the year ended March 31, 2026 is given below:

Particulars	Payable to MSME-TReDS	Vendor bill discounting
Balance at the beginning of the Year	20.71	828.61
Additions	712.65	3,279.52
Payment to supplier finance arrangement	(377.65)	(3,210.13)
Balance at the end of the year	**355.71**	**898.00**

Type	Amount of Outstanding as on March 31, 2026	Rate of Interest	Tenure of Average repayment	Security
MSME-TReDS	355.71	5.95% to 6.99%	173 to 179 days	Unsecured
Vendor bill discounting	898.00	7.15% to 8.60%	10 to 133 days	Unsecured

21. Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Towards purchase of goods and services		
Undisputed Trade payables :		
(a) Total outstanding dues to micro enterprises and small enterprises	17.07	32.73
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,431.59	2,012.14
	1,448.66	**2,044.87**

*Includes the following amounts: (Also refer note D (38))

Particulars	March 31, 2026	March 31, 2025
Payable to Holding Company	203.44	1.91
Payable to Fellow Subsidiary	13.50	0.27
Payable to Associate Company	18.48	-

The following table presents the aging of the Trade payables for the year ended March 31, 2026

Particulars	Outstanding for following periods from the date of Invoice				
	less than 1 year	1- 2 years	2 - 3 years	greater than 3 years	Total
Undisputed Trade payables :					
(a) Total outstanding dues of micro enterprises and small enterprises*	17.07	-	-	-	17.07
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	489.98	1.34	3.58	0.47	495.37
	507.05	**1.34**	**3.58**	**0.47**	**512.44**
Disputed Trade payables :					
(c) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(d) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
	-	-	-	-	-
Trade Payables - Unbilled					936.22
Total					**1,448.66**

*None of the amount outstanding to Micro and small enterprises are due more than 45 days as on March 31, 2026.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The following table presents the aging of the Trade payables for the year ended March 31, 2025

Particulars	Outstanding for following periods from the date of Invoice				
	less than 1 year	1- 2 years	2 - 3 years	greater than 3 years	Total
Undisputed Trade payables :					
(a) Total outstanding dues of micro enterprises and small enterprises*	32.73	-	-	-	32.73
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,184.24	30.70	2.60	0.30	1,217.84
	1,216.97	**30.70**	**2.60**	**0.30**	**1,250.57**
Disputed Trade payables :					
(c) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
(d) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
	-	-	-	-	-
Trade Payables - Unbilled					794.30
Total					**2,044.87**

*None of the amount outstanding to Micro and small enterprises are due more than 45 days as on March 31, 2025.

22. Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Amounts Payable to related Parties (Refer Note (a) below)	4.16	138.99
Capital creditors (Refer Note (c) below)	1,043.36	357.85
Interest accrued	413.98	41.98
Other payables (Refer Note (b) below)	614.87	248.62
	2,076.37	**787.44**

a) Balances payable to group entities on account of transfer of assets, liabilities, revenue and expenses and settlement of customer/vendor transactions undertaken on behalf of the Group. (Refer Note D (38))

Particulars	March 31, 2026	March 31, 2025
From Fellow subsidiary	4.16	-
From Holding company	-	138.99

b) Other Payables include corporate credit card outstandings used for settlement of operational expenses. These balances carry an interest rate between 5.84% - 6.45% and are repayable within 45 - 51 days. As of March 31, 2026, the group had been sanctioned limit of ₹ 650.00 from banks offering such credit cards.

c) Capital creditors includes amounts due micro, small enterprises amounting to ₹ 330.45 (retention money payable ₹ 220.29) Refer note D(43) for details as per the MSMED Act, 2006.

23. Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Advances received from customers[(1)]	0.45	2.87
Statutory payables	36.80	25.82
Contract liability (Unearned income)[(2)]	520.54	355.32
Other payables	52.81	13.17
Current tax liability (Net of Advance tax paid and tax deducted at source)	-	153.44
	610.60	**550.62**

[(1)]Represents amounts billed and collected from customers for which revenue has not yet been recognised in accordance with Ind AS.

[(2)]Refer Note D (42) for the movement in Contract liability (Unearned income)

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

24. Contingent liabilities and commitments

(a) Contingent liabilities

The Group is subject to legal proceedings and claims which are arising in the ordinary course of business. The Group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Group's results of operations or financial conditions. Further the Group has given Corporate Guarantee for the Term Loan outstanding amounting to ₹ 1,155.80 [Initial guarantee executed ₹ 1,850.00] as at March 31, 2026 (₹ 1,464.58 as at March 31, 2025) for SKVR Software Solution Private Limited for Specific DC Project to the lenders.

(b) Capital commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	19,768.67	6,252.90

25. Revenue from operations

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Service Revenue:		
• Domestic	16,617.62	13,757.05
• Export	987.66	526.60
	17,605.28	**14,283.65**

25.1 Revenue from Contracts

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Sale of Services		
• Colocation Services	17,605.28	14,283.65
Revenue from contracts with customers	**17,605.28**	**14,283.65**
Total Revenue	**17,605.28**	**14,283.65**
Revenue from operations includes the following amounts of revenue from related parties: (Refer note D (38))		
Holding Company	30.34	30.34
Fellow subsidiary	57.42	57.42
	87.76	**87.76**

25.2 Contract Balances

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Contract Assets		
Contract assets (including unbilled revenue)	3,693.12	2,879.27
	3,693.12	**2,879.27**
Contract Liabilities		
Deferred revenue	520.62	355.32
	520.62	**355.32**

26. Other Income

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest income		
From banks	89.64	189.28
Others[1]	105.22	20.89

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Other non-operating income		
Profit on sale of property, plant and equipment (Net)	18.61	17.99
Gain on foreign exchange fluctuation (net)	23.03	-
Miscellaneous income[2]	38.62	30.94
	275.12	**259.10**
[1]Interest Income - Others includes		
Interest on loans received from associate company (Refer note D (38))	75.25	11.10
Interest on income tax refund	12.08	-
	87.33	**11.10**
[2]Miscellaneous income includes the following amounts from related parties: (Refer note D (38))		
Lease rentals received from Holding Company	8.48	2.03
Lease rentals received from Fellow subsidiary	15.19	13.20
	23.67	**15.23**

27. Cost of services rendered

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Power expenses[1]	6,490.20	5,594.62
Other direct costs[2]	361.58	229.38
	6,851.78	**5,824.00**

This includes amount [1]power expenses reimbursed to associate company amounting to ₹ 127.99 (March 31, 2025 : Nil) and [2] Other direct costs reimbursed to associate company amounting to ₹ 0.91 (March 31, 2025 : Nil)

28. Employee benefits expense

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Salaries and wages	724.52	498.16
Contribution to provident and other funds	53.96	32.11
Staff welfare expenses	11.09	13.63
Share-based payments to employees	56.00	0.46
	845.57	**544.36**

29. Finance costs

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest Expenses[1][2]	2,245.75	1,171.46
Other finance costs[3]	114.67	77.39
Interest on lease liability	560.88	279.29
	2,921.30	**1,528.14**

[1]The Group has capitalised borrowing costs @ 9.30% p.a amounting to ₹ 150.12 and ₹ 515.33 for the year ended March 31, 2026 and March 31, 2025.

