IMPACT PLUS
REPORT

SIFY INFINIT SPACES LIMITED

D&B D-U-N-S® NUMBER – 86-121-4378

2nd Floor, Tidel Park No.4, Rajiv Gandhi Salai,
Taramani, Chennai – 600113,
Tamil Nadu, India

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Scope of the Report

- History and legal background
- Existing operations
- Management background
- Financial statements and analysis
- Industry overview
- Macro-economic summary

Information Sources

Information given in this report is compiled based on information obtained from the following sources:

- Annual reports
- Company website
- Corporate communiqués
- Media articles
- Management discussion
- Draft Red Herring Prospectus (DRHP)

Methodology

Financial information from the audited annual reports of Sify Infinit Spaces Limited (hereinafter referred to as 'the Company' or 'SISL') was studied and analyzed on standalone basis for a three-year period from Financial Year (FY) 2024 to FY 2026. Report has been prepared based on information available on Ministry of Corporate Affairs (MCA), Company website, and other public sources.

On 12th May 2026, Mr. Praveen Krishna – DGM Corporate Communications provided relevant information in the report during the management discussion.

The financial statements for FY 2026 are provided by the management and are yet to be adopted by the shareholders in Annual General Meeting.

Date – 09th June 2026

Contents

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BUSINESS PROFILE

Line of Business

Engaged in leading providers of data center colocation services. It offers a converged ecosystem of data center services, including colocation, build-to-suit, interconnection, and value-added services.

Key Financials FY 2026

Revenue
INR 17,605 million

Net Profit
INR 372 million

Tangible Networth
INR 21,961 million

EBITDA
INR 7,817 million

Basics Details

Start Date: 20th November 2017

CIN Number: U74999TN2017PLC119607

Key Executive: Mr. Chintaluri Venkata Rajeswara Rao

Telephone: 91 - 44 - 22540770

Email: sisl.secretarial@sifycorp.com
sify.secretarial@sifycorp.com

Website: www.sifyinfinitspaces.com

Last AGM Date: 30th July 2025

No of Employees: 279 (FY 2026)

Ratings

2026

5A2 "Good"

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BUSINESS OVERVIEW

- BUSINESS OPERATIONS
- MANAGEMENT
- SHAREHOLDING PATTERN
- AWARDS & CERTIFICATIONS

BUSINESS OPERATIONS

Brief History

2017	Sify Infinit Spaces Limited incorporated as a public limited company under its present name

SISL is engaged in the provision of data center colocation services in India. As of 31st March 2026, the Company operates 14 colocation data center facilities across six cities in the country. The Company's first data center commenced operations in 2000.

The Company's data centers are located in Mumbai, Chennai, Noida, Bengaluru, Kolkata, and Hyderabad, which represent major data center demand markets in India. Across these facilities, the Company has a built information technology (IT) power capacity of 192.36 megawatts (MW). Three of the Company's data center facilities have been certified by NVIDIA for artificial intelligence (AI) workloads, including support for air-cooled and liquid-cooled environments. These facilities have also received Indian Green Building Council (IGBC) Platinum certification and TIA-942 Rated 4 certification from the Telecommunications Industry Association (TIA).

The Company filed its Draft Red Herring Prospectus (DRHP) dated 17th October 2025 with the Securities and Exchange Board of India (SEBI) for an initial public offering of its equity shares. The proposed IPO comprises a fresh issue of equity shares aggregating up to INR 25,000 million and an offer for sale (OFS) aggregating up to INR 12,000 million by certain existing shareholders, resulting in a total issue size of up to INR 37,000 million.

The net proceeds from the fresh issue are proposed to be utilized for the following purposes:

INR in million

Object	Amount
Capital expenditure for Chennai 02 Data Center (Tower B)	4,650
Capital expenditure for Rabale Data Center (Towers 11 and 12)	8,600
Repayment and/or prepayment of certain borrowings	6,000
General corporate purposes	Balance amount

Product Portfolio

The Company offers a converged ecosystem of data center services, including colocation, build-to-suit, interconnection, and value-added services, which enable clients to securely house their IT infrastructure in scalable and energy-efficient facilities, connect with partners and cloud service providers for data exchange, and optimize operations through digital solutions aligned with evolving requirements. The converged ecosystem offered by the Company creates an environment in which Hyperscaler and Enterprise clients colocating within its data centers are able to derive mutual benefits. For instance, Enterprise clients are able to interconnect with Hyperscaler clients, facilitating low-latency connectivity for mission-critical applications, while Hyperscaler clients are able to extend their offerings to Enterprise clients through low-latency colocation arrangements. The Company also provides clients with the ability to connect from its data centers to more than one interconnection point, including the availability zones of cloud service providers. In addition, the Company's most recently developed data center facilities—Tower 5 at the Rabale Data Center campus, Tower B at the Chennai 02 Data Center, and Tower B at the Noida 02 Data Center—are equipped to handle AI-related workloads, with specifications capable of supporting workloads of up to 130 kW per rack using direct-to-chip technology.

The Company also offers a suite of solutions that incorporates network connectivity services and digital IT tools and services, which are enabled by its Promoter, Sify Technologies Limited (STL), and one of its group companies, Sify Digital Services Limited (SDSL), for clients requiring such services. These complementary services, which are provided by STL and SDSL, enable the Company to function as a provider of a converged spectrum of ICT services. For example, the Company is able to offer network connectivity up to the rack level, and its campuses provide access to interconnects with multiple public cloud service providers in India, supporting various cloud deployment requirements. Value-added services include compute and analytics services, and deeper client engagement, where required, is supported by SDSL.

The Company provides following services:

Colocation Services - The Company provides colocation services ranging from single cabinet deployments to multi-megawatt capacity installations. These services allow clients to deploy IT infrastructure based on their power and space requirements, with commercial arrangements structured on a pay-as-per-power-usage basis. The Company leverage the Sify Group's over three decades track record across the spectrum of network, data center services and digital services, to provide secure, reliable, sustainable, and energy-efficient smart data storage solutions, to meet its clients' diverse digital infrastructure needs. SISL offers a converged ecosystem of data center services, including colocation, build-to-suit, interconnection and value-added services, which allows us to address the full spectrum of our clients' ICT requirements.

- Data Center Colocation - Data center space is leased according to customer specifications, from single-cabinet to multi-megawatt-capacity deployment, built-to-suit data centers.

- Cross Connects - Extend network from MMRs to customer racks via copper cable, single mode to bulk fiber deployment. This is a ready-to-use connectivity link between Sify DC-hosted customer and other telcos/BSO.

- Smart Hands - SISL has in-house engineering expertise across all teams to support our operations and clients. As of 30th June 2025, the Company employed 220 engineering professionals. Their roles span data center colocation, project, and structural engineering services.

- Value-Added Services - Deployment of inter-rack cabling, rack and stack of servers, customized, compliant security deployment, and procurement of equipment through OEMs.

Built-to-suit data centers - Customize and design a robust data center facility to meet your specific needs. The Company offers build-to-suit services to meet the needs of clients. Build-to-suit refers to custom built data center solutions designed specifically to meet the unique requirements of a client, including specifications for space, technology, and operational needs, ensuring optimal functionality and efficiency. As part of SISL's built-to-suit services, collaborate with client to define requirements, design the facility, oversee construction, manage operations and ensure that the finished product aligns with the client's operational needs and technological standards.

Green data centers - A carbon-neutral green data center provider implements sustainable and renewable energy solutions. Green energy is an important criteria for organizations with large-scale power consumption as it helps maximize energy efficiency and minimize environmental impact. SISL is making considerable investments on green energy for its data centers. This will deliver considerable cost savings on energy while meeting its commitments to the environment.

Data Center Inter Connect - Integrate SISL's data centers seamlessly into the virtual campus with a pre-built 10G ethernet. Data center interconnect (DCI) technology connects two or more data centers to exchange data seamlessly and also provides backup for redundancy. DCI enables enterprises to dynamically tap into both physical and virtual resources across numerous sites, and load-balance their network infrastructure as necessary.

SISL connects with pan India edge data centers on a high-speed network to maximize reach and deliver a superior end-user experience. Internet Exchange as-a-service offered by SISL gives access to multiple cloud providers, ISPs, CDNs, OTT players, social media networks, enterprises, and national and international telcos under a single umbrella to optimize and enhance network performance.

<u>Facilities</u>

The Company controls its activities from its registered corporate office located at Chennai, Tamil Nadu. As of 31st March 2026, it has 14 operational colocation data center facilities across 6 major cities in India, comprising 7 data center facilities in Mumbai, 2 data center facilities in Chennai, 2 data center facilities in Noida and 1 data center facility in each of Bengaluru, Hyderabad and Kolkata. Data centers combined had a built IT power capacity of 192.36 MW, as of 31st March 2025.

MUMBAI 01: VASHI
Type: **India's 1st commercial Data center**
Operational: **2000**
IT power: **0.9 MW**

CHENNAI 01: TIDEL PARK
Operational: **2000**
IT power: **3.6 MW**

MUMBAI 02: AIROLI
Type: **Sify's 1st Cloud Data center**
Operational: **2008**
IT power: **5.4 MW**

BENGALURU 01: ELECTRONIC CITY
Type: **Purpose-built Data center**
Operational: **2011**
IT power: **7.6 MW**

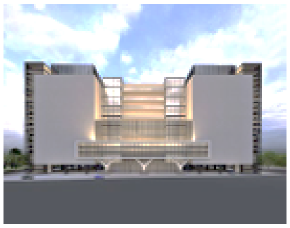
NOIDA 01
Type: **North India's 1st hyperscale data center**
Operational: **2015**
IT power: **10.8 MW**

HYDERABAD 01: FINANCIAL DISTRICT
Type: **Hyperscale data center campus**
Operational: **2018**
IT power: **14.4 MW**

MUMBAI 03: RABALE
Type: **AI-ready hyperscale data center campus**
Operational: **2013**
IT power: **377+ MW eventually**
Tower 5 now live |
7 new towers to be operational in the coming years

KOLKATA
Type: **Cloud data center**
Operational: **2021**
IT power: **2.2 MW**

CHENNAI 02: SIRUSERI
Type: **AI-ready hyperscale data center campus**
Operational: **Tower B: 2025, Tower A&C to be operational in the coming years**
IT power: **130+ MW eventually**



NOIDA 02
Type: **AI-ready hyperscale data center campus**
Operational: **Tower B: 2025, Tower A&C to be operational in the coming years**
IT power: **130+ MW eventually**

Marketing Strategy

The Company's sales and marketing activities are focused on keeping existing clients and prospective customers informed about its data center capabilities and developments in the data center industry. As part of these activities, the Company organizes site visits for senior client stakeholders, including chief executive officers (CEOs) and chief technology officers (CTOs), during which it presents its data center capabilities and engages in discussions to address client requirements and queries. The Company also hosts industry discussion events and submits white papers to relevant industry forums.

The Company's dedicated sales and marketing team works closely with members of its Senior Management to identify new business opportunities, strengthen long-standing relationships with existing clients, and establish new engagements with Hyperscaler and Enterprise clients. In addition, the Company follows a unified go-to-market (GTM) strategy, under which it augments its colocation, build-to-suit, interconnection, and value-added services with complementary offerings provided by its Promoter, Sify Technologies Limited (STL), and its group company, Sify Digital Services Limited (SDSL). Through this approach, the Company offers a converged portfolio of services to Enterprise clients and facilitates cross-selling of services across the Company, STL, and SDSL.

