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, 2025, 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, 2025, 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, 2025 is INR 28,793 lakhs and Allowance for bad and doubtful debts charged in the Statement of Profit and Loss	**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.

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	for the year ended March 31, 2025 is INR 150 lakhs.	• We verified the appropriateness of the accounting policies as disclosed in Note C(2)(a) to the Consolidated 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 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, 2025.

Emphasis of matter

We draw attention to Note B(6)(b), which describes the restatement of the Company's previously issued financial statements for the year ended March 31, 2024. The restatement was made in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' regarding the presentation of Compound Financial Instruments. The impact of such changes on the items of Consolidated financial statements are stated in the said note. Our opinion on the Consolidated financial statements is not modified in respect of this matter.

Information Other than the Consolidated 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 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

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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.

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- 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, 2025 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, 2025 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

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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 according to the information and explanations given to us, the Company has neither paid nor provided remuneration in the books and accordingly the question of exceeding the limit laid down under section 197 read with schedule V to the act doesn't arise.

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(20)(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(35)(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, 2025.

   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.

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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(43) 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, 2025, 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 18, 2025

For **Manohar Chowdhry & Associates**
Chartered Accountants
Firm Registration No: 001997S

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Kysuryanandh

K S Y Suryanandh
Partner
Membership No: 237830
UDIN: 25237830BMNTLX1429

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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, 2025, 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

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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, 2025, 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 18, 2025

For Manohar Chowdhry & Associates
Chartered Accountants
Firm Registration No: 001997S

Manohar Chowdhry & Associates
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Chartered Accountants

K S Y Suryanandh
Partner
Membership No: 237830
UDIN: 25237830BMNTLX1429

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

(All amounts are in Indian Rupees lakhs except share data and as stated)

Consolidated Balance Sheet as at March 31, 2025

	Note No. (D)	As at March 31, 2025	March 31, 2024 (Restated)*	April 01, 2023 (Restated)*
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	1A	1,80,993	1,25,744	1,03,602
(b) Right-of-use Assets	2	54,750	48,022	42,267
(c) Capital work in progress	1B	78,878	89,114	51,032
(d) Intangible assets	3	20	31	4
(e) Financial assets				
(i) Investments	4	22,975	12,980	6,063
(ii) Other financial assets	5	33,615	15,096	4,418
(f) Deferred Tax assets	28	9,151	7,729	5,039
(g) Other non-current assets	6	17,381	45,847	28,185
		3,97,763	**3,44,563**	**2,40,610**
(2) Current assets				
(a) Financial assets				
(i) Trade receivables	7	28,793	26,128	26,062
(ii) Cash and Bank balances	8A	29,694	12,828	21,402
(iii) Other Bank balances	8B	3,553	16,363	7,512
(iv) Other financial assets	9	1,125	1,416	630
(b) Other current assets	10	9,543	10,231	7,570
		72,708	**66,966**	**63,176**
Total Assets		**4,70,471**	**4,11,529**	**3,03,786**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	11	51,013	50,586	50,586
(b) Other Equity	12	1,23,070	1,04,232	45,300
		1,74,083	**1,54,818**	**95,886**
LIABILITIES				
(1) Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	2,09,772	1,70,836	1,29,731
(ii) Lease liabilities	2	28,094	27,044	19,907
(b) Provisions	14	115	51	60
(c) Other non-current liabilities	15	360	360	360
		2,38,341	**1,98,291**	**1,50,058**
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	22,043	27,990	29,235
(ii) Lease liabilities	2	2,146	1,990	3,449
(iii) Trade payables	17			
Total outstanding dues to micro enterprises and small enterprises		327	91	55
Total outstanding dues to creditors other than micro enterprises and small enterprises		20,121	13,823	9,398
(iv) Other financial liabilities	18	7,874	10,867	11,810
(b) Other current liabilities	19	5,506	3,587	3,878
(c) Provisions	14	30	72	17
		58,047	**58,420**	**57,842**
Total Equity and Liabilities		**4,70,471**	**4,11,529**	**3,03,786**

* Refer Note B(6)
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

MANOHAR CHOWDHRY & ASSOCIATES
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Chartered Accountants

Chennai
April 18, 2025

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

SIFY INFINIT SPACES LIMITED
CHENNAI-113

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

(All amounts are in Indian Rupees lakhs except share data and as stated)

Consolidated Statement of Profit and Loss for the year ended March 31, 2025

	Note No. (D)	For the year ended March 31, 2025	March 31, 2024 (Restated)*
Revenue from operations	21	1,42,837	1,11,417
Other income	22	2,591	2,754
Total income		**1,45,428**	**1,14,171**
Expenses			
Cost of services rendered	23	58,240	47,737
Employee benefits expense	24	5,444	4,086
Finance costs	25	15,281	12,005
Depreciation and amortisation expense	1,2 and 3	32,682	25,552
Other expenses	26	15,750	13,373
Total expenses		**1,27,397**	**1,02,753**
Profit before share of profit of an associate		**18,031**	**11,418**
Associate Share of profit/(loss)		(5)	-
Profit Before Tax		**18,026**	**11,418**
Tax expense	28		
Current Tax		(6,812)	(4,782)
Deferred Tax		1,422	2,689
Total Tax Expenses		**(5,390)**	**(2,093)**
Profit After Tax		**12,636**	**9,325**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements of net defined benefit liability/(asset)		(23)	(12)
Total other comprehensive income		**(23)**	**(12)**
Total comprehensive income for the year		**12,613**	**9,313**
Earnings per equity share (₹ 10 paid up)	30		
Basic		2.45	1.84
Diluted		2.41	1.84

* Refer Note B(6)
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

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Chennai
April 18, 2025

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(All amounts are in Indian Rupees lakhs except share data and as stated)

Consolidated Statement of Cash Flow for the year ended March 31, 2025

		For the year ended March 31, 2025	For the year ended March 31, 2024 (Restated)*
Profit before tax		**18,026**	**11,418**
Adjustments for :			
Depreciation and amortisation expense		32,682	25,552
Share of loss of the associate		5	-
Finance expenses (considered separately)		15,281	12,005
Allowance for doubtful debts		150	300
Provision for doubtful advances		-	18
Amortisation of lease prepayments		-	37
Investment written off		-	43
Unrealised foreign exchange fluctuation loss/(gain), net		44	299
Interest income (considered separately)		(2,101)	(2,298)
(Profit) /loss on sale of Property, Plant and Equipment (net)		(180)	30
Operating profit / (loss) before working capital changes		**63,907**	**47,404**
(Increase)/decrease in trade receivables - current		(2,832)	(363)
(Increase)/decrease in other financial assets - current		262	(421)
(Increase)/decrease in other financial assets - non current		(18,563)	(11,683)
(Increase)/decrease in other non current assets		(1,473)	(373)
(Increase)/decrease in other current assets		(2,834)	861
(Increase)/decrease in other bank balances		12,811	(8,851)
Increase/(decrease) in trade payables		6,532	4,386
Increase/(decrease) in other financial liabilities - current		2,922	(2,990)
Increase/(decrease) in other current liabilities		385	(289)
Increase/(decrease) in provisions - non current		41	(21)
Increase/(decrease) in provisions - current		(42)	55
Cash generated from operations		**61,116**	**27,715**
Tax (paid)/refund received		(6,374)	(6,601)
Net cash generated from operating activities	**(A)**	**54,742**	**21,114**
Cash flow from investing activities			
Purchase of Property, Plant and Equipment		(41,825)	(92,272)
Investment made in equity shares		-	(1,960)
Investment made in Preference Shares		(10,000)	(5,000)
Amount paid for acquisition of right of use assets		(7,227)	(1,677)
Sale proceeds of Property, Plant and Equipment		180	-
Interest income received		2,032	1,833
Net cash used in investing activities	**(B)**	**(56,840)**	**(99,076)**
Cash flow from financing activities			
Proceeds from long-term borrowings		83,561	58,404
Repayment of long-term borrowings		(58,848)	(20,912)
Proceeds from issue of Compulsorily Convertible Debentures		-	60,000
Proceeds from issue of Non-Convertible Debentures		25,000	-
Increase/(decrease) in short-term borrowings		(2,795)	(5,185)
Loan received/(repaid) from/to Fellow subsidiary company		(2,980)	(100)
Increase/(decrease) of lease liabilities		(4,458)	(1,416)
Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares		(225)	-
Premiun received on issue of Non-Convertible Debentures		58	-
Interest paid		(20,351)	(18,070)
Net cash used in financing activities	**(C)**	**18,962**	**72,721**
Effect of exchange differences on translation of cash and bank balances	**(D)**	**2**	**2**
Net increase/(decrease) in cash and cash equivalents during the year	**(A) + (B) + (C) + (D)**	**16,866**	**(5,239)**
Cash and cash equivalents at the beginning of the year		**12,828**	**18,067**
Cash and cash equivalents at the end of the year [Refer Note D (8A)]		**29,694**	**12,828**

Non-Cash financing and investing activities [Refer Note D (27)]

* Refer Note B(6)
Disclosure of changes in liabilities arising from financing activities [Refer Note D (27)]
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

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27,
Subramaniam St.,
Abiramapuram,
Chennai-18.
Chartered Accountants

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

SIFY INFINIT SPACES LIMITED
CHENNAI-113

Ganesh Sankararaman
Chief Financial Officer

D J Poornasandar
Company Secretary

Chennai
April 18, 2025

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607

(All amounts are in Indian Rupees lakhs except share data and as stated)

Consolidated Statement of Changes in Equity for the year ended March 31, 2025

A. Equity Share Capital	As at		
	March 31, 2025	March 31, 2024 (Restated)	April 01, 2023 (Restated)
Balance at the beginning of the year	50,586	50,586	50,500
Change in Equity Share Capital due to prior period errors	-	-	-
Restated Balance at the begining of the year	50,586	50,586	50,500
Change in Equity Share Capital during the year*	427	-	86
Balance at the end of the year	51,013	50,586	50,586

* Refer Note D(11) for the change in share capital during the year.

B. Other Equity

Particulars	Reserves and surplus				Other Components of Equity			Total
	Retained earnings	Securities Premium	Capital Reserve	Share Application pending allotment*	Compulsorily Convertible Debentures	Compulsorily Convertible Preference Shares	Remeasurements of net defined benefit liability/(asset)	
2024-25								
Balance as at April 01, 2024 - (A)	31,515	3,766	914	427	62,693	5,000	(83)	1,04,232
Changes in accounting policy/prior period erros -(B)								
Restated Balance as at April 01, 2024 - (C = A+B)	31,515	3,766	914	427	62,693	5,000	(83)	1,04,232
Profit for the year -(D)	12,636		-				-	12,636
Other comprehensive income - (E)	-	-	-				(23)	(23)
Total comprehensive income for the year - (F=D+E)	12,636						(23)	12,613
Debenture premium on issue of Non-Convertible Debentures -(G)		58						58
Transfer to Share Capital* - (H)				(427)				(427)
Equity component of compound financial instrument - (I)					6,819			6,819
Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares - (J)	(225)							(225)
Balance as at March 31, 2025 - [(K) = (C+F+G+H+I+J)]	43,926	3,824	914	-	69,512	5,000	(106)	1,23,070
2023-24 (Restated)								
Balance as at April 01, 2023 - (A)*	20,757	3,766	914	427	32,250	-	(71)	58,043
Changes in accounting policy/prior period erros -(B)	1,433				(14,176)			(12,743)
Restated Balance as at April 01, 2023 - (C = A+B)	22,190	3,766	914	427	18,074		(71)	45,300
Profit for the year -(D)	9,325	-					-	9,325
Other comprehensive income - (E)	-	-	-				(12)	(12)
Total comprehensive income for the year - (F=D+E)	9,325						(12)	9,313
Equity component of compound financial instrument - (G)					44,619			44,619
Equity component of Non - Cumulative compulsorily convertible preference shares - (H)						5,000		5,000
Balance as at March 31, 2024 - [(I) = (F) + (G)+(H)]	31,515	3,766	914	427	62,693	5,000	(83)	1,04,232

*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 Patel Auto Engineering Company (India) Private Limited for every 1 equity shares of 10/- each held by them. (refer note B(6a))

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

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Chennai
April 18, 2025

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SIFY INFINIT SPACES LIMITED
CHENNAI-113

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607
Notes forming part of the consolidated financial statements

(All amounts are in Indian Rupees lakhs 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 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 as a wholly owned 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 Listed, Secured, Rated Non - Convertible Debentures (NCDs) which are listed on BSE effective from October 04,2024.