[2]Interest cost includes

Particulars	Interest on Compulsorily Convertible Debentures	4% additional coupon entitlement on the face value of Compulsorily Convertible Debentures
Sify Technolgies Limited (Holding Company) (Refer Note D(38))	42.73	-
Kotak Special Situations Fund (Refer Note D(15))	62.88	160.00
Kotak Data Center Fund (Refer Note D(15))	112.46	240.00
	218.07	**400.00**

[3]Other finance costs includes charges on refinancing of borrowings amounting to ₹ 40.00.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

30. Other expenses

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Commission expenses	5.09	0.58
Communication expenses	2.86	2.21
Rent	73.78	74.05
Rates and taxes	142.12	104.27
Travelling expenses	33.64	22.23
Power and fuel expenses	27.81	45.39
Legal and professional	173.12	72.90
Sitting fees	7.87	2.65
Payment to auditors[1]		
• For Statutory audit fees	2.50	1.80
• For Other services	0.17	0.40
• For reimbursement of expenses	0.23	0.02
Repairs and maintenance expenses		
• Plant and machinery	384.05	244.21
• Buildings	73.92	81.98
• Others	673.32	587.28
Insurance	42.74	37.80
Outsourced manpower costs	35.28	27.41
Advertisement, selling and marketing expenses	74.48	44.80
Security Charges	149.07	172.54
Loss on foreign exchange fluctuation (net)	-	2.62
Provision for doubtful advances	15.43	-
Contribution towards corporate social responsibility [Refer note D (41)]	27.13	22.01
Allowance for bad and doubtful debts (refer note D(10) for bad debts written off)	-	15.00
Miscellaneous expenses	31.15	12.85
	1,975.76	**1,575.00**

Legal and professional includes expenses reimbursed to fellow subsidiary amounting to ₹ 48.80 (Previous year ₹ Nil), Expense Transfer includes an amount of ₹ 802.68 (March 31, 2025: ₹ 526.88) charged by the Holding Company, ₹ 18.33 (March 31, 2025: ₹ 14.59) charged by the fellow subsidiary.

[1]Prepaid expenses as per note D(9) includes ₹ 6.83 Million paid to the statutory auditors during the year ended March 31, 2026 in relation to services rendered for the Group's proposed Initial Public Offering of its equity shares.

31. Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows for the year ended March 31, 2026

(i) Financing activities

Particulars	As at April 01, 2025	Proceeds	Repayment		Non-cash movement				As at March 31, 2026
		Proceeds	Principal	Interest	Foreign exchange movement	Re-classification	Interest	Net of Additions / (Deletions)	
Term loans from Bank and others*#	16,348.77	9,432.51	(7,308.28)	-	(7.54)	(9.94)	-	-	18,455.52
6% Compulsorily Convertible Debentures	4,332.72	250.00	(416.24)	-	-	(4,166.48)	-	-	-
8.95% p.a. Non Convertible Debentures	2,500.00	-	-	-	-	-	-	-	2,500.00
Working capital facilities excluding overdraft	-	4,119.00	-	-	-	-	-	-	4,119.00
Supplier Finance Arrangements	849.32	3,992.17	(3,587.78)	-	-	-	-	-	1,253.71
Lease Liabilities	3,023.94	-	(361.41)	(560.88)	-	-	560.88	3,063.99	5,726.52
Total liabilities from financing activities	**27,054.75**	**17,793.68**	**(11,673.71)**	**(560.88)**	**(7.54)**	**(4,176.42)**	**560.88**	**3,063.99**	**32,054.75**

*Borrowings from banks is net of processing charges amounting to ₹ 323.17.

#Others represent borrowings from financial institutions.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows for the year ended March 31, 2025

(i) Financing activities

Particulars	As at April 1, 2024	Proceeds	Repayment		Non-cash movement				As at March 31, 2025
			Principal	Interest	Foreign exchange movement	Re-classification	Interest	Net of Additions / (Deletions)	
Term loans from Bank and others*#	13,837.60	8,356.10	(5,431.93)	-	(5.90)	(407.10)	-	-	16,348.77
6% Compulsorily Convertible Debentures	5,467.50	-	(452.88)	-	-	(681.90)	-	-	4,332.72
8.95% p.a. Non Convertible Debentures	-	2,500.00	-	-	-	-	-	-	2,500.00
Term loans from Holding Company	208.00	-	(208.00)	-	-	-	-	-	-
Loan from fellow subsidiary	90.00	-	(90.00)	-	-	-	-	-	-
Working capital facilities excluding overdraft	279.50	-	(279.50)	-	-	-	-	-	-
Lease Liabilities	2,903.40	-	(166.56)	(279.29)	-	-	279.29	287.10	3,023.94
Total liabilities from financing activities	**22,786.00**	**10,856.10**	**(6,628.87)**	**(279.29)**	**(5.90)**	**(1,089.00)**	**279.29**	**287.10**	**26,205.43**

*Borrowings from banks is net of processing charges amounting to ₹ 306.75.

#Others represent borrowings from financial institutions.

32. Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax asset/(liability) and a description of the items that created these differences is given below :

Recognised deferred tax assets/ (liabilities)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets on temporary deductible differences		
Property, Plant and Equipment	792.24	739.00
Leases / Right of Use Assets	262.25	139.90
Provision for employee benefits	24.44	3.60
Allowances for doubtful debts	14.26	30.50
Provision for doubtful advances	3.88	0.90
Security Deposits	4.17	-
Payment to MSME Vendors	-	0.60
	1,101.24	**914.50**
Deferred tax liabilities on temporary taxable differences		
Intangible assets	(0.12)	0.58
	(0.12)	**0.58**
Net deferred tax assets / (liabilities) recognised in Balance Sheet	**1,101.12**	**915.08**

In assessing the realizability of the deferred income tax assets, management considers whether some portion or all of deferred tax assets will be realized. The ultimate realization of the deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and tax planning strategy in making this assessment. Based on the level of historical taxable income and projections of future taxable income over the periods in which deferred tax assets are deductible, management recognizes deferred tax assets on deductible temporary differences to the extent of deferred tax liabilities on taxable temporary differences. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income are reduced.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

- Movement in temporary differences during current and previous year

Particulars	Provision for employee benefits	Allowances for doubtful debts	Provision for doubtful advances	Property, Plant and Equipment	Security Deposits	Intangible assets	Leases / Right of Use Assets & Unwinding of Interest	Payment to MSME Vendors
Balance as at March 31, 2024 (Restated)	**2.90**	**27.10**	**0.90**	**608.40**	**-**	**(0.81)**	**133.80**	**0.60**
Recognised in profit or loss	0.70	3.40	-	130.60	-	1.39	6.10	-
Recognised in Other Comprehensive Income	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	**3.60**	**30.50**	**0.90**	**739.00**	**-**	**0.58**	**139.90**	**0.60**
Recognised in profit or loss	20.25	(16.24)	2.98	53.24	4.17	(0.70)	122.35	(0.60)
Recognised in Other Comprehensive Income	0.59	-	-	-	-	-	-	-
Balance as at March 31, 2026	**24.44**	**14.26**	**3.88**	**792.24**	**4.17**	**(0.12)**	**262.25**	**-**

Income tax expense recognized in profit or loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax expense/ (reversal)	363.30	681.23
Deferred tax liability / (asset)	(185.45)	(142.19)
	177.85	**539.04**

Reconciliation of effective tax rates

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before taxes	539.34	1,802.64
Enacted tax rates in India	25.17%	25.17%
Expected tax expense/(benefit)	135.74	453.69
Expenses that are not deductible in determining taxable profit	41.62	103.14
Reversal of previously recognised temporary differences	0.49	(17.79)
	177.85	**539.04**

33. Payments to directors (other than Whole-time Director)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sitting fees	7.87	2.65
	7.87	**2.65**

34. Reconciliation of equity shares in computing weighted average number of equity shares

(a) Weighted average number of shares

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Issued fully paid up ordinary shares as on April 1	51,01,31,127	50,58,59,762
Issued as fully paid up in consideration for merger	-	2,22,345
Issued as fully paid up in conversion of Compulsorily Convertible debentures & Compulsorily Convertible Preference shares	1,36,23,057	-
Weighted average number of equity shares outstanding for Calculation of Basic Earnings Per Share	**52,37,54,184**	**50,60,82,107**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

(b) Reconciliations of earnings used in calculating Basic Earnings Per Share (BEPS):

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net profit as per profit and loss account	**361.49**	**1,263.60**
Less: Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares	(40.50)	(22.50)
Profit attributable to the equity holders of the company used in calculating basic earnings per share	**320.99**	**1,241.10**
Basic Earnings per share	0.61	2.45
Diluted Earnings per share	0.61	2.41

Since the convertible instruments are issued based on the ranking of the instrument, Diluted earnings per share are calculated based on the ranking of the convertible instrument.

