

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 Rs.	Comprehensive Income Rs.	Accumulated Other Comprehensive Income Rs.	Deferred Compensation - Employee Stock Option Plan Rs.	Accumulated Deficit Rs.	Total Stockhold ers' Equity Rs.
	Shares Nos.	Par Value Rs.						
Balance as of March 31, 2004	34,900,993	349,010	14,490,037	-	-	(14,326)	(12,109,053)	2,715,668
Issue of common stock	479,285	4,793	73,968					78,761
Compensation related to stock option grants			2,287			(2,287)		-
Amortization of compensation related to stock option grants			(2,558)			13,197		10,639
SAB 51 gain			1,097					1,097
Comprehensive income								
Net loss				(307,576)			(307,576)	(307,576)
Comprehensive income				(307,576)				
Balance as of March 31, 2005	35,380,278	353,803	14,564,831		-	(3,416)	(12,416,629)	2,498,589
Issue of common stock	7,009,236		1,622,324					1,692,416
		70,092						
Compensation related to stock option grants			55,143			(55,143)		-
Amortization of compensation related to stock option grants			(3,885)			16,634		12,749
Comprehensive income								
Net loss				(149,245)			(149,245)	(149,245)
Comprehensive income				(149,245)				
Balance as of March 31, 2006	42,389,514	423,895	16,238,413		-	(41,925)	(12,565,874)	4,054,509
Issue of common stock	410,751	4,108	68,539					72,647
Compensation related to stock option grants			60,933					60,933
Reversal of unamortized compensation cost pursuant to adoption of SFAS 123R			(41,925)			41,925		-
Comprehensive income								
Net Profit / (Loss)				187,760			187,760	187,760
Other comprehensive income / (loss) of affiliate								
Translation adjustments				(316)	(316)			(316)
Comprehensive income				187,444				
Adjustment pursuant to adoption of SFAS 158, net of tax					5,566			5,566
Other comprehensive income / (loss) of affiliate								
Adjustment pursuant to adoption of SFAS 158, net of tax					(9)			(9)
Balance as of March 31, 2007	42,800,265	428,003	16,325,960		5,241	-	(12,378,114)	4,381,090
Balance as of March 31, 2007 (Convenience translation into US\$- Unaudited - Note 2)		9,930	378,793		121	-	(287,195)	101,649

See accompanying notes to consolidated financial statements

