



SONATA SOFTWARE

SONATA SOFTWARE LIMITED
CIN: L72200MH1994PLC082110
Registered Office: 208, T.V. Industrial Estate, S.K. Ahire Marg, Worli, Mumbai - 400 030.
Corporate Office: 1/4, A.P.S Trust Building, Bull Temple Road,
N.R. Colony, Bangalore - 560 019.

**HIGHLIGHTS FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

• Sonata (Consolidated) Revenue at ₹ 406 Crs

• Sonata (Consolidated) Net Profit at ₹ 31 Crs, up by 72% Y o Y

• EPS annualised (Consolidated) at ₹ 12

Part I STATEMENT OF STANDALONE / CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30/09/2014 (₹ in lakhs)

Sr. No.	Particulars	Standalone						Consolidated					
		Three months ended	Preceding three months ended	Corresponding three months ended	Six months ended	Corresponding Six months ended	Year to date fig. for Previous Year ended	Three months ended	Preceding three months ended	Corresponding three months ended	Six months ended	Corresponding Six months ended	Year to date fig. for Previous Year ended
		30/09/2014	30/06/2014	30/09/2013	30/09/2014	30/09/2013	31/03/2014	30/09/2014	30/06/2014	30/09/2013	30/09/2014	30/09/2013	31/03/2014
1	Income from operations												
a)	Net sales/income from operations	11,459.69	10,117.22	8,377.97	21,576.91	14,937.38	33,282.78	40,509.88	41,679.11	42,459.82	82,188.99	83,751.62	156,458.95
b)	Other operating income	10.47	21.12	21.49	31.59	31.28	87.67	44.91	39.21	41.67	84.11	66.48	138.18
	Total income from operations (net)	11,470.16	10,138.34	8,399.46	21,608.50	14,968.66	33,370.45	40,554.79	41,718.32	42,501.49	82,273.10	83,818.10	156,597.13
2	Expenses												
a)	Purchases of stock-in-trade							19,442.49	31,484.10	28,771.19	50,926.58	57,893.17	100,617.01
b)	Changes in inventories of stock-in-trade							4,829.77	(4,963.48)	(354.60)	(133.70)	(397.43)	(41.59)
c)	Employee benefits expense	6,257.85	5,816.00	4,779.86	12,073.84	8,806.45	18,627.21	8,594.15	8,154.18	7,967.51	16,748.33	15,185.89	30,980.07
d)	Depreciation and amortisation expense	105.80	182.59	197.32	288.39	417.88	739.22	124.74	204.76	210.68	329.50	443.34	796.37
e)	Other expenses	1,994.64	2,032.07	2,226.44	4,026.71	4,142.86	7,803.39	3,503.72	3,474.89	3,771.55	6,978.61	7,622.41	14,615.94
f)	Net exchange loss/(gain)	(116.75)	(391.12)	254.19	(507.87)	405.72	1,038.60	70.41	(340.87)	(35.11)	(270.46)	(359.57)	457.85
	Total expenses	8,241.54	7,639.54	7,457.81	15,881.07	13,772.91	28,208.42	36,565.28	38,013.58	40,331.22	74,578.86	80,387.81	147,425.65
3	Profit from operations before other income, finance costs and exceptional items	3,228.62	2,498.80	941.65	5,727.43	1,195.75	5,162.03	3,989.51	3,704.74	2,170.27	7,694.24	3,430.29	9,171.48
4	Other income	458.65	431.36	253.85	890.02	452.15	1,739.06	322.22	339.17	195.48	661.39	393.33	1,064.55
5	Profit from ordinary activities before finance costs and exceptional items	3,687.27	2,930.16	1,195.50	6,617.45	1,647.90	6,901.09	4,311.73	4,043.91	2,365.75	8,355.63	3,823.62	10,236.03
6	Finance costs	37.07	3.07	3.88	40.14	15.35	16.64	79.81	54.55	74.43	134.36	145.83	243.48
7	Profit from ordinary activities after finance costs but before exceptional items	3,650.20	2,927.09	1,191.62	6,577.31	1,632.55	6,884.45	4,231.92	3,989.36	2,291.32	8,221.27	3,677.79	9,992.55
8	Exceptional items												
	Interest income on income tax refund	-	-	-	-	-	-	18.20	163.65	31.37	181.85	715.12	715.12
9	Profit before tax	3,650.20	2,927.09	1,191.62	6,577.31	1,632.55	6,884.45	4,250.12	4,153.01	2,322.69	8,403.12	4,392.91	10,707.67
10	Tax expense	800.92	684.84	282.98	1,485.76	398.97	1,500.25	1,164.14	948.88	518.73	2,113.02	1,137.01	2,935.34
11	Net Profit for the period after tax	2,849.28	2,242.25	908.64	5,091.55	1,233.58	5,384.20	3,085.98	3,204.13	1,803.96	6,290.10	3,255.90	7,772.33
12	Share of profit / (loss) of associates												
13	Minority interest							25.13	0.43	1.21	25.56	2.08	4.36
14	Net Profit after taxes, minority interest	2,849.28	2,242.25	908.64	5,091.55	1,233.58	5,384.20	3,111.11	3,204.56	1,805.17	6,315.66	3,257.98	7,776.69
15	Paid-up equity share capital (Face Value ₹ 1/-)	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59
16	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year							30,879.94					36,387.94
17	i) Earnings per share (before extraordinary items) (of ₹ 1/- each) (not annualised):												
a)	Basic	2.71	2.13	0.86	4.84	1.17	5.12	2.96	3.05	1.72	6.01	3.10	7.40
b)	Diluted	2.71	2.13	0.86	4.84	1.17	5.12	2.96	3.05	1.72	6.01	3.10	7.40
17	ii) Earnings per share (after extraordinary items) (of ₹ 1/- each) (not annualised):												
a)	Basic	2.71	2.13	0.86	4.84	1.17	5.12	2.96	3.05	1.72	6.01	3.10	7.40
b)	Diluted	2.71	2.13	0.86	4.84	1.17	5.12	2.96	3.05	1.72	6.01	3.10	7.40

