

SONATA SOFTWARE LIMITED

CONDENSED 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	2,352,217,162	2,093,200,507	2,133,103,694
TOTAL FUNDS EMPLOYED	<u>2,457,376,468</u>	<u>2,198,359,813</u>	<u>2,238,263,000</u>
APPLICATION OF FUNDS			
Fixed Assets			
Tangible fixed assets	311,487,938	276,890,396	272,359,096
Investments	1,227,609,751	1,220,995,501	1,262,628,341
Deferred Tax Asset	60,166,663	90,814,674	76,818,887
Current Assets, Loans and Advances			
Inventories	-	7,840,490	-
Sundry Debtors	480,958,232	347,656,058	428,502,168
Cash and Bank Balances	148,816,733	216,866,227	139,627,852
Other Current Assets	22,098,723	35,874,315	37,161,410
Loans and Advances	541,346,036	234,511,433	273,330,888
	<u>1,193,219,724</u>	<u>842,748,523</u>	<u>878,622,318</u>
Less: Current Liabilities and Provisions			
Current Liabilities	210,899,606	157,059,892	240,310,123
Provisions	124,208,002	76,029,389	11,855,519
	<u>335,107,608</u>	<u>233,089,281</u>	<u>252,165,642</u>
Net Current Assets	858,112,116	609,659,242	626,456,676
TOTAL FUNDS APPLIED	<u>2,457,376,468</u>	<u>2,198,359,813</u>	<u>2,238,263,000</u>

SELECTED EXPLANATORY NOTES
FORMING PART OF ACCOUNTS

1

As per our Report annexed

By the Order of 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 PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2009

(Rs)

SCHEDULE	QUARTER ENDED	QUARTER ENDED	HALF YEAR ENDED	HALF YEAR ENDED	YEAR ENDED
	30.09.2009	30.09.2008	30.09.2009	30.09.2008	31.03.2009
INCOME					
Services (Net)	599,485,483	649,746,149	1,168,057,196	1,227,252,398	2,435,768,787
Other Income	4,949,495	2,519,062	9,271,743	13,725,126	10,530,957
Total Income	604,434,978	652,265,211	1,177,328,939	1,240,977,524	2,446,299,744
EXPENDITURE					
Salaries, wages and other staff costs	262,759,878	277,446,783	551,955,717	518,661,159	1,086,409,458
Other operating expenses	145,187,431	201,538,739	267,127,500	378,528,636	682,119,270
Interest	-	1,351,616	-	3,767,554	3,881,623
Depreciation	19,370,934	22,030,307	37,574,849	43,234,904	81,316,414
Provision for Doubtful Debts	21,073,432	-	21,073,432	-	11,537,756
(Increase)/ Decrease in Stocks	-	3,920,245	-	7,840,490	15,680,980
	448,391,675	506,287,690	877,731,498	952,032,743	1,880,945,501
Profit Before Tax	156,043,303	145,977,521	299,597,441	288,944,781	565,354,243
Provision for Tax	43,370,117	24,633,229	70,990,620	47,986,990	84,803,493
MAT credit	(31,628,864)	(15,696,154)	(51,916,160)	(31,550,662)	(61,237,382)
Fringe Benefit Tax	(2,355,502)	2,200,000	-	4,960,000	8,199,000
Profit After Tax	146,657,552	134,840,446	280,522,981	267,548,453	533,589,132
Add: Balance of Profit brought forward from previous period			1,307,131,399	1,018,088,962	1,018,088,962
Disposable Surplus			1,587,654,380	1,285,637,415	1,551,678,094
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			1,476,926,363	1,224,121,850	1,307,131,399
			1,587,654,380	1,285,637,415	1,551,678,094
SELECTED EXPLANATORY NOTES FORMING PART OF ACCOUNTS					
	1				
EPS - Basic (on Re.1 per share)	1.39	1.28	2.67	2.54	5.07
EPS - Diluted (on Re.1 per share)	1.39	1.28	2.67	2.54	5.07
EPS - Basic (Annualised) (on Re.1 per share)	5.58	5.13	5.34	5.09	5.07
EPS - Diluted (Annualised) (on Re.1 per share)	5.58	5.13	5.34	5.09	5.07

As per our Report annexed

By the Order of 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 CASH FLOW STATEMENT**

(Rs)

		QUARTER ENDED	QUARTER ENDED	HALF YEAR ENDED	HALF YEAR ENDED	YEAR ENDED
		30.09.2009	30.09.2008	30.09.2009	30.09.2008	31.03.2009
Cash flows from operating activities	(A)	85,912,671	285,580,265	269,671,446	385,121,887	563,316,934
Cash flows from investing activities	(B)	(242,396,689)	(12,838,467)	(260,482,565)	(229,024,896)	(299,797,552)
Cash flows from financing activities	(C)	-	(104,624,416)	-	(77,586,231)	(262,246,996)
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	<u>(156,484,018)</u>	<u>168,117,383</u>	<u>9,188,881</u>	<u>78,510,761</u>	<u>1,272,386</u>
Opening Cash and Cash equivalents		305,300,751	48,748,844	139,627,852	138,355,466	138,355,466
Closing Cash and Cash equivalents		148,816,733	216,866,227	148,816,733	216,866,227	139,627,852

As per our Report annexed

By the Order of Board of DirectorsFor N M RALJI & Co.
Chartered Accountants**For Sonata Software Limited**Y N THAKKAR
Partner**B RAMASWAMY**
Managing Director & President

Bangalore 14th October, 2009

SONATA SOFTWARE LIMITED

SCHEDULE 1 : SELECTED EXPLANATORY NOTES FORMING PART OF THE ACCOUNTS

1. 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 and depreciation, investments, inventories, services, foreign currency transactions and retirement benefits.
2. Previous period's figures have been regrouped, wherever necessary to conform to current period's classification.
3. 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.

As per our Report annexed

For N M RAIJI & Co.
Chartered Accountants

By the Order of Board of Directors
For Sonata Software Limited

Y N THAKKAR
Partner

B RAMASWAMY
Managing Director & President

Bangalore 14th October, 2009