

SIFY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(in thousands, except share data and as stated otherwise)

	Common Stock		Additional Paid In Capital	Comprehensive income	Accumulated Other comprehensive income	Deferred Compensation - Employee Stock offer plan	Accumulated deficit	Total Stockholders' Equity
	Shares	Par Value						
Balance as of March 31, 2001	23,183,103	231,831	13,669,570		(6,096)	(101,105)	(3,205,864)	10,588,336
Issue of common stock for acquisitions and investments	19,073	191	49,077					49,268
Compensation related to stock option grants			72,492			(72,492)		-
Amortization of compensation related to stock option grants			(83,962)			98,636		14,674
Capital transaction of investee			(57,852)					(57,852)
Comprehensive income								
Net loss				(7,202,517)			(7,202,517)	(7,202,517)
Other comprehensive income								
Unrealized loss on investments, net of nil tax				(356)	(356)			(356)
Foreign exchange translation adjustment				2,561	2,561			2,561
Comprehensive income				(7,200,312)				
Balance as of March 31, 2002	23,202,176	232,022	13,649,325		(3,891)	(74,961)	(10,408,381)	3,394,114
Issue of common stock (net of expenses)	9,593,024	95,930	664,542					760,472
Compensation related to stock option grants			86			(86)		-
Amortization of compensation related to stock option grants			12,789			50,208		62,997
Capital transaction of investee								-
Comprehensive income								
Net loss				(1,329,388)			(1,329,388)	(1,329,388)
Other comprehensive income								
Unrealized loss on investments, net of nil tax				(1,253)	(1,253)			(1,253)
Foreign exchange translation adjustment				1,754	1,754			1,754
Comprehensive income				(1,328,887)				
Balance as of March 31, 2003	32,795,200	327,952	14,326,742		(3,390)	(24,839)	(11,737,769)	2,888,696
Issue of common stock (net of expenses)	2,105,793	21,058	145,862					166,920
Compensation related to stock option grants			21,497			(21,497)		-
Amortization of compensation related to stock option grants			(4,064)			32,010		27,946
Comprehensive income								
Net loss				(371,284)			(371,284)	(371,284)
Other comprehensive income								
Unrealized loss on investments, net of nil tax				2,129	2,129			2,129
Foreign exchange translation adjustment				1,261	1,261			1,261
Comprehensive income				(367,894)				
Balance as of March 31, 2004	34,900,993	349,010	14,490,037		-	(14,326)	(12,109,053)	2,715,668
Balance as of March 31, 2004 (in US\$)		8,042	333,871		-	(330)	(279,010)	62,573

See accompanying notes to consolidated financial statements