B. BASIS OF PREPARATION

The consolidated 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 (23). 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 consolidated Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity, Statement of Cash Flow, together with notes for the year ended March 31, 2025 have been prepared in accordance with Ind AS . The Financial Statements are approved for issue by the Board of Directors at its meeting held on April 18, 2025.

2. Basis of Measurement

The 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).

3. Standards issued and not effective

There are no standards that are notified and not yet effective as on date.

4. Functional and Presentation Currency

The 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 lakhs except where otherwise indicated.

(All amounts are in Indian Rupees lakhs except share data and as stated)

5. Use of estimates and judgements

The preparation of 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 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 financial statements are:

- Valuation of financial instruments [Note C(2)]
- Expected Credit losses on Financial Assets [Note C(2)]
- Useful lives of property, plant and equipment [Note C(4)]
- Useful lives 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)]

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6. Restatement of Financial Statements

(a) 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 INR 5,250 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 09, 2024 . Scheme of amalgamation is approved by the Hon'ble NCLT on January 09, 2025 effective April 01, 2023. Accordingly, Company has issued 42,71,365 equity shares to the shareholders of PAECIPL.

Consequent to the approval of scheme of amalgamation by Hon'ble NLCT, the financial statements for April 01, 2023 and March 31, 2024 has been prepared giving effect to the merger order.

Accounting treatment of the Scheme of Merger are as follows:

1. The aforesaid merger are accounted for as per Ind AS 103 - Business Combinations
2. The identity of assets and liabilities as appearing in PAECIPL have been carried forward in these financial statements.
3. Intercompany balances and transactions have been eliminated.
4. During the year, the PAECIPL has an other income of ₹ 0.10 and total expenses agreegating to ₹ 145 which resulted in the Net loss of ₹ 145.
5. This financial statements as on March 31, 2024 includes the values of PAECIPL and hence are not comparable with the Financial Statements as on March 31,2023 representing values of only Sify Infinit Spaces Limited.

The fair value of assets, liabilities and reserves pertaining to PAECIPL appearing in the financial statements of the Merged entity as at April 01, 2023 are as follows.

Particulars	**Amount(Rs.)**
Right of Use Assets	5,040
Other current assets	5
Total Assets	**5,045**
Borrowings	850
Other Current Liabilities	2
Total Liabilities	**852**
Net assest acquired	4,193
Consideration Paid	4,193
Goodwill / Capital reserve	-

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(b) Presentation of Compound Financial Instruments

The Company had issued Compulsorily Convertible Debentures ("CCDs") to Sify Technologies Limited ("STL"), Kotak Special Situation Fund ("KSSF") and Kotak Data Center Fund ("KDCF") amounting to of ₹ 22,250, ₹ 40,000 and ₹ 60,000, respectively. The CCDs issued to KSSF are backed by a Put Option Agreement with the holding Company M/s Sify Technologies Limited. These CCDs carry an obligation to pay a fixed interest of 6% p.a.

Previously, the Company presented these CCDs as financial liabilities in the financial statements until the fixed number of shares to be issued upon conversion of the CCDs was determined. Subsequently, once the fixed number of shares to be issued upon conversion was determined, these CCDs were presented as equity. The Company has recognized the entire interest paid as an expense in the Statement of Profit and Loss as there is an unconditional obligation on the Company to make the interest payments.

The Company re-evaluated the presentation of Compound Financial Instruments in accordance with Ind AS 32 and concluded that a change in presentation is required as below:

• The present value of the future interest obligation should be presented as a financial liability.

• The residual value after deducting the financial liability component identified above is to be evaluated under Ind AS 32, for determining whether the financial instrument is a financial liability or equity.

Accordingly,the residual portion of the CCDs is to be presented as a financial liability until the fixed number of shares to be issued upon conversion is determined. Once the fixed number of shares are determined, the residual value should be presented as equity. Further, the Company determined that only the interest on the present value of the future interest obligation on CCDs should be recognized in the Statement of Profit and Loss rather than the interest amount on the entire CCDs. When the liquidity event happens as per the terms of CCDs, the unmatured portion of the present value of future interest obligation recognized as financial liability should be classified as equity. These CCDs are presented separately as "Other Equity" and will be presented as non-controlling interest upon issue of equity shares in the future. For additional information, see Notes D(12), D(13) & D(16) herein.

The opening balance of assets, liabilities and equity for the earliest prior period presented has been restated.

The following tables present the impact on previously reported amounts in specific line items in the financial statements as at March 31, 2024 and April 01, 2023.

Changes in Statement of Assets and Liabilities:

Particulars	March 31, 2024			April 01, 2023		
	Reported	Adjustment	Restated	Reported	Adjustment	Restated
Equity :-						
Other equity	1,41,907	(37,675)	1,04,232	58,043	(12,743)	45,300
Liabilities:-						
Non-current borrowings	1,37,689	33,147	1,70,836	1,19,237	10,494	1,29,731
Current borrowings	23,462	4,528	27,990	26,986	2,249	29,235

Changes in Statement of Profit and Loss (Rs.lakhs):

Particulars	March 31, 2024		
	Reported	Adjustment	Restated
Finance costs	15,454	(3,449)	12,005
Profit before tax	7,969	3,449	11,418
Tax expense	(2,093)	-	(2,093)
Profit after tax	5,876	3,449	9,325
Total comprehensive income	5,864	3,449	9,313

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C. MATERIAL ACCOUNTING POLICIES

1. Foreign currency

(i) Foreign currency transactions and balances

Transactions in foreign currencies are initially recognized in the 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 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 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 Company 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 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 Statement of Profit and Loss.

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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 company is classifying the following financial liabilities at amortised cost;
a) Compulsorily convertible debentures
b) Borrowings from banks
c) Borrowings from others
d) Finance lease liabilities
e) Trade payables
f) 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.

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d. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the 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.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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 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 Statement of Profit or Loss.

Depreciation

Depreciation is recognized in the Statement of profit and loss on a straight-line basis over the estimated useful lives 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 lives for the year ended March 31, 2025 and March 31, 2024 were as follows:

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27,
Subramaniam St.,
Abiramapuram.
Chennai-18.
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

	Estimated useful life in years	Useful life prescribed by Schedule II
Buildings	28	30
Plant and equipment		
- Power equipments	8	15
- Computer servers	5	6
- Computer laptops/desktop	3	3
Furniture and fittings	5	10
Leasehold improvements	5	10
Office equipment	5	5
Motor vehicles	3	8

The management believes that the useful lives as given above best represent the period over which management expects to use these assets. The depreciation method, useful lives and residual value are reviewed at each of the 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 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:

	Estimate of useful life in years
System software	1 - 3

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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Chennai-18.
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

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
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 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).

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FRN: 001997S
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SIFY INFINIT SPACES LIMITED
CHENNAI-113

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-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 profit or loss in subsequent periods. Service costs, net interest expenses and other expenses related to defined benefit plans are recognised in profit or loss.

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SIFY INFINIT SPACES LIMITED
CHENNAI-113

(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) 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 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

11. Share-based payment transactions

The employees of the Company are entitled to participate in Associate Stock Option Plan (ASOP) where the employees are issued options to purchase shares of the Holding Company subject to vesting period. Accordingly, the fair value of option on the Grant date is amortised over the vesting period with a corresponding liability recognised against the Holding Company, which will issue shares on exercise.

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.

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.

The Company 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 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.

MANOHAR CHOWDHRY & ASSOCIATES FRN: 001997S No: 27, Subramaniam St., Abiramapuram, Chennai-18. Chartered Accountants

SIFY INFINIT SPACES LIMITED CHENNAI-113

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 consolidated transaction price. The determination of consolidated 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 Statement of Profit and Loss, using the effective interest method. Dividend income is recognized in 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.

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 Statement of Profit and Loss. Fair value changes attributable to hedged risk are recognised in 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 are capitalized as part of the cost of that asset. 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.

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Sify Infinit Spaces Limited
Chennai-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

16. Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in 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.

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 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 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 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.

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Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

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 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, excluding construction contracts in progress, 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 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.

21. Dividend distribution to Equity shareholders

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607
Notes forming part of the consolidated financial statements

(All amounts are in Indian Rupees lakhs except share data and as stated)

22.Related Party transactions

A) Identification of Related Parties and the Related Party Transactions

i. Every promoter, director and key managerial personnel (KMP) of the Company and its subsidiaries/ Joint venture shall give a declaration,
a. at the time of appointment;
b. periodically – as required by the Companies Act, 2013("Act").
c. whenever there is any change in the information already submitted, provide requisite information about his / her Relatives and all firms, entities, body corporates, in which such promoter, director or KMP is interested, whether directly or indirectly, to the Company or the subsidiary/ Joint venture (as the case may be). Every such promoter, director and KMP shall also provide any additional information about the transaction, that the Board /Audit Committee may reasonably request.

B) Review and approval of Related Party Transaction

(i) Approval by Audit Committee

All Related Party Transaction(s) of the Company and subsequent material modifications thereto, shall require prior approval of the Audit Committee of the Company, as required under the Act and the Listing Regulations.The Audit Committee shall evaluate whether the transaction is conducted on an arm's length basis and falls within the ordinary course of business.

(ii) Approval by Board of Directors

In case any Related Party Transactions involving the Company are referred by the Audit Committee to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length price, the Board will.consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. All Material Related Party Transactions including subsequent material modifications, which require prior shareholders' approval, shall first require prior approval of the Board. Any member of the Board who has any interest in any Related Party Transaction shall abstain from voting on the Related Party Transaction.

(iii) Approval by Shareholders

Prior approval of Shareholders is required when a related party transaction entered individually or in taken together with existing transactions during the financial year, (i.) not in the ordinary course of business, or not at an arm's length price, or, (ii.) exceeding the materiality limits, as defined under this policy. Any member who has any interest in any related party transaction shall abstain from voting on the related party transaction.

C) Reporting of Related Party Transactions

i.The Company shall disclose Related Party Transactions to the stock exchanges where its securities are listed, in the format specified by SEBI or stock exchanges, and within the prescribed timelines.
ii.The Company shall disclose in the Board's report any related party transactions that are not in the ordinary course of business or not

23. Current/ non-current classification

<u>An asset is classified as current if:</u>
(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
All other assets are classified as non-current.
<u>A liability is classified as current if:</u>
(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.

