SONATA

SONATA SOFTWARE LIMITED

1/4, A.P.S. TRUST BUILDING, BULL TEMPLE ROAD,
N.R. COLONY, BANGALORE - 560 019, INDIA
TEL : +91-80-67781999 FAX : +91-80-26610972
CIN: L72200MH1994PLC082110

November 7, 2014

The Manager
Market Operations
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Dear Sir/Madam,

SUB : AUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014
REF : CLAUSE 41 OF THE LISTING AGREEMENT

With reference to the above, we wish to inform you that the un-audited financial results for the above period were considered and adopted by the Board in their meeting held on 7th November, 2014. We are sending herewith highlights of the financial results in the prescribed format.

Also note that the detailed financials and the Investor Presentation have been uploaded in our website www.sonata-software.com under Investors Section.

Kindly take the same on record.

Thanking you,

Very truly yours,
For **SONATA SOFTWARE LIMITED**

PRIYA MANOJ JASWANI
COMPANY SECRETARY

CC to : The National Stock Exchange Ltd – Mumbai

Deloitte
Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
Bangalore - 560 025
INDIA

Tel : + 91 80 66276000
Fax: + 91 80 66276011

INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
SONATA SOFTWARE LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SONATA SOFTWARE LIMITED** ("the Company") for the Quarter and Six Months Ended September 30, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended September 30, 2014 of the Statement, from the details furnished by the Management/Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

BANGALORE, November 7, 2014
VS/ VBA/ UB/ 2014

SONATA SOFTWARE LIMITED

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

Part I (₹ In lakhs)

Standalone - Unaudited Financial Results for the Quarter and Six Months Ended September 30, 2014

Sr #	Particulars	Three months ended September 30, 2014	Preceeding three months ended June 30, 2014	Corresponding three months ended September 30, 2013	Six months ended September 30, 2014	Corresponding Six months ended September 30, 2013	Year to date figures for Previous Year ended March 31, 2014
		Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
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
	(b) Other operating income	10.47	21.12	21.49	31.59	31.28	87.67
	Total income from operations (net)	**11,470.16**	**10,138.34**	**8,399.46**	**21,608.50**	**14,968.66**	**33,370.45**
2	**Expenses**						
	(a) Employee benefits expense	6,257.85	5,816.00	4,779.86	12,073.84	8,806.45	18,627.21
	(b) Depreciation and amortisation expense	105.80	182.59	197.32	288.39	417.88	739.22
	(c) Other expenses	1,994.64	2,032.07	2,226.44	4,026.71	4,142.86	7,803.39
	(d) Net exchange loss/(gain)	(116.75)	(391.12)	254.19	(507.87)	405.72	1,038.60
	Total expenses	**8,241.54**	**7,639.54**	**7,457.81**	**15,881.07**	**13,772.91**	**28,208.42**
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**
4	Other income	458.65	431.36	253.85	890.02	452.15	1,739.06
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**
6	Finance costs	37.07	3.07	3.88	40.14	15.35	16.64
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**
8	Exceptional items	-	-	-	-	-	-
9	**Profit before tax**	**3,650.20**	**2,927.09**	**1,191.62**	**6,577.31**	**1,632.55**	**6,884.45**
10	Tax expense	800.92	684.84	282.98	1,485.76	398.97	1,500.25
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**
12	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
13	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						30,879.94
14 (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
	(b) Diluted	2.71	2.13	0.86	4.84	1.17	5.12
14(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
	(b) Diluted	2.71	2.13	0.86	4.84	1.17	5.12

SONATA SOFTWARE LIMITED

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

Part II

Select Information - for the Quarter and Six Months Ended September 30, 2014

Sr #	Particulars	Three months ended September 30, 2014	Preceeding three months ended June 30, 2014	Corresponding three months ended September 30, 2013	Six months ended September 30, 2014	Corresponding Six months ended September 30, 2013	Year ended March 31, 2014
		Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- Number of shares	7,06,74,145	7,06,74,145	7,06,74,145	7,06,74,145	7,06,74,145	7,06,74,145
	- Percentage of shareholding	67.21%	67.21%	67.21%	67.21%	67.21%	67.21%
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of shares	18,75,000	18,75,000	18,75,000	18,75,000	18,75,000	18,75,000
	- 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	3,26,10,161	3,26,10,161	3,26,10,161	3,26,10,161	3,26,10,161	3,26,10,161
	- 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%

	Particulars	Quarter ended September 30, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	21
	Disposed of during the quarter	21
	Remaining unresolved at the end of the quarter	-

Notes:

1. The Standalone statement of assets and liabilities for the half year ended 30th September, 2014 as required under Clause 41 of the Listing Agreement