For example, the Company is able to offer colocation or other data center services to clients who utilize STL's network connectivity services or SDSL's digital IT tools and services, and conversely, introduce network or digital services to clients primarily engaged for data center services. Clients benefit from access to an integrated services offering when engaging with the Company, STL, or SDSL.

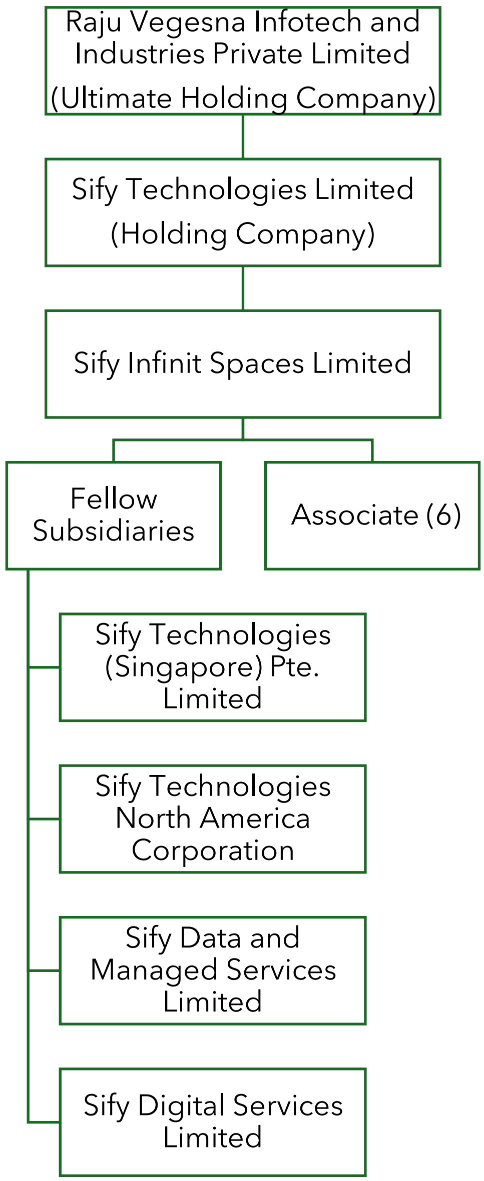
Future Plan

The Company plans to add eleven data centres over the next two to three years, with expansion covering hyperscale and edge locations. The Company is also planning an IPO of INR 37,000 million, comprising INR 12,000 million through offer for sale and INR 25,000 million through fresh issue. The fresh issue proceeds are planned to be used for data centre facilities, facilities under construction, and general corporate purposes. Operational capex is expected to be INR 500 million to INR 700 million per annum, mainly for replacement and maintenance, and is planned to be funded through internal accruals. Management indicated that fresh issue proceeds will support growth capex and reduce reliance on incremental borrowings for expansion. The Company has also referred to development of edge data centres, including Lucknow and Manali.

About the Group

The Company has one ultimate holding, one holding, four fellow subsidiaries, six affiliate and one group companies. SISL is part of the Sify Group, an established digital infrastructure and services group in India. The Group operates across multiple segments of the information and communications technology (ICT) value chain, including data centers, network services, cloud and digital services.

As apprised, Sify Technologies Limited acts as the network services arm of the group & provides connectivity and network services terminating within Sify Infinit Spaces' data centres, forming a critical part of the interconnection offering. SISL focuses exclusively on the data centre and digital infrastructure business, including co-location and build-to-suit facilities. SISL operates as a key subsidiary within the group. Sify Digital Services Limited (SDSL) provides IT tools, platforms, and digital services such as compute, storage, analytics, and security solutions that operate on top of the data centre infrastructure. Also offers cloud and virtual storage services, which are not provided directly by SISL.



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 23rd June 2020. STL took over the management of affairs of PHIPL on 16th October 2020. During FY 2022-23, 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 1st April 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 27th November 2022 convened by Hon'ble NCLT, Chennai. Hon'ble NCLT has approved the Scheme of Amalgamation filed by Sify Infinit Spaces Limited on 10th July 2023. As per the Hon'ble NCLT order, SISL has issued 8,59,762 equity and 5,00,00,000 preference shares to the shareholders of PHIPL.

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 paid INR 400 million as consideration to shareholders of SKVR with 51% and 49% of the purchase price paid by Sify Technologies Limited and Sify Infinit 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 26th March 2025. The Leasehold land owned by SKVR has been used for construction of Data Centre.

Source: MCA, Company website, DRHP and information provided by the management

MANAGEMENT

Mr. Chintaluri Venkata Rajeswara Rao - Whole-Time Director

Mr. Chintaluri Venkata Rajeswara Rao is the Whole-Time Director of the Company. He holds a bachelor's degree in law and a bachelor's degree in commerce from Andhra University. He has been enrolled as an advocate with the Bar Council of the state of Andhra Pradesh. He has over 16 years of experience in strategy, operations and management.

Board of Directors

Mr. Chintaluri Venkata Rajeswara Rao (DIN: 02624863)
Whole-Time Director
Qualification – Bachelor's degree in law and commerce from Andhra University
Relevant Experience: 16 years

Other Indian Directorships

- V.R.R.Shelters Private Limited
- Sify Data And Managed Services Limited
- Sify Digital Services Limited
- Ramanand Core Investment Company Private Limited
- SKVR Software Solution Private Limited
- Raju Vegesna Infotech And Industries Private Limited
- Raju Vegesna Developers Private Limited
- Raju Vegesna Properties (India) Private Limited
- V.R.R. Agrotech Private Limited
- V.A.L.S.Developers Private Lmited
- Satya Sravanthi Agrofarms Private Limited
- Kkaar Farms And Developers Private Limited
- V.A.R. Agrotech Private Limited
- Village Inns (India) Private Limited
- Raju Vegesna Agrofarms And Estates Private Limited
- Anantha Koti Raju Developers Private Limited

Mr. Arun Seth (DIN: 00204434)
Director
Qualification – Bachelor's degree in technology (electrical engineering) from Indian Institute of Technology, Kanpur, and post graduate diploma in management from Indian Institute of Management, Calcutta

Other Indian Directorships

- Jubilant Pharmova Limited
- Jubilant Ingrevia Limited
- Kent R O Systems Limited
- Usha Breco Limited
- Sify Technologies Limited
- Le Travenues Technology Limited
- Naffa Innovations Private Limited
- Devrev Cloud India Private Limited
- Sify Digital Services Limited
- IITK Foundation For Medical Research And Technology
- Hunger Inc Hospitality Private Limited
- Nudge Lifeskills Foundation
- Pamp Technologies (India) Private Limited
- Anypoint Media India Private Limited
- Dixon Technologies (India) Limited
- Different Labs India Private Limited
- Trinetra Business Advisors India LLP

Mr. Ananta Koti Raju Vegesna (DIN: 00529027)
Director
Qualification – Bachelor's degree in engineering (electronic engineering) from Bangalore University and master's degree in science (computer engineering) from Wayne State University, Michigan
Relevant Experience: 23 years

Other Indian Directorships

- Raju Vegesna Infotech And Industries Private Limited
- Sify Technologies Limited
- Sify Digital Services Limited
- Ramanand Core Investment Company Private Limited

Ms. Bala Saraswathi Vegesna (DIN: 07237117)
Director
Qualification – Bachelor's degree in commerce from Andhra University
Relevant Experience: Over 10 years

Other Indian Directorships

- Sify Technologies Limited
- Sify Digital Services Limited
- Raju Vegesna Infotech And Industries Private Limited
- Ramanand Core Investment Company Private Limited

Mr. Mark Evan Adams (DIN: 11232866)
Director
Qualification – Bachelor's degree in arts (economics) from Cornell University and a master's degree in business administration from the Wharton School, University of Pennsylvania
Relevant Experience: Over 12 years

Other Indian Directorships

- None

Dr. Thomas Michael Bradicich (DIN: 10672895)
Director
Qualification – Diploma in arts from Palm Beach Junior College, Florida, bachelor's degree in science (electrical engineering) from Florida Atlantic University and a doctor's degree in philosophy from the University of Florida
Relevant Experience: Over 25 years

Other Indian Directorships

- Sify Technologies Limited

Dr. Ram Sewak Sharma (DIN: 02166194)
Director
Qualification – Bachelor of Technology in electrical engineering, a Master's degree in applied economics from the University of Minnesota and a Doctor of Philosophy in business administration from the Carlson School of Management at the University of Minnesota
Relevant Experience: More than four decades

Other Indian Directorships

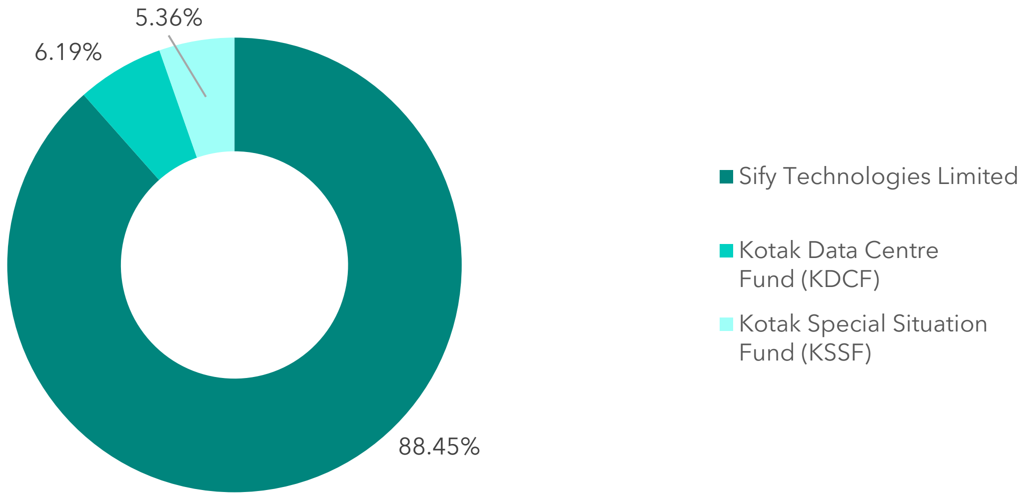
- Sify Technologies Limited
- Tanla Digital (India) Private Limited
- Tanla Digital Labs Private Limited
- Karix Mobile Private Limited
- Pantomath Trustee Private Limited
- Voith Paper Fabrics India Limited
- Valuefirst Digital Media Private Limited
- Tanla Platforms Limited
- IITK Foundation For Medical Research And Technology
- Amnex Infotechnologies Private Limited

	**Ms. Padmaja Chunduru (DIN: 08058663)** **Director** Relevant Experience: Over 40 years	**Other Indian Directorships** ➢ Atul Limited ➢ Sify Technologies Limited ➢ The Clearing Corporation Of India Limited ➢ Bajaj Life Insurance Limited ➢ Bajaj General Insurance Limited ➢ Brigade Enterprises Limited ➢ SBI Ventures Limited ➢ Mahindra And Mahindra Financial Services Limited