MANOHAR CHOWDHRY & ASSOCIATES FRN: 001997S No: 27, Subramaniam St., Abiramapuram, Chennai-18. Chartered Accountants

SIFY INFINIT SPACES LIMITED CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

1A. Property, Plant and Equipment

The following table presents the changes in property, plant and equipment during the year ended March 31, 2025

Particulars	ORIGINAL COST				DEPRECIATION				NET BOOK VALUE	
	As at April 01, 2024	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at April 01, 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	**44,842**	670	-	**45,512**	**5,542**	1,621	-	**7,163**	38,349	39,300
Plant and equipment	**1,03,662**	38,375	486	**1,41,551**	**57,810**	11,333	486	**68,657**	72,894	45,852
Furniture and fittings	**424**	7		**431**	**394**	10	-	**404**	27	30
Office equipment	**20,637**	8,463	6	**29,094**	**12,242**	3,687	6	**15,923**	13,171	8,395
Motor vehicles	**31**		-	**31**	**1**	10	-	**11**	20	30
Leasehold improvements	**62,723**	36,904		**99,627**	**30,586**	12,509	-	**43,095**	56,532	32,137
	2,32,319	**84,419**	**492**	**3,16,246**	**1,06,575**	**29,170**	**492**	**1,35,253**	**1,80,993**	**1,25,744**

The following table presents the changes in property, plant and equipment during the year ended March 31, 2024

Particulars	ORIGINAL COST				DEPRECIATION				NET BOOK VALUE	
	As at April 01, 2023 (Restated)	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)	For the year	Deletions/ Adjustments during the year	As at March 31, 2024 (Restated)	As at March 31, 2024 (Restated)	As at March 31, 2023
Owned assets										
Buildings	**26,267**	18,575	-	**44,842**	**4,412**	1,130	-	**5,542**	39,300	21,855
Plant and equipment	**94,317**	9,402	57	**1,03,662**	**48,357**	9,480	27	**57,810**	45,852	45,960
Furniture and fittings	**400**	24	-	**424**	**389**	5	-	**394**	30	11
Office equipment	**18,076**	2,561	-	**20,637**	**9,463**	2,779	-	**12,242**	8,395	8,613
Motor vehicles	**-**	31	-	**31**	**-**	1	-	**1**	30	-
Leasehold improvements	**48,851**	13,872	-	**62,723**	**21,688**	8,898	-	**30,586**	32,137	27,163
	1,87,911	**44,465**	**57**	**2,32,319**	**84,309**	**22,293**	**27**	**1,06,575**	**1,25,744**	**1,03,602**

Notes

(a) Refer note D (13) and D (16) for assets provided as security against borrowings

(b) Refer note D (20)(b) for capital commitments.

(c) Refer note D (25) for interest capitalisation

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27,
Subramaniam St.,
Abiramapuram,
Chennai-18.
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

1B. Capital work-in-progress

Particulars	As at April 01, 2024	Additions /Adjustments	Capitalised during the year	As at March 31, 2025
Capital work-in-progress	89,114	74,185	(84,421)	78,878

Refer note D(25) for interest capitalisation

Particulars	As at April 01, 2023 (Restated)	Additions /Adjustments	Capitalised during the year	As at March 31, 2024 (Restated)
Capital work-in-progress	51,032	82,586	(44,504)	89,114

Refer note D(25) for interest capitalisation

3. Intangible assets

The following table presents the changes in intangible assets during the year ended March 31, 2025

Particulars	ORIGINAL COST				AMORTISATION				NET BOOK VALUE	
	As at April 01, 2024	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2025	As at April 01, 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	800	2	7	795	769	13	7	775	20	31
	800	**2**	**7**	**795**	**769**	**13**	**7**	**775**	**20**	**31**

The following table presents the changes in intangible assets during the year ended March 31, 2024

Particulars	ORIGINAL COST				AMORTISATION				NET BOOK VALUE	
	As at April 01, 2023 (Restated)	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)	For the year	Deletions/ Adjustments during the year	As at March 31, 2024 (Restated)	As at March 31, 2024 (Restated)	As at March 31, 2023
System software	761	39	-	800	757	12	-	769	31	4
	761	**39**	**-**	**800**	**757**	**12**	**-**	**769**	**31**	**4**

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27,
Subramaniam St.,
Abiramapuram,
Chennai-18.
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs 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, 2025

Particulars	**Category of ROU asset**		
	Land	**Building**	**Total**
Balance as of April 01, 2024	22,335	25,687	48,022
Additions	10,188	66	10,254
Deletions	-	(27)	(27)
Depreciation expenses	(309)	(3,190)	(3,499)
Balance as of March 31, 2025	**32,214**	**22,536**	**54,750**

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024

Particulars	**Category of ROU asset**		
	Land	**Building**	**Total**
Balance as of April 01, 2023 (Restated)	20,921	21,346	42,267
Additions	1,675	7,327	9,002
Deletions	-	-	-
Depreciation expenses	(261)	(2,986)	(3,247)
Balance as of March 31, 2024 (Restated)	**22,335**	**25,687**	**48,022**

Particulars	**As at March 31, 2025**	**As at March 31, 2024 (Restated)**	**As at April 01, 2023 (Restated)**
Current lease liabilities	2,146	1,990	3,449
Non-current lease liabilities	28,094	27,044	19,907
Total	30,240	29,034	23,356

The movement in lease liabilities is given below :

Particulars	**As at March 31, 2025**	**As at March 31, 2024 (Restated)**
Balance at the beginning of the year	29,034	23,356
Additions	2,898	7,089
Interest on lease liabilities	2,793	2,701
Deletions	(27)	-
Payment of lease liabilities	(4,458)	(4,112)
Balance at the end of the year	**30,240**	**29,034**

Note: Refer Note D (36) for contractual maturities of lease liabilities

Amounts recognised in profit or loss are given below

Particulars	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024 (Restated)**
Depreciation expenses	3,499	3,247
Interest on lease liabilities	2,793	2,701
Expenses relating to leases of low-value assets, including short-term leases of low value assets	741	465

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27, Subramaniam St., Abiramapuram, Chennai-18.
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607
D. Notes forming part of the consolidated financial statements

(All amounts are in Indian Rupees lakhs except share data and as stated)

4. Investments - Non-current

		As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Investment in equity instruments - unquoted				
Investment in equity of others (at cost)				
Investment in Vashi Railway Station Commercial Complex Limited [15,000 (March 31, 2024 : 15,000) equity shares of ₹ 10 each fully paid up]		2	2	2
Investment in Sarayu Clean Gen Pvt Ltd. [1,56,000 (March 31, 2024 : 1,56,000) equity shares of ₹10 each fully paid up]		15	15	15
Investment in VEH Srishti Energy Pvt. Limited [1,50,12,000 (March 31, 2024 : 1,50,12,000) equity shares of 10 each fully paid up]		3,753	3,753	3,753
Investment in Tasoula Energy Private Limited (Refer Note below) [70,31,250 (March 31, 2024: 70,31,250) equity shares of ₹10 each fully paid up]		2,250	2,250	2,250
Investment in Saffron Spice Hospitality Private Limited		-	-	43
Investment in Sunsure Solarpark Eighteen Private Limited [9,97,402 (March 31, 2024: Nil) equity shares of ₹10 each fully paid up]		100	-	-
Investment in Equity of Associates (at cost)				
Investment in SKVR Software Solution Private Limited [refer note: 42] [4,900 (March 31, 2024: NIL) equity shares of ₹10 each fully paid up]		1,955	1,960	-
	A	8,075	7,980	6,063
Investment in preference shares - unquoted				
Investments in Associates (at cost)				
SKVR Software Solution Private Limited [14,90,00,000 (March 31, 2024: 5,00,00,000) 9% Non-Cumulative Redeemable Preference Shares of Rs.10 each fully paid up]		14,900	5,000	-
	B	14,900	5,000	-
Aggregate cost of unquoted investments	(A) + (B)	22,975	12,980	6,063

Note:
Investment in Tasoula Energy Private Limited was made through issue of compulsorily convertible debentures i.e., for a consideration other than cash.

5. Other financial assets - Non-current

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Security deposits*	3,779	2,859	2,111
Bank deposits **	14,136	12,237	2,307
Loans to related parties***	15,700	-	-
	33,615	15,096	4,418

* Security deposits over and above ₹ 50 is fair valued as per Ind AS 109. Includes an amount of ₹ 345 (March 31, 2024: ₹ 345, April 01, 2023: ₹ 345) given to holding company as lease deposit. Refer Note D(34).
** Represents deposits with more than 12 months maturity, subject to lien in favour of banks for obtaining bank guarantees /letters of credit.
*** Loan given to SKVR Software Solution Private Limited (Associate Company). These loans carry an interest rate of 8.5%.p.a. and are repayable over a period of three years. Refer Note D(34).

6. Other Non-current assets

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Capital advances	12,439	45,646	27,671
Advance tax and tax deducted at source(Net of Provision for tax)	4,713	96	376
Prepaid expenses	229	105	138
	17,381	45,847	28,185

7. Trade receivables

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Trade receivables considered good - Secured	-	-	-
Trade receivables considered good - Unsecured	28,793	26,128	26,062
Trade receivables which have significant increase in Credit Risk	1,210	1,177	987
Trade Receivables - credit impaired	-	-	-
Total	30,003	27,305	27,049
Loss Allowance [Refer note (b) below]	(1,210)	(1,177)	(987)
Net Trade receivables	28,793	26,128	26,062

MANOHAR CHOWDHRY & ASSOCIATES FRN: 001997S No: 27, Subramaniam St., Abiramapuram, Chennai-18. Chartered Accountants

SIFY INFINIT SPACES LIMITED CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

(a) This amount includes amount receivable relating to the invoices that have been booked in holding company and subsequently transferred from holding company ₹ 692 (March 31, 2024: ₹ 1,118, April 01, 2023:₹ 1,271) and includes receivables from fellow subsidiary ₹ Nil (March 31, 2024: ₹ Nil, April 01, 2023: ₹ 54). Also refer note D (34).

(b) The activity in loss allowance for doubtful receivables is given below:

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Balance at the beginning of the year	1,177	987	828
Add: Additional provision during the year	150	300	200
Less: Bad debts written off	(117)	(110)	(41)
Balance at the end of the year	1,210	1,177	987

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 payment					Total
		less than 6 months	6 months - 1 year	1-2 years	2-3 years	greater than 3 years	
Trade receivables - Undisputed							
Considered good	21,043	2,327	-	-	-	-	23,370
Which have significant increase in credit risk	166	17	6	4	600	417	1,210
Credit impaired	-	-	-	-	-	-	-
	21,209	2,344	6	4	600	417	24,580
Trade receivables - Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Provision for Doubtful Debts							(1,210)
Trade receivable - Unbilled							5,423
Total							28,793

The following table presents the ageing of the Trade Receivables for the year ended March 31, 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		less than 6 months	6 months - 1 year	1-2 years	2-3 years	greater than 3 years	
Trade receivables - Undisputed							
Considered good	19,999	1,328	-	-	-	-	21,327
Which have significant increase in credit risk	248	14	2	83	386	444	1,177
Credit impaired	-	-	-	-	-	-	-
	20,247	1,342	2	83	386	444	22,504
Trade receivables - Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Provision for Doubtful Debts							(1,177)
Trade receivable - Unbilled							4,801
Total							26,128

The following table presents the ageing of the Trade Receivables as at April 01, 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		less than 6 months	6 months - 1 year	1-2 years	2-3 years	greater than 3 years	
Trade receivables - Undisputed							
Considered good	15,554	5,923	-	-	-	-	21,477
Which have significant increase in credit risk	333	48	10	51	304	241	987
Credit impaired	-	-	-	-	-	-	-
	15,887	5,971	10	51	304	241	22,464
Trade receivables - Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Provision for Doubtful Debts							(987)
Trade receivable - Unbilled							4,585
Total							26,062

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27, Subramaniam St., Abiramapuram, Chennai-18.
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607
D. Notes forming part of the consolidated financial statements

(All amounts are in Indian Rupees lakhs except share data and as stated)

8. Cash and Bank balances

8A. Cash and cash equivalents:

		As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Balance with banks				
(i) in current accounts		29,694	5,828	9,902
(ii) deposits with original maturities less than three months		-	7,000	11,500
	(A)	29,694	12,828	21,402

Cash and cash equivalents for the purpose of Cash Flow Statement:

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Cash and cash equivalents as above	29,694	12,828	21,402
Less: Bank overdraft used for cash management purposes [Refer note 16 (c)]	-	-	(3,335)
	29,694	12,828	18,067

8B. Other bank balances:

		As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
(i) Bank deposits [Refer Note below]		3,553	3,476	7,512
(ii) Deposits with maturity of more than three months but less than twelve months		-	12,887	-
	(B)	3,553	16,363	7,512
	(A) + (B)	33,247	29,191	28,914
Note				
Balances in deposit accounts subject to lien in favour of banks for obtaining bank guarantees /letter of credits/borrowings.		3,553	3,476	7,512

9. Other financial assets

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Amounts receivable from fellow subsidiaries [Refer note (a) below]	8	32	-
Security deposits [Net of doubtful allowance] [Refer note (b) below]	359	24	56
Interest accrued on deposits	573	602	219
Derivative financial instrument	185	270	355
Other Receivables	-	488	-
	1,125	1,416	630

Note:

a) ₹ 8 (March 31, 2024: ₹ 32, April 01, 2023 :₹ Nil) receivable from fellow subsidiary on account of transfer of assets/liabilities, transfer of revenue and expenses, customer receipts received and vendor payments made by the parent company / fellow subsidiary company pertaining to the services rendered by and for the company. Also refer note D (34).

b) The activity in allowance for doubtful deposits are given below:

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Balance at the beginning of the year	34	16	6
Add: Additional provision during the year	-	18	10
Balance at the end of the year	34	34	16

10. Other current assets

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Balances with GST, service tax and sales tax authorities	7,382	5,345	4,755
Prepaid expenses	324	274	188
Advance tax and tax deducted at source (Net of Provision for Tax)	-	3,522	1,702
Deferred Contract Cost	1,073	1,077	731
Other advances	764	13	194
	9,543	10,231	7,570

Refer Note D (38) for the movement in Contract cost.

MANOHAR CHOWDHRY & ASSOCIATES FRN: 001997S No: 27, Subramaniam St., Abiramapuram, Chennai-18. Chartered Accountants

SIFY INFINIT SPACES LIMITED CHENNAI-113

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607
D. Notes forming part of the consolidated financial statements

(All amounts are in Indian Rupees lakhs except share data and as stated)

11. Equity Share Capital

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Authorized			
80,02,50,000 (March 31, 2024 & April 01,2023: 80,00,00,000) equity shares of ₹10 each,	80,025	80,000	80,000
27,00,00,000 (March 31, 2024 & April 01,2023: 27,00,00,000) preference shares of ₹10 each	27,000	27,000	27,000
Issued			
51,01,31,127 (March 31, 2024 & April 01,2023: 50,58,59,762) equity shares of ₹10 each	50,586	50,586	50,500
Increase on account of Merger (refer note (c) & (d) below)	427	0	86
	51,013	50,586	50,586
Subscribed and fully paid			
51,01,31,127 (March 31, 2024 & March 31,2023: 50,58,59,762) equity shares of ₹10 each fully paid up	51,013	50,586	50,586
	51,013	50,586	50,586

(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 Print House (India) Private Limited, the authorized equity share capital of the Company stands increased from 78,00,00,000 equity shares of ₹10/- each, aggregating to 78,00,00,000 to 80,00,00,000 equity shares of ₹10/- each aggregating to ₹ 80,000 and the authorised preference share capital of the Company stands increased from 22,00,00,000 preference shares of ₹10/- each aggregating to 22,00,00,000 to 27,00,00,000 preference shares of ₹10/- each aggregating to ₹27,000. The Company in accordance with the scheme of amalgamation has allotted ₹0.0859762 equity shares of the company of 10/- each aggregating to 8,59,762 shares to share holders of transferor company for every 1 equity shares of ₹10/- each held by them.(refer note D(41)).

(d) 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, aggregating to 80,00,00,000 to 80,02,50,000 equity shares of ₹10/- each aggregating to ₹ 80,025 and the authorised preference share capital of the Company 27,00,00,000 preference shares of ₹10/- each aggregating to ₹27,000. 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 B(6a)).

11.1 Reconciliation of number of shares in the beginning and at the end of the period

	As at March 31, 2025		As at March 31, 2024 (Restated)		As at April 01, 2023 (Restated)	
	Number of shares	Amount paid- up	Number of shares	Amount paid- up	Number of shares	Amount paid- up
Number of shares outstanding at the beginning of the year	50,58,59,762	50,586	50,58,59,762	50,586	50,50,00,000	50,500
Add: On account of merger (refer note D(41)& B(6a))	42,71,365	427	-	-	8,59,762	86
Number of shares outstanding at the end of the year	**51,01,31,127**	**51,013**	**50,58,59,762**	**50,586**	**50,58,59,762**	**50,586**

11.2 Shareholders holding more than 5% of the shares of the Company:

	As at March 31, 2025		As at March 31, 2024 (Restated)		As at April 01, 2023 (Restated)	
	Number of Shares held	% holding	Number of Shares held	% holding	Number of Shares held	% holding
Sify Technologies Limited*	51,01,31,127	100%	50,58,59,762	100%	50,58,59,762	100%

*Includes 8 (March 31, 2024 & April 01, 2023 : 8) shares held by nominees of Sify Technologies Limited (Holding Company) to comply with the provisions of the Companies Act, 2013

11.3 Shareholding of Promoters

Equity shares held by promoters as at March 31, 2025

Name of the promoter	No. of shares	Percentage of total shares	Percentage of change during the period	Percentage of change during the period
Sify Technologies Limited	51,01,31,127	100%	-	-
Total	51,01,31,127	100%	-	-

Equity shares held by promoters as at March 31, 2024

Name of the promoter	No. of share	Percentage of total shares	Percentage of change during the period	Percentage of change during the period
Sify Technologies Limited	50,58,59,762	100%	-	-
Total	50,58,59,762	100%	-	-

Equity shares held by promoters as at April 01,2023

Name of the promoter	No. of shares	Percentage of total shares	Percentage of change during the period	Percentage of change during the period
Sify Technologies Limited	50,58,59,762	100%	-	-
Total	50,58,59,762	100%	-	-

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27, Subramaniam St., Abiramapuram
Chennai-18
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

11.4 Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

a) The Company allotted 50,00,00,000 equity shares as fully paid up shares on January 28, 2021 through business transfer agreement.
b) The Company allotted 8,59,762 equity shares as fully paid up shares on April 1, 2022 on account of merger order dated July 10,2023 with effect from April 01,2022.
c) The Company allotted 42,71,365 equity shares as fully paid up shares on April 1, 2023 on account of merger order dated January 09,2024 with effect from April 01,2023.

11.5 Shares reserved for issue

The Company has shares reserved for issue as on March 31, 2025 towards Compulsorily Convertible Debentures [D 12(e)], Non-Cumulative Compulsorily Convertible Preference shares [D 12(f)] and Non-Cumulative Redeemable Preference shares of Sify Data and Managed Services Limited issued to Sify Technologies Limited with a conversion ratio of 0.099.

12. Other Equity

12.1 Reserves and surplus

		As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Retained earnings				
Balance at the beginning of the year		31,515	22,190	12,521
Adjustments:				
Add: Profit for the year		12,636	9,325	9,669
Less: Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares		(225)	-	
Balance at the end of the year	(A)	43,926	31,515	22,190
Remeasurement of net defined benefit liability/asset				
Balance at the beginning of the year		(83)	(71)	(28)
Add: Additions during the year		(23)	(12)	(43)
Balance at the end of the year	(B)	(106)	(83)	(71)
Securities premium				
Balance at the beginning of the year		3,766	3,766	-
Merger of PAECIPL (refer note C(ii))				3,766
Add: Additions during the year (Premium on Non convertible debentures)		58	-	-
Balance at the end of the year	(C)	3,824	3,766	3,766
Capital Reserve				
Balance at the beginning of the year		914	914	914
Add: Additions during the year				
Balance at the end of the year	(D)	914	914	914
Share pending allotment (refer note c(ii))	(E)	-	427	427
12.2 Compulsorily Convertible Debentures				
Balance at the beginning of the year		62,693	18,074	
Add: Additions during the year		6,819	44,619	18,074
Balance at the end of the year	(F)	69,512	62,693	18,074
12.3 Compulsorily Convertible Preference Shares				
Balance at the beginning of the year		5,000	-	-
Add: Additions during the year		-	5,000	-
Balance at the end of the year	(G)	5,000	5,000	-
	(H) = (A)+(B)+(C)+(D)+(E)+(F)+(G)	1,23,070	1,04,232	45,300

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 09, 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 share of ₹ 10/- each to the Shareholders of PAECIPL amounts to ₹ 427 and accordingly recognised a securities premium of ₹ 3,737 (refer note B(6a)).

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 share of ₹ 10/- each to Shareholders of PHIPL amounting to ₹ 86 Lakhs and accordingly recognised a capital reserve of ₹ 914 lakhs (refer note D(41))

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
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Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

e) Compulsorily Convertible Debentures

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Compulsorily Convertible Debentures issued to Kotak Special Situations Fund	23,135	23,135	11,292
Compulsorily Convertible Debentures issued to Kotak Data Center Fund	34,058	27,239	-
Compulsorily Convertible Debentures issued to Sify Techonologies Limited	12,319	12,319	6,782
	69,512	62,693	18,074

Kotak Special Situations Fund ("KSSF"):

During the 2021-2022 fiscal year, pursuant to Debenture Subscription Agreement ("DSA") dated November 1, 2021, KSSF subscribed to (i) 2,00,00,000 Series 1 Compulsorily Convertible Debentures (the "Series 1 CCDs") with a face value of ₹ 100 each, amounting to ₹ 20,000 in Series 1 CCDs and (ii) 1% of 2,00,00,000 Series 2 Compulsorily Convertible Debentures ("Series 2 CCDs") with a face value of ₹ 100 each, amounting to ₹ 200 in Series 2 CCDs, in each case, issued by SISL.

During the 2022-2023 fiscal year, KSSF subscribed to an additional 1,98,00,000 Series 2 CCDs with a face value of ₹ 100 each, amounting to an additional ₹ 19,800 in Series 2 CCDs issued by SISL.

The conversion ratio for CCDs is determined based on the equity valuation of the next financial year following the financial year of drawdown of CCD money.

The Company fixed the conversion ratio of 0.8112 and 0.8078 for the Series 1 and Series 2 CCDs respectively pursuant to the formula provided in the DSA.

On July 20, 2023, SISL entered into an assignment letter with KSSF for the transfer of ₹ 60,000 to Kotak Data Centre Fund ("KDCF").

The Series 1 CCDs and Series 2 CCDs carry a coupon rate of 6% per annum, payable half-yearly. These CCDs shall be fully, mandatorily and compulsorily converted into equity shares by October 1, 2031, as provided for in the DSA.

These CCDs are backed by Put Option Agreement from Sify Techonologies Limited.

These CCDs are secured by a secondary charge over identified movable assets of Data Center facility.

Sify Technologies Limited ("STL"):

During financial year 2021-22, pursuant to Debenture Subscription Agreement ("DSA") dated March 29, 2022, the holding company, Sify Technologies Limited subscribed to 1,00,00,000 unsecured Compulsorily Convertible Debentures (CCDs) with face value of ₹ 100 each amounting to ₹ 10,000 ("Tranche I").