(₹ in lakhs)

Sr #	Particulars	As at 30/09/2014 (Unaudited)	As at 31/03/2014 (Audited)
A	EQUITY AND LIABILITIES		
1	**Shareholders' funds**		
	Share capital	1,051.59	1,051.59
	Reserves and surplus	33,795.60	30,879.94
	Sub total - Shareholders' funds	**34,847.19**	**31,931.53**
2	**Non-current liabilities**		
	Long-term provisions	91.81	69.59
	Sub total - Non-current liabilities	**91.81**	**69.59**
3	**Current liabilities**		
	Short-term borrowings	7,545.70	569.48
	Trade payables	3,447.80	3,188.07
	Other current liabilities	823.95	598.12
	Short-term provisions	2,283.79	4,374.19
	Sub total - Current liabilities	**14,101.24**	**8,729.86**
	TOTAL EQUITY AND LIABILITIES	**49,040.24**	**40,730.98**
B	ASSETS		
1	**Non-current assets**		
	Fixed assets	1,087.91	1,475.51
	Goodwill	281.92	-
	Non-current investments	5,100.01	5,100.01
	Deferred tax assets (net)	1,147.23	969.50
	Long-term loans and advances	6,637.63	5,856.58
	Sub total - Non-current assets	**14,254.70**	**13,401.60**
2	**Current assets**		
	Current investments	5,572.70	5,766.10
	Trade receivables	8,505.35	6,418.91
	Cash and cash equivalents	9,890.57	13,750.20
	Short-term loans and advances	10,380.28	831.71
	Other current assets	436.64	562.46
	Sub total - Current assets	**34,785.54**	**27,329.38**
	TOTAL ASSETS	**49,040.24**	**40,730.98**

1 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.

2 In accordance with Clause 41 of the Listing Agreement the Statutory Auditors have carried out a 'Limited Review' of the Standalone financial results for the quarter and six months ended September 30, 2014.

3 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, 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.

4 During the quarter, the Company has purchased the business of Xyka 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.

5 Segment results have not been disclosed in the Standalone results since the Company operates in only one Segment viz International (Software Service exports).

6 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.

7 Previous period figures have been regrouped/reclassified wherever necessary to confirm to current period's classification.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P.SRIDAR REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER

Place : Mumbai
Date : November 7, 2014

Deloitte
Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
Bangalore - 560 025
INDIA

Tel : + 91 80 66276000
Fax: + 91 80 66276011

INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
SONATA SOFTWARE LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SONATA SOFTWARE LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") for the Quarter and Six Months Ended September 30, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3(i). The Statement includes the results of the following entities:

a. Sonata Information Technology Limited
b. Sonata Technology Solutions India Limited
c. Sonata Software North America Inc.
d. Sonata Software GmbH
e. Sonata Europe Limited
f. Sonata Software FZ- LLC
g. Sonata Software (Qatar) LLC
h. Rezopia, Inc.

3(ii). We did not review the interim financial information of 3 subsidiaries included in the Statement whose interim financial statements /information /results reflect total assets of Rs. 1104.92 lakhs as at September 30, 2014, total revenues of Rs. 207.31 lakhs and Rs. 690.66 lakhs for the Quarter and Six Months ended September 30, 2014, respectively, and total loss after tax of Rs. 167.60 lakhs and Rs. 114.43 lakhs for the Quarter and Six Months ended September 30, 2014, respectively, as considered in the consolidated financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Deloitte
Haskins & Sells

4. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 3(ii) above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended September 30, 2014 of the Statement, from the details furnished by the Management/Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

BANGALORE, November 7, 2014
VS/ VBA/ UB/ 2014

SONATA SOFTWARE LIMITED

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

Part I

(₹ in lakhs)

Consolidated - Unaudited Financial Results for the Quarter and Six Months Ended September 30, 2014