Source: MCA and Company website

SHAREHOLDING PATTERN

Shareholding Pattern as on 31st March 2026



Total number of shareholders : 11

Source: Annual report 2026

AWARDS & CERTIFICATIONS

- ✓ Reasonable Assurance for SISL’s BRSR (RA for 8 of the 9 Core Indicators) by Forvis Mazars 2025
- ✓ ET-Now Award for the best future proof Data Center Project - Noida 02, Chennai 02 Campuses
- ✓ LACP SPOTLIGHT AWARDS 2025 (SISL IR – 70th Rank)
- ✓ Reasonable Assurance for SISL's BRSR by Forvis Mazars, 2026
- ✓ Green Champion Award by IGBC
- ✓ Best Data Center Infrastructure in India Award by VAR India
- ✓ India’s first Nvidia Certified DGX-Ready Data Center Service Provider for Liquid Cooling
- ✓ Data Center Project of the Year-Mumbai 03 Rabale Data Center Award by GRI
- ✓ Best future proof Data Center Project - Noida 02 and Chennai 02 Campuses by ET Now
- ✓ CIO Choice 2025 for AI Ready Data Centers
- ✓ Innovation in Data Center 2024 ASSOCHAM
- ✓ Times Now Award for Sustainability for Data Center Best Practices Rated By Dun & Bradstreet

Source: Annual report 2025 and 2026

- ✓ ISO 9001:2015
- ✓ ISO 20000-1:2018
- ✓ ISO 27001:2013 certificate for Information Security Management System for Data center, Cloud & Managed Services
- ✓ ISO 20000-1:2011 certificate for IT Service Management
- ✓ Rated-3 Concurrently Maintainable Site Infrastructure
- ✓ PCI DSS
- ✓ SOC 1 Type II
- ✓ SOC 2 Type II
- ✓ 9001:2008 certificate for Telecom, Data center & Managed Services
- ✓ ISO 45001:2018 certificate for World's international standard for occupational health and safety
- ✓ ISO 14001 certificate for Environmental Management System

Source: Company Website

COMPANY PERFORMANCE

- **GEOGRAPHICAL AND SEGMENTAL PERFORMANCE**
- **COUNTRY RISK INSIGHT**
- **CORPORATE SOCIAL RESPONSIBILITY**

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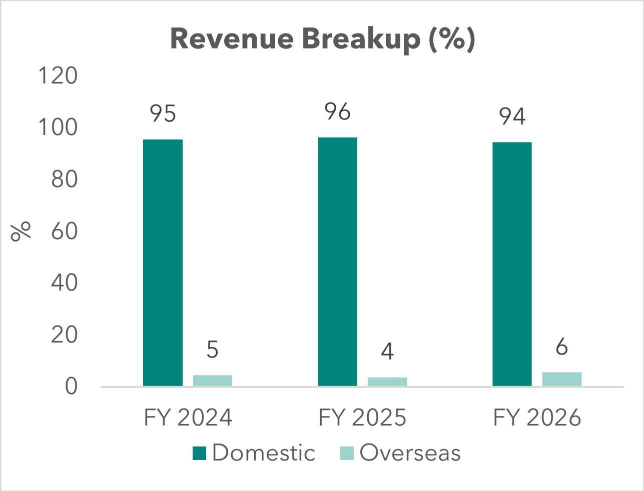
GEOGRAPHICAL AND SEGMENTAL PERFORMANCE



Revenue contribution by customer segment (%)

Particulars	FY 2025	FY 2024	FY 2023
Hyperscaler clients	69.32%	65.29%	68.54%
Enterprise clients	30.68%	34.71%	31.46%
Top 3 Enterprise clients	9.47%	10.54%	8.76%
Top 5 Enterprise clients	11.61%	12.89%	11.59%
Top 10 Enterprise clients	15.05%	17.42%	15.78%

Source: Information provided by the management and DRHP

CORPORATE SOCIAL RESPONSIBILITY

INR in million

Particulars	31st March 2024	31st March 2025	31st March 2026&
Amount required to be spent during the year	21.70	21.80	28.52
Amount of expenditure incurred	21.70	22.01	27.13

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

INR in million

Name of the Organisation	Nature of activity	31st March 2024	31st March 2025	31st March 2026&
Voluntary Health Services, Chennai	Promotion of health care	1.50	2.00	0.33
Shree Anand Charitable Trust, Mumbai	Livelihood enhancement	-	5.00	
Sri Veda Paripalana Sabha	Livelihood enhancement	-	0.20	
Aerox Constructions	Enviornmental Protection	-	-	-
New Okhla Industrial Development Authority (NOIDA)	Adoption and maintenance of the park is located adjacent to the Company's Noida DC-02 premises.	-	-	2.80
Raju Vegesna Foundation, Visakhapatnam*	Livelihood enhancement	20.20	14.80	24.00
Total		**21.70**	**22.00**	**27.13**

* The trust is controlled by promoter of the Company

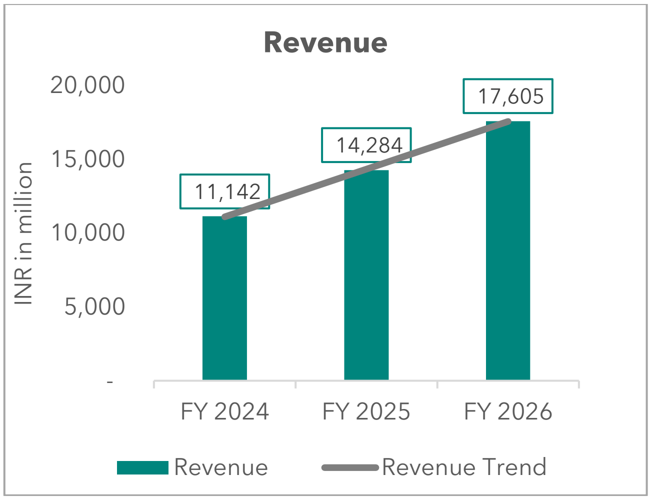
&The balance amount remains unspent amounting to INR 1.39 million and is proposed to be utilized towards further development and maintenance of the park within 11 months of date of provision of CSR, , classified as ongoing CSR project.

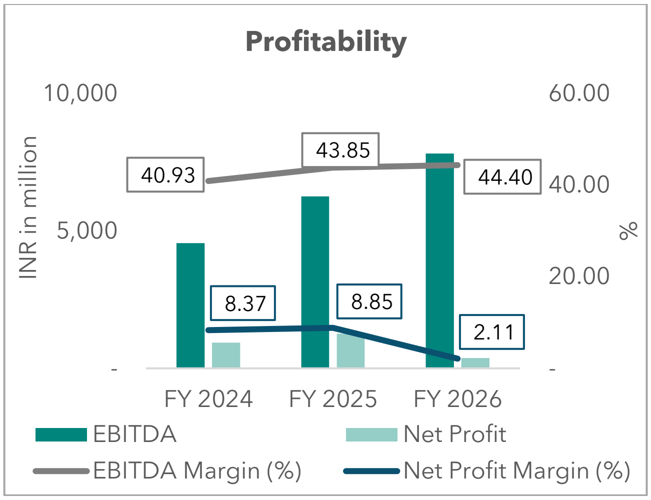
Source: Annual report 2026 and information provided by the management

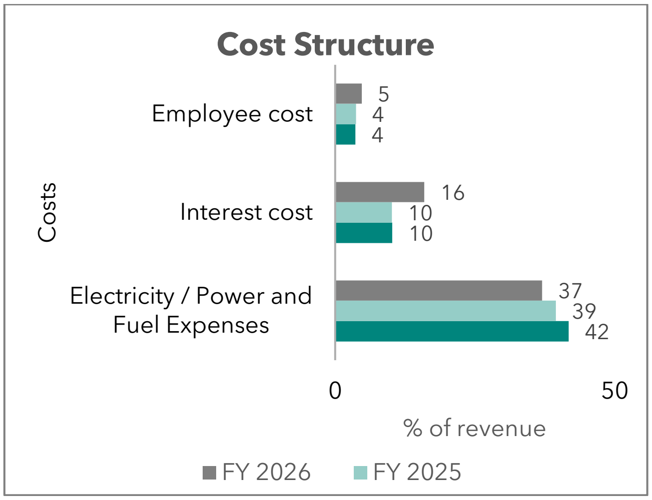
FINANCIAL PERFORMANCE

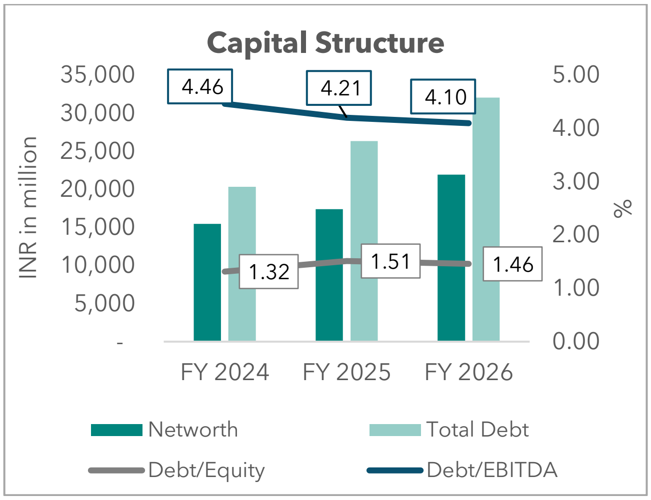
- **FINANCIAL ANALYSIS**
- **CASHFLOW ANALYSIS**

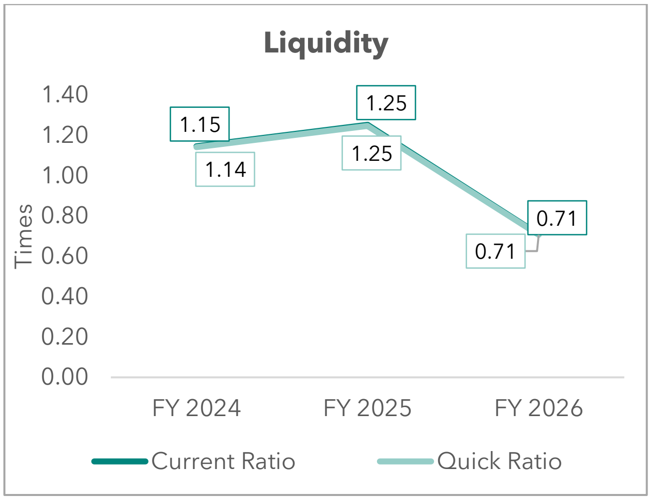
FINANCIAL CHARTS AND ANALYSIS











Revenue and Growth

- Revenue of the Company exhibited a robust growth trend during the review period. After reporting a moderate increase of 28.20% in FY 2025, the growth momentum continued in FY 2026, with revenue increasing by 23.25%. The sharp increase in FY 2025 reflects higher revenue realization from existing and newly added capacity, supported by increased customer deployments during the year. In FY 2026, revenue growth was sustained by continued expansion of data center infrastructure and strong demand from both hyperscaler and enterprise clients.