During the financial year 2022-23,pursuant to an Assignment Agreement dated March 20, 2023 the Company issued 22,50,000 unsecured CCD to holding company Sify technologies Limited as a consideration for transfer of Investments in Tasoula Energy Private Limited ("Tranche II").

In addition during financial year 2022-23, pursuant to a Debenture Subscription Agreement ("DSA") dated March 29, 2023, the holding company, Sify Technologies Limited subscribed to 1,00,00,000 unsecured Compulsorily Convertible Debentures (CCDs) with face value of ₹ 100 each amounting to ₹ 10,000 ("Tranche III").

The conversion ratio for CCDs is determined based on the equity valuation of the next financial year following the financial year of drawdown of CCD money.

The Company fixed the conversion ratio of 0.8112 for the Tranche 1 and Tranche 2 CCDs and 0.8078 for the Tranche 3 CCDs pursuant to the formula provided in the DSA.

The Tranche 1, Tranche 2 and Tranche 3 CCDs carry a coupon rate of 6% per annum, payable half-yearly. These CCDs shall be fully, mandatorily and compulsorily converted into equity shares by March 27, 2032, October 20, 2032, March 29, 2033 respectively, as provided for in the DSA.

Kotak Data Center Fund ("KDCF"):

During the 2023-24 fiscal year, pursuant to Debenture Subscription Agreement ("Second DSA"), dated July 20, 2023, KDCF subscribed to 4,80,00,000 Series 4 Compulsorily Convertible Debentures ("Series 4 CCDs") with a face value of ₹ 100 each, amounting to ₹ 48,000 in Series 4 CCDs. The conversion ratio was fixed at 0.5434 pursuant to the Second DSA.

During the 2023-2024 fiscal year, KDCF subscribed to 1,20,00,000 Series 5 Compulsorily Convertible Debentures ("Series 5 CCDs") with a face value of ₹ 100 each, amounting to ₹ 12,000 in Series 5 CCDs.

The Company fixed the conversion ratio of 0.9834 for the Series 5 CCDs pursuant to the formula provided in the DSA during the year ended March 31, 2025.

The Series 4 CCDs and Series 5 CCDs carry a coupon rate of 6% per annum, payable half-yearly. These CCDs shall be fully, mandatorily and compulsorily converted into equity shares by March 31, 2033, as provided in the Second DSA.

These CCDs are secured by a secondary charge over identified movable assets of Data Center facility.

f) Non-Cumulative Compulsorily Convertible Preference Shares

During the Financial Year 2020-21, Print House (India) Private Limited had issued 9% Non-Convertible Redeemable Preference Shares to Raju Vegesna Infotech & Industries Pvt Ltd., (RVIPL) on private placement basis. The Preference share capital are redeemable at par value at maturity, i.e. 20 years from the date of allotment. On account of merger, Sify Infinit Spaces Limited agreed to issue the 9% Non-Convertible Redeemable Preference Shares to Raju Vegesna Infotech & Industries Pvt Ltd on private placement basis. The Preference share capital are redeemable at par value at maturity, i.e. 17 years from the date of allotment. The terms of the Preference Shares are changed to 6% Non-Cumulative compulsorily convertible preference shares during the year 2023-24. During the year 2024-25, these shares were transferred from RVIPL to Sify Technologies Limited.

The Company fixed the conversion ratio of 0.0811 for the 6% Non-Cumulative compulsorily convertible preference shares. Accordingly these are accounted as compound financial instruments and accounted as other equity.

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
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Chartered Accountants

SIFY INFINIT SPACES
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

13. Borrowings

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Secured			
Term loan from banks [Refer Note (a) and (b) below]	1,18,432	1,14,501	81,300
6% p.a. Compulsorily Convertible Debentures [Refer Note 12(e) above]	31,429	42,183	26,173
8.95% p.a. Non Convertible Debentures [Refer Note (c) below]	25,000	-	-
From others [Refer Note (a) below]	27,817	3,208	187
Unsecured			
6% p.a. Compulsorily Convertible Debentures [Refer Note 12 (e) above]	7,094	7,964	14,321
6% Non-Cumulative Compulsorily Convertible Preference Shares [Refer Note (h) below]	-	-	5,000
Loan from holding company [Refer Note (d) below]	-	2,080	1,750
Loan from fellow subsidiary [Refer Note (e) below]	-	900	1,000
	2,09,772	1,70,836	1,29,731

a. Of the above, facilities amounting to ₹ 1,63,488 (March 31, 2024: ₹ 1,38,376, April 01, 2023: ₹97,387) by the Company are primarily secured by way of a pari-passu charge on the project Receivables and charge on movable fixed assets disbursed for the Specific DC Project.Out of this, ₹ 3,067 (March 31, 2024: ₹ 3,208, April 01, 2023: ₹187) is loan availed from others (NBFC).Of the above, the facility amounting to ₹ 25,000 (March 31, 2024: ₹ NIL, April 01, 2023: ₹ NIL) has been utilised for part-refinancing of existing Term Debt for Specific DC Project on 2nd April 2025.

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. The Company 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 curreny exposure.

c. Listed Non-Convertible Debentures (NCD) facility issued for re-financing the existing debt for specific Data Centre Towers amounting to ₹ 25,000 (March 31, 2024 & April 01, 2023: ₹ NIL) by the Company is primarily secured by way of pari-passu charge on the project Receivables and charge on movable fixed assets.

d.The Company has repaid the unsecured term loan of ₹ 2080 received from its holding company at an interest rate of 7% p.a during the FY 24-25.

e.The Company has repaid the unsecured term loan of ₹ 900 received from its fellow subsidiary at an interest rate of 7% p.a during the FY 24-25.

f. The current maturities of the above borrowings, carrying the aforesaid security and repayment terms are grouped under Note D (16).

h.During the FY 2020-21, Print House (India) Pvt Ltd had issued 9% Cumulative Non-Convertible Redeemable Preference Shares to Raju Vegesna Infotech & Industries Pvt Ltd.,(RVIPL) on private placement basis. The Preference share capital are redeemable at par value at maturity, i.e. 20 years from the date of allotment.The terms of the Preference Shares are changed to 6% Non-Cumulative compulsorily convertible preference shares during the year 2023-24. During the year 2024-25, these shares were transferred from RVIPL to Sify Technologies Limited.

14. Provisions

		As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Provisions for employee benefits - non-current				
Compensated absences		99	22	54
Gratuity [Refer note D (32)]		16	29	6
	(A)	115	51	60
Provisions for employee benefits - current				
Compensated absences		30	72	17
	(B)	30	72	17
	(A) + (B)	145	123	77

15. Other non-current liabilities

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Security Deposit	360	360	360
	360	360	360

16. Borrowings (short-term)

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Loans repayable on demand from banks – Secured [Refer notes (a) to (e) below]			
Working capital facilities	-	2,795	11,075
Loans repayable on demand from banks – Unsecured			
Loans and advances from Related Parties	-	-	11
Current maturities of Long Term Loans			
Current maturities of long term debt*	22,043	25,195	18,149
	22,043	27,990	29,235

* Refer note D (13)

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27, Subramaniam St., Abiramapuram Chennai-18
Chartered Accountants

SIFY INFINIT SPACES
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

(a) The above facilities amounting to ₹ Nil (previous year ₹ 2,795), non fund limits (including bank guarantees) 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) In addition to the above, out of these loans repayable on demand from banks,
(i) Outstanding amounting to ₹ Nil (previous year ₹ 2,795) 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 ₹ Nil (previous year ₹ 2,795) is secured collaterally by way of equitable mortgage over the properties at Tidel Park, Chennai, Vashi 6th floor, Vile Parle at Mumbai.
(c) These working capital facilities bear interest ranging from 8.00% p.a. to 9.30% p.a .(previous year: 8.00% p.a. to 9.30% p.a.) and these facilities are subject to renewal annually.
(d) Borrowings from banks is net off processing charges amounting to ₹ 478 (Previous year ₹ 336)
(e) Working capital facilities comprises the following:

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Bank overdraft	-	-	3,335
Other working capital facilities	-	2,795	7,740
	-	2,795	11,075

17. Trade payables

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Towards purchase of goods and services*			
Undisputed Trade payables :			
(a) Total outstanding dues to micro enterprises and small enterprises	327	91	55
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	20,121	13,823	9,398
	20,448	13,914	9,453

* Includes :
(a) This amount include ₹ 19 (March 31,2024 & March 31,2023: ₹ Nil) payable on account of the invoices that have been booked in holding company and subsequently transferred and includes an amount of ₹ 3 (March 31,2024: ₹ 21,March 31,2023: ₹ 2) payable to fellow subsidiary.Also refer note D (34).

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 to micro enterprises and small enterprises*	327		-	-	327
(b) Total outstanding dues of creditors other than micro enterprises and small	11,842	307	26	3	12,178
	12,169	307	26	3	12,505
Disputed Trade payables :					
(c) Total outstanding dues to micro enterprises and small enterprises	-	-	-	-	-
(d) Total outstanding dues of creditors other than micro enterprises and small	-	-	-	-	-
	-	-	-	-	-
Trade Payables - Unbilled					7,943
Total	12,169	307	26	3	20,448

* Out of the above, ₹ 327 pertains to MSME dues not more than 45 days as on March 31, 2025.

The following table presents the aging of the Trade payables for the year ended March 31, 2024

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 to micro enterprises and small enterprises*	91	-	-	-	91
(b) Total outstanding dues of creditors other than micro enterprises and small	6,332	334	-	55	6,721
	6,423	334	-	55	6,812
Disputed Trade payables :					
(c) Total outstanding dues to micro enterprises and small enterprises	-	-	-	-	-
(d) Total outstanding dues of creditors other than micro enterprises and small	-	-	-	-	-
	-	-	-	-	-
Trade Payables - Unbilled					7,102
Total	6,423	334	-	55	13,914

* Out of the above, ₹91 pertains to MSME dues not more than 45 days as on March 31, 2024

MANOHAR CHOWDHRY & ASSOCIATES
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Chennai-18.
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

The following table presents the ageing of the Trade payables as at April 01, 2023

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 to micro enterprises and small enterprises*	55	-	-	-	55
(b) Total outstanding dues of creditors other than micro enterprises and small	3,114	169	120	8	3,411
	3,169	169	120	8	3,466
Disputed Trade payables :					
(c) Total outstanding dues to micro enterprises and small enterprises	-	-	-	-	-
(d) Total outstanding dues of creditors other than micro enterprises and small	-	-	-	-	-
	-	-	-	-	-
Trade Payables - Unbilled					5,987
Total	3,169	169	120	8	9,453

* Out of the above, ₹55 pertains to MSME dues not more than 45 days as on April 01, 2023

18. Other financial liabilities

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Amounts payable to fellow subsidiaries (Refer Note (a) below)	-	-	566
Amounts payable to holding company (Refer Note (b) below)	1,390	954	1,590
Capital creditors	3,578	9,576	6,493
Interest accrued (Refer Note (c) below)	420	337	1,190
Other payables	2,486	-	1,971
	7,874	10,867	11,810

a. ₹ Nil (March 31, 2024 :₹ Nil, April 01, 2023 :₹ 566) payable to fellow subsidiary of the company on account of transfer of expenses, vendor payments made on behalf of the company.
b. ₹ 1,390 (March 31, 2024: ₹ 954, April 01, 2023 :₹ 1590) is payable to holding company on account of transfer of assets/liabilities, transfer of revenue and expenses, customer receipts received and vendor payments made by the parent company / fellow subsidiary company pertaining to the services rendered by and for the company.

c. ₹Nil (March 31, 2024: ₹ 75, April 01, 2023:₹ 900) is payable to Raju Vegesna Infotech & Industries Pvt Ltd on account issue of 9% Non-Convertible Redeemable Preference Shares on private placement basis.