Sr #	Particulars	Three months ended September 30, 2014	Preceeding three months ended June 30, 2014	Corresponding three months ended September 30, 2013	Six months ended September 30, 2014	Corresponding Six months ended September 30, 2013	Year ended March 31, 2014
		Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
1	**Income from operations**						
	(a) Net sales/income from operations	40,509.88	41,679.11	42,459.82	82,188.99	83,751.62	1,56,458.95
	(b) Other operating income	44.91	39.21	41.67	84.11	66.48	138.18
	Total income from operations (net)	**40,554.79**	**41,718.32**	**42,501.49**	**82,273.10**	**83,818.10**	**1,56,597.13**
2	**Expenses**						
	(a) Purchases of stock-in-trade	19,442.49	31,484.10	28,771.19	50,926.58	57,752.70	1,00,617.01
	(b) Changes in inventories of stock-in-trade	4,829.77	(4,963.48)	(354.60)	(133.70)	(256.97)	(41.59)
	(c) Employee benefits expense	8,594.15	8,154.18	7,967.51	16,748.33	15,185.89	30,980.07
	(d) Depreciation and amortisation expense	124.74	204.76	210.68	329.50	443.34	796.37
	(e) Other expenses	3,503.72	3,474.89	3,771.55	6,978.61	7,622.41	14,615.94
	(f) Net exchange loss/(gain)	70.41	(340.87)	(35.11)	(270.46)	(359.57)	457.85
	Total expenses	**36,565.28**	**38,013.58**	**40,331.22**	**74,578.86**	**80,387.80**	**1,47,425.65**
3	**Profit from operations before other income, finance costs and exceptional items**	**3,989.51**	**3,704.74**	**2,170.27**	**7,694.24**	**3,430.30**	**9,171.48**
4	Other income	340.42	339.17	195.48	679.59	393.33	1,064.55
5	**Profit from ordinary activities before finance costs and exceptional items**	**4,329.93**	**4,043.91**	**2,365.75**	**8,373.83**	**3,823.63**	**10,236.03**
6	Finance costs	79.81	54.55	74.43	134.36	145.83	243.48
7	**Profit from ordinary activities after finance costs but before exceptional items**	**4,250.12**	**3,989.36**	**2,291.32**	**8,239.47**	**3,677.80**	**9,992.55**
8	Exceptional items						
	Interest income on income tax refund	-	163.65	31.37	163.65	715.12	715.12
9	**Profit before tax**	**4,250.12**	**4,153.01**	**2,322.69**	**8,403.12**	**4,392.92**	**10,707.67**
10	Tax expense	1,164.14	948.88	518.73	2,113.02	1,137.01	2,935.34
11	**Net Profit after tax**	**3,085.98**	**3,204.13**	**1,803.96**	**6,290.10**	**3,255.91**	**7,772.33**
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	**Net Profit / (Loss) for the period**	**3,085.98**	**3,204.13**	**1,803.96**	**6,290.10**	**3,255.91**	**7,772.33**
14	Share of profit / (loss) of associates	-	-	-			-
12	Minority interest	25.13	0.43	1.21	25.56	2.08	4.36
13	**Net Profit after taxes, minority interest**	**3,111.11**	**3,204.56**	**1,805.17**	**6,315.66**	**3,257.99**	**7,776.69**
14	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
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						36,387.94
16(i)	**Earnings per share (before extraordinary items) (of ₹ 1/- each) (not annualised):**						
	(a) Basic	2.96	3.05	1.72	6.01	3.10	7.40
	(b) Diluted	2.96	3.05	1.72	6.01	3.10	7.40
16(ii)	**Earnings per share (after extraordinary items) (of ₹ 1/- each) (not annualised):**						
	(a) Basic	2.96	3.05	1.72	6.01	3.10	7.40
	(b) Diluted	2.96	3.05	1.72	6.01	3.10	7.40

9

SONATA SOFTWARE LIMITED

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

Part II

Select Information for the Quarter and Six Months Ended September 30, 2014

Sr #	Particulars	Three months ended September 30, 2014	Preceeding three months ended June 30, 2014	Corresponding three months ended September 30, 2013	Six months ended September 30, 2014	Corresponding Six months ended September 30, 2013	Year ended March 31, 2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- Number of shares	7,06,74,145	7,06,74,145	7,06,74,145	7,06,74,145	7,06,74,145	7,06,74,145
	- Percentage of shareholding	67.21%	67.21%	67.21%	67.21%	67.21%	67.21%
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of shares	18,75,000	18,75,000	18,75,000	18,75,000	18,75,000	18,75,000
	- 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	3,26,10,161	3,26,10,161	3,26,10,161	3,26,10,161	3,26,10,161	3,26,10,161
	- 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%

	Particulars	Quarter ended September 30, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	21
	Disposed of during the quarter	21
	Remaining unresolved at the end of the quarter	-

Notes:

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

			(₹ in lakhs)
Sr #	Particulars	As at 30/09/2014 *(Unaudited)*	As at 31/03/2014 *(Audited)*
A	EQUITY AND LIABILITIES		
1	**Shareholders' funds**		
	Share capital	1,051.59	1,051.59
	Reserves and surplus	40,383.57	36,387.94
	Sub total - Shareholders' funds	**41,435.16**	**37,439.53**
2	**Minority interest**	**15.97**	**1.05**
3	**Non-current liabilities**		
	Long-term provisions	100.21	74.00
	Sub total - Non current liabilities	**100.21**	**74.00**
4	**Current liabilities**		
	Short-term borrowings	7,545.70	569.48
	Trade payables	20,022.90	20,236.17
	Other current liabilities	2,704.72	3,005.11
	Short-term provisions	2,872.40	4,838.94
	Sub total - Current liabilities	**33,145.72**	**28,649.70**
	TOTAL EQUITY AND LIABILITIES	**74,697.06**	**66,164.28**
B	ASSETS		
1	**Non-current assets**		
	Fixed assets	1,288.89	1,693.04
	Goodwill	1,087.86	-
	Non-current investments	0.31	0.31
	Deferred tax assets	1,240.97	1,040.45
	Long-term loans and advances	10,583.60	9,952.28
	Other non-current assets	3,110.04	3,289.58
	Sub total - Non-current assets	**17,311.67**	**15,975.66**
2	**Current assets**		
	Current investments	5,572.70	5,766.67
	Inventories	254.49	120.79
	Trade receivables	33,930.95	20,838.20
	Cash & cash equivalents	12,986.98	18,745.74
	Short-term loans and advances	3,768.72	3,468.94
	Other current assets	871.55	1,248.28
	Sub total - Current assets	**57,385.39**	**50,188.62**
	TOTAL ASSETS	**74,697.06**	**66,164.28**

2 The above unaudited 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.

3 In accordance with Clause 41 of the Listing Agreement the Statutory Auditors have carried out a 'Limited Review' of the consolidated financial results for the quarter and six months ended September 30, 2014.

4 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).

5 Exceptional item for the six months ended September 30, 2014 includes interest on Income Tax refund of ₹ 163.65 lakhs in Sonata Information Technology Limited.

6 The consolidated segment wise revenue and results for the quarter and six months ended September 30, 2014, as required under Clause 41 of the Listing Agreement are as follows :

(₹ in lakhs)

Particulars	Quarter ended			Six Months ended		Year ended
	Three months ended September 30, 2014	Preceding three months ended June 30, 2014	Corresponding three months ended September 30, 2013	Six months ended September 30, 2014	Corresponding Six months ended September 30, 2013	Year ended March 31, 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	1,08,304.00
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**	**1,56,831.68**
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**	**1,56,597.13**
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	2,399.41	6,263.48
Total	**3,989.51**	**3,704.74**	**2,170.27**	**7,694.24**	**3,430.30**	**9,171.48**
Less: Finance costs	79.81	54.55	74.43	134.36	145.83	243.48
Net of unallocable income	340.42	339.17	195.48	679.59	393.33	1,064.55
3. Profit before tax and exceptional item	**4,250.12**	**3,989.36**	**2,291.32**	**8,239.47**	**3,677.80**	**9,992.55**
Exceptional item Interest income on income tax refund	-	163.65	31.37	163.65	715.12	715.12
Profit before tax and minority interest	**4,250.12**	**4,153.01**	**2,322.69**	**8,403.12**	**4,392.92**	**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

7 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, 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.

8 During the quarter, Sonata Software Limited purchased the business of Xyka 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.

9 Previous period figures have been regrouped/reclassified wherever necessary to confirm to current year classification.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P SRINARREDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER

Place : Mumbai
Date : November 7, 2014

SONATA SOFTWARE

Sonata Software - Consolidated Q2 FY15 Revenues at ₹406 Crores and PAT of ₹31 Crores showing a YoY growth of 72%. Board declares Re 1/- per share as Half Year dividend.

Mumbai, Nov 7, 2014

Sonata Software, an IT consulting and software services provider, today reported its unaudited consolidated financial results for its 2nd quarter and Half year ended September 30, 2014.

in ₹ Crores

Description	*For the Quarter ended*					*For the half year ended*		
	30-Sep-14	*30-Jun-14*	*30-Sep-13*	*QoQ*	*YoY*	*30-Sep-14*	*30-Sep-13*	*YoY*
Revenues								
International IT Services	148.85	139.61	119.53	7%	25%	288.51	221.87	30%
Domestic- Products & Services	260.73	283.59	305.49	-8%	-15%	544.32	616.42	-12%
Consolidated	405.55	417.18	425.01	-3%	-5%	822.73	838.18	-2%
EBITDA								
International IT Services	35.58	35.49	19.63	0.3%	81%	71.06	31.86	123%
Domestic- Products & Services	9.38	8.83	7.00	6%	34%	18.21 *	18.98 *	-4%
Consolidated	44.55	44.12	26.07	1%	71%	88.67 *	49.81 *	78%
PAT								
International IT Services	25.37	26.35	14.25	-4%	78%	51.72	22.49	130%
Domestic- Products & Services	5.74	5.70	3.81	1%	51%	11.44	10.09	13%
Consolidated	31.11	32.05	18.05	-3%	72%	63.16	32.58	94%