35. Foreign currency exposure

The details of foreign currency exposure as at March 31, 2026 are as follows:

Particulars	As at March 31, 2026		
	Foreign Currency	Amount in foreign currency	Amount in Indian ₹
Amounts receivable in foreign currency on account of:			
Cash and bank balances	USD	0.15	13.75
Trade Receivables	USD	2.49	235.44
Amounts payable in foreign currency on account of:			
Trade Payables	USD	0.26	24.61
Foreign currency long term loan	USD	0.50	47.33

The details of foreign currency exposure as at March 31, 2025 are as follows:

Particulars	As at March 31, 2025		
	Foreign Currency	Amount in foreign currency	Amount in Indian ₹
Amounts receivable in foreign currency on account of:			
Cash and bank balances	USD	*	0.33
Trade Receivables	USD	2.26	193.77
Amounts payable in foreign currency on account of:			
Foreign currency long term loan	USD	1.50	128.37

*amount is below the rounding off norm adopted by the group

36. Employee benefits

a. Defined benefit plans (Gratuity)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation (Gratuity)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Projected benefit obligation at the beginning of the year	25.61	20.68
Current Service cost	5.27	4.20
Past Service Cost#	0.46	-
Interest cost	1.73	1.50
Remeasurement (gain)/losses	2.73	2.43
Benefits paid	(3.33)	(3.20)
Projected benefit obligation at the end of the year	**32.47**	**25.61**

#The Group has assessed the impact of Labour code, 2025 and revised the salary structure from November 21, 2025. The impact in gratuity is disclosed as part of past service cost under Ind AS 19.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Change in the fair value of plan assets

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair value of plan assets at the beginning of the year	23.98	17.78
Interest income	1.01	1.30
Employer contributions	6.18	8.00
Benefits paid	(3.33)	(3.20)
Return on plan assets, excluding amount recognised in net interest expense	0.40	0.10
Fair value of plan assets at the end of the year	**28.24**	**23.98**

Amount recognised in the Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of projected benefit obligation at the end of the year	32.47	25.61
Fair value of plan assets at the end of the year	(28.24)	(23.98)
Funded status amount of liability recognised in the Balance Sheet	**4.23**	**1.63**

Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service cost	5.27	4.20
Past Service cost	0.46	-
Interest cost	1.73	1.50
Interest income	(1.01)	(1.30)
Net gratuity costs	**6.45**	**4.40**

Summary of actuarial assumptions

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate	6.70%	6.65%
Salary escalation rate	8.00%	8.00%
Average future working life time	20.98 years	21.51 years

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Expected rate of return on plan assets: This is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

The expected cash flows over the next few years are as follows:

Year	As at	
	March 31, 2026	March 31, 2025
1 year	6.87	4.80
2 to 5 years	21.61	16.80
6 to 10 years	10.51	9.50
More than 10 years	5.51	3.90

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Plan assets: The Gratuity plan's weighted-average asset allocation at March 31, 2026 and March 31, 2025, by asset category is as follows:

Particulars	As at	
	March 31, 2026	March 31, 2025
Funds managed by insurers	100%	100%
Remeasurement (gain) /loss arising from		
• change in demographic assumptions	-	-
• change in financial assumptions	(0.14)	0.50
• experience variance	2.87	1.90
• return on plan assets, excluding amount recognised in net interest expense/income	(0.40)	(0.12)
	2.33	**2.28**

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

	March 31, 2026		March 31, 2025	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	33.90	31.20	26.71	24.61
(% change compared to base due to sensitivity)	4.30%	(4.00)%	4.30%	(3.90)%
Attrition Rate (- / + 50% of attrition rates)	34.36	31.02	26.96	24.67
(% change compared to base due to sensitivity)	5.70%	(4.50)%	5.20%	(3.80)%
Mortality Rate (- / + 10% of mortality rates)	32.49	32.50	25.62	25.63
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%
Salary Growth rate (-/+ 1%)	31.54	33.49	24.86	26.41
(% change compared to base due to sensitivity)	(2.90)%	3.10%	(3.00)%	3.10%

b. Contributions to defined contribution plans

In accordance with Indian law, all employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The group has no further obligations under the plan beyond its monthly contributions. An amount of ₹ 32.89 and ₹ 24.75 was contributed for the year ended March 31, 2026 and March 31, 2025 respectively.'

37. Segment reporting

The Group is in the business of providing Data Center services to clients which is the primary segment. As such, the Group's financial results are largely reflective of the Data Center services business and accordingly there are no separate reportable segments as per Ind AS 108 - Operating Segments, based on review by Chief Operating Decision Makers (CODM).

Major Customer

Revenue from three customers of Data center services represents approximately ₹ 11,504.69 (March 31, 2025 ₹ 9,761.63) of the group's total revenue.

38. Related parties and transactions

(a) Related parties

The related parties where control / significant influence exists are subsidiaries and associates. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

otherwise. Key management personnel includes the board of directors and other senior management executives. The other related parties are those with whom the Group has had transaction during the year ended March 31, 2026 and March 31, 2025 are as follows:

Particulars	Related Parties	Country of Incorporation	% of ownership interest
Ultimate Holding Company	Raju Vegesna Infotech and Industries Private Limited	India	
Holding Company [Refer Note - D(15)]	Sify Technologies Limited ("STL")	India	88.45%
Associate Company	SKVR Software Solution Private Limited*	India	49.00%
Fellow Subsidiaries	Sify Technologies (Singapore) Pte. Limited	Singapore	
	Sify Technologies North America Corporation	USA	
	Sify Data and Managed Services Limited ("SDMSL")	India	
	Sify Digital Services Limited ("SDSL")	India	
Key Managerial Personnel	Mr. Veeraraghavan Ramanujan - Chief Financial Officer (Till October 21, 2024)#		
	Mr. Ganesh Sankararaman - Chief Financial Officer (effective October 22, 2024)#		
	Mr. Ananta Koti Raju Vegesana - Promoter		
	Mrs.Vegesna Bala Saraswathi - Promoter		
	Mr. Chintaluri Venkata Rajeswara Rao - Whole Time Director		
	Dr. Thomas Michael Bradicich - Independent Director - from August 18, 2025		
	Dr. Ram Sewak Sharma - Independent Director - from June 20, 2025		
	Mrs. Padmaja Chunduru - Independent Director - from October 12, 2024		
	Mr. Arun Seth - Independent Director - from September 6, 2022		
	Mr. Mark Evan Adams - Director - from August 18, 2025		
	Mr. Devendiriya Jayaraman Poornasandar - Company Secretary		
Trust controlled by KMP of Holding Company##	Raju Vegesna Foundation, India		
	Vegesna Family Trust, India		
	Vegesna Family Trust, USA		

*SISL holds 49% of equity shares in SKVR Software Solution Private Limited.

