

Annual Report 2010 - 2011

TRAVERSING THE VALUE CURVE

Sonata Software Limited

P e r f o r m a n c e H i g h l i g h t s

(Rs. in million)

PARTICULARS	CONSOLIDATED		SONATA		CONSOLIDATED		SONATA	
	Quarter ended on 31.03.2011	Quarter ended on 31.03.2010	Quarter ended on 31.03.2011	Quarter ended on 31.03.2010	Year ended on 31.03.2011	Year ended on 31.03.2010	Year ended on 31.03.2011	Year ended on 31.03.2010
TOTAL INCOME	3,263.15	3,264.76	627.42	626.97	14,111.03	13,932.91	2,561.00	2,413.74
EXPORTS	2,014.07	2,066.38	607.14	587.74	7,943.84	8,768.39	2,503.63	2,360.94
EBIDT	390.02	399.12	179.79	168.76	1,578.34	1,710.86	738.70	694.80
PROFIT AFTER TAX	230.54	187.83	161.14	157.86	856.10	798.74	618.62	602.03
FIXED ASSETS	1,734.59	1,846.95	354.44	316.19	1,734.59	1,846.95	354.44	316.19
TOTAL DEBT	307.65	299.37	-	-	307.65	299.37	-	-
NET WORTH - CLOSING	4,072.31	3,638.88	3,139.06	2,921.69	4,072.31	3,638.88	3,139.06	2,921.69
EQUITY	105.16	105.16	105.16	105.16	105.16	105.16	105.16	105.16

PARTICULARS	CONSOLIDATED		SONATA		CONSOLIDATED		SONATA	
	Quarter ended on 31.03.2011	Quarter ended on 31.03.2010	Quarter ended on 31.03.2011	Quarter ended on 31.03.2010	Year ended on 31.03.2011	Year ended on 31.03.2010	Year ended on 31.03.2011	Year ended on 31.03.2010
EXPORTS INCOME / TOTAL INCOME	61.72%	63.29%	96.77%	93.74%	56.30%	62.93%	97.76%	97.81%
DOMESTIC INCOME / TOTAL INCOME	36.62%	34.45%	-	-	42.45%	36.15%	-	-
OTHER INCOME / TOTAL INCOME	1.66%	2.26%	3.23%	6.26%	1.26%	0.92%	2.24%	2.19%
OPERATING EXPENSES / TOTAL INCOME	53.99%	58.43%	71.35%	73.08%	50.68%	55.98%	71.16%	71.21%
EBIDT / TOTAL INCOME	11.95%	12.23%	28.65%	26.92%	11.19%	12.28%	28.84%	28.79%
PAT / TOTAL INCOME	7.06%	5.75%	25.68%	25.18%	6.07%	5.73%	24.16%	24.94%
DEBT: EQUITY ¹	0.08	0.08	-	-	0.08	0.08	-	-
DEBTORS NO. OF DAYS	58	55	91	87	54	51	88	87
RETURN ON AVG NETWORTH ²	22.78%	21.30%	20.47%	22.39%	22.20%	24.93%	20.41%	23.33%
RETURN ON AVG CAPITAL EMPLOYED ³	22.49%	22.17%	20.47%	22.39%	22.13%	25.69%	20.41%	23.33%
EPS (Annualised) (on Re.1/per share) ⁴	8.77	7.14	6.13	6.00	8.14	7.60	5.88	5.72
BOOK VALUE PER SHARE - (Rs) ⁵	38.49	33.54	29.95	26.81	36.66	30.46	28.82	24.53

EXPLANATORY NOTES :

¹ Debt divided by Closing Shareholders funds.

² Profits divided by Average Network.

³ Profit after tax + Interest on term loan divided by Average Capital employed (Capital employed = Capital + Reserves + Borrowed funds).

⁴ Profits divided by weighted average no. of equity shares.

⁵ Average Network divided by No. of equity shares.

TRAVERSING THE VALUE CURVE

Every cloud, it is said, has a silver lining. The economic downturn over the last few years has had its ups and downs – but has been remarkable in that it has changed key business paradigms. Vendors are now partners, rates of services have now given way to Return on Investment, and customers now insist on short term benefits, as well as the conventional long term ones. A natural fallout of these changing perspectives has been the survival of the fittest. Companies that have been able to align quickly to the needs of the customer by re-modelling their engagement patterns, their solution offerings and more importantly, their mindsets, have been able to sail well even against tough headwinds, while others have fallen by the wayside.