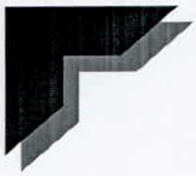
** Includes "exceptional Item" Interest income of ₹1.64 crores received in Q1 of FY2014-15 and ₹6.83 crores during Q1 of FY2013-14 on Income-Tax refund received.*

The above results for the period ended September 30, 2014 includes results of the recently acquired companies: Rezopia Inc. USA, and Xyka Software Private Limited, Bengaluru – India, from the date of acquisition - August 22, 2014.

Speaking on the results Mr. Srikar Reddy, Managing Director & CEO of the Company said "We are happy to report another quarter of significant financial growth. More importantly, we continue to focus on transforming our client's business applying cutting edge solutions based on Mobility, Cloud and Analytics. We continue to invest on all important aspects of our business and believe that they will lead to continued future growth."

Highlight for Q2 and H1 2015

Consolidated:



SONATA SOFTWARE

- Q2 EBIDTA at ₹45 Crores - growth of 71% YoY. H1 growth of 78%;
- Q2 PAT at ₹31 Crores - growth of 72% YoY. H1 growth of 94%;

  Sequential growth in EBIDTA of 1% and PAT of -3% takes into account a large swing in foreign currency loss of ₹ 7 crores on account of losses arising out of restating the Company's foreign currency assets and liabilities. The impact of the above swing is primarily on the International IT services business.

  Further, Q1 results had certain exceptional income in the Domestic Products and Services on account of Interest on refunds received from the Income-Tax department.

  Adjusted for the above forex swing and exceptional income in previous quarter, Q2 has been a quarter of positive growth in all key parameters in both the segments of the Company.

- Cash balances (net of borrowings) is ₹109 Crores.

  Drop in Cash balances by ₹137 Crores from the last quarter is largely on account of changes in working capital situation which has subsequently reversed.

- Cash balances as on date are at approximately ₹226 crores.

International IT Services:

- Continued revenue growth and business traction;
- Q2 Revenue at ₹149 Crores - growth of 25% YoY. H1 growth of 30%;
- YoY and QoQ Growth in US$ terms of 28% and 5% respectively;
- Q2 EBITDA of ₹36 Crores - growth of 81% YoY. H1 growth of 123%;
- Q2 PAT of ₹25 Crores - growth of 78% YoY. H1 growth of 130%.
- Addition of 4 new customers.

Domestic Products & Services:

- Q2 EBITDA of ₹9 Crores - growth of 34% YoY.
- Q2 PAT of ₹5.74 Crores - growth of 51% YoY. H1 growth of 13%.

Dividend

- In addition to the special dividend declared last quarter, the Board declares ₹1/- per share as dividend for the Half year.

SONATA SOFTWARE

About Sonata Software

Sonata Software is a global IT services company that focuses on enabling businesses win value with strategic IT initiatives. Sonata has deep technology expertise gained from multi-faceted relationships spanning Product Engineering, Professional Consulting Services, Early Adopter Programs, Implementation and Alliances status with leaders such as Microsoft, SAP, Oracle, IBM, HP, hybris, and TIBCO across Multi-Channel Commerce, ERP, CRM, Supply Chain Management, Analytics & Business Intelligence, Cloud, Social and Mobile technologies, enabling innovation, reliability and faster time to market in implementing the best IT solutions. Sonata leverages this expertise through a service line spanning Consulting, Application Development, Testing, Maintenance and Infrastructure Support, to deliver business critical outcomes across Customer Engagement & Growth, Enterprise Efficiency & Collaboration and strategic IT Cost Management needs for consumer facing enterprises in Travel, Retail and Consumer Goods industries. A unique delivery model built on dedicated customer specific Centers of Excellence, strong Governance and Value Co-creation, over decade plus relationships, underline the even deeper commitment Sonata seeks to bring to make a transformational impact on the clients critical business metrics. Sonata seeks to add differentiated value to leadership who want to drive strategic change with IT, for their businesses.

For further information, please contact:

Anuj Kumar Saxena
Sonata Software Limited
A.P.S. Trust Building,
Bull Temple Road, N.R. Colony
Bengaluru 560019, India
Tel: +91 80 6778 1999
anujkumar.s@sonata-software.com
CIN: L72200MH1994PLC082110