#Mr. Ganesh Sankararaman appointed as a Chief Financial Officer of the Company effective October 22, 2024, due to relinquishment by Mr. V Ramanujan.

(b) Related party transactions and balances

Following is a summary of related party transactions:

Transactions	Refer Note	March 31, 2026					
		Raju Vegesna Foundation, India	Sify Technologies Limited	Sify Digital Services Limited	SKVR Software Solution Private Limited	Sify Technologies (Singapore) Pte. Limited	Key Management Personnel
Lease rentals received	D (26)	-	8.48	15.19	-	-	-
Lease rentals to holding company**	D (2)	-	276.34	-	-	-	-
Sitting fees paid to directors	D (30)/ D (33)	-	-	-	-	-	7.87
Lease Rent Paid	D (2)	-	-	-	384.00	-	-
Loan Given	D (6)/ D (47)	-	-	-	190.00	-	-

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Transactions	Refer Note	March 31, 2026					
		Raju Vegesna Foundation, India	Sify Technologies Limited	Sify Digital Services Limited	SKVR Software Solution Private Limited	Sify Technologies (Singapore) Pte. Limited	Key Management Personnel
Receipt of services	D (30)	-	-	-	-	48.80	-
Rendering of services#	D (25)	-	30.34	57.42	-	-	-
Interest Received	D (26)	-	-	-	75.25	-	-
Investment in preference shares	D (4)	-	-	-	1,260.00	-	-
Revenue transfer*		-	40.06	-	-	-	-
Power Expenses reimbursed	D (27)	-	-	-	127.99	-	-
Other direct cost reimbursed	D (27)	-	-	-	0.91	-	-
Expenses transfers*	D (30)	-	802.68	18.33	-	-	-
Charge on share-based payments to holding company		-	19.45	-	-	-	-
Interest paid on CCDs	D (29)	-	121.47	-	-	-	-
Dividend paid on preference shares	D (15)	-	40.50	-	-	-	-
Issue of Compulsorily Convertible Debentures	D (15)	-	250.00	-	-	-	-
Transfer of leasehold land	D (2)	-	33.25	-	-	-	-
Loan Repaid	D (6)	-	-	-	1,260.00	-	-
Security Deposit given	D (7)	-	-	-	96.00	-	-
Contribution towards Corporate Social Responsibility##	D (41)	24.00	-	-	-	-	-
Salaries and other short term benefits***	D (28)	-	-	-	-	-	35.01
Contributions to defined contribution plans***	D (28)	-	-	-	-	-	1.53
Expense on account of Share-based payments	D (28)	-	-	-	-	-	17.46
Amount of outstanding balances							
Amount Payable	D(21)	-	(203.44)	-	(18.48)	(13.49)	-
Amount Receivable	D (10)	-	0.95	5.44	-	-	-
Advance receivable/(payable)	D (12)/ D (22)	-	32.60	(4.16)	-	-	-
Loan receivable/(payable) Net	D (6)	-	-	-	500.00	-	-
Security Deposit	D (7)	-	34.47	-	96.00	-	-
Outstanding preference shares	D (4)	-	-	-	2,750.00	-	-
Guarantees and Collaterals on behalf of the Group							
Corporate Guarantee outstanding###	D (24)	-	-	-	1,155.80	-	-

*On account of Business Transfer agreement executed during FY 2020-21, the customer and vendor contracts novation was in progress during the period ended March 31, 2026 and hence the invoices related to vendor and customer pertaining to the Group have been booked in parent / fellow subsidiary company and subsequently transferred to subsidiary companies as expense and revenue transfers. (refer note D (10), D (21) and D (22)).

**During the financial year 2025-26, the Group had renewed the existing lease agreements with its parent Sify Technologies Limited to lease the additional Space in Chennai Tidel DC for a period of ten years effective April 1, 2025 on a rent of ₹ 3.58 (Rupees Thirty five Lakhs Seventy Eight Thousand two hundred twenty) per month with an escalation of 10% on the last paid rent after the end of every three years.

***Represents salaries and other benefits of Key Management Personnel comprising of Mr. C R Rao (Whole Time Director), Mr Ganesh Sankararaman (Chief Financial officer) and Mr. Poorna Sandar DJ (Company Secretary).

#Pursuant to agreement for shared services between entities, SISL is charging to STL and SDSL for the services rendered.

##₹ 24.00 (Previous Year :₹ 14.81) contributed to Raju Vegesna Foundation, India which is controlled by KMP of holding company.

###The Corporate Guarantee given by Sify Infinit Spaces Limited in favour of SKVR Software Solution Private Limited shall be a continuing one and shall remain in full force and effect till such time SKVR Software Solution Private Limited repays the loan in full.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Transactions	Note Reference	March 31, 2025					
		Raju Vegesna Foundation, India	Sify Technologies Limited	Sify Digital Services Limited	SKVR Software Solution Private Limited	Sify Data and Managed Services Ltd	Key Management Personnel
Lease rentals received	D (26)	-	2.03	13.20	-	-	-
Lease rentals to holding company**	D (2)	-	227.71	-	-	-	-
Sitting fees paid to directors	D (30)/ D (33)	-	-	-	-	-	2.65
Lease rent paid	D (2)	-	-	-	19.95	-	-
Loan Given	D (6)/ D (47)	-	-	-	1,570.00	-	-
Rendering of services#	D (25)	-	30.34	57.42	-	-	-
Interest Received	D (26)	-	-	-	11.10	-	-
Investment in preference shares	D (4)	-	-	-	990.00	-	-
Revenue transfer*		-	118.90	-	-	-	-
Expenses transfers*	D (30)	-	526.88	14.59	-	-	-
Repayment of Capital advance	D (9)	-	-	-	3,606.90	-	-
Interest paid on Loan Received	D (29)	-	13.40	-	-	6.06	-
Interest paid on CCDs	D (29)	-	133.50	-	-	-	-
Loan Repaid***	D (16)	-	208.00	-	-	90.00	-
Dividend paid on preference shares	D (15)	-	22.50	-	-	-	-
Assets transfer	D (1)	-	3.89	-	-	108.53	-
Contribution towards Corporate Social Responsibility##	D (41)	14.81	-	-	-	-	-
Salaries and other short term benefits****	D (28)	-	-	-	-	-	2.47
Contributions to defined contribution plans****	D (28)	-	-	-	-	-	0.15
Amount of outstanding balances							
Amount payable	D(21)	-	(1.91)	(0.27)	-	-	-
Amount receivable	D (10)	-	69.20	-	-	-	-
Advance receivable/payable	D (12)/ D(22)	-	(138.99)	0.78	-	-	-
Loan receivable/(payable) Net	D (6)	-	-	-	1,570.00	-	-
Security Deposit	D (7)	-	34.47	-	-	-	-
Issue of Compulsorily Convertible Debentures###	D (15)	-	2,028.27	-	-	-	-
Outstanding preference shares	D (4)	-	-	-	1,490.00	-	-
Guarantees and Collaterals on behalf of the Group							
Corporate Guarantee outstanding####	D (24)	-	-	-	1,464.58	-	-

*On account of Business Transfer agreement executed during FY 2020-21, the customer and vendor contracts novation was in progress during the year ended March 31, 2025 and hence the invoices related to vendor and customer pertaining to the group have been booked in parent / fellow subsidiary company and subsequently transferred to subsidiary companies as expense and revenue transfers. The Expenses Transfer from Sify Technologies Limited for the FY 2024-25 includes ₹ 6.50 of KMP remuneration cross-charged to the group. (refer note D (10), D (21) and D (22))

***Refer Note D (16)

****Represents salaries and other benefits of Key Management Personnel comprising of Mr. Poorna Sandar D J (Company Secretary) only. Other KMP's remuneration are included in Expense transfer.

