

**SONATA SOFTWARE LIMITED**

A.P.S. TRUST BUILDING, BULL TEMPLE ROAD,

N.R. COLONY, BANGALORE - 560 019, INDIA

TEL: 91-80-30971999 FAX: 91-80-26610972



November 3, 2011

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, 2011
REF : CLAUSE 41 OF THE LISTING AGREEMENT**

With reference to the above, we wish to inform you that the audited financial results for the above period were considered and adopted by the Board in their meeting held on November 3, 2011. 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**

PRAVEEN KUMAR D
COMPANY SECRETARY

CC to : The National Stock Exchange Ltd - Mumbai

N. M. RAIJI & CO.
Chartered Accountants
Universal Insurance Building,
Pherozeshah Mehta Road,
Mumbai-400 001. INDIA
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Auditor's Report On Quarterly Financial Results and Year to Date Results of Sonata Software Ltd
Pursuant to the Clause 41 of the Listing Agreement

To The Board of Directors of Sonata Software Limited,

We have audited the quarterly financial results of Sonata Software Limited for the quarter ended 30th September, 2011 and the year to date results for the period 1st April, 2011 to 30th September, 2011, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 30th September, 2011 as well as the year to date results for the period from 1st April, 2011 to 30th September, 2011.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as

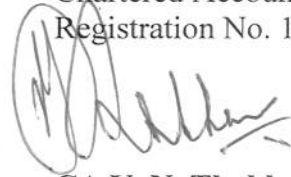
N. M. RAIJI & CO.

percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For N. M. Raiji & Co

Chartered Accountants

Registration No. 108296W



CA. Y. N. Thakkar

Partner

Membership No. 33329

Place : Mumbai

Date : November 3, 2011

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

STANDALONE AUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2011

Figures in Rs. Lakhs
(Except EPS)

Particulars	Quarter ended		Half year ended		Year ended
	30.09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
1 Sales and Services	5,383.03	6,576.89	11,496.04	12,761.93	25,022.82
2 Other Operating Income	73.96	54.11	296.40	107.53	267.73
3 Total Operating Income	5,456.99	6,631.00	11,792.44	12,869.46	25,290.55
4 Expenditure					
a) (Increase) / Decrease in stocks					
b) Staff Costs	3,755.12	3,687.23	7,348.01	7,042.04	13,992.73
c) Depreciation	286.11	243.91	557.78	453.78	958.37
d) Other operating Expenses	1,102.71	1,157.51	2,186.15	2,280.90	4,216.82
Total Expenditure	5,143.94	5,088.65	10,091.94	9,776.72	19,167.92
5 Profit from operations before other Income & Interest	313.05	1,542.35	1,700.50	3,092.74	6,122.63
6 Other Income	142.84	73.94	243.23	131.11	305.98
7 Profit before Interest	455.89	1,616.29	1,943.73	3,223.85	6,428.61
8 Interest	-	-	-	-	-
9 Profit after Interest but before tax	455.89	1,616.29	1,943.73	3,223.85	6,428.61
10 Tax expense/provision including Deff tax	120.13	96.19	418.18	217.49	242.41
11 Net Profit After Tax	335.76	1,520.10	1,525.55	3,006.36	6,186.20
12 Paid-up Equity Share Capital (FV-Re.1/-)	1,051.59	1,051.59	1,051.59	1,051.59	1,051.59
13 Reserves & Surplus	29,868.34	28,939.19	29,868.34	28,939.19	30,339.01
14 Earning per Share (Face value Re.1/-each)					
- Basic & Diluted	0.32	1.45	1.45	2.86	5.88
15 Public Shareholding*					
No. of shares (Face value Re.1/-each)	59,637,576	59,062,794.00	59,637,576.00	59,062,794.00	59,687,576
% of holding (to total shareholding)	56.71%	56.17%	56.71%	56.17%	56.76%
16 Promoters & Promoter group shareholding					
(a) Pledged / Encumbered					
- Number of shares	13,375,000	16,075,000	13,375,000	16,075,000	13,375,000
- % of shares(to total holding of Promoter group)	29.38%	34.87%	29.38%	34.87%	29.41%
- % of shares(to total share capital of the Company)	12.72%	15.29%	12.72%	15.29%	12.72%
(b) Non-encumbered					
- Number of shares	32,146,730	30,021,512	32,146,730	30,021,512	32,096,730
- % of shares(to total holding of Promoter group)	70.62%	65.13%	70.62%	65.13%	70.59%
- % of shares(to total share capital of the Company)	30.57%	28.54%	30.57%	28.54%	30.52%
17 EBITD %	13.25%	27.74%	20.78%	28.29%	28.86%
18 PAT %	6.00%	22.67%	12.68%	23.12%	24.17%
19 ROCE % (Annualised)	4.23%	20.27%	9.79%	20.31%	20.41%
20 RONW % (Annualised)	4.23%	20.27%	9.79%	20.31%	20.41%

* Public Shareholding as classified under category B in the shareholding pattern in Clause 35/40A of the Listing Agreement.

