

Sify Technologies Limited
Consolidated Statements of Cash Flows

For the fiscal years ended March 31,

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

	Year ended March 31,			2012 Convenience translation into US\$ thousands (Unaudited) Note 2(c)
	2012 Rs	2011 Rs	2010 Rs	
Profit/(loss) for the year	(383,337)	(519,492)	26,813	(7,493)
<i>Adjustments for:</i>				
Depreciation and amortization	691,560	685,836	656,797	13,518
Impairment loss on intangibles including goodwill	-	1,857	47,269	-
Share of profit of equity accounted investee	(27,298)	(73,032)	(91,135)	(534)
(Gain) / loss on sale of property, plant and equipment	(680)	(594)	(2,414)	(13)
Provision for doubtful receivables	95,405	161,922	121,987	1,865
Realized loss on sale of investments	-	-	373	-
Stock compensation expense	31,385	10,201	30,589	613
Net finance (income) / expense	247,419	212,924	265,879	4,836
Income tax expense/(benefit)	-	-	(81,479)	-
Unrealized (gain)/ loss on account of exchange differences	17,644	1,196	703	345
Amortization of leasehold prepayments	6,308	-	3,917	123
	<u>678,406</u>	<u>480,818</u>	<u>979,299</u>	<u>13,260</u>
Change in trade and other receivables	(105,449)	(153,560)	(585,805)	(2,061)
Change in inventories	(4,622)	5,851	17,600	(90)
Change in other assets	(326,006)	(34,082)	(64,112)	(6,372)
Change in trade and other payables	472,443	(26,597)	517,497	9,235
Change in employee benefits	11,650	1,341	(3,984)	228
Change in deferred income	(4,533)	(5,972)	63,762	(89)
	<u>721,889</u>	<u>267,799</u>	<u>924,257</u>	<u>14,111</u>
Income taxes paid	(121,675)	(42,440)	(164,455)	(2,379)
Net cash from / (used in) operating activities	<u>600,214</u>	<u>225,359</u>	<u>759,802</u>	<u>11,732</u>

Sify Technologies Limited**Consolidated Statements of Cash Flows****For the fiscal years ended March 31,****Year ended March 31,**

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

	2012	2011	2010	2012
	Rs	Rs	Rs	Convenience translation into US\$ thousands (Unaudited) Note 2(c)
Cash flows from / (used in) investing activities				
Acquisition of property, plant and equipment	(840,653)	(674,558)	(759,435)	(16,432)
Expenditure on intangible assets	(111,081)	(120,710)	(220,299)	(2,171)
Proceeds from sale of property, plant and equipment	1,029	3,109	5,979	20
Payment towards purchase of unquoted equity shares	-	(160)	-	-
Finance income received	48,734	61,669	57,130	953
Short term investments (net)	-	-	19,942	-
Net cash from / (used in) investing activities	(901,971)	(730,650)	(896,683)	(17,630)
Cash flows from / (used in) financing activities				
Proceeds from issue of share capital (including share premium)	1,500,000	1,000,000	84	29,320
Proceeds from issue of shares on exercise of ASOP (including share premium)	21,398	-	-	418
Proceeds from / (repayment) of borrowings (net)	(600,588)	(103,860)	8,409	(11,739)
Finance expenses paid	(312,927)	(293,265)	(318,723)	(6,117)
Repayment of finance lease liabilities	(71,476)	(51,175)	(44,256)	(1,397)
Net cash from / (used in) financing activities	536,407	551,700	(354,486)	10,485
Net increase / (decrease) in cash and cash equivalents	234,650	46,409	(491,367)	4,587
Cash and cash equivalents at April 1	(135,804)	(181,586)	312,715	(2,654)
Effect of exchange fluctuations on cash held	(4,258)	(627)	(2,934)	(83)
Cash and cash equivalents at March 31	94,588	(135,804)	(181,586)	1,850

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

Supplementary information

Additions to property, plant and equipment represented by finance lease obligations	60,149	38,111	99,950	1,176
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The accompanying notes form an integral part of these consolidated financial statements