#Pursuant to agreement for shared services between entities, SISL is charging to STL and SDSL for the services rendered.

##₹ 14.81 (March 31, 2024 :₹ 20.20) contributed to Raju Vegesna Foundation, India which is controlled by KMP of holding company.

###Out of above CCDs, ₹ 1,231.85 is classified as other equity (refer note D (15))

####The Corporate Guarantee given by Sify Infinit Spaces Limited in favour of SKVR Software Solution Private Limited shall be a continuing one and shall remain in full force and effect till such time SKVR Software Solution Private Limited repays the loan in full.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

39. Financial instruments

a. Derivative financial instruments

i. Forward and option contracts

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. These derivative contracts are initially recognized at fair value on the date the contract is entered into and subsequently re-measured at their fair value. Gains or losses arising from changes in the fair value of the derivative contracts are recognized immediately in profit or loss. The counterparties for these contracts are generally banks or financial institutions.

Particulars	Currency	As at March 31, 2026	As at March 31, 2025
Forward/Option contracts (Sell)	USD	1.00	Nil
Forward/Option contracts (Buy)	USD	Nil	Nil
Net (gain) / loss on mark to market in respect of forward/option contracts outstanding	₹	0.93	Nil

The Group recognized a net loss on the forward contracts of ₹ 0.93 (Previous year : Net loss of ₹ Nil) for the year ended March 31, 2026.

The forward exchange contracts and option contracts mature between one and twelve months. The table below summarizes the notional amounts of derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

Particulars	As at March 31, 2026	As at March 31, 2025
Forward/Option contracts (Sell)	(USD)	(USD)
Not later than one month	-	-
Later than one month and not later than three months	1.00	-
Later than three months and not later than six months	-	-
Later than six months and not later than one year	-	-

ii. Swap Arrangements

The Group has entered into swap arrangement comprising of Cross Currency Swap (on Principal repayment) and Interest rate swap (floating to fixed), in order to hedge the cash flows arising out of the Principal and Interest payments of the underlying External Commercial Borrowing denominated in USD. The period of the swap contract is co terminus with the period of the underlying ECB. As per the terms of the arrangement, the Group shall pay Rupees fixed and receive fixed USD principal cash flows during the term of the contract and the Group shall pay fixed rate of interest (8.9%) and receive variable rate of interest equal to SOFR + 2.5% on notional amount. The swap arrangement is marked to market at the end of every period and profit / losses are recognised in the Statement of Profit and Loss. The details of Cross Currency Swap and Interest Rates Swap is as follows:

a. Cross Currency Swap

The outstanding balances as on March 31, 2026 is as follows

Particulars	Value of the ₹ term loan	Value of the $ principal	Mark to Market losses/ (gain)
Tranche 1	14.70	$ 0.20	-
Tranche 2	22.05	$ 0.30	-
Total	**36.75**	**$ 0.50**	**-**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The outstanding balances as on March 31, 2025 is as follows

Particulars	Value of the ₹ term loan	Value of the $ principal	Mark to Market losses/ (gain)
Tranche 1	44.10	$ 0.60	-
Tranche 2	66.15	$ 0.90	-
Total	**110.25**	**$ 1.50**	**-**

The maturity of these contracts extends till five years and six months. The table below summarizes the cash flows (principal) of these derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Receivable ($)	Payable (₹)	Receivable ($)	Payable (₹)
Less than 1 year	0.50	36.75	1.00	73.50
One to two years	-	-	0.50	36.75
Two to three years	-	-	-	-
Three to four years	-	-	-	-
Four to five years	-	-	-	-
More than five years	-	-	-	-
Total cash flows	**0.50**	**36.75**	**1.50**	**110.25**

The Group recognized a net loss on the cross currency swaps of ₹ Nil [Previous year : ₹ Nil] for the year ended March 31, 2026.

b. Interest rate swap:

The maturity of these contracts extends till five years and six months. The table below summarizes the cash flows (interest) of these derivative financial instruments into relevant maturity groupings based on the remaining period as at the end of the year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Receivable ($)	Payable (₹)	Receivable ($)	Payable (₹)
Less than 1 year	*	1.24	0.10	7.37
One to two years	*	-	*	1.24
Two to three years	-	-	-	-
Three to four years	-	-	-	-
Four to five years	-	-	-	-
More than five years	-	-	-	-
Total cash flows	**-**	**1.24**	**0.10**	**8.61**

*Amount is below the rounding off norm adopted by the Group

Total notional amount outstanding as on March 31, 2026 is $ 0.50 (March 31, 2025: $ 1.50)

The Group recognized a net mark to market gain on the interest rate swaps of ₹ 7.54 during the year ended March 31, 2026 (March 31, 2025: ₹ 8.48).

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2026 were as follows:

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	-	-	750.33	750.33	750.33
Trade receivables	3,693.12	-	-	3,693.12	3,693.12
Cash and Bank balances	2,885.91	-	-	2,885.91	2,885.91
Other financial assets	2,278.59	-	-	2,278.59	2,278.59
Derivative financial instruments	-	9.92	-	9.92	9.92

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Loans	500.00	-	-	500.00	500.00
Liabilities					
Borrowings from banks & Others*	23,828.23	-	-	23,828.23	23,828.23
6% Compulsorily Convertible Debentures	-			-	-
8.95% Non - Convertible Debentures	2,500.00	-	-	2,500.00	2,500.00
Lease Liabilities	5,726.52	-	-	5,726.52	5,726.52
Trade payables	1,448.66	-	-	1,448.66	1,448.66
Other financial liabilities	2,090.93	-	-	2,090.93	2,090.93

*Others represent borrowings from financial institutions.

The carrying value and fair value of financial instruments by each category as at March 31, 2025 were as follows:

Particulars	Financial assets/ liabilities at amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Investments	-	-	611.98	611.98	611.98
Trade receivables	2,879.27	-	-	2,879.27	2,879.27
Cash and Bank balances	3,324.70	-	-	3,324.70	3,324.70
Other financial assets	1,885.45	-	-	1,885.45	1,885.45
Derivative financial instruments	-	18.52	-	18.52	18.52
Loans	1,570.00	-	-	1,570.00	1,570.00
Liabilities					
Borrowings from banks & Others*	16,348.77	-	-	16,348.77	16,348.77
6% Compulsorily Convertible Debentures	4,332.72	-	-	4,332.72	4,332.72
8.95% Non - Convertible Debentures	2,500.00	-	-	2,500.00	2,500.00
Lease Liabilities	3,023.94	-	-	3,023.94	3,023.94
Trade payables	2,044.87	-	-	2,044.87	2,044.87
Other financial liabilities	823.44	-	-	823.44	823.44

*Others represent borrowings from financial institutions.