Profitability and Return

- The Company witnessed a gradual improvement in profitability across gross levels during the review period, and an uneven trend at the operating and net levels. In FY 2025, gross margins expanded primarily due to a decline in electricity, power, fuel, and water expenses as a proportion of revenue, along with lower other direct expenditure. In FY 2026, gross margins improved further, supported by robust revenue growth, which outpaced the increase in direct costs. While power and utility expenses, repairs and maintenance, and employee costs increased in absolute terms during FY 2026, their growth was largely offset by scale benefits, resulting in an overall improvement in gross margins. At the operating level, margin recovered in FY 2025, supported by strong revenue growth and improved operating leverage. In FY 2026, operating margins moderated, primarily due to a significant rise in depreciation and general and administrative expenses associated with new capacity additions and IPO. Net profit margin, after showing improvement in FY 2025, declined sharply in FY 2026. This was mainly attributable to a substantial increase in finance costs, which outweighed gains at the gross and operating levels, resulting in a lower net margin despite continued revenue growth.

Capital Structure

- The capital structure of the Company remained moderately leveraged during the review period. Total debt increased to INR 32,058 million as on 31st March 2026 from INR 26,344 million as on 31st March 2025. However, tangible net worth improved to INR 21,961 million from INR 17,406 million in the previous year, driven by profit accretion and conversion of convertible instruments into equity. As a result, the debt-to-equity ratio stood at 1.46 times as on 31st March 2026. The debt profile was predominantly long-term, comprising secured term loans and debentures, while short-term borrowings increased, reflecting higher working capital utilization. The Company's interest coverage ratio declined to 1.20 times in FY 2026 from 2.24 times in FY 2025, due to a sharp rise in interest expenses outpacing growth in operating earnings.

Working Capital and Liquidity

- The working capital intensity of the Company remained moderate and manageable during the review period. The Company operates a service-oriented business model, therefore working capital requirements are primarily driven by receivables. The collection period remained stable, with receivables increasing in line with business growth.

- The liquidity profile of the Company moderated in FY 2026. As on 31st March 2026, the Company reported a current ratio of 0.71 times and a quick ratio of 0.71 times, reflecting tighter short-term liquidity compared to the previous year. Net cash accruals improved to INR 5,108 million during FY 2026 against current position of long term debt of INR 2,204 million. Cash and bank balances stood at INR 2,122 million as on 31st March 2026, lower than the previous year, reflecting increased outflows for expansion and debt servicing.

Refer to annexure for details

CASH FLOW ANALYSIS

INR in million

Cash Flow Statement	FY 2024	FY 2025	FY 2026
Profit Before Tax	1,142	1,803	550
Adjustments to profit (loss)	3,599	4,587	7,506
Cash Flow from Operations before working capital changes	4,741	6,390	8,056
Adjustments for working capital	(1,969)	(279)	(2,305)
Direct Tax	(660)	(637)	(297)
Net Cash Generated from Operations	2,112	5,474	5,454
Cash Flow from Investing Activities	(9,908)	(5,684)	(10,530)
Cash Flow from Financing activities	7,272	1,897	4,229
Net increase/(decrease) in cash during year	**(524)**	**1,687**	**(847)**
Effect of movements in exchange rates on cash held	-	-	-
Opening Cash Balance	1,807	1,283	2,970
Closing Cash Balance	**1,283**	**2,970**	**2,123**

- The Company's cash flow profile reflected significant movements across the review period. Operating cash flows remained robust, supported by steady profit generation and non-cash adjustments, with working capital changes having a variable impact across years. Net cash generated from operations was sufficient to cover direct tax payments and support ongoing business requirements.
- Cash flows from investing activities remained negative throughout the period, primarily due to continued capital expenditure on data center expansion and related asset additions. The outflows from investing activities increased in the latest year, reflecting higher investments in property, plant, and equipment.
- Financing cash flows were positive in most years, reflecting ongoing debt drawdowns to fund growth, although the quantum of inflows fluctuated with changes in borrowing and repayment patterns. In the latest year, financing inflows increased, driven by higher long-term borrowings and working capital utilization.
- Overall, the Company recorded a net increase in cash during FY 2025. However, in FY 2026, there was a net decrease in cash, primarily due to elevated capital expenditure and debt servicing outflows. Closing cash balances moderated in the latest year, reflecting the impact of higher investment and financing activities on the Company's liquidity position.

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PEER AND SECTOR ANALYSIS

- COMPETITOR DETAILS
- PEER PERFORMANCE
- SECTOR OVERVIEW
- DEMAND DRIVERS

COMPETITOR DETAILS

As apprised, the Company operates in an increasingly competitive industry in India. Competition is faced from large international players, who are expanding their presence in the Indian data center market by leveraging global scale, brand strength, and substantial financial resources. In addition, the Company faces competition from boutique, private equity-backed players. Several new private equity-backed platforms have recently entered or are entering the Indian data center market, indicating growing investor confidence and heightened interest in the sector's long-term potential.

Source: DRHP

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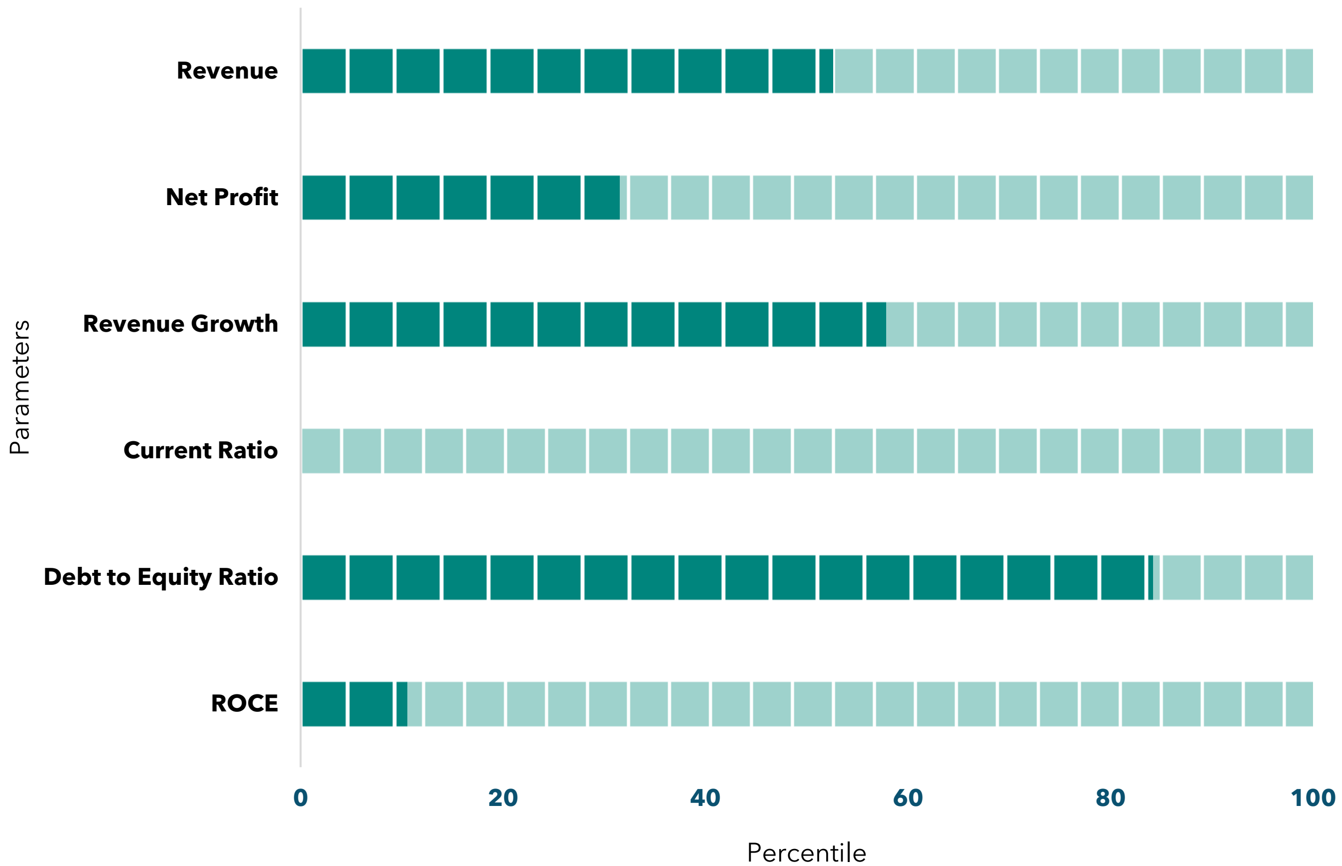
PEER PERFORMANCE – FY 2025

LOB	Engaged in the business of operating data centers
Number of Companies	20
Revenue Range	INR 10,300 million to INR 18,400 million

Note: The peer comparison has been done basis FY 2025 financials as the data for other peers for FY 2026 was not available.



SECTOR OVERVIEW

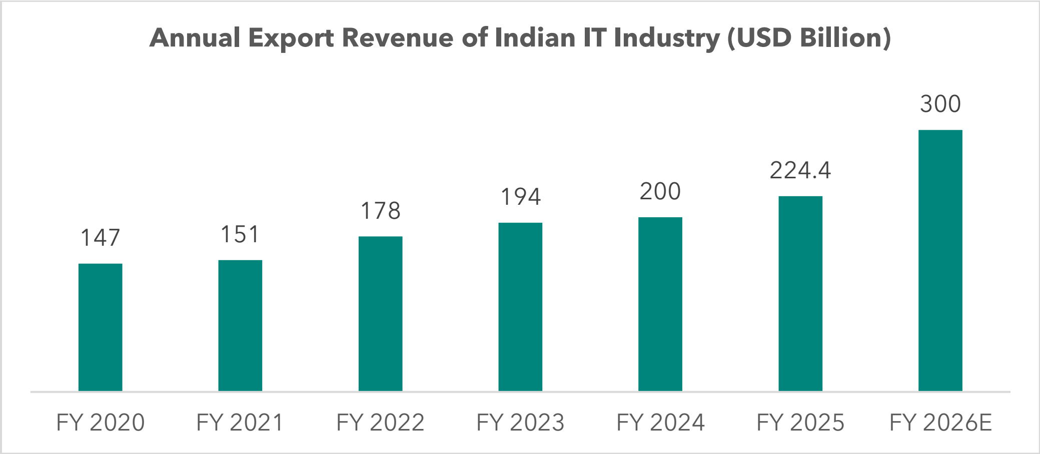
Profile

The IT-BPM industry plays a pivotal role in driving India's overall economic growth. Currently, the industry is expected to have contributed nearly 10% to the country's GDP in FY 2026. The industry is also one of the largest employers in private organized sectors in the country, employing nearly 5.8 million people. The industry expected to add 14 million jobs across India with widespread adoption of cloud technologies by FY 2026 end.

Industry Snapshot

- According to NASSCOM, the revenue of tech industry in India was likely anticipated to be around USD 300 billion in FY2026.
- The annual turnover in Indian IT-BPM sector was estimated to cross USD 283 billion in FY 2025, growing by nearly 11% over previous year. The industry turnover has increased by a CAGR of nearly 8.7% between FY 2020 and 2025, indicating the strong demand.
- The domestic public cloud services market, which grew to USD 3.8 billion in the H1 of 2023, is projected to touch USD 17.8 billion by FY 2027.
- By the end of FY 2026, widespread adoption of cloud technologies is set to generate about 14 million jobs and add nearly USD 380 billion to India's GDP.
- By segmentation, the overall IT industry is estimated to earn 48% of the revenue from IT services while 19% from BPM services, 20% from ER&D, 7% from the IT hardware sector and 6% from software products in FY 2025.
- IT Services: The largest segment accounting for 48% share was estimated to have grown by 4.3% on y-o-y basis to reach USD 137.1 billion in FY 2025.
- Engineering Research & Development (ER&D): For the first time, ER&D has overtaken BPM in revenue, reaching USD 55.7 billion with a growth rate of nearly 30%.
- Business Process Management (BPM): Generating USD 54.6 billion in revenue, growing at 4.7% year-on-year.
- Engineering, research, and development (ER&D); global capability centres (GCCs); and artificial intelligence (AI) are key forces that are likely to drive the future of information technology industry in India.
- As India steadily advances in AI maturity, enterprises are expanding their AI initiatives at scale. While overall AI adoption remains measured, over 55% of AI activity by Indian tech services firms focused on building long-term co-creation partnerships to develop scalable, future-ready AI solutions. Notably, more than 90% of the top 20 services companies are integrating AI, Cloud, Data, and GenAI across business functions, with 10-15% of enterprise GenAI PoCs transitioning to full-scale production.