Notes:

- 1 These audited results for the quarter and half year ended 30th September, 2011, have been taken on record by the Board at its Meeting held on 3rd November, 2011.
- 2 The Audit Report of the Company for the period bears no qualification.
- 3 Interim dividend of Re. 0.50/- per share(50% on par value of Re.1/-) has been declared at the Board Meeting held today. The record date for payment of dividend is 11th November, 2011.
- 4 Details of Other operating expenses exceeding 10% of total expenditure :

Particulars	Figures in Rs. Lakhs			
	Quarter ended		Half year ended	
	30.09.2011	30.09.2010	30.09.2011	31.03.2011
Subsistence/Living Cost	444.67	455.91	895.75	986.84
				1,936.89

- 5 These Accounts have been prepared in accordance with the mandatory applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).
 - 6 Figures have been regrouped wherever necessary to facilitate comparison.
 - 7 Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended September 30, 2011
- | Nature of complaints received | Opening balance | Additions | Disposal | Closing balance |
|-------------------------------|-----------------|-----------|----------|-----------------|
| Non receipt of dividend | 0 | 16 | 16 | 0 |
- 8 During the quarter Mr.B Ramaswamy ceased to be Vice Chairman & Managing Director and in his place Mr.Sanjay Viswanathan took over as Managing Director & CEO of the Company. Mr. P. Srikar Reddy has been promoted as Deputy Managing Director and Chief Operating Officer of the Company.
 - 9 The Standalone statement of assets and liabilities for the half year ended 30th September, 2011 as required under Clause 41 of the Listing Agreement is as follows :

Particulars	Half year ended		Particulars	Half year ended	
	30.09.2011	30.09.2010		30.09.2011	30.09.2010
Sources of Funds			Application of Funds		
1. Shareholders' Funds			1. Fixed Assets	3321.56	3415.54
a. Capital	1051.59	1051.59	2. Investments	9167.37	12503.53
b. Reserves and Surplus	29868.34	28939.19	3. Deferred Tax Asset	568.40	365.66
2. Minority Interest			4. Current Assets, Loans and Advances		
3. Loan Funds			a. Inventories		
4. Deferred Tax Liability			b. Sundry Debtors	6613.05	6120.22
			c. Cash & Bank Balances	736.18	2492.16
			d. Other Current Assets	188.15	192.96
			e. Loans & Advances	14191.72	8969.06
			Less: Current Liabilities and Provisions		
			a. Liabilities	2966.03	2684.12
			b. Provisions	900.48	1384.23
			Net Current Assets	17,862.59	13,706.05
Total Funds employed	30,919.93	29,990.78	Total Funds applied	30,919.92	29,990.78

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Bengaluru
Date : November 3, 2011


SANJAY VISWANATHAN
MANAGING DIRECTOR & CEO

As per Accounting Standard 25 of the ICAI, the accounts are presented in condensed form. These are available at the website www.sonata-software.com

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Chartered Accountants
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**Auditor's Report On Quarterly Consolidated Financial Results and Consolidated Year to Date
Results of Sonata Software Ltd Pursuant to the Clause 41 of the Listing Agreement**

To The Board of Directors of Sonata Software Ltd,

We have audited the quarterly consolidated financial results of Sonata Software Limited for the quarter ended 30th September, 2011 and the consolidated year to date results for the period 1st April, 2011 to 30th September, 2011, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of six (6) subsidiaries included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated financial statements reflect total assets of Rs. 3,881,783,740 as at 30th September, 2011 (year to date) and Rs. 3,881,783,740 as at the quarter ended 30th September, 2011 (date of quarter end); as well as the total revenue of Rs. 3,696,618,744 as at 30th September, 2011 (year to date) and Rs. 1,798,992,018 as at the quarter ended 30th September, 2011 (date of quarter end). These