Details of financial assets pledged as collateral

The carrying amount of financial assets as at March 31, 2026 and March 31, 2025 that the Group has provided as collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at	
	March 31, 2026	March 31, 2025
Trade receivables	3,693.12	2,879.27
Cash and Bank balances	2,885.91	3,324.70
	6,579.03	**6,203.97**

c. Fair value measurements:

The details of assets and liabilities that are measured on fair value on recurring basis are given below:

Particulars	Fair value as of March 31, 2026			Fair value as of March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Equity Instruments - designiated at FVTOCI	-	750.33	-	-	611.98	-
Derivative financial assets - gain on outstanding forward contracts	-	-	-	-	-	-

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Particulars	Fair value as of March 31, 2026			Fair value as of March 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Liabilities						
Derivative financial liabilities - loss on outstanding option/forward contracts	-	-	1.06	-	-	-
Derivative financial liabilities - loss on outstanding cross currency swaps	-	-	-	-	-	-
Derivative financial liabilities - (Gain) / loss on outstanding interest rate swaps	-	-	7.54	-	-	8.48

- Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 - unobservable inputs for the asset or liability

d. Interest income/(expenses), gains/(losses) recognized on financial assets and liabilities

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
(a) Financial assets at amortised cost		
Interest income on bank deposits	89.64	189.28
Interest income on other financial assets	105.22	20.89
Impairment on trade receivables	-	(15.00)
(b) Financial assets/liabilities at fair value through profit or loss (FVTPL)		
Net gains/(losses) on fair valuation of derivative financial instruments	(8.60)	(8.48)
(c) Financial liabilities at amortised cost		
Interest expenses on lease obligations	(560.88)	(279.29)
Interest expenses on borrowings from banks, others and overdrafts	(2,360.42)	(1,248.85)

40. Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Group risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Group to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Group's activities. The Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the risk management framework. The Board of Directors are assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

Credit risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group trade receivables, treasury operations and other activities that are in the nature of leases.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Group customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Group grants credit terms in the normal course of the business.

Cash and Bank balances and other investments

In the area of treasury operations, the Group is presently exposed to counter-party risks relating to short term and medium term deposits placed with banks. The Chief Financial Officer is responsible for monitoring the counterparty credit risk, and has been vested with the authority to seek Board's approval to hedge such risks in case of need.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2026 and March 31, 2025 was as follows:

Particulars	As at	
	March 31, 2026	March 31, 2025
Other investments	750.33	611.98
Loans	500.00	1,570.00
Trade receivables	3,693.12	2,879.27
Cash and Bank balances	2,885.91	3,324.70
Other financial assets	2,288.51	1,903.97
	10,117.87	**10,289.92**

Financial assets

There is no other class of financial assets that is past due but not impaired other than trade receivables. The age analysis of trade receivables have been considered from the date of invoice. Refer Note D (10) for ageing of trade receivables and for activity in the allowance for impairment of trade receivables.

Financial assets that are neither past due nor impaired

Cash and bank balances, other assets, other receivables and finance lease receivables are neither past due nor impaired.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group reputation. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Group has concluded arrangements with well reputed Banks, and has unused lines of credit that could be drawn upon should there be a need. The Group is also in the process of negotiating additional facilities with Banks for funding its requirements.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

As at March 31, 2026

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 Years
Non-derivative financial liabilities						
Borrowings from banks & Others*	23,828.23	33,299.60	8,764.41	6,454.54	5,598.90	12,481.75
6% Compulsorily Convertible Debentures	-	-	-	-	-	-
8.95% Non - Convertible Debentures	2,500.00	4,513.75	223.75	447.50	686.31	3,156.19
Lease Liabilities	5,726.52	14,002.10	937.78	1,801.02	1,594.61	9,668.69
Trade payables	1,448.66	1,448.66	1,448.66	-	-	-
Other financial liabilities	2,090.93	2,112.37	2,076.37	-	-	36.00
	35,594.34	**55,376.48**	**13,450.97**	**8,703.06**	**7,879.82**	**25,342.63**

*Supplier finance arrangement excluding interest.

As at March 31, 2025

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 Years
Non-derivative financial liabilities						
Borrowings from banks & Others	16,348.77	24,148.10	2,971.20	6,537.00	5,824.60	8,815.30
6% Compulsorily Convertible Debentures	4,332.72	5,440.10	733.30	1,467.00	1,466.60	1,773.20
8.95% Non - Convertible Debentures	2,500.00	4,737.50	223.75	447.50	447.50	3,618.75
Lease Liabilities	3,023.94	9,445.70	492.70	990.30	866.90	7,095.80
Trade payables	2,044.87	2,044.87	2,044.87	-	-	-
Other financial liabilities	823.44	823.44	787.44	-	-	36.00
	29,073.74	**46,639.71**	**7,253.26**	**9,441.80**	**8,605.60**	**21,339.05**

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency risk:

The Group's exposure in USD, Euro and other foreign currency denominated transactions gives rise to Exchange rate fluctuation risk. Group's policy in this regard incorporates:

- Forecasting inflows and outflows denominated in US USD for a twelve-month period
- Estimating the net-exposure in foreign currency, in terms of timing and amount.
- Determining the extent to which exposure should be protected through one or more risk-mitigating instruments to maintain the permissible limits of uncovered exposures.
- Carrying out a variance analysis between estimate and actual on an ongoing basis, and taking stop-loss action when the adverse movements breaches the 5% barrier of deviation, subject to review by Board of Directors.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

The Group's exposure to foreign currency risk as at March 31, 2026 was as follows:

All amounts in respective currencies as mentioned

Particulars	Cash and bank balances	Trade receivables	Trade payables	Foreign Currency Loan	Net Balance Sheet exposure
USD	0.15	2.49	(0.26)	(0.50)	1.88

The Group's exposure to foreign currency risk as at March 31, 2025 was as follows:

All amounts in respective currencies as mentioned

Particulars	Cash and bank balances	Trade receivables	Trade payables	Foreign Currency Loan	Net Balance Sheet exposure
USD	*	2.26	-	(1.50)	0.76

*amount is below the rounding off norm adopted by the Group

A 10% strengthening of the rupee against the respective currencies as at March 31, 2026 and March 31, 2025 would have increased / (decreased) other comprehensive income and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Other comprehensive income	Profit/(loss)
March 31, 2026	-	(17.73)
March 31, 2025	-	(6.57)

A 10% weakening of the rupee against the above currencies as at March 31, 2026 and March 31, 2025 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Group.

Profile

At the reporting date the interest rate profile of the Group interest-bearing financial instruments were as follows:

Particulars	Carrying amount	
	March 31, 2026	March 31, 2025
Fixed rate instruments		
Financial assets		
• Fixed deposits with banks	3,991.40	1,768.87
Financial liabilities		
• Borrowings from banks	1,253.71	3,142.90
• Borrowings from others	2,500.00	3,209.42
Variable rate instruments		
Financial liabilities		
• Borrowings from banks*	16,822.86	13,966.76
• Borrowings from others	5,751.66	2,862.41

*Term loan from NIIF has a fixed rate of Interest rate for 5 years post which the spread shall be increased or decreased based on terms of loan.