Demand Landscape: Export Demand



Source: NASSCOM

India's digital economy driven by sustained growth in domestic tech spending outpaced export growth for the second consecutive year, with domestic tech revenues registering a 7% annual increase from FY2024. The momentum has been further driven by increased adoption of enterprise software and cloud solutions, alongside a 21% growth in data centre capacity driving increased investments.

In FY 2026, the value of revenue generated by IT-BPM industry is estimated to be USD 300 Bn, registering a significant Y-o-Y increase from the previous year. Factors such as economy of scale, business risk mitigation, utilization improvement and superior competency have all lead to the growth of the Indian BPM industry

Regulatory Scenario

The Indian government has launched several initiatives to promote digitalization and innovation across various sectors. These initiatives include:

Digital India	•Digital India is a flagship initiative that funds and supports the development of digital infrastructure, e-Governance services, and digital literacy. Through projects like DigiLocker, UMANG, and BharatNet, it creates opportunities for IT-BPM companies to offer cloud, app development, support services, and citizen-centric digital platforms, often via public-private partnerships.
Make in India	•The Make in India initiative encourages domestic and foreign companies to manufacture products in India, with a focus on high-tech industries such as electronics, IT, and telecommunications. It aims to boost job creation, foster innovation, and attract investment in manufacturing.
Smart Cities Mission	•The Smart Cities Mission aims to develop 100 smart cities across India by leveraging technology and innovation to improve urban infrastructure, governance, and quality of life. It involves initiatives such as smart transportation, intelligent energy management, and digital governance.
Digital Payments	•The government's push for digital payments through initiatives like Unified Payments Interface (UPI), Bharat Interface for Money (BHIM), and Aadhaar-based payments has accelerated the adoption of digital financial services and e-commerce in India.

These initiatives involve projects such as e-governance, digital infrastructure development, broadband connectivity expansion, and promoting electronic manufacturing. Thus, government initiatives are propelling IT expenditure by spearheading nationwide digitization efforts, upgrading digital infrastructure, expanding connectivity, and fostering innovation-led growth.

Impact of European Union (EU)-India FTA on IT/ITes Segment

Hailed by both India and the EU as the 'Mother of all deals', IT and ITES industry representative body Nasscom expects the technology sector to be a major beneficiary of the recently concluded free trade agreement (FTA).

Post the conclusion of the FTA, the operating environment for India's IT/ITeS (and broader IT-BPM) industry is expected to tilt toward services-led expansion in Europe, supported by ambitious and commercially meaningful market access commitments and a more predictable regulatory footing for cross-border delivery. The agreement explicitly strengthens services trade by securing a stable and conducive regime in the EU market for Indian service providers across 144 services subsectors, including IT/ITeS, alongside provisions that emphasise digitally delivered services and improved certainty of market access and non-discriminatory treatment. A key enabling layer for the sector is the future-ready mobility framework, which is designed to facilitate the temporary movement of professionals through recognised categories such as business visitors, intra-corporate transferees, contractual service suppliers and independent professionals, thereby supporting delivery continuity for client-facing and transformation programmes. The agreement also establishes a constructive pathway to enable Social Security Agreements with EU Member States over a five-year horizon, which can improve the economics and administrative ease of deploying talent to Europe for project execution. Beyond immediate market access, the FTA is positioned to deepen EU–India technology and innovation linkages, building on the institutional momentum of the India–EU Trade and Technology Council (TTC), which has already set a cooperation track on strategic technologies and digital governance—creating conditions for stronger partnership formation, potential EU investment flows into India's tech ecosystem, and expanded collaboration across areas such as AI, semiconductors, cleantech and innovation-driven ventures.

Impact of Union Budget 2026-27 on IT-ITeS Sector

The IT and ITES sector remains central to India's digital led growth model. In 2025, policy momentum strengthened through larger allocations for digital infrastructure, cybersecurity and AI development, including the IndiaAI Mission and expansion of subsidised compute capacity to more than 38,000 graphics processing units (GPUs). Expanded PLI support for IT hardware manufacturing; higher R&D funding under the Research, Development, and Innovation (RDI) scheme; and targeted incentives for Global Capability Centres (GCCs) have reinforced sector competitiveness. Meanwhile, the 50 year interest free capex loan scheme (allocated Rs 1.5trn for FY26) has supported digital ecosystem development in Tier 2/3 cities, enabling more decentralised IT expansion. Looking ahead, sectoral growth will hinge on stronger domestic hardware supply chains, wider AI adoption and improved cybersecurity resilience. Opportunities include scaling AI-enabled services, cloud and cybersecurity offerings, and leveraging India's strong GCC position. However, rising global competition, talent shortages, margin pressures and data security risks remain challenges. Continued AI investment, stronger digital governance and steady infrastructure upgrades will prove important in supporting the IT and ITeS sector's transition towards higher-value services and sustained global leadership.

Impact Rating: Positive Plus

Union Budget FY27 is strongly positive for India's IT & ITeS sector as it improves tax certainty and reduces compliance friction – two recurring constraints on the sector's efficiency. First, the Budget consolidates software development, ITeS, Knowledge Process Outsourcing (KPO) and contract R&D under a single 'Information Technology Services' category, with a uniform transfer pricing safe harbour margin of 15.5%. It also significantly expands eligibility by raising the turnover threshold for opting into safe harbour from Rs 3.0bn to Rs 20.0bn, bringing many mid-sized exporters and GCCs into a simplified, rule-driven compliance framework. Safe harbour approvals are proposed to shift to an automated, rule-driven process, and firms can lock in the regime for five years once exercised – supporting pricing decisions, audit outcomes and forward planning. Second, the Budget takes a long-term approach to position India as a global data infrastructure hub. A tax holiday till 2047 is proposed for foreign companies providing cloud services to global customers using India-based data centres (with Indian customer delivery via an Indian reseller). To reduce transfer pricing risk in related-party structures, a 15.0% safe harbour on cost is proposed where the India data centre service provider is a related entity. In parallel, a safe harbour of 2.0% of invoice value is proposed for non-residents warehousing electronic components in bonded warehouses, supporting just-in-time supply chains for electronics and server hardware. Third, predictability improves further via faster dispute resolution: unilateral Advance Pricing Agreements (APA) for IT services are targeted to conclude within two years (extendable by six months), and the modified return facility is extended to associated enterprises, aiding group-level clean-ups for multi-entity delivery models. Complementing services, the Budget also advances ISM 2.0 and raises the Electronics Components Manufacturing Scheme outlay to Rs 400.0bn, strengthening the domestic electronics ecosystem and supply resilience. Additional cross-border tax steps – such as MAT exemption for non-residents taxed on a presumptive basis and a five-year income tax exemption for non-residents supplying capital goods/ tooling to toll manufacturers in bonded zones – further lower friction for global technology supply chains. On the demand side, continued public capex and digital public infrastructure should keep pipelines healthy in cloud, analytics and cybersecurity, while skilling initiatives can also ease talent bottlenecks for AI and engineering services. Execution will matter, but on balance, FY27 shifts the operating environment towards lower tax risk, simpler compliance and deeper digital infrastructure capacity, reinforcing India's role as a preferred base for global IT and ITeS delivery.

Competitive Landscape

Nature of Industry	Key Attributes	Key Differentiators
The Indian IT-BPM industry is highly fragmented and comprises of large multi-billion-dollar companies, small domestic companies and global MNCs.	High capital investment involved in developing an innovator compound.	The competition in this segment is limited in terms of number of players but is fierce when it comes to offerings and pricing.

Indian Market landscape	
Players	6000+ Indian Tech Service companies, 2000 Product companies, 1000 SaaS companies
Patents	With a massive focus on IP Creation, India ranked 40th in Global Innovation Index, 138K Tech patent filed between 2015-22.
Start-ups	100,000+ firms, 112+ Unicorns, over 68,000 new tech startups were founded in 2023
Global capability centres (GCC)	1750+, The total installed GCC talent is 1.66 Mn+.

DEMAND DRIVERS

DEMAND DRIVERS

- Growth in cloud adoption and hyperscaler deployments
- Expansion of enterprise digital infrastructure and IT outsourcing
- Rising demand for AI-ready and high-density data center capacity
- Regulatory push for data localization and compliance
- Increasing adoption of hybrid and multi-cloud strategies by large corporates

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RATING DRIVERS AND SENSITIVITIES

- RATING GLOSSARY
- SWOT
- RATING DRIVERS
- RATING SENSITIVITIES

RATINGS

D&B Rating	
5A	2

D&B Indicative Risk Rating consists of two parts, the Financial Strength, and the Composite Appraisal. Financial Strength is an indication of the tangible networth. The Composite Appraisal is linked to the level of risk and is an overall evaluation of credit worthiness. It considers the financial condition and several factors such as trade reference history, legal structure, management experience and any adverse listings.

Indicative Risk Rating: D&B Indicative Risk Rating of '5A' implies that the Company has a tangible networth of INR 4,800,000,000 and above as per latest available audited financial statements.

Financial Strength	Tangible Networth
5A	INR 4,800,000,000 & Above
4A	Between INR 2,000,000,000 & INR 4,799,999,999
3A	Between INR 960,000,000 & INR 1,999,999,999
2A	Between INR 200,000,000 & INR 959,999,999
1A	Between INR 96,000,000 & INR 199,999,999
A	Between INR 48,000,000 & INR 95,999,999
B	Between INR 28,000,000 & INR 47,999,999
C	Between INR 14,000,000 & INR 27,999,999
D	Between INR 9,600,000 & INR 13,999,999
E	Between INR 4,800,000 & INR 9,599,999
F	Between INR 2,800,000 & INR 4,799,999
G	Between INR 1,200,000 & INR 2,799,999
H	Upto INR 1,199,999

Composite appraisal: '2' indicates that the overall status of the Company is 'Good'.