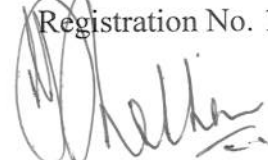
financial statements and other financial information have been audited by other auditors except for Sonata Software GmbH whose financial statements have been reviewed by their auditors, whose reports have been furnished to us and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:

- (i) include the quarterly financial results and year to date of the following entities;
 - (a) Sonata Information Technology Ltd, India
 - (b) TUI InfoTec GmbH, Germany
 - (c) Sonata Software North America Inc., USA
 - (d) Sonata Software GmbH, Germany
 - (e) Sonata Europe Ltd, UK
 - (f) Sonata Software FZ LLC
 - (g) Sonata Software (Qatar) LLC
- (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended 30th September, 2011 as well as the consolidated year to date results for the period from 1st April, 2011 to 30th September, 2011.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated non promoter shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For N M Raiji & Co
Chartered Accountants
Registration No. 108296W



CA.Y. N. Thakkar

Partner

Membership No: 33329

Place : Mumbai

Date : November 3, 2011

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

CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2011

Figures in Rs. Lakhs
(Except EPS)

Particulars	Quarter ended		Half year ended		Year ended
	30.09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
1 Sales and Services	38,492.23	39,113.73	71,891.92	72,444.33	139,319.65
2 Other Operating Income	462.06	51.72	939.56	191.31	1,186.71
3 Total Operating Income	38,954.29	39,165.45	72,831.48	72,635.64	140,506.36
4 Expenditure					
a) (Increase) / Decrease in stocks	282.11	(2,971.49)	348.45	(2,725.70)	454.32
b) Purchase of traded items	17,489.34	19,843.58	28,639.91	31,666.19	52,861.31
c) Staff Costs	11,462.00	10,550.48	22,690.80	20,604.27	41,900.00
d) Depreciation	1,157.09	954.98	2,208.75	1,920.00	3,869.09
e) Other operating Expenses	7,425.10	7,442.47	16,116.96	15,040.03	30,169.88
Total Expenditure	37,815.64	35,820.02	70,004.87	66,504.79	129,254.60
5 Profit from operations before other Income & Interest	1,138.65	3,345.43	2,826.61	6,130.85	11,251.76
6 Other Income	51.38	23.81	126.00	38.48	588.49
7 Profit before Interest	1,190.03	3,369.24	2,952.61	6,169.33	11,840.25
8 Interest	317.78	142.99	499.74	310.63	568.72
9 Profit after Interest but before tax	872.25	3,226.25	2,452.87	5,858.70	11,271.53
10 Tax expense/provision	(334.56)	477.99	681.60	1,013.51	1,671.58
11 Net Profit after Tax before minority interest	1206.81	2748.26	1771.27	4845.19	9599.95
12 Share in earnings of Affiliates	-	-	-	-	40.40
13 Minority Interest	(298.38)	(244.03)	21.61	(517.66)	(1,079.39)
14 Net Profit after minority interest	908.43	2504.23	1792.88	4327.53	8560.96
15 Paid-up Equity Share Capital (FV-Re.1/-)	1,051.59	1,051.59	1,051.59	1,051.59	1051.59
16 Reserves & Surplus	39,468.20	37,524.43	39,468.20	37,524.43	39,671.54
17 Earning per Share (Face value Re.1/-each)					
- Basic & Diluted	0.86	2.38	1.70	4.12	8.14
18 Public Shareholding*					
No. of shares (Face value Re.1/-each)	59,637,576	59,062,794	59,637,576	59,062,794	59,687,576
% of holding (to total shareholding)	56.71%	56.17%	56.71%	56.17%	56.76%
19 Promoters & Promoter group shareholding					
(a) Pledged / Encumbered					
- Number of shares	13,375,000	16,075,000	13,375,000	16,075,000	13,375,000
- % of shares(to total holding of Promoter group)	29.38%	34.87%	29.38%	34.87%	29.41%
- % of shares(to total share capital of the Company)	12.72%	15.29%	12.72%	15.29%	12.72%
(b) Non-encumbered					
- Number of shares	32,146,730	30,021,512	32,146,730	30,021,512	32,096,730
- % of shares(to total holding of Promoter group)	70.62%	65.13%	70.62%	65.13%	70.59%
- % of shares(to total share capital of the Company)	30.57%	28.54%	30.57%	28.54%	30.52%
20 EBIDT %	6.02%	11.03%	7.07%	11.13%	11.13%
21 PAT %	2.33%	6.39%	2.46%	5.95%	6.07%
22 ROCE % (Annualised)	10.77%	24.88%	10.45%	22.51%	21.95%
23 RONW % (Annualised)	8.79%	26.30%	8.76%	23.09%	22.20%

* Public Shareholding as classified under category B in the shareholding pattern in Clause 35/40A of the Listing Agreement.