STANDALONE & CONSOLIDATED INFORMATION FOR THE QUARTER AND SIX MONTHS ENDED 30/09/2014

Sr. No.	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended	Six months ended	Corresponding Six months ended	Year ended	Sr. No.	Particulars	Quarter ended 30/09/2014
		30/09/2014	30/06/2014	30/09/2013	30/09/2014	30/09/2013	31/03/2014			
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited			
A	PARTICULARS OF SHAREHOLDING							B	INVESTOR COMPLAINTS	
1	Public Shareholding								Pending at the beginning of the quarter	-
	- Number of shares	70,674,145	70,674,145	70,674,145	70,674,145	70,674,145	70,674,145		Received during the quarter	21
	- Percentage of shareholding	67.21	67.21	67.21	67.21	67.21	67.21		Disposed of during the quarter	21
2	Promoters and Promoter Group Shareholding								Remaining unresolved at the end of the quarter	-
a)	Pledged / Encumbered									
	- Number of shares	1,875,000	1,875,000	1,875,000	1,875,000	1,875,000	1,875,000			
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	5.44	5.44	5.44	5.44	5.44	5.44			
	- Percentage of shares (as a % of the total share capital of the company)	1.78	1.78	1.78	1.78	1.78	1.78			
b)	Non - encumbered									
	- Number of shares	32,610,161	32,610,161	32,610,161	32,610,161	32,610,161	32,610,161			
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	94.56	94.56	94.56	94.56	94.56	94.56			
	- Percentage of shares (as a % of the total share capital of the company)	31.01	31.01	31.01	31.01	31.01	31.01			