Composite Appraisal	
1 **Strong** **Minimal Risk**	Proceed with transaction – offer extended terms if required
2 **Good** **Low Risk**	Proceed with transaction
3 **Fair** **Slightly greater than average Risk**	Proceed with transaction but monitor closely
4 **Limited** **Significant Level of Risk**	Review each case before extending credit and obtain more information. Take suitable assurances before extending credit, guarantees may be needed

Alternate Ratings	Description
N	Negative Tangible Networth
ER	Certain lines of business, primarily banks, insurance companies and government entities do not lend themselves to classification under the D&B Rating system. Instead, we assign these types of businesses as Employee range symbol based on the number of people employees. No other significance should be attached to this symbol. ERN should not be interpreted negatively. It simply means we do not have information indicating how many people are employed at this firm.
NQ	Not Quoted. This is generally assigned when a business has been confirmed as no longer active at this location, or when D&B is unable to confirm active operations. It may also appear on some branch reports, when the branch is located in the same city as the headquarters.
-	Undetermined - Assigned to concerns where there is insufficient information available to express any opinion on the condition, financial soundness, or payment history of the concern. A concern with no telephone number will also be assigned a "– "condition.
NB	New Business: Less than 24 months

SWOT

S — STRENGTHS

- ✓ Established track record and scale in the Indian data center market
- ✓ Diversified presence across major demand hubs in India
- ✓ Robust revenue growth during the review period
- ✓ AI-ready and high-density certified facilities

W — WEAKNESS

- ✓ Moderately leveraged capital structure with reliance on debt funding
- ✓ Exposure to rising power and utility costs impacting margins
- ✓ Concentration of revenue from hyperscaler clients

SWOT

O — OPPORTUNITIES

- ✓ Rapid growth in cloud adoption and digital transformation across sectors
- ✓ Increasing demand for AI and high-density workloads
- ✓ Regulatory push for data localization and compliance
- ✓ Entry of global hyperscalers and new enterprise segments
- ✓ Expansion of hybrid and multi-cloud strategies by corporates

T — THREATS

- ✓ Intensifying competition from global and domestic data center operators
- ✓ Entry of private equity-backed platforms increasing market rivalry
- ✓ Regulatory changes impacting data center operations or localization norms
- ✓ Technology shifts or disruptions affecting demand patterns

RATING DRIVERS

Established track record and scale in the Indian data center market

SISL benefits from an established operating track record and meaningful scale in India's data center industry, which underpins business stability and enhances its competitive positioning. While SISL was incorporated in 2017, its data center operations trace back to 2000 through the Sify Group, allowing the Company to leverage over two decades of operational experience in designing, commissioning, and managing mission-critical infrastructure. As of 31st March 2026, SISL operated 14 colocation data center facilities across six major cities, with an installed IT power capacity of 192.36 MW. This scale enables the Company to service both hyperscaler and enterprise clients with varied deployment sizes, ranging from single racks to multi-megawatt installations, thereby supporting diversified contract sizes and long-tenure customer relationships.

The Company's ability to execute and scale large, capital-intensive projects is reflected in its consistent capacity additions and timely commissioning of facilities across Mumbai, Chennai, Noida, Bengaluru, Hyderabad, and Kolkata—markets that represent the bulk of India's data center demand. The scale of operations also provides SISL with operating leverage benefits, particularly in power procurement, facility management, and shared infrastructure utilization, which has supported margin expansion over the review period. EBITDA margins improved steadily from 40.93% in FY 2024 to 44.40% in FY 2026, reflecting both operating efficiencies and higher utilization of commissioned capacity. Revenue increased at a compounded pace, reaching INR 17,605 million in FY 2026, supported by ramp-up of existing assets rather than reliance on greenfield assets alone.

Furthermore, SISL's scale enhances its credibility with lenders, regulators, and large institutional clients, particularly hyperscalers that prioritize proven operators with demonstrated execution capability and compliance track records. This is especially relevant given the Company's ongoing capacity expansion plans and its proposed IPO, where investor confidence is closely linked to execution history and asset quality. Overall, SISL's established track record and scale provide a strong foundation for sustaining growth, and absorbing competitive pressures.

Diversified presence across major demand hubs in India

SISL geographically presence across India's key data center demand hubs, it reduces regional concentration risk and enhances resilience to localized demand fluctuations. As of 31st March 2026, the Company operated data centers in Mumbai, Chennai, Noida, Bengaluru, Hyderabad, and Kolkata, which together account for a substantial proportion of India's colocation demand due to their proximity to enterprise clusters, hyperscaler nodes, and network interconnection points. This multi-city footprint allows SISL to address varied customer requirements, including disaster recovery, latency optimization, and regulatory compliance, while also supporting clients pursuing multi-region deployment strategies.

The diversified footprint also strengthens SISL's ability to cross-sell services and optimize capacity utilization across locations. Large hyperscaler and enterprise clients increasingly prefer vendors capable of offering pan-India solutions, and SISL's presence across multiple metros positions it well to capture such mandates. This has supported revenue stability, with domestic operations contributing over 94% of total revenue in FY 2026, indicating strong anchoring within the Indian market while maintaining limited overseas exposure. Moreover, the Company's facilities are strategically located in established data center corridors such as Rabale (Mumbai) and Siruseri (Chennai), which benefit from superior power availability, fiber connectivity, and regulatory familiarity, thereby lowering execution and operational risks.

From a risk perspective, geographic diversification also mitigates regulatory and infrastructure-related uncertainties, as policy changes, power constraints, or municipal levies in one state are less likely to materially disrupt overall operations. This is particularly relevant given the evolving regulatory landscape around data localization and sustainability norms. SISL's diversified asset base provides flexibility to allocate incremental investments toward regions demonstrating stronger demand traction, thereby optimizing capital deployment. Overall, the Company's multi-location presence enhances business scalability, customer stickiness, and long-term revenue visibility.

Robust revenue growth during the review period

SISL has demonstrated robust revenue growth during the review period, reflecting strong demand dynamics in the data center sector and effective execution of capacity additions. Revenue increased from INR 11,142 million in FY 2024 to INR 17,605 million in FY 2026, translating into year-on-year growth of 28.20% in FY 2025 and 23.25% in FY 2026. This growth was primarily driven by higher capacity utilization at existing facilities, onboarding of new hyperscaler and enterprise clients, and incremental revenue from newly commissioned towers. The consistency of growth across two consecutive years underscores the structural demand for colocation services, particularly from cloud service providers and digital-first enterprises.

The revenue mix remains skewed toward hyperscaler clients, which accounted for 60-70% of revenue, providing volume stability and long-tenure contracts. At the same time, enterprise clients contributed 30.7%, offering diversification and higher value-added service opportunities. The growth trajectory has been achieved without excessive reliance on short-term contracts, as the Company typically enters into medium- to long-term agreements that provide revenue visibility and predictable cash flows. This has supported EBITDA expansion and helped absorb rising fixed costs associated with new capacity and compliance requirements.

However, while revenue growth remains a key strength, its sustainability is closely linked to timely ramp-up of upcoming capacities and the Company's ability to maintain competitive pricing in an increasingly crowded market. Nonetheless, SISL's demonstrated ability to scale revenues while maintaining healthy operating margins indicates sound execution capability. The robust top-line growth enhances internal accrual generation, which is critical for funding capex and supporting debt servicing obligations in a capital-intensive business model. Overall, sustained revenue growth remains a central pillar of SISL's credit profile.

AI-ready and high-density certified facilities

SISL's investment in AI-ready and high-density certified data center infrastructure represents a key competitive differentiator and supports long-term demand relevance. As of 31st March 2026, three of the Company's facilities are NVIDIA-certified for AI workloads, with capabilities supporting both air-cooled and liquid-cooled environments. Newer campuses such as Rabale, Chennai 02, and Noida 02 are designed to handle rack densities of up to 130 kW per rack, positioning SISL to service advanced AI, machine learning, and high-performance computing workloads. These capabilities align well with the increasing adoption of AI and data-intensive applications across industries.

The Company's focus on future-ready infrastructure reduces the risk of technological obsolescence, a key concern in the rapidly evolving data center industry. AI-ready facilities command higher realization potential and are more likely to attract hyperscaler and global enterprise clients seeking scalable, compliant, and energy-efficient environments. SISL's facilities also hold IGBC Platinum and TIA-942 Rated-4 certifications, underscoring high standards of reliability, redundancy, and sustainability. These certifications enhance the Company's credibility with global clients and support premium positioning in competitive tenders.

From a financial perspective, while AI-ready infrastructure entails higher upfront capital expenditure, it supports stronger utilization, longer contract tenures, and improved pricing power over the medium term. This partially offsets the risks associated with rising power and cooling costs. Additionally, the Company's emphasis on green energy initiatives is expected to yield cost efficiencies over time while aligning with client sustainability mandates. Overall, SISL's technological readiness enhances demand visibility, strengthens client stickiness, and supports margin sustainability, contributing positively to its credit assessment.

Moderately leveraged capital structure with reliance on debt funding

SISL's capital structure remains moderately leveraged, reflecting the capital-intensive nature of the data center business and the Company's aggressive expansion strategy. Total debt increased to INR 32,058 million as on 31st March 2026, up from INR 26,344 million as on 31st March 2025, primarily to fund ongoing and planned capacity additions. While tangible net worth improved to INR 21,961 million due to profit accretion and equity conversions, leverage metrics remained elevated, with a debt-to-equity ratio of 1.46 times and debt-to-EBITDA of 4.10 times as on 31st March 2026.

The reliance on debt exposes the Company to refinancing and interest rate risks. Interest costs increased sharply, leading to a decline in interest coverage to 1.2 times in FY 2026 from 2.2 times in FY 2025. Although the debt profile is largely long-term and aligned with asset lives, the elevated leverage constrains financial flexibility and increases sensitivity to delays in capacity ramp-up or margin compression. Nevertheless, the proposed IPO are expected to provide partial relief by strengthening the capital base and reducing leverage over the medium term. Overall, while leverage is manageable in the context of stable cash-generating assets, it remains a key constraining factor.

Exposure to rising power and utility costs impacting margins

Power and utility costs constitute the single largest operating expense for SISL, making profitability sensitive to fluctuations in energy prices and availability. Although the proportion of electricity and power costs to revenue declined from 41.8% in FY 2024 to 37.0% in FY 2026, the absolute cost increased in line with capacity expansion and higher utilization. Data centers are inherently energy-intensive, and sustained increases in tariffs or fuel costs could exert pressure on margins, particularly where pricing pass-through mechanisms are constrained by contractual terms.

SISL has partially mitigated this risk through investments in energy-efficient infrastructure and green energy initiatives, which have contributed to margin resilience. However, the effectiveness of these measures over the long term will depend on regulatory support, availability of renewable energy, and the Company's ability to negotiate favorable power procurement agreements. Any adverse developments could erode operating margins and weaken cash accruals, especially during periods of high capex and debt servicing requirements.

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Given the scale of operations, even marginal increases in power costs can have a disproportionate impact on profitability. As such, sustained cost management and efficiency improvements remain critical to preserving SISL's operating profile.

Concentration of revenue from hyperscaler clients

SISL's revenue profile exhibits concentration risk, with hyperscaler clients accounting for nearly 60-70% of revenue in FY 2026. While hyperscalers provide large volumes, long tenures, and high utilization, such concentration exposes the Company to counterparty and renegotiation risks. Any slowdown in hyperscaler expansion, pricing pressure, or shift toward captive data centers could adversely affect revenue growth and cash flow stability.

The concentration also limits pricing flexibility, as hyperscalers typically possess strong bargaining power and demand competitive pricing. While enterprise clients offer diversification, their share remains comparatively lower. SISL's ability to gradually increase enterprise contribution without diluting margins will be important to reduce concentration risk. Nevertheless, the risk is partially mitigated by the strong credit profiles of hyperscaler clients and the mission-critical nature of services provided. Even so, concentration remains a structural weakness that warrants close monitoring within the rating framework.