TRAVERSING THE VALUE CURVE

At Sonata, it has been a year of continuous innovation and aligning with changing customer needs – across processes, solutions, and market strategies. Our customers, who range from global Fortune 100 industry leaders to medium and small businesses, have unique requirements and aspirations. At the core however, they all want to grow through deeper engagements with their customers and markets. This is where the last year saw Sonata play an important role. Building on a foundation of co-innovation and collaboration, Sonatians the world over showed remarkable grit and determination in building cutting edge technology solutions that have direct business impact. The focus was no longer on simply providing services, but on understanding key business milestones and concerns, and crafting technology accelerators that help plug the gaps. Little wonder, then, that our customers continued to engage us even in tough times.

Over the course of many years, Sonata has built a reputation for performance and financial stability in both good and challenging times. Year 2011 added another cap to that legend of performance – performance under pressure. This is the cumulative effect of strong business fundamentals, a diverse market and technology strategy, state-of-the-art solutions, sound corporate governance and a never-say-die attitude.

As we stand on the verge of what promises to be another exciting year, we promise to stand by our commitment to invest: in our infrastructure, our processes, and operational excellence, but more importantly in innovation, in our relationships with our customers and in our people. We firmly believe these will continue to strengthen our foundation of growth.

Sonata Software Limited (Consolidated)

Business Segment	International IT Services					Domestic Products & Services	TUI Infotec
Legal entity	Sonata Software Ltd India	Sonata Europe Ltd London	Sonata Software GmbH Germany	Sonata FZ LLC Dubai	Sonata Software North America	Sonata Information Technologies Ltd India	TUI InfoTec GmbH Germany
Ownership Structure	Listed Indian entity	100% subsidiary of Sonata Software Ltd	100% subsidiary of Sonata Software Ltd	100% subsidiary of Sonata Software Ltd	100% subsidiary of Sonata Software Ltd	100% subsidiary of Sonata Software Ltd	50.1% Joint venture of Sonata Software Ltd and TUI Group
Nature of Business	<ul style="list-style-type: none"> IT Consulting and Software Services RIM Offshore IT Software Development 	<ul style="list-style-type: none"> Software Services & Development 	<ul style="list-style-type: none"> Program Management for TUI Infrastructure Management 	<ul style="list-style-type: none"> Sales & Marketing Account Management Program Management 	<ul style="list-style-type: none"> Sales & Marketing Account Management Program Management Onsite IT Services 	<ul style="list-style-type: none"> Distribution of Packaged Software Products Domestic IT Services 	<ul style="list-style-type: none"> IT Operations and IT Services support for TUI Group of Companies and other customers in Germany

Financial Highlights

SONATA SOFTWARE LIMITED : CONSOLIDATED



Note : All figures depicted in the graphs have been rounded off.

Financial Highlights

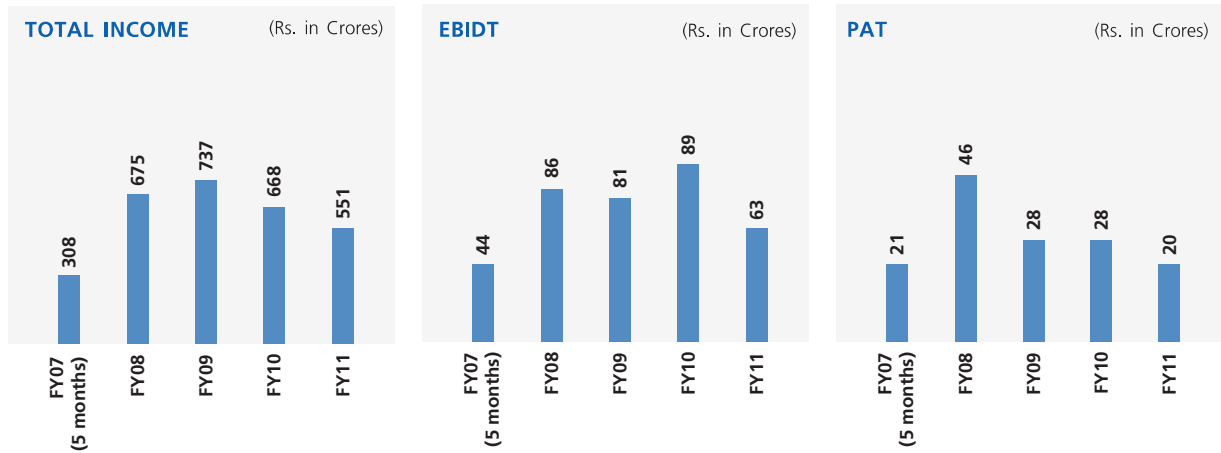
SONATA SOFTWARE LIMITED : STANDALONE



Note : All figures depicted in the graphs have been rounded off.

Financial Highlights

TUI InfoTec GmbH : CONSOLIDATED



Note : All figures depicted in the graphs have been rounded off.

Sonata Software Limited

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