Fair value sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Cash flow sensitivity for variable rate instruments

An increase of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	Equity	Profit or (loss)
March 31, 2026	-	(0.94)
March 31, 2025	-	-

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

41. Contribution towards Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, the amounts required to be spent by the Group during the year ended March 31, 2026 and March 31, 2025 towards Corporate Social Responsibility (CSR) are ₹ 28.52 and ₹ 21.80 respectively. The details of CSR expenditure and CSR activities carried out by the Group are as follows.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Amount required to be spent during the year	28.52	21.80
Amount of expenditure incurred	27.13	22.01
Shortfall at the end of the year (pertains to ongoing CSR projects)	(1.39)	-
Total of previous years shortfall	-	-

Nature of CSR activities

a) The details of CSR activities carried out by the Group for the year ending 2025-26 are as follows:

Name of the Organisation	Nature of activity	For the year ended March 31, 2026
Voluntary Health Services, Chennai	Procurement of medical equipment for strengthening dermatological diagnostics and neonatal care facilities	0.33
New Okhla Industrial Development Authority (NOIDA)	Adoption and maintenance of the park is located adjacent to the Group Noida DC-02 premises.	2.80
Raju Vegesna Foundation, India*	Contribution towards provision of safe drinking water to rural communities and pilgrims across various Devasthanam's* in Andhra Pradesh, Telangana and Maharashtra, along with initiatives relating to promotion of education (including special education), disaster relief, and rural infrastructure development.	24.00
Total		**27.13**

*The trust is controlled by Key Managerial Personnel of Holding Company

b) Amount spent in Administrative Overheads: Nil

c) Amount spent on Impact Assessment, if applicable: Nil

d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 27.13

e) CSR amount spent or unspent for the Financial Year:

CSR Amount spent for the Financial year 25-26	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	₹	Date of Transfer	Name of the Fund	₹	Date of Transfer
₹ 27.13	1.39	To be transfered	Not Applicable		

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

a) The details of CSR activities carried out by the Group for the year ending 2024-25 are as follows:

Name of the Organisation	Nature of activity	For the year ended March 31, 2025
Voluntary Health Services, Chennai	Purchase of Ultra Sound equipment	2.00
Shree Anand Charitable Trust, Mumbai	Slum Development	5.00
Sri Veda Paripalana Sabha	Distribute food and other essentials to the poor	0.20
Raju Vegesna Foundation, India*	Safe drinking water initiatives, Compound wall for "Gandhi Drinking water pond" at Ganapavaram Village, Annaprasadam Complex, Yadadri Temple	14.81
Total		**22.01**

*The trust is controlled by Key Managerial Personnel of Holding Company

b) Amount spent in Administrative Overheads: Nil

c) Amount spent on Impact Assessment, if applicable: Nil

d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 22.01

e) CSR amount spent or unspent for the Financial Year:

CSR Amount spent for the Financial year 24-25	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	₹	Date of Transfer	Name of the Fund	₹	Date of Transfer
₹ 22.01			Not Applicable		

42. Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with the customers

Particulars	March 31, 2026	March 31, 2025
Contract assets	3,693.12	2,879.27
Contract liabilities - Deferred Revenue	520.62	355.32

Significant changes in deferred revenue balances during the year are as follows

Particulars	March 31, 2026	March 31, 2025
Revenue recognised that was included in the deferred revenue at the beginning of the year	355.31	337.40

Change in deferred revenue is as follows

Particulars	March 31, 2026	March 31, 2025
Balance as at April, 01	355.32	337.40
Deferral of revenue	16,674.22	13,514.05
Recognition of revenue	(16,508.92)	(13,496.13)
Balance as at March, 31	**520.62**	**355.32**

Costs to fulfil customer contracts are deferred and amortized over the contract period. For the year ended March 31, 2026 the Group has capitalised ₹ NIL (previous year ₹ NIL) and amortised ₹ NIL (previous year ₹ NIL). There was no impairment loss in relation to the capitalised cost.

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

43. Micro, Small & Medium Enterprises Development Act, 2006 ('MSMED') disclosure

As per the Office memorandum issued by the Ministry of Micro, Small and Medium Enterprises dated August 26, 2008 recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2026 and March 31, 2025 has been made in the financial statements based on information received and available with the Group. As the records available with the Group, there are dues payable to micro, small and medium enterprises as on March 31, 2026. The Group has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at March 31, 2026	As at March 31, 2025
a. the principal amount and the interest due thereon remaining unpaid at the end of accounting year*	347.52	188.48
b. the amount of interest paid by the buyer beyond the appointed day during the accounting year	-	-
c. the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d. the amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
e. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*Includes dues of micro and small enterprises (MSE) of ₹ 330.45 (March 31, 2025: ₹ 155.75) payable against capital expenditure included within other financial liabilities.

44. Capital management

The Group's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders. The primary objective of Group's capital management is to maximise shareholders value. The Group manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Group does so by adjusting dividend paid to shareholders. The total capital as on March 31, 2026 is ₹ 21,949.81 (March 31, 2025 : ₹ 17,408.26).

The Group monitors capital using gearing ratio, which is net debt divided by total capital. Net debt comprises of long term, short term borrowings and lease liabilities less cash and cash equivalents. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows:

Particulars		As at March 31, 2026	As at March 31, 2025
Debt		32,054.75	26,205.43
Less: Cash and cash equivalents		(2,122.21)	(2,969.39)
Net debt	**A**	**29,932.54**	**23,236.04**
Equity	**B**	**21,949.81**	**17,408.26**
Net debt to Equity ratio	**A/B**	**136%**	**133%**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

45. Employee share-based payments

a. Scheme details

The Group has instituted an employee share-based payment scheme titled "SISL Employee Stock Option Plan 2025" ("ESOP 2025"/"Plan"), which was approved by the shareholders at the general meeting held on September 26, 2025 for granting options upto 30 Million. Under the Plan, eligible employees of the Group and its holding company may be granted options to acquire equity shares of the Group upon payment of the grant price. Each option is convertible into one equity share upon exercise. The options vest subject to continued employment and achievement of specified performance conditions, with 40% vesting after two years from the grant date and the remaining 60% vesting over the subsequent three years in equal half-yearly tranches. Vesting is linked to both individual performance and group performance parameters relating to capacity billed, revenue and EBIT. The options may be exercised upon occurrence of a liquidity event such as an initial public offering or strategic sale, in accordance with the terms of the Plan. The options do not carry rights to dividend or voting prior to exercise.

The following share based payment arrangements were in existence during the current year:

Option Plan	SISL Employee Stock Option Plan 2025
Number of options	1,87,90,000
Grant date	January 18, 2026
Expiry date	January 18, 2031
Exercise price	₹ 150
Vesting pattern	$2/5^{th}$ of the options vests at the end of two years from the date of grant.The remaining $3/5^{th}$ of the options vests equally every six months over the next 3 years.

b. Fair value on the grant date

The fair value of options is measured using Black-Scholes valuation model. The fair value of the options granted under the stock option scheme is treated as discount and accounted as employee compensation over the vesting period. The key inputs used in the measurement of the grant date fair valuation of equity settled plans is given in the table below:

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Risk free interest rates	6.45%	-
Expected life	5 years	-
Volatility	15%	-
Dividend yield	0%	-
Exercise price ₹	150	-
Share price on the date of grant ₹	150	-

c. Movement in share options during the year:

The movement in the number of stock options are as follows:

No. of options granted, exercised and forfeited	For the year ended	
	March 31, 2026	March 31, 2025
Outstanding at the beginning of the year	-	-
Granted during the year	1,87,90,000	-
Forfeited and expired during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	**1,87,90,000**	**-**
Exercisable at the end of the year	**-**	**-**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Range of weighted average remaining contractual life, weighted average fair value and weighted average share price for the options are as follows:

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Remaining contractual life for the options outstanding as of (years)	4.8 Years	-
Fair value for the options granted during the year ended (₹)	38.36 to 48.40	-

46. Merger of Print House (India) Private Limited

During FY 2020-21, Sify Technologies Limited (""STL"") has acquired Print House India Private Limited ('PHIPL') through Corporate Insolvency Resolution Process. STL emerged as successful Resolution Applicant (RA) vide Hon'ble National Company Law Tribunal ('NCLT') order dated June 23, 2020. STL took over the management of affairs of PHIPL on October 16, 2020.

