

SONATA SOFTWARE LIMITED

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30TH SEPTEMBER, 2009

(Rs)

	SCHEDULE	AS AT 30.09.2009	AS AT 30.09.2008	AS AT 31.03.2009
SOURCES OF FUNDS				
Shareholder's Funds				
Share Capital		105,159,306	105,159,306	105,159,306
Reserves and Surplus		2,992,576,050	2,513,444,789	2,662,872,112
		<u>3,097,735,356</u>	<u>2,618,604,095</u>	<u>2,768,031,418</u>
Minority Interest		347,193,971	307,530,391	308,055,453
Loan Funds				
Secured Loans		390,160,876	272,436,035	33,745,000
Deferred Tax Liability		697,057	1,025,441	1,023,971
TOTAL FUNDS EMPLOYED		<u>3,835,787,260</u>	<u>3,199,595,962</u>	<u>3,110,855,842</u>
APPLICATION OF FUNDS				
Fixed Assets				
Tangible Fixed Assets		919,864,695	808,906,923	878,484,501
Intangible Fixed Assets		1,030,334,541	1,032,409,671	1,031,428,568
		<u>1,950,199,236</u>	<u>1,841,316,594</u>	<u>1,909,913,069</u>
Investments		122,655,706	43,241,458	80,973,829
Deferred Tax Asset		174,188,224	220,270,968	198,884,922
Current Assets, Loans and Advances				
Inventories		146,054,532	232,612,425	54,748,872
Sundry Debtors		2,867,427,358	2,875,087,649	2,777,512,065
Cash and Bank Balances		724,698,925	1,089,246,990	817,367,943
Other Current Assets		64,308,780	69,660,458	82,531,101
Loans and Advances		1,531,245,063	840,949,620	1,196,396,362
		<u>5,333,734,658</u>	<u>5,107,557,141</u>	<u>4,928,556,343</u>
Less: Current Liabilities and Provisions				
Current Liabilities		2,973,214,274	3,371,180,815	3,402,215,721
Provisions		771,776,290	641,609,385	605,256,600
		<u>3,744,990,564</u>	<u>4,012,790,200</u>	<u>4,007,472,321</u>
Net Current Assets		1,588,744,094	1,094,766,941	921,084,022
TOTAL FUNDS APPLIED		<u>3,835,787,260</u>	<u>3,199,595,961</u>	<u>3,110,855,842</u>

SELECTED EXPLANATORY NOTES
FORMING PART OF ACCOUNTS

1

As per our Report annexed

By Order of the Board of Directors

For N M RAJI & Co.
Chartered Accountants

For Sonata Software Limited

Y N THAKKAR
PartnerB RAMASWAMY
Managing Director & President

Bangalore; 14th October, 2009

SONATA SOFTWARE LIMITED

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2009

SCHEDULE	(Rs)		(Rs)		(Rs)
	QUARTER ENDED 30.09.2009	QUARTER ENDED 30.09.2008	HALF YEAR ENDED 30.09.2009	HALF YEAR ENDED 30.09.2008	YEAR ENDED 31.03.2009
INCOME					
Sales & Services (Net)	3,473,250,248	4,236,442,661	7,253,426,533	8,316,697,628	15,912,684,277
Other Income	24,968,794	33,917,579	36,602,438	63,968,876	109,521,335
Total Income	3,498,219,042	4,270,360,240	7,290,028,971	8,380,666,504	16,022,205,612
EXPENDITURE					
Salaries, Wages & Other staff costs	1,021,375,454	975,914,056	2,072,131,655	2,062,912,261	4,125,467,562
Other Operating Expenses	959,736,142	1,256,770,526	1,832,839,380	2,372,548,281	4,406,595,740
Purchase of traded items	1,003,826,891	1,439,911,629	2,604,765,980	3,191,813,685	5,753,012,790
Interest	16,570,438	16,541,978	33,761,153	37,062,152	66,942,254
Depreciation	129,124,807	109,831,947	246,526,408	214,659,481	435,018,216
Bad debts			-	-	4,721,060
Provision for Doubtful Debts	23,052,210	(867,909)	24,037,507	-	14,501,306
(Increase)/ Decrease in Stocks	25,870,051	133,705,942	(91,305,660)	(87,903,575)	89,959,978
	3,179,555,992	3,931,808,170	6,722,756,423	7,791,092,285	14,896,218,906
Profit Before Tax	318,663,050	338,552,070	567,272,548	589,574,219	1,125,986,706
Provision for Tax	94,458,217	81,653,100	156,794,189	148,208,351	273,508,456
MAT credit	(31,628,864)	(15,696,154)	(51,916,160)	(31,550,662)	(61,237,382)
Fringe Benefit Tax	-2,635,260	2,574,000		5,636,000	9,279,000
Profit After Tax before minority interest/ share of earning in affiliates	258,468,958	270,021,124	462,394,519	467,280,530	904,436,632
Share in earning of affiliates		(198,610)	-	(198,610)	2,510,048
Minority Interest	(44,941,104)	(53,499,736)	(71,281,068)	(72,630,743)	(141,267,605)
Profit After Tax after minority interest/share of earning in affiliates	213,527,854	216,322,778	391,113,451	394,451,177	765,679,075
Add: Balance of Profit brought forward			1,810,646,757	1,288,042,679	1,288,042,679
Disposable Surplus			2,201,760,209	1,682,493,856	2,053,721,754
Interim Dividend			94,643,375	52,579,653	157,738,959
Provision for Dividend Tax			16,084,642	8,935,912	26,807,736
Transfer to General Reserve			-	-	60,000,000
Balance Carried to Balance Sheet			2,091,032,191	1,620,978,291	1,809,175,059
			2,201,760,208	1,682,493,856	2,053,721,754
EPS - Basic (on Re.1 per share)	2.03	2.06	3.72	3.75	7.28
EPS - Diluted (on Re.1 per share)	2.03	2.06	3.72	3.75	7.28
EPS - Basic (Annualised)(on Re 1 per share)	8.12	8.23	7.44	7.50	7.28
EPS - Diluted (Annualised) (on Re.1 per share)	8.12	8.23	7.44	7.50	7.28