Note : Consolidated financial results include financial results of following entities : Sonata Software Ltd, India (Holding Company) and its subsidiary companies viz., Sonata Software North America Inc, USA; Sonata Europe Ltd, UK; Sonata Software GmbH, Germany; TUI InfoTec GmbH, Germany; Sonata Software FZ LLC, Dubai; Sonata Software (Qatar) LLC, Qatar and Sonata Information Technology Ltd, India

Notes:

- 1 These audited results for the quarter and half year ended 30th September, 2011, have been taken on record by the Board at its Meeting held on November 3, 2011.
- 2 The Audit Report of the Company for the period bears no qualification.
- 3 Figures have been regrouped wherever necessary to facilitate comparison.
- 4 The consolidated segmentwise revenue and results for the quarter and half year ended 30th September, 2011 as required under Clause 41 of the Listing Agreement are as follows :

Particulars	Quarter ended		Half year ended		Year ended	Quarter ended		Half year ended		Year ended
	30.09.2011	30.09.2010	30.09.2011	30.09.2010		30.09.2011	30.09.2010	30.09.2011	30.09.2010	
1. Segment Revenue										
a. Domestic (Sales & Services)	18689.29	18857.78	31325.64	32354.70	59794.32					
b. International (Software Service Exports)	19802.94	20255.95	40566.28	40089.63	79525.33					
Total	38492.23	39113.73	71891.92	72444.33	139319.65					
Less : Inter segment revenue										
Net sales /income from operations	38492.23	39113.73	71891.92	72444.33	139319.65					
2. Segment Results										
Profit(+)/loss(-) before tax & Interest										
a. Domestic (Sales & Services)	273.39	556.16	302.78	1098.69	1830.54	79.29	503.55	31.13	980.20	1577.90
b. International (Software Service Exports)	916.64	2813.08	2649.83	5070.64	10009.71	792.96	2722.70	2421.74	4878.50	9693.63
Total	1190.03	3369.24	2952.61	6169.33	11840.25	872.25	3226.25	2452.87	5858.70	11271.53
Less: Interest										
a. Domestic (Sales & Services)	194.10	52.60	271.65	118.50	252.64	7124.83	11421.62	7124.83	11421.62	9477.07
b. International (Software Service Exports)	123.68	90.39	228.09	192.13	316.08	36240.78	31612.55	36240.78	31612.55	34322.53
Total	317.78	142.99	499.74	310.63	568.72	43365.61	43034.17	43365.61	43034.17	43799.61

- 5 The consolidated statement of assets and liabilities for the half year ended 30th September, 2011 as required under Clause 41 of the Listing Agreement is as follows :

Particulars	Half year ended		Particulars	Half year ended	
	30.09.2011	30.09.2010		30.09.2011	30.09.2010
Sources of Funds			Application of Funds		
1. Shareholders' Funds			1. Fixed Assets	18,407.08	17,697.00
a. Capital	1,051.59	1,051.59	2. Investments	245.73	3,856.94
b. Reserves and Surplus	39,468.20	37,524.43	3. Deferred Tax Asset	1,159.29	1,482.50
2. Minority Interest	1,742.69	4,413.53	4. Current Assets, Loans and Advances		
3. Loan Funds	2,845.82	4,458.15	a. Inventories	670.00	4,198.48
4. Deferred Tax Liability	-	-	b. Sundry Debtors	33,850.67	28,270.87
Total Funds employed	45,108.30	47,447.70	c. Cash & Bank Balances	8,574.79	12,959.37
			d. Other Current Assets	977.19	1,350.04
			e. Loans & Advances	17,962.66	22,738.75
			Less: Current Liabilities and Provisions		
			a. Liabilities	27,577.75	37,386.17
			b. Provisions	9,161.36	7,720.05
			Net Current Assets	25,296.20	24,411.29
			Total Funds applied	45,108.30	47,447.73

Place: Bengaluru

Date : November 3, 2011

As per Accounting Standard 25 of the ICAI, the accounts are presented in condensed form. These are available at the website www.sonata-software.com

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


SANJAY VISWANATHAN
MANAGING DIRECTOR & CEO