19. Other current liabilities

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Advances received from customers	29	21	24
Statutory payables	258	94	170
Contract liability (Unearned income)*	3,553	3,374	3,426
Other payables	132	98	258
Current tax liability (Net of Advance tax paid)	1,534	-	-
	5,506	3,587	3,878

* Refer Note D (38) for the movement in Contract liability (Unearned income)

20. 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 ₹ 14,646 as on March 31, 2025 for SKVR Software Solution Pvt. Ltd. for Specific DC Project to the lenders.

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
(b) Capital commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	62,529	73,899	88,546

MANOHAR CHOWDHRY & ASSOCIATES FRN: 001997S No: 27, Subramaniam St., Abiramapuram, Chennai-18. Chartered Accountants

SIFY INFINIT SPACES LIMITED CHENNAI-113

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607
D. Notes forming part of the consolidated financial statements

(All amounts are in Indian Rupees lakhs except share data and as stated)

21. Revenue from operations

	For the Year ended March 31, 2025	For the Year ended March 31, 2024 (Restated)
Service Revenue:		
- Domestic	1,37,571	1,06,390
- Export	5,266	5,027
	1,42,837	**1,11,417**

22. Other Income

	For the Year ended March 31, 2025	For the Year ended March 31, 2024 (Restated)
Interest income		
From banks	1,893	2,205
Others	209	93
Other non-operating income		
Profit on sale of property, plant and equipment (Net)	180	-
Miscellaneous income	309	456
	2,591	**2,754**

23. Cost of services rendered

	For the Year ended March 31, 2025	For the Year ended March 31, 2024 (Restated)
Power expenses	55,946	46,229
Other direct costs	2,294	1,508
	58,240	**47,737**

24. Employee benefits expense

	For the Year ended March 31, 2025	For the Year ended March 31, 2024 (Restated)
Salaries and wages	4,982	3,781
Contribution to provident and other funds	321	231
Staff welfare expenses	136	71
Share-based payments to employees	5	3
	5,444	**4,086**

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27, Subramaniam St., Abiramapuram, Chennai-18.
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

25. Finance costs

	For the Year ended March 31, 2025	For the Year ended March 31, 2024 (Restated)
Interest Expenses*	11,714	8,693
Other finance costs	774	611
Interest on lease liability	2,793	2,701
	15,281	**12,005**

* The Company has capitalised borrowing costs @ 9.30% p.a amounting to ₹5,153 and ₹5,140 for the years ended March 31, 2025 and March 31, 2024.

26. Other expenses

	For the Year ended March 31, 2025	For the Year ended March 31, 2024 (Restated)
Commission expenses	6	10
Communication expenses	22	13
Rent	741	465
Rates and taxes	1,043	414
Travelling expenses	222	172
Power and fuel expenses	454	313
Legal and professional	729	693
Payment to auditors		
-For Statutory audit fees	18	18
- For Other services	4	-
- For reimbursement of expenses	*	*
Repairs and maintenance expenses		
- Plant and machinery	2,442	1,556
- Buildings	820	698
- Others	5,873	5,288
Insurance	378	227
Outsourced manpower costs	274	274
Advertisement, selling and marketing expenses	448	400
Loss on foreign exchange fluctuation (net)	26	306
Loss on sale of property, plant and equipment (Net)	-	30
Provision for doubtful advances	-	18
Contribution towards corporate social responsibility [Refer note D (37)]	220	217
Allowance for bad and doubtful debts (refer note D(7) for bad debts written off)	150	300
Miscellaneous expenses	1,880	1,961
	15,750	**13,373**

* Amount is below the rounding off norm adopted by the Company

MANOHAR CHOWDHRY & ASSOCIATES
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SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

27. Change in liabilities arising from financing activities and non-cash financing and investing activities for the year ended March 31, 2025

(i) Financing activities *

Particulars	As at April 01, 2024	Proceeds	Repayment	Non cash movement: Foreign exchange movement	Re-classification	Interest	Net of Additions / (Deletions)	As at March 31, 2025
Term loans from Bank and others	1,38,376	83,561	(54,318)	(59)	(4,073)	-	-	1,63,487
6% Compulsorily Convertible Debentures	54,676	-	(4,530)	-	(6,819)	-	-	43,327
8.95% p.a. Non Convertible Debentures	-	25,000	-	-	-	-	-	25,000
Term loans from Holding Company	2,080	-	(2,080)	-	-	-	-	-
Loan from fellow subsidiary	900	-	(900)	-	-	-	-	-
Working capital facilities excluding overdraft	2,795		(2,795)	-	-	-	-	-
Lease Liabilities	29,034		(4,458)	-	-	2,793	2,872	30,241
Total liabilities from financing activities	**2,27,861**	**1,08,561**	**(69,081)**	**(59)**	**(10,892)**	**2,793**	**2,872**	**2,62,055**

*Borrowings from banks is net off processing charges amounting to ₹ 3,068.

Change in liabilities arising from financing activities and non-cash financing and investing activities for the year ended March 31, 2024 (Restated)

(i) Financing activities *

Particulars	As at April 01, 2023 (Restated)	Proceeds	Repayment	Non cash movement: Foreign exchange movement	Re-classification	Interest	Net of Additions / (Deletions)	As at March 31, 2024 (Restated)
Term loans from Bank and Others	97,387	58,404	(17,329)	240	(326)			1,38,376
6% Compulsorily Convertible Debentures	42,743	60,000	(3,448)	-	(44,619)			54,676
6% Non-Cumulative Compulsorily Convertible Preference Shares #	5,000	-	-	-	(5,000)			-
Term loans from Holding Company	2,080	-	-	-	-			2,080
Loan from fellow subsidiary	1,000	-	(100)	-	-			900
Working capital facilities excluding overdraft	7,740		(4,945)					2,795
Lease Liabilities	23,356		(4,112)			2701	7089	29,034
Total liabilities from financing activities	**1,79,306**	**1,18,404**	**(29,934)**	**240**	**(49,945)**	**2,701**	**7,089**	**2,27,861**

*Borrowings from banks is net off processing charges amounting to ₹ 1,577.
The company has converted 9% Cumulative Non-Convertible Redeemable Preference to 6% Non-Cumulative Compulsorily Convertible Preference Shares.

28. 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)

	As at March 31, 2025	As at March 31, 2024 (Restated)	As at April 01, 2023 (Restated)
Deferred tax assets on temporary deductible differences			
Property, Plant and Equipment	7,390	6,084	3,780
Leases / Right of Use Assets	1,399	1,338	989
Provision for employee benefits	36	29	19
Allowances for doubtful debts	305	271	248
Provision for doubtful advances	9	9	4
Payment to MSME Vendors	6	6	-
	9,145	7,737	5,040
Deferred tax liabilities on temporary taxable differences			
Intangible assets	6	(8)	(1)
Security Deposits	-	-	-
	6	(8)	(1)
Net deferred tax assets / (liabilities) recognised in Balance Sheet	9,151	7,729	5,039

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No. 27, Subramaniam St., Abiramapuram, Chennai-18
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

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

	Provision for employee benefits	Allowances for doubtful debts	Provision for doubtful advances	Property, Plant and Equipment	Intangible assets	Leases / Right of Use Assets & Unwinding of Interest	Payment to MSME Vendors
Balance as at April 1, 2023 (Restated)	19	248	4	3,780	(1)	989	-
Recognised in income statement	10	23	5	2,304	(7)	349	6
Recognised in Equity	-	-		-	-	-	-
Balance as at March 31, 2024 (Restated)	29	271	9	6,084	(8)	1,338	6
Recognised in income statement	7	34	0	1,306	14	61	(0)
Recognised in Equity	-	-		-	-	-	-
Balance as at March 31, 2025	36	305	9	7,390	6	1,399	6

Income tax expense recognized in profit or loss

	For the year ended March 31, 2025	For the year ended Mar 31, 2024 (Restated)
Current tax expense/ (reversal)	6,812	4,782
Deferred tax liability / (asset)	(1,422)	(2,689)
	5,390	2,093

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:

	For the year ended March 31, 2025	For the year ended Mar 31, 2024 (Restated)
Profit before taxes	18,026	11,418
Enacted tax rates in India	25.17%	25.17%
Expected tax expense/(benefit)	4,537	2,874
Expenses that are not deductible in determining taxable profit	1,031	(700)
Reversal of previously recognised temporary differences	(178)	(81)
	5,390	2,093

29. Payments to directors (other than Whole-time Director)

	For the year ended March 31, 2025	For the year ended Mar 31, 2024 (Restated)
Sitting fees	27	4
	27	4

30. Reconciliation of equity shares in computing weighted average number of equity shares

(a) Weighted average number of shares

	For the year ended March 31, 2025	For the year ended Mar 31, 2024 (Restated)
Issued fully paid up ordinary shares as on April 1,	50,58,59,762	50,58,59,762
Issued as fully paid up in consideration for merger	2,22,345	-
Weighted average number of equity shares outstanding for Calculation of Basic Earnings Per Share	50,60,82,107	50,58,59,762

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No. 27, Subramaniam St, Abiramapuram, Chennai-18
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

(b) Reconciliations of earnings used in calculating Basic Earnings Per Share (BEPS):	**For the year ended March 31, 2025**	**For the year ended Mar 31, 2024 (Restated)**
Net profit as per profit and loss account	12,636	9,325
less: Dividend paid on Non-Cumulative Compulsorily Convertible Preference Shares	(225)	-
Profit attributable to the equity holders of the company used in calculating basic earnings per share	12,411	9,325
Basic Earnings per share	2.45	1.84
Diluted Earnings per share *	2.41	1.84

* Since above effect is anti- dilutive the Diluted Earnings per Shares is restricted to Basic Earnings per Share for the year ended March 31, 2024.
Since the convertiable instruments are issued based on the ranking of the instrument Diluted earnings per share are caluculated based on the ranking of the convertible instrument.

31. Foreign currency exposure
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	*	3
Trade Receivables	USD	23	1,938
Amounts payable in foreign currency on account of:			
Foreign currency long term loan	USD	15	1,284

* amount is below the rounding off norm adopted by the Company

The details of foreign currency exposure as at March 31, 2024 are as follows:

Particulars	**As at March 31, 2024 (restated)**		
	Foreign Currency	**Amount in foreign currency**	**Amount in Indian Rupees**
Amounts receivable in foreign currency on account of:			
Cash and bank balances	USD	2	206
Trade Receivables	USD	27	2,233
Amounts payable in foreign currency on account of:			
Foreign currency long term loan	USD	25	2,084

32. 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, 2025**	**For the year ended Mar 31, 2024 (Restated)**
Projected benefit obligation at the beginning of the year	207	177
Service cost	42	31
Interest cost	15	13
Remeasurement (gain)/losses	24	12
Benefits paid	(32)	(26)
Projected benefit obligation at the end of the year	256	207

Change in the fair value of plan assets

Particulars	**For the year ended March 31, 2025**	**For the year ended Mar 31, 2024 (Restated)**
Fair value of plan assets at the beginning of the year	178	172
Interest income	13	13
Employer contributions	80	20
Benefits paid	(32)	(26)
Return on plan assets, excluding amount recognised in net interest expense	1	(1)
Fair value of plan assets at the end of the year	240	178

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No. 27, Subramaniam St., Abiramapuram, Chennai-18
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

Amount recognised in the Balance Sheet

Particulars	For the year ended March 31, 2025	For the year ended Mar 31, 2024 (Restated)
Present value of projected benefit obligation at the end of the year	256	207
Fair value of plan assets at the end of the year	(240)	(178)
Funded status amount of liability recognised in the Balance Sheet	16	29

Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2025	For the year ended Mar 31, 2024 (Restated)
Service cost	42	31
Interest cost	15	13
Interest income	(13)	(13)

Summary of actuarial assumptions

Particulars	For the year ended March 31, 2025	For the year ended Mar 31, 2024 (Restated)
Discount rate	6.65%	7.15%
Salary escalation rate	8.00%	8.00%
Average future working life time	21.51 years	21.02 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, 2025	As at March 31, 2024 (Restated)
1 year	48	42
2 to 5 years	168	136
6 to 10 years	95	78
More than 10 years	39	34

Plan assets: The Gratuity plan's weighted-average asset allocation at March 31, 2025 and March 31, 2024, by asset category is as follows:

	March 31, 2025	March 31, 2024 (Restated)
Funds managed by insurers	100%	100%

	March 31, 2025	March 31, 2024 (Restated)
Remeasurement (gain) /loss arising from		
- change in demographic assumptions	-	-
- change in financial assumptions	5	1
- experience variance	19	10
- return on plan assets, excluding amount recognised in net interest expense/income	(1)	1
	23	12

MANOHAR CHOWDHRY & ASSOCIATES FRN: 001997S No: 27, Subramaniam St, Abiramapuram Chennai-18 Chartered Accountants

SIFY INFINIT SPACES LIMITED CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

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, 2025		March 31, 2024 (Restated)	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 1%)	267	246	216	199
(% change compared to base due to sensitivity)	4.3%	(3.9)%	4.2%	(3.9)%
Attrition Rate (- / + 50% of attrition rates)	270	247	213	203
(% change compared to base due to sensitivity)	5.2%	(3.8)%	2.6%	(2.2)%
Mortality Rate (- / + 10% of mortality rates)	256	256	207	207
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%
Salary Growth rate (-/+ 1%)	249	264	201	214
(% change compared to base due to sensitivity)	(3.0)%	3.1%	(3.0)%	3.1%

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 ₹ 248 and ₹ 189 was contributed for the year ended March 31, 2025 and March 31, 2024 respectively.

(All amounts are in Indian Rupees lakhs except share data and as stated)

33. 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 ₹ 98,762 (March 31,2024 ₹ 70,853) of the company's total revenue.

34. 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, 2025 and March 31, 2024 are as follows:

Particulars	Related Parties	Country of Incorporation	% of ownership interest
Ultimate Holding Company	Ramanand Core Investment Company Private Limited (subsidiary of Raju Vegesna Infotech and Industries Private Limited)	India	
Holding Company	Sify Technologies Limited	India	100%
Associate Company	SKVR Software Solution Private Limited	India	49%
Fellow Subsidiaries	Sify Technologies (Singapore) Pte. Limited Sify Technologies North America Corporation Sify Data and Managed Services Limited Sify Digital Services Limited	Singapore USA India India	
Key Managerial Personnel	Mr. Ramanujan V (Till October 21, 2024)# Mr. Ganesh Sankararaman (effective October 22, 2024)# Mr. C.R. Rao Mr. D J Poornasandar		
Trust controlled by KMP of Holding Company##	Raju Vegesna Foundation	India	

#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:

	March 31, 2025				
Transactions	**Sify Technologies Limited**	**Sify Digital Services Limited**	**SKVR Software Solution Private Limited**	**Sify Data and Managed Services Ltd**	**Key Management Personnel**
Lease rentals received	20	132	-	-	-
Lease rentals to holding company**	2,277	-	-	-	-
Lease Rent Paid	-	-	200	-	-
Loan Given	-	-	15,700	-	-
Rendering of services#	303	574	-	-	-
Interest Received	-	-	111	-	-
Investment in preference shares	-	-	9,900	-	-
Revenue transfer*	1,189	-	-	-	-
Expenses transfers*	5,269	146	-	-	-
Repayment of Capital advance	-	-	36,069	-	-
Interest paid on Loan Received	134	-	-	61	-
Interest paid on CCDs	1,335	-	-	-	-
Repayment of Capital advance	-	-	-	-	-
Loan Repaid***	2,080	-	-	900	-
Assets transfer	39	-	-	1,085	-
Salaries and other short term benefits ****	-	-	-	-	25
Contributions to defined contribution plans ****	-	-	-	-	1
Amount of outstanding balances					
Amount Payable	(19)	(3)	-	-	-
Amount Receivable	692	-	-	-	-
Advance receivable/(payable)	(1,390)	8	-	-	-
Capital advance Outstanding	-	-	-	-	-
Loan receivable/(payable) Net	-	-	15,700	-	-
Security Deposit	345	-	-	-	-
Issue of Compulsorily Convertible Debentures###	22,250	-	-	-	-
Outstanding preference shares	-	-	14,900	-	-

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No. 27, Subramaniam St., Abiramapuram, Chennai-18
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

*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 ₹ 65 of KMP remuneration cross-charged to the Company. (refer note D (7), D (17) and D (18)).

**During the year 2020-21, the Company had entered into a lease agreement with its parent Sify Technologies Limited, to lease the premises at Chennai, Noida and Hyderabad owned by the holding company for a period of ten years effective April 1, 2020 on a rent of ₹ 7.20 (Rupees Seven lakhs Twenty Thousand), ₹ 57.37 (Rupees Fifty Seven Lakhs Thirty Seven Thousand) & ₹ 50.32 (Rupees Fifty Lakhs Thirty two thousand) respectively per month with an escalation of 3% on the last paid rent after the end of every year and refundable security deposit equal to the rent of three months on all the said properties.

**During the year 2022-23, the Company had entered into a lease agreement with its parent Sify Technologies Limited, to lease the additional floors and to terminate existing 3rd floor at Hyderabad owned by the holding company for a period of five years effective January 1, 2023 on a rent of ₹ 64.65 (Rupees Sixty four lakhs sixty five Thousand) and ₹ 11.73 (Rupees Eleven lakhs Seventy threeThousand) respectively, per month with an escalation of 3% on the last paid rent after the end of every year and refundable security deposit equal to the rent of three months.

**During the year 2023-24, the Company had entered into a lease agreement with its parent Sify Technologies Limited, to lease the additional Space in Chennai Tidel DC for a period of ten years effective April 1, 2023 on a rent of ₹ 6.37 (Rupees Six lakhs Thirty Seven Thousand) per month with an escalation of 3% on the last paid rent after the end of every year.

*** Refer Note D (13)

**** 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.

₹148 (Previous Year :₹ 202) contributed to Raju Vegesna Foundation, Visakapatanam which is controlled by KMP of holding company.

Out of above ₹ 22,250 CCDs ₹12,319 is classifiied as other equity (refer note D (12))

Transactions	March 31, 2024 (Restated)				
	Sify Technologies Limited	**Sify Digital Services Limited**	**SKVR Software Solution Private Limited**	**Sify Data and Managed Services Ltd**	**Key Management Personnel**
Lease rentals received	20	-	-	-	-
Lease rentals to holding company**	2,362	-	-	-	-
Rent Received	-	132	-	-	-
Rendering of services#	303	574	-	-	-
Investment in Associate	-	-	1,960	-	-
Investment in preference shares	-	-	5,000	-	-
Revenue transfer*	1,131	-	-	-	-
Expenses transfers*	4,273	132	-	-	-
Interest paid on Loan Received	63	-	-	64	-
Interest paid on CCDs	1,335	-	-	-	-
Captital advance given	-	-	16,397	-	-
Assets transfer	5	-	-	-	-
Security Deposit Transfer	10	13	-	-	-
Salaries and other short term benefits ****	-	-	-	-	21
Contributions to defined contribution plans ****	-	-	-	-	1
Amount of outstanding balances					
Amount payable	958	21	-	-	-
Amount receivable	1,118	-	-	-	-
Advance receivable/payable	-	20	-	-	-
Capital advance Outstanding	-	-	35,132	-	-
Loan Outstanding	900	-	-	900	-
Lease Deposit	345	-	-	-	-
Issue of Compulsorily Convertible Debentures###	22,250	-	-	-	-
Outstanding preference shares	-	-	5,000	-	-

*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, 2024 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 2023-24 includes ₹ 56 of KMP remuneration cross-charged to the Company (refer note D (7), D (17) and D (18)).

**During the year 2020-21, the Company had entered into a lease agreement with its parent Sify Technologies Limited, to lease the premises at Chennai, Noida and Hyderabad owned by the holding company for a period of ten years effective April 1, 2020 on a rent of ₹ 7.20 (Rupees Seven lakhs Twenty Thousand), ₹ 57.37 (Rupees Fifty Seven Lakhs Thirty Seven Thousand) & ₹ 50.32 (Rupees Fifty Lakhs Thirty two thousand) respectively per month with an escalation of 3% on the last paid rent after the end of every year and refundable security deposit equal to the rent of three months on all the said properties.

**During the year 2022-23, the Company had entered into a lease agreement with its parent Sify Technologies Limited, to lease the additional floors and to terminate existing 3rd floor at Hyderabad owned by the holding company for a period of five years effective January 1, 2023 on a rent of ₹ 64.65 (Rupees Sixty four lakhs sixty five Thousand) and ₹ 11.73 (Rupees Eleven lakhs Seventy threeThousand) respectively, per month with an escalation of 3% on the last paid rent after the end of every year and refundable security deposit equal to the rent of three months.

**During the year 2023-24, the Company had entered into a lease agreement with its parent Sify Technologies Limited, to lease the additional Space in Chennai Tidel DC for a period of ten years effective April 1, 2023 on a rent of ₹ 6.37 (Rupees Six lakhs Thirty Seven Thousand) per month with an escalation of 3% on the last paid rent after the end of every year.

**** 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.

MANOHAR CHOWDHRY & ASSOCIATES
FRN: 001997S
No: 27, Subramaniam St., Abiramapuram, Chennai-18
Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

#Pursuant to agreement for shared services between entities, SISL is charging to STL and SDSL for the services rendered.
₹202 (Previous Year :₹ 90) contributed to Raju Vegesna Foundation, Visakapatanam which is controlled by KMP of holding company.
Out of above ₹ 22,250 CCDs ₹ 12,319 is classifiied as other equity (refer note D (12))

(c) Associate Stock Option Plan

The Holding Company Sify Techonologies Limited had issued stock options under Associate Stock Option Plan (ASOP) ASOP 2014. The Compensation Committee of the Holding Company grants the options on the basis of performance, criticality and potential of the employees as identified by the management of Holding Company . Each option entitles the holder to purchase one American Depository Share (ADS) at an exercise price determined by the Compensation committee on the date of the grant.

The fair value of stock options granted has been measured using the Black Scholes model at the date of the grant. The Black Scholes model includes assumptions regarding dividend yields, expected volatility, expected term (or "option life") and risk free interest rates. In respect of the options granted, the expected term is estimated based on the vesting term, contractual term as well as expected exercise behaviour of the employees receiving the option. Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares. Share prices for the year 2011-12 have been eliminated in determining volatility as there had been extra ordinary price movements during the said period on account of capital infusion by promoters. Dividend yield of the options is based on the recent dividend activity. Risk-free interest rates are based on the Government securities yield in effect at the time of the grant. These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in the future periods, stock compensation expense could be materially impacted in future years.

The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in substance, multiple awards. Stock Compensation Expenses is reimbursed to the Holding Company.

35. 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. There are no outstanding forward contracts as at March 31, 2025.