SELECTED EXPLANATORY NOTES
FORMING PART OF ACCOUNTS

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As per our Report annexed

By Order of the Board of Directors

For N M RAIJI & Co.,
Chartered Accountants

For Sonata Software Limited

Y N THAKKAR
PartnerB RAMASWAMY
Managing Director & President

Bangalore; 14th October, 2009

SONATA SOFTWARE LIMITED

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

PARTICULARS		(Rs)				
		QUARTER ENDED 30.09.2009	QUARTER ENDED 30.09.2008	HALF YEAR ENDED 30.09.2009	HALF YEAR ENDED 30.09.2008	YEAR ENDED 31.03.2009
Cash flows from Operating Activities	(A)	(478,532,910)	300,730,352	(54,075,926)	495,107,727	1,057,632,582
Cash flows from Investing Activities	(B)	(101,685,961)	31,542,041	(329,105,265)	(14,057,469)	(334,277,314)
Cash flows from Financing Activities	(C)	307,602,888	187,430,767	290,512,173	(156,245,028)	(670,429,085)
Net increase/(decrease) in Cash and Cash Equivalents	(A+B+C)	<u>(272,615,983)</u>	<u>519,703,160</u>	<u>(92,669,018)</u>	<u>324,805,230</u>	<u>52,926,183</u>
Opening Cash & Cash Equivalents		997,314,908	569,543,830	817,367,943	764,441,760	764,441,760
Closing Cash & Cash Equivalents		724,698,925	1,089,246,990	724,698,925	1,089,246,990	817,367,943

As per our Report Annexed

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Chartered Accountants

For Sonata Software Limited

Y N THAKKAR
PartnerB RAMASWAMY
Managing Director & President

Bangalore; 14th October, 2009

SONATA SOFTWARE LIMITED**Schedule 1: Selected Explanatory notes to Consolidated Financial Statements****Significant Accounting Policies**

There are no changes in the accounting policies during the half year ended 30th September 2009.
The significant accounting policies of the company relate to fixed asset & depreciation, investments, inventories, sales & services, foreign currency transactions & retirement benefits.

Segment Reporting

Amount in Rs.

<i>Particulars</i>	<i>*Domestic</i>	<i>**International</i>	<i>Total</i>
Segment Revenue	2,765,042,593	4,488,383,940	7,253,426,533
	(3,371,374,571)	(4,945,323,057)	(8,316,697,628)
Segment Result	56,882,581	507,548,682	564,431,263
	(66,862,649)	(495,804,845)	(562,667,495)
Segment Capital Employed	894,338,519	2,593,557,713	3,487,896,232
	(490,552,139)	(2,400,487,991)	(2,891,040,130)

Geographical Areas:

* Domestic= India (Products & Services)

** International= Rest of the World (Export - Software Service and Products)

During the period, the Company has taken credit for tax amounting to Rs 51916160 which is available for credits in the future years in terms of section 115JAA of the Income Tax Act, 1961.

Previous period's figures are shown in brackets and have been regrouped, wherever necessary to conform to current period's classification.

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By Order of the Board of Directors

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