During FY2022-23, the Board of Directors has approved for submitting a Scheme of Amalgamation ('Scheme') for the merger of its fellow subsidiary, Print House (India) Private Limited ('PHIPL') with Sify Infinit Spaces Limited ('SISL') with Hon'ble NCLT. The Group has filed the Scheme of Amalgamation with NCLT. The appointed date of the Scheme was April 1, 2022. Further, Sify Infinit Spaces Limited has received approval for the said Scheme from the shareholders and unsecured creditors of the Group at its meeting held on November 27, 2022 convened by Hon'ble NCLT, Chennai. Hon'ble NCLT has approved the Scheme of Amalgamation filed by Sify Infinit Spaces Limited on July 10, 2023. As per the Hon'ble NCLT order, SISL has issued 8,59,762 equity shares to the shareholders of PHIPL.

47. Acquisition of SKVR Software Solution Private Limited

Sify Technologies Limited (Holding Company) has acquired SKVR Software Solution Private Limited ("SKVR"), a company engaged in Data Centre Business, through a Share Purchase Agreement dated September 1, 2023. The Company has been paid ₹ 400 as consideration to shareholders of SKVR with 51% and 49% of the purchase price paid by Sify Technologies Limited and Sify Infint Spaces Limited, respectively.

SKVR holds 19,305 square meters of land allotted by the New Okhla Industrial Development Authority ("NOIDA") for a period of 90 years (effective from 2006). Share transfer was executed on March 26, 2025. The Leasehold land owned by SKVR has been used for construction of Data Centre.

Details of loans, investments and guarantees given to SKVR Software Solution Private Limited (associate company) under section 186(4) of the Companies Act, 2013

Name of the Entity	Particulars of loans given	Relationship	Amount Outstanding as on March 31, 2026	Amount Outstanding as on March 31, 2025	Purpose for which the loan is to be utilized by the recipient
SKVR Software Solution Private Limited	Inter-company loan*	Associate	500.00	1,570.00	Business Purpose
	Non-Cumulative Redeemable Preference Shares - unquoted (Refer Note D(4))		2,750.00	1,490.00	Business Purpose
	Equity Shares - unquoted (Refer Note D(4))		184.87	195.55	Business Purpose
	Corporate Guarantee#		1,155.80	1,464.58	Business Purpose

*These loans carry an interest rate of 8.5%.p.a. and are repayable at anytime within a period of three years at the option of lender. Refer Note D(38)

#Refer Note D(38)

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

48. Merger of Patel Auto Engineering Company (India) Private Limited

During the year 2022-23, Sify Technologies Limited (Holding Company) has acquired Patel Auto Engineering Company (India) Private Limited ("PAECIPL") having its registered office in Rabale, Navi Mumbai through Share Purchase agreement dated March 22, 2023 for a consideration of ₹ 525 which was paid to erstwhile shareholders of PAECIPL. PAECIPL have no other asset except a Land allotted by MIDC in their books as on the date of Acquisition.

During FY2023-24, the Board of Directors have given an approval to file a Scheme of Amalgamation ('Scheme') for the merger of its fellow subsidiary, PAECIPL with the Company and the same was filed with Hon'ble NCLT on February 9, 2024 . Scheme of amalgamation is approved by the Hon'ble NCLT on January 9, 2025 effective April 1, 2023. Accordingly, Group has issued 42,71,365 equity shares to the shareholders of PAECIPL on March 13, 2025.

49. Audit Trail

The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved as per the statutory requirements for record retention.

50. Events after the reporting period

There are no significant events that have occurred after the reporting period till the date of these financial statements that requires adjustments/disclosure in these financial statements.

51. Additional Regulatory Information

Name of the entity	For the year ended March 31, 2026							
	Net assets i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent Company								
Sify Infinit Spaces Limited	100.05%	21,960.94	102.95%	372.17	100.00%	(1.74)	102.97%	370.43
Associate Company								
SKVR Software Solution Private Limited	(0.05)%	(11.13)	(2.95)%	(10.68)	-	-	(2.97)%	(10.68)
Total	**100.00%**	**21,949.81**	**100.00%**	**361.49**	**100.00%**	**(1.74)**	**100.00%**	**359.75**

D. Notes Forming part of the Consolidated Financial Statements

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

Name of the entity	For the year ended March 31, 2025							
	Net assets i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent Company								
Sify Infinit Spaces Limited	100.00%	17,408.71	100.04%	1,264.05	100.00%	(2.28)	100.04%	1,261.77
Associate Company#								
SKVR Software Solution Private Limited	*	(0.45)	(0.04)%	(0.45)	-	-	(0.04)%	(0.45)
Total	**100.00%**	**17,408.26**	**100.00%**	**1,263.60**	**100.00%**	**(2.28)**	**100.00%**	**1,261.32**

#Associate Company with effect from March 26, 2025

*Percentage is below the rounding off norm adopted by the Group.

for Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

Chennai
April 12, 2026

For and on behalf of the Board of Directors
Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

Raju Vegesna
Director
DIN: 00529027

Ganesh Sankararaman
Chief Financial Officer

C R Rao
Whole-time Director
DIN: 02624863

D J Poornasandar
Company Secretary

FORM AOC-1

(All amounts are in Indian Rupees (₹) Millions except share data and as stated)

[Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Statement Containing Salient Features of the Financial Statements of Subsidiaries/Associate Companies/Joint Ventures as included in the Consolidated Financial Statements

Part "A"

Subsidiaries [as per section 2(87) of the Companies Act, 2013]

The Company does not have any Subsidiary Companies during the Financial Year 2025-26.

Note:

1. Name of subsidiaries which are yet to commence operations: **None.**
2. Names of subsidiaries which have been amalgamated or liquidated or sold during the year: **None**

For and on behalf of Board of Directors

Chennai
April 12, 2026

C R Rao
Whole Time Director
(DIN: 02624863)

Raju Vegesna
Director
(DIN: 00529027)

Part "B"

Associates and Joint Ventures [as per Section 2(6) of the Companies Act, 2013]

Details of Associates / Joint Ventures	
Name of Associate / Joint Venture	SKVR Software Solution Private Limited
Nature of Relationship	Associate Company
Latest Audited Balance Sheet Date	March 31, 2026
Date on which the Associate / Joint Venture was associated or acquired	March 26, 2025
Description of how there is significant influence	Holding exceeds 20% of equity share capital
Reason why the Associate / Joint Venture is not consolidated	Not Applicable
Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ (147.28 Millions)
Profit / (Loss) considered in Consolidation	₹ (10.68 Millions)
Profit / (Loss) not considered in Consolidation	₹ (11.29 Millions)
Shares of Associate held by the Company at the year end	
Number of Equity Shares Held	4,900
Amount of Investment	₹ 196 Millions
Extent of Holding	49%

Notes:

1. Names of associates or joint ventures which are yet to commence operations: **None**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **None**

*The Company has invested in various SPVs with 26% equity participation to comply with captive power investment requirements. Such entities are treated as Associates under the Companies Act, 2013; however, they are not considered associates under Ind AS and hence are not consolidated in the financial statements.

For and on behalf of Board of Directors

Chennai
April 12, 2026

C R Rao
Whole Time Director
(DIN: 02624863)

Raju Vegesna
Director
(DIN: 00529027)

Sify Infinit Spaces Limited

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