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 INR 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, 2025 is as follows

Particulars	Value of the ₹ term loan	Value of the USD principal (Million)	Mark to Market losses/ (gain)
Tranche 1	441	USD 0.6	-
Tranche 2	662	USD 0.9	-
Total	**1,103**	**USD 1.5**	-

The outstanding balances as on March 31, 2024 (Restated) is as follows

Particulars	Value of the ₹ term loan	Value of the USD principal (Million)	Mark to Market losses/ (gain)
Tranche 1	735	USD 1.0	-
Tranche 2	1,103	USD 1.5	-
Total	**1,838**	**USD 2.5**	-

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:

	As at March 31, 2025		As at March 31, 2024 (Restated)	
	Receivable (USD)	Payable (₹)	Receivable (USD)	Payable (₹)
Less than 1 year	10	735	10	735
One to two years	5.0	368	10	735
Two to three years	-	-	5	368
Three to four years	-	-	-	-
Four to five years	-	-	-	-
More than five years	-	-	-	-
Total cash flows	**15.0**	**1,103**	**25**	**1,838**

The Company recognized a net loss on the cross currency swaps of ₹ Nil [Previous year : ₹ Nil] for the year ended March 31, 2025.

MANOHAR CHOWDHRY & ASSOCIATES FRN: 001997S No: 27, Subramaniam St., Abiramapuram, Chennai-18 Chartered Accountants

SIFY INFINIT SPACES LIMITED CHENNAI-113

(All amounts are in Indian Rupees lakhs 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:

	As at March 31, 2025		As at March 31, 2024 (Restated)	
	Receivable (USD)	Payable (₹)	Receivable (USD)	Payable (₹)
Less than 1 year	1	74	2	139
One to two years	*	12	1	74
Two to three years	-	-	*	12
Three to four years	-	-	-	-
Four to five years	-	-	-	-
More than five years	-	-	-	-
Total cash flows	1	86	3	225

* Amount is below the rounding off norm adopted by the Company

Total notional amount outstanding as on March 31, 2025 is USD 15 (previous year: USD 25)

The Company recognized a net mark to market gain on the interest rate swaps of ₹ 85 during the year ended March 31, 2025 (Previous year: mark to market gain of ₹ 85).

b. Financial instruments by category

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	-	-	22,975	22,975	22,975
Trade receivables	28,793	-	-	28,793	28,793
Cash and Bank balances	33,247	-	-	33,247	33,247
Other financial assets	34,555	-	-	34,555	34,555
Derivative financial instruments	-	185	-	185	185
Liabilities					
Borrowings from banks & others	1,62,930	-	-	1,62,930	1,62,930
6% Compulsorily Convertible Debentures	43,327			43,327	43,327
Borrowings from holding company & fellow subsidiaries	0			0	0
8.95% Non - Convertible Debentures	25,000	-	-	25,000	25,000
Lease Liabilities	30,240	-	-	30,240	30,240
Trade payables	20,448	-	-	20,448	20,448
Other financial liabilities	7,874	-	-	7,874	7,874

The carrying value and fair value of financial instruments by each category as at March 31, 2024 (Restated) 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	-	-	12,980	12,980	12,980
Trade receivables	26,128	-	-	26,128	26,128
Cash and Bank balances	29,191	-	-	29,191	29,191
Other financial assets	16,242	-	-	16,242	16,242
Derivative financial instruments	-	270	-	270	270
Liabilities					
Borrowings from banks & others	1,41,171	-	-	1,41,171	1,41,171
6% Compulsorily Convertible Debentures	54,675	-	-	54,675	54,675
Borrowings from holding company & fellow subsidiaries	2,980	-	-	2,980	2,980
8.95% Non - Convertible Debentures	-	-	-	0	0
Lease Liabilities	29,034	-	-	29,034	29,034
Trade payables	13,914	-	-	13,914	13,914
Other financial liabilities	10,867	-	-	10,867	10,867

Details of financial assets pledged as collateral

The carrying amount of financial assets as at March 31, 2025 and March 31, 2024 that the Company has provided as collateral for obtaining borrowing and other facilities from the bankers are as follows:

	As at March 31, 2025	As at March 31, 2024 (Restated)
Trade receivables	-	2,795
Cash and Bank balances	17,689	12,828
	17,689	15,623

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SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs except share data and as stated)

c. Fair value measurements:

The details of assets and liabilities that are measured on fair value on recurring basis are given below:

	Fair value as of March 31, 2025			Fair value as of March 31, 2024 (Restated)		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Derivative financial assets - gain on outstanding forward contracts	-	-	-	-	-	-
Liabilities						
Derivative financial liabilities - loss on outstanding option/forward contracts	-	-	-	-	-	-
Derivative financial liabilities - loss on outstanding cross currency swaps	-	-	-	-	-	-
Derivative financial liabilities - (Gain) / loss on outstanding interest rate swaps	-	-	85	-	-	85

• 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

	Year Ended	
	March 31, 2025	March 31, 2024 (Restated)
(a) Financial assets at amortised cost		
Interest income on bank deposits	1,893	2,205
Interest income on other financial assets	209	93
Impairment on trade receivables	(150)	(300)
(b) Financial assets/liabilities at fair value through profit or loss (FVTPL)		
Net gains/(losses) on fair valuation of derivative financial instruments	3	(85)
(c) Financial liabilities at amortised cost		
Interest expenses on lease obligations	(2,793)	(2,701)
Interest expenses on borrowings from banks, others and overdrafts	(12,488)	(9,304)

36. 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.

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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.

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, 2025 and March 31, 2024 was as follows:

	As at	
	March 31, 2025	March 31, 2024 (Restated)
Other investments	22,975	12,980
Trade receivables	28,793	26,128
Cash and Bank balances	33,247	29,191
Other financial assets	34,740	16,512
	1,19,755	84,811

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 (7) 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, 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	1,62,930	2,41,481	29,712	65,370	58,246	88,153
6% Compulsorily Convertible Debentures	43,327	54,401	7,333	14,670	14,666	17,732
Borrowings from Holding company & Fellow Subsidiaries	-	-	-	-	-	-
8.95% Non - Convertible Debentures	25,000	57,451	2,238	4,476	4,476	46,261
Lease Liabilities	30,240	94,457	4,927	9,903	8,669	70,958
Trade payables	20,448	20,448	20,448	-	-	-
Other financial liabilities	7,874	7,874	7,874	-	-	-
	2,89,819	4,76,112	72,532	94,419	86,057	2,23,104

As at March 31, 2024 (Restated)

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 Years
Non-derivative financial liabilities						
Borrowings from banks	1,41,171	1,82,180	31,845	66,820	48,517	34,998
6% Compulsorily Convertible Debentures	54,675	68,553	7,333	14,666	14,670	31,884
Borrowings from Holding company & Fellow Subsidiaries	2,980	3,329	1,093	2,236	-	-
8.95% Non - Convertible Debentures	-	-	-	-	-	-
Lease Liabilities	29,034	87,085	4,455	8,727	7,629	66,274
Trade payables	13,914	13,914	13,914	-	-	-
Other financial liabilities	10,867	10,867	10,867	-	-	-
	2,52,641	3,65,928	69,507	92,449	70,816	1,33,156

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Chartered Accountants

SIFY INFINIT SPACES LIMITED
CHENNAI-113

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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, 2025 was as follows:

All amounts in respective currencies as mentioned (in lakhs)

	Cash and bank balances	Trade receivables	Foreign Currency Loan	Net Balance Sheet exposure
USD	*	23	(15)	8

The Company's exposure to foreign currency risk as at March 31, 2024 (Restated) was as follows:

All amounts in respective currencies as mentioned (in lakhs)

	Cash and bank balances	Trade receivables	Foreign Currency Loan	Net Balance Sheet exposure
USD	2	27	(25)	4

A 10% strengthening of the rupee against the respective currencies as at March 31, 2025 and March 31, 2024 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.

	Other comprehensive income	Profit/(loss)
March 31, 2025	-	(66)
March 31, 2024 (Restated)	-	(35)

A 10% weakening of the rupee against the above currencies as at March 31, 2025 and March 31, 2024 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:

	Carrying amount	
	March 31, 2025	March 31, 2024 (Restated)
Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	17,689	35,600
Financial liabilities		
- Borrowings from banks	-	-
- Borrowings from others	68,327	57,655
Variable rate instruments		
Financial liabilities		
- Borrowings from banks*	1,63,488	1,41,171
- Bank overdrafts	-	-

* 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.

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SIFY INFINIT SPACES LIMITED
CHENNAI-113

(All amounts are in Indian Rupees lakhs 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.

	Equity	Profit or (loss)
March 31, 2025	-	-
March 31, 2024 (Restated)	-	(33)

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.

37. 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, 2025 and March 31, 2024 towards Corporate Social Responsibility (CSR) are ₹ 218 and ₹ 217 respectively. The details of CSR expenditure and CSR activities carried out by the Company are as follows.

	For the year ended March 31, 2025	For the year ended March 31 2024 (Restated)
Amount required to be spent during the year	218	217
Amount of expenditure incurred	220	217
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-

Nature of CSR activities

The details of CSR activities carried out by the Company are as follows:

Name of the Organisation	Nature of activity	For the year ended March 31, 2025	For the year ended March 31 2024 (Restated)
Voluntary Health Services, Chennai	Promotion of health care	20	15
Shree Anand Charitable Trust, Mumbai	Livelihood enhancement	50	0
Sri Veda Paripalana Sabha	Livelihood enhancement	2	0
Raju Vegesna Foundation, Visakhapatnam*	Livelihood enhancement	148	202
Total		**220**	**217**

* The trust is controlled by Key Managerial Personnel of Holding Company

38. Contract Balances

The following table provides information about

Particulars	March 31, 2025	March 31, 2024 (Restated)
Trade Receivables	28,793	26,128
Contract liabilities - Deferred Revenue	3,553	3,374

Significant changes in deferred revenue balances during the year are as follows

Particulars	March 31, 2025	March 31, 2024 (Restated)
Revenue recognised that was included in the deferred revenue at the beginning of the year	3,374	3,426

Costs to fulfil customer contracts are deferred and amortized over the contract period. For the period ended March 31, 2025 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.

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SIFY INFINIT SPACES LIMITED
CHENNAI-113

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39. Dues to micro, small or medium enterprises

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, 2025 and March 31, 2024 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, 2025. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at March 31, 2025	As at March 31, 2024 (Restated)
a. the principal amount and the interest due thereon remaining unpaid at the end of accounting year	327	91
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.	-	-

40. 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, 2025 is ₹ 1,74,088 (previous year: ₹ 1,54,818).

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows:

		As at March 31, 2025	As at March 31, 2024 (Restated)
Debt		2,31,815	1,98,826
Less: cash and bank balances		(33,247)	(29,191)
Net debt	A	1,98,568	1,69,635
Equity	B	**1,74,083**	**1,54,818**
Net debt to Equity ratio	A/B	114%	110%

41. 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 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

42. 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 Busines, through a Share Purchase Agreement dated 1st September 2023. The Company has been paid ₹ 4000 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.

43. Audit Trial

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.

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CHENNAI-113

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44. Additional disclosure as per part III of Division II of Schedule III to Companies Act 2013

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%	1,74,088	100%	12,641	100%	(23)	100%	12,618
Associate Company *								
SKVR Software Solution Private Limited	0%	(5)	(0)	(5)	0	0	0%	(5)

* Associate company with effect from March 26, 2025

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SIFY INFINIT SPACES LIMITED ★ CHENNAI-113

Sify Infinit Spaces Limited
CIN:U74999TN2017PLC119607
D. Notes forming part of the consolidated financial statements

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45. 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/disclose in these financial statements.

for **Manohar Chowdhry & Associates**
Chartered Accountants
Firm Registration No.: 001997S

K S Y Suryanandh
Partner
Membership No.: 237830

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Chartered Accountants

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

SIFY INFINIT SPACES LIMITED
CHENNAI-113

Ganesh Sankararaman
Chief Financial Officer

D J Poornasandar
Company Secretary

Chennai
April 18, 2025