- Notes:**
- The above audited financial results of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 7, 2014.
 - In accordance with Clause 41 of the Listing Agreement the Statutory Auditors have carried out a 'Limited Review' of the Standalone and Consolidated financial results for the quarter and six months ended September 30, 2014.
 - Consequent to the applicability of the Companies Act, 2013 with effect from April 1, 2014, depreciation for the quarter and six months ended September 30, 2014 has been calculated based on the useful life as specified under Schedule II of the said Act. On account of the above,
 - in standalone financials, the depreciation for the quarter and six months ended September 30, 2014 debited to the statement of profit and loss is higher by ₹ 10.59 lakhs and ₹ 94.22 lakhs respectively. In terms of Schedule II of the Companies Act, 2013 an amount of ₹ 113.53 lakhs (net of tax) has been debited to the opening retained earnings as at April 1, 2014 towards the carrying amount of assets, where the remaining useful life of the asset is Nil.
 - in consolidated financials, the depreciation for the quarter and six months ended September 30, 2014 debited to the statement of profit and loss is higher by ₹ 7.55 lakhs and ₹ 93.66 lakhs respectively. In terms of Schedule II of the Companies Act, 2013 an amount of ₹ 115.02 lakhs (net of tax) has been debited to the opening retained earnings as at April 1, 2014 towards the carrying amount of assets, where the remaining useful life of the asset is Nil.
 - Consolidated financials include subsidiaries i.e, Sonata Information Technology Limited, Sonata Software North America Inc., Rezopia, Inc. (August 22, 2014), Sonata Software GmbH, Sonata Europe Limited, Sonata Software FZ-LLC and Sonata Software (Qatar) LLC. Consolidated financials also includes results of a subsidiary, Sonata Technology Solutions India Limited, upto the date of dissolution (June 18, 2014).
 - Exceptional item for the quarter and six months ended September 30, 2014 includes interest on Income Tax refund of ₹ 18.20 lakhs and ₹ 163.65 lakhs in Sonata Software Limited and Sonata Information Technology Limited respectively.
 - During the quarter, Sonata Software Limited purchased the business of Xyca Software Private Limited, a Bangalore based Company and a sole service provider to Rezopia, Inc., USA under a business transfer agreement for a consideration of USD 590,000 and Sonata Software North America, a wholly owned subsidiary of the Company has acquired 60% stake in of the equity in Rezopia, Inc., USA for a consideration of USD 1,429,663.
 - Interim dividend of ₹ 1/- per share (100% on par value of ₹ 1/-) has been declared at the Board Meeting held today. This along with the interim dividend of ₹ 1.75/- per share declared on September 8, 2014 raises the total interim dividend for the year to ₹ 2.75/- per share.
 - Previous period figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

9. The consolidated segmentwise revenue and results for the quarter & six month ended September 30, 2014, as required under Clause 41 of the Listing Agreement are as follows:

Sr. No.	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended	Six months ended	Corresponding Six months ended	Year ended
		30/09/2014	30/06/2014	30/09/2013	30/09/2014	30/09/2013	31/03/2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Segment revenue						
a)	India	26,732.46	28,565.61	30,564.37	55,298.07	60,781.98	108,304.00
b)	Others	14,229.43	13,754.77	11,937.77	27,984.18	23,047.22	48,527.68
	Total	40,961.89	42,320.38	42,502.14	83,282.25	83,829.20	156,831.68
	Less: Inter segment revenue	407.10	602.06	0.65	1,009.15	11.10	234.55
	Net sales/income from operations	40,554.79	41,718.32	42,501.49	82,273.10	83,818.10	156,597.13
2.	Segment results						
	Profit before tax & interest						
a)	India	1,083.76	818.16	631.54	1,901.92	1,030.89	2,908.00
b)	Others	2,905.75	2,886.58	1,538.73	5,792.32	2,399.40	6,263.48
	Total	3,989.51	3,704.74	2,170.27	7,694.24	3,430.29	9,171.48
	Less: Finance costs	79.81	54.55	74.43	134.36	145.83	243.48
	Net of unallocable income	322.22	339.17	195.48	661.39	393.33	1,064.55
3.	Profit before tax and exceptional item	4,231.92	3,989.36	2,291.32	8,221.27	3,677.79	9,992.55
	Exceptional item						
	Interest Income on income tax refund	18.20	163.65	31.37	181.85	715.12	715.12
	Profit before tax and minority interest	4,250.12	4,153.01	2,322.69	8,403.12	4,392.91	10,707.67
4.	Capital employed (Segment assets - Segment liabilities)						
a)	India	12,382.42	1,592.83	8,146.69	12,382.42	8,146.69	2,018.30
b)	Others	22,640.69	23,218.42	13,160.12	22,640.69	13,160.12	24,522.35
c)	Unallocated	6,412.05	15,596.59	15,240.37	6,412.05	15,240.37	10,898.88
	Total	41,435.16	40,407.84	36,547.18	41,435.16	36,547.18	37,439.53

STATEMENT OF ASSETS AND LIABILITIES

The Standalone & Consolidated statement of assets and liabilities for the six months ended 30th September, 2014 as required under Clause 41 of the Listing Agreement

Sr. No.	Particulars	STANDALONE				CONSOLIDATED			
		As at 30/09/2014	As at 31/03/2014	As at 30/09/2014	As at 31/03/2014	As at 30/09/2014	As at 31/03/2014	As at 30/09/2014	As at 31/03/2014
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
A	EQUITY AND LIABILITIES								
1	Shareholders' Funds								