RATING SENSITIVITIES

Sustenance of overall profitability amid divergence between operating and net performance

The rating remains sensitive to the Company's ability to sustain and translate operating profitability into stable net profitability, particularly in light of the divergence observed in FY 2026. While operating performance improved during the year, as reflected in the expansion in EBITDA margin driven by scale benefits and higher utilization, net profitability declined due to elevated interest costs and depreciation associated with incremental debt-funded capital expenditure. This divergence underscores the importance of not only maintaining operating efficiency but also ensuring that the capital structure and cost of funding do not disproportionately erode earnings at the net level.

From a rating perspective, the ability of the Company to sustain EBITDA margins at current levels while gradually improving profit after tax will be critical. Any sustained compression in operating margins due to power cost volatility, competitive pricing pressures, or underutilization of newly commissioned capacity could materially weaken cash accruals and further strain net profitability. The rating is therefore sensitive to the Company's ability to balance growth-led operating leverage with prudent cost and capital management to ensure that operating gains meaningfully flow through to the bottom line.

Timely commissioning and utilization ramp-up of incremental capacity

The rating is sensitive to the Company's ability to execute its ongoing and planned capacity expansion in a timely manner and achieve targeted utilization levels within expected timeframes. The data center business is characterized by high upfront capital expenditure and a lag between commissioning and stabilized utilization, making execution efficiency critical for sustaining cash flows. As of the review period, the Company operated 192.36 MW of installed IT power capacity across multiple locations, with revenue growth in recent years largely driven by ramp-up of existing assets. Management discussions indicate that incremental capacity additions are being phased to allow partial monetization and reduce idle capital lock-in; however, any slippage in commissioning timelines due to regulatory approvals, power availability, or vendor delays could defer revenue realization.

From a rating standpoint, sustained improvement in utilization across newly commissioned facilities, translating into stable revenue growth and EBITDA expansion, would support the Company's ability to service debt and fund future capex through internal accruals. Any persistent underutilization or execution bottlenecks could adversely impact profitability and strain liquidity, thereby negatively influencing the rating.

RATING METHODOLOGY

D&B Rating Methodology broadly considers the Financial and Non-Financial Parameters while assessing a business entity for a three-to-five-year period (hereinafter referred to as the "review period"). Within these two broad categories, various parameters are covered which are assigned certain expert rules for the assessment. Management Discussion is conducted in order to understand the business objectives, plans, strategies and its views on past performance and also to seek clarity regarding any risks or adverse comments.

Business Evaluation Framework

Industry

- Nature of Industry
- Supply Demand Scenario
- Pricing Flexibility and Govt. Policies
- Industry Growth & Cost Structure

Management

- Promoter's experience
- Company background and other business Risk
- Parent/Group Support and Ownership details

Business & Operations

- Business USP's
- Technology and Brands
- Auditor's comment
- EPFO payments
- Recent news

Financials

- Analysis of audited financials for last three/five years
- Detailed Ratio analysis
- Subject Entity Performance benchmarked against Industry Performace

ANNEXURES

- FINANCIAL STATEMENTS
- AUDITORS COMMENTS & OBSERVATIONS
- BANK DETAILS & INSURANCE
- LOCATIONS & GROUP DETAILS
- MEDIA ARTICLES

FINANCIAL STATEMENTS

Three Year Balance Sheet

INR in million

LIABILITIES AS ON	31-Mar-24	31-Mar-25	31-Mar-26
Shareholders Fund			
Equity Share Capital	5,059	5,101	6,040
Preference Capital	500	500	-
Employee Stock Option	-	-	56
Capital Reserve	91	91	91
Securities Premium Account	377	383	11,061
Retained Earnings	3,152	4,393	4,725
Share Application Money pending Allotment	6,312	6,951	-
Other Reserves	(8)	(11)	(12)
Total Shareholders Fund	**15,483**	**17,408**	**21,961**
Non-Current Liabilities			
Long Term Loans : Secured	321	2,782	5,641
Long Term Bank Loans	11,450	14,047	12,814
Due to Parent (Long Term)	208	-	-
Due to Subsidiaries (Long Term)	90	-	-
Debentures and Bonds	5,014	6,352	2,500
Security Deposits (Long Term)	36	36	15
Provisions	5	12	18
Lease Liabilities (Long Term)	2,704	2,809	5,315
Less : Current Portion of Long Term Debt	-	(2,204)	(1,676)
Total Non-Current Liabilities	**19,828**	**23,834**	**24,627**
Current Liabilities and Provisions			
Accounts Payable	1,391	2,045	1,449
Creditors for Capital Goods	958	358	1,043
Other Payables / Accruals	10	262	668
Lease Liabilities	199	215	411
Loans : Secured	-	-	3,000
Bank Loans	279	-	2,373
Current Portion of Long Term Debt	2,520	2,204	1,676
Interest Accrued	34	42	414
Due to Customers	2	3	-
Due to Parent	95	139	-
Due to Subsidiaries	-	-	4
Provision for Income Tax	-	153	-
Provision for Retirement Benefits	8	3	5
Duties and Taxes Payable	9	26	37
Other Current Liabilities	337	355	521
Total Current Liabilities and Provisions	**5,842**	**5,805**	**11,601**
TOTAL LIABILITIES AND EQUITY	**41,153**	**47,047**	**58,189**

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INR in million

ASSETS AS ON	31-Mar-24	31-Mar-25	31-Mar-26
Fixed Assets			
Land and Buildings	3,930	3,835	7,768
Plant and Equipment	4,585	7,289	10,813
Leasehold Improvements	3,214	5,653	3,607
Transportation Vehicles	3	2	1
Furniture, Fixtures and Fitting	3	3	4
Office Equipment	840	1,317	1,443
Capital Work in Progress	8,911	7,888	6,937
Other Fixed Assets	4,802	5,475	8,544
Total Fixed Assets	**26,288**	**31,462**	**39,117**
Intangible Assets			
Software	3	2	-
Total Intangible Assets	**3**	**2**	**-**
Investments			
Investment in Group Companies / Affiliates	500	1,490	2,750
Investment in Unquoted Shares	798	808	946
Total Investments	**1,298**	**2,298**	**3,696**
Other Assets			
Deferred Tax Asset	773	915	1,101
Other Loans Receivable	4,565	2,814	3,389
Other Deposits (Non Current)	1,224	1,414	1,728
Security Deposits (Non Current)	286	378	430
Other Assets	21	494	503
Total Other Assets	**6,869**	**6,015**	**7,151**
Current Assets			
Cash and Bank	1,283	2,969	2,122
Fixed Deposit Account	1,636	355	764
Accounts Receivable	2,613	2,879	3,693
Other Receivables	49	-	33
Prepayments	27	33	26
Other Loans and Advances	1	76	61
Due from Subsidiaries	3	-	-
Security Deposits (Current Assets)	2	36	80
TDS and Advance Tax	352	-	-
Balance with Customs, Port Trust And Excise Authorities	534	738	1,269
Interest Receivable	60	57	7
Other Current Assets	135	127	170
Total Current Assets	**6,695**	**7,270**	**8,225**
TOTAL ASSETS	**41,153**	**47,047**	**58,189**

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Three Year Profit and Loss Statement

INR in million

For the Period Ended	FY 2024	FY 2025	FY 2026
Number of Months	12	12	12
Revenue	**11,142**	**14,284**	**17,605**
Less: Direct Expenditure	**(5,390)**	**(6,671)**	**(8,134)**
Electricity / Power and Fuel and Water Expenses	(4,654)	(5,640)	(6,518)
Sub Contract / Job Work Charges	(27)	(28)	(35)
Repairs and Maintenance - Plant and Machinery	(156)	(244)	(384)
Salaries and Wages	(402)	(530)	(835)
Other Direct Expenditure	(151)	(229)	(362)
Gross Profit	**5,752**	**7,613**	**9,471**
Less: General and Administration Expenses	**(1,024)**	**(1,209)**	**(1,445)**
Staff Welfare Expenses	(7)	(14)	(11)
Insurance	(23)	(38)	(43)
Communication Expenses	(1)	(2)	(3)
Professional and Legal Fees	(71)	(75)	(176)
Repairs and Maintenance	(599)	(669)	(747)
Travelling and Conveyance Expenses	(17)	(22)	(34)
Expenses towards Community Development and Donations	(22)	(22)	(27)
Security Charges	-	(173)	(149)
Lease / Rent Charges	(47)	(74)	(74)
Other General Expenses	(237)	(120)	(181)
Less: Selling and Distribution Expenses	**(41)**	**(46)**	**(79)**
Advertising and Marketing Expenses	(40)	(45)	(74)
Brokerage, Discount and Commission	(1)	(1)	(5)
Less: Loss on Sale of Fixed Assets	(3)	-	-
Less: Loss on Foreign Exchange Transactions	(31)	(3)	-
Less: Bank and Finance Charges	(61)	(77)	(115)
Less: Provision for Bad Debts	(32)	(15)	(15)
Less: Depreciation / Amortization and Depletion	(2,555)	(3,268)	(4,736)
Operating Profit	**2,005**	**2,995**	**3,081**
Add: Other Non Operating Income	**276**	**258**	**276**
Interest Income	230	209	195
Profit on Sale of Fixed Assets	-	18	19
Profit on Foreign Exchange Transactions	-	-	23
Miscellaneous Income	46	31	39
Earnings before Interest and Tax (EBIT)	**2,281**	**3,253**	**3,357**
Less: Interest Expenditure	**(1,139)**	**(1,450)**	**(2,807)**
Interest on Short Term Loans	(869)	(1,171)	(2,246)
Other Interest	(270)	(279)	(561)
Profit before Tax and Extraordinary Items	**1,142**	**1,803**	**550**
Less: Total Tax Provision	**(209)**	**(539)**	**(178)**
Tax Provision	(478)	(681)	(363)
Add / (Less): Current Year Deferred Tax	269	142	185
Profit after Tax	**933**	**1,264**	**372**
Extraordinary Items : Others	-	-23.00	(40)
Profit after Tax and Extraordinary Items	**933**	**1,241**	**332**
Plus Retained Earnings b/f	2,219	3,152	4,393
Retained Earnings c/f	**3,152**	**4,393**	**4,725**

Three Year Cash Flow Statement

INR in million

Particulars	FY 2024	FY 2025	FY 2026
A) Opening Balance of Cash & Cash Equivalents	1,807	1,283	2,970
B) Cash inflows from Operating activites	2,112	5,474	5,454
C) Cash Inflows from Investment activities	183	221	1,506
D) Cash Inflows from Financing activities	11,840	10,862	15,056
E) Total Cash available (A+B+C+D)	**15,942**	**17,840**	**24,986**
F) Cash Outflows from Investment activities	10,091	5,905	12,036
G) Cash Outflows from Financing activities	4,568	8,965	10,827
H) Total Disbursement (F + G)	**14,659**	**14,870**	**22,863**
Effect of movements in exchange rates on cash held	-	-	-
Closing Balance of Cash & Cash Equivalents (E-H)	**1,283**	**2,970**	**2,123**

AUDITOR'S COMMENTS & OBSERVATIONS

Observations from the auditors' report for the year ended 31st March 2026:

The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note D(1A) and Note D(2) to the Standalone financial statements included in Property, Plant and Equipment and Right of Use Assets respectively are held in the name of the Company except the below mentioned title deeds of immovable properties, in the nature of leasehold land and buildings, which were acquired from Sify Technologies Limited ('Holding Company') pursuant to a Business Transfer Agreement ('BTA') dated 28th January 2021 with effect from 1st April 2020:

INR in million

Description of Property	Gross carrying value as at 31st March 2025	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Rabale Tower 1 – Leased Land (Right of Use Assets)	252.34	Sify Technologies Limited ("STL")	Promoter – STL	6 years from FY 2020-21	In process of transferring the lease agreements
Rabale Tower 2 – Leased Land (Right of Use Assets)	98.73	Sify Technologies Limited ("STL")	Promoter – STL	6 years from FY 2020-21	In process of transferring the lease agreements
Rabale Tower 3 – Leased Land (Right of Use Assets)	499.97	Sify Technologies Limited ("STL")	Promoter – STL	6 years from FY 2020-21	In process of transferring the lease agreements
Rabale Tower 1 – Building (Property, Plant & Equipment)	744.43	Sify Technologies Limited ("STL")	Promoter – STL	6 years from FY 2020-21	In process of transferring the lease agreements
Rabale Tower 2 – Building (Property, Plant & Equipment)	224.56	Sify Technologies Limited ("STL")	Promoter – STL	6 years from FY 2020-21	In process of transferring the lease agreements

Rabale Tower 3 – Building (Property, Plant & Equipment)	1,590.63	Sify Technologies Limited ("STL")	Promoter - STL	6 years from FY 2020-21	In process of transferring the lease agreements

During the year the Company has provided loans, advances in the nature of loans, stood guarantee or provided security to Companies as follows:

INR in million

Particulars	Guarantees	Loans
Aggregate amount granted/ provided during the year		
Associates	Nil	190.00
Balance outstanding as at Standalone balance sheet date in respect of above cases		
Associates	1,155.80	500.00

The Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties during the year.

According to the information and explanations given to us and based on the examination of the records of the Company,

In auditor opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities.

No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below.

INR in million

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeal)	AY 2023-24	93.15
The Income Tax Act, 1961	Income Tax	National Faceless Assessment Center	AY 2024-25	2.48

Source: Annual report 2026

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 INR 1,155.80 [Initial guarantee executed 1,850.00] as at 31st March 2026 (INR 1,464.58 as at 31st March 2025) for SKVR Software Solution Private Limited for Specific DC Project to the lenders.

INR in million

Sr. No.	Particulars	FY 2024	FY 2025	FY 2026
I.	**Capital commitments**			
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	7,390	6,253	19,769
	Total	**7,390**	**6,253**	**19,769**

Source: Annual report 2026

BANK DETAILS

The Company has banking relationship with following banks:

- State Bank of India
- DBS Bank Ltd
- HSBC Bank
- IDFC First Bank Ltd
- Axis Bank Ltd
- Central Bank of India

Source: Annual report 2026

LOCATIONS

Address	Location Type
2nd Floor, TIDEL Park No 4 Rajiv Gandhi Salai, Taramani Chennai – 600113 Tamil Nadu India	Corporate and Register Office
Tech Space, Plot No. R-847: 1/2 T.T.C Industrial area, Rabale Navi Mumbai- 400 701 Maharashtra India	Data Center
6th floor, Reliable Plaza, Plot No:- K-10 Kalwa Industrial Estate, City: Airoli Navi Mumbai – 400708 Maharashtra India	Data Center
UVAT 251, 5th & 6th Floor International Infotech Park, Vashi Navi Mumbai – 400703 Maharashtra India	Data Center
Chennai Tamil Nadu India	Data Center
Plot No – B7, Sector – 132, Opp. Jaypee Hospital Greater Noida Expressway, Gautam Budh Nagar Noida - 201304 Uttar Pradesh India	Data Center
Noida Uttar Pradesh India	Data Center
Unit No A/303, 3rd Floor, Cyber Park Plot no 76, 77. Electronic City Phase 1 Bengaluru – 560100 Karnataka India	Data Center
4th Floor, North Block, Maruthi Chambers, 17/4c, KAS Officers Colony, Roopena Agrahara, Bommanahalli Bengaluru – 5600068 Karnataka India	Data Center
Survey No. 115/1, Street Name: Financial District, Nanakramguda, City	Data Center

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Hyderabad – 500032 Telangana India	
H No 8-2-269/3/92 Plot # 92 Street #8 Sagar Society Banjara Hills Hyderabad - 500 034 Telangana India	Data Center
DLF IT park 1, 2nd Floor, Tower-C Premises No-8 Block-AF, Major Arterial Road New Town, Rajarhat Kolkata – 700156 West Bengal India	Data Center

Source: Company website

GROUP DETAILS

Ultimate Holding Company

Name of the Company
Raju Vegesna Infotech and Industries Private Limited

Holding Company

Name of the Company	% Held
Sify Technologies Limited	88.45

Fellow Subsidiaries

Name of the Company
Sify Technologies (Singapore) Pte. Limited
Sify Technologies North America Corporation
Sify Data and Managed Services Limited
Sify Digital Services Limited

Associate Company

Name of the Company	% Held
SKVR Software Solution Private Limited	49.00
Sarayu Cleangen Private Limited	26.00
Tasoula Energy Private Limited	38.87
Veh Srishti Energy Private Limited	42.63
Sunsure Solarpark Eighteen Private Limited	44.25
Murli Solar Enery Private Limited	23.50

Related parties

Name of the Company
Raju Vegesna Foundation
Vegesna Family Trust, India
Vegesna Family Trust, USA

Source: Annual Report 2026

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Standard Industrial Identification Codes (SIC codes)

7379-0000	Operates computer related services
7379-9900	Provides computer related services
7374-0000	Engaged in data processing/hosting
4899-9901	Provides data communication services

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MEDIA ARTICLES

India's Sify Infinit eyes $4.2 billion valuation in planned data centre IPO - report

Date: 26th February 2026

Source: thetechcapital

Sify Infinit Is Said to Seek $4.2 Billion Valuation in India IPO

Date: 24th February 2026

Source: bloomberg

Sify Infinit gets approval for India's first data centre IPO; Sebi also clears 12 other public issues

Date: 23rd January 2026

Source: economictimes.indiatimes

IFC partners with Sify Infinit Spaces to Provide Sustainability-Linked Financing Advisory Services for its Data Center business

Date: 15th January 2026

Source: ifc

IPO-Bound Sify Infinit Spaces Bets On AI Boom But wary Of Bubble

Date: 3rd December 2025

Source: vccircle

Sify Infinit Spaces Expands Confidently as India's AI-Driven Data Center Growth Accelerates

Date: 3rd December 2025

Source: millichronicle

Sify Infinit IPO papers with SEBI: A look at its financials, strengths and risks

Date: 28th October 2025

Source: upstox

Sify Infinit Spaces Files for Rs 3,700 Cr IPO, India's First Data Centre IPO

Date: 22nd October 2025

Source: medianama

Sify Infinit Files for Rs 3,700 Crore IPO, India's First Data Center Listing

Date: 18th October 2025

Source: deccanchronicle

Sify Infinit Spaces files Draft Red Herring Prospectus in India

Date: 17th October 2025

Source: nasdaq

Sify Infinit Spaces announces the appointment of Mark Adams as Non-Executive and Non-Independent Director on the Board

Date: 5th September 2025

Source: globenewswire

Sify Infinit Spaces Limited announces the appointment of Dr Tom Bradicich as Independent Director to its Board

Date: 25th August 2025

Source: globenewswire

Sify launches pay-per-use colocation pricing at their NVIDIA-certified AI data centre campuses

Date: 20th May 2025

Source: thehindubusinessline

Sify's Chennai and Noida Data Center facilities Achieve NVIDIA DGX-Ready Certification for liquid cooling

Date: 6th May 2025

Source: globenewswire

GLOSSARY FOR KEY RATIOS

KEY FINANCIAL RATIOS	FORMULAE
GROWTH RATIOS	
Revenue Growth (%)	% Change in revenue in the current year over the previous year
Net Profit Growth (%)	% Change in net profit in the current year over the previous year
PROFITABILITY RATIOS	
Gross Profit Margin (%)	(Net Revenue - Direct Expenditure/Net Revenue)*100
Operating Profit Margin (%)	(Operating Profit/Net Revenue)*100
Net Profit Margin (%)	(Net Profit after Tax/Net Revenue)*100
Return on Tangible Networth (%)	(Net Profit after Tax/Tangible Networth)*100
Return on Capital Employed (%)	(Earnings before Interest and Tax/Capital Employed)*100
Return on Fixed Assets (%)	(Net Profit after Tax/Fixed Assets)*100
Return on Total Assets (%)	(Net Profit after Tax/(Current Assets + Other Tangible Assets))*100
LIQUIDITY RATIOS	
Quick Ratio (Times)	(Current Assets - Inventory - Prepaid Expenses - Unbilled Revenue)/Current Liabilities
Current Ratio (Times)	Current Assets/Current Liabilities
Super Quick Ratio (Times)	(Cash & Bank Balance + Fixed deposits + Receivables)/Current Liabilities
TURNOVER RATIOS	
Inventory Turnover Ratio (Times)	(Direct Expenditure - Repairs & Maintenance - Plant & Machinery)/Total Inventory
Fixed Assets Turnover Ratio (Times)	Net Revenue/Fixed Assets
SOLVENCY RATIOS	
Long Term Debt Equity Ratio (Times)	Long Term Loans/Tangible Networth
Total Debt Equity Ratio (Times)	Total borrowings (Long term + Short term)/Tangible Networth
Total Liabilities to Tangible Networth (%)	{(Current Liabilities + Non-Current Liabilities)/Tangible Networth)}*100

KEY FINANCIAL RATIOS	FORMULAE
Interest Coverage Ratio (Times)	Earnings before Interest and Tax/Interest Expenditure
EFFICIENCY RATIOS	
Payment Period (Days)	Accounts Payable/Total Purchases*365
Average Payment Period (Days)	Average Accounts Payable/Total Purchases*365
Collection Period (Days)	Accounts Receivable/Net Revenue*365
Average Collection Period (Days)	Average Accounts Receivable/Net Revenue*365
WORKING CAPITAL RATIOS	
Current Liabilities to Tangible Networth (%)	Current Liabilities/Tangible Networth*100
Working Capital Turnover Ratio (Times)	Net Revenue/(Current Assets - Current Liabilities)
Inventory Days	365/Inventory Turnover Ratio
Working Capital Cycle	Collection Period (days) + Inventory Holding (Days) - Payment Period (Days)

OTHER KEY FINANCIALTERMS	
Direct Expenditure	Cost of material consumed or traded, salaries & wages, freight inward, job work charges, royalties/technical fees and other expenses directly related to manufacturing/rendering of services.
Operating Profit	Measure of profit or loss earned / incurred after charging all direct expenses plus indirect expenses from revenue and other operating income pertaining to core business activities. Taken as EBIT – non operating income.
Net Profit	Measure of net profit or loss earned/incurred after considering all incomes and expenses including interest expenditure and taxes.
Working Capital	Current Assets - Current Liabilities
Tangible Networth	Working Capital + Other Tangible assets - Non-Current Liabilities
Capital Employed	Tangible Networth + (Long-Term Borrowings + Short-Term Borrowings)
Total Borrowings	Long Term (Secured & Unsecured) Loans + Short Term (Secured & Unsecured) Loans

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