



SONATA SOFTWARE LIMITED

12th May, 2021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai
Kind Attn: Manager, Listing Department
Email Id: neaps@nse.co.in
Stock Code - SONATSOFTW

BSE Limited
P.J. Towers, Dalal Street
Mumbai
Kind Attn: Manager, Listing Department
Email Id: listing.centre@bseindia.com
Stock Code - 532221

Dear Sirs,

SUB: Outcome of Board Meeting

REF: Disclosures under Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform you that at the meeting of the Board of Directors of the Company held today, the Board, inter alia, has-

- a) Approved the audited financial results (Standalone and Consolidated) for the quarter and year ending 31st March, 2021. The said results in the prescribed format along with Auditor's Report are enclosed herewith. A copy of the press release is also enclosed for your reference.
- b) The Independent Auditor's Report on the Audited Financial Results of the Company (Standalone and Consolidated) for the financial year ended on 31st March, 2021 is with unmodified opinion and the declaration in this regard is attached.

Further, the Board of Directors have also:

- c) Recommended a Final Dividend of Rs. 10/- per Equity share (1000% on par value Re. 1/-) for the financial year ended 31st March, 2021 and the Final Dividend is payable subject to the approval of shareholders at the forthcoming Annual General Meeting (AGM). The dividend, subject to the approval of shareholders, will be dispatched / credited within 30 days from the date of Annual General Meeting.
- d) We shall inform you in due course the date on which the 26th Annual General Meeting of the Company will be held.

The meeting commenced at 2.30 p.m. and concluded at 5.00 p.m. Also note that the aforesaid information will be available on our website www.sonata-software.com.

Kindly take the same on record.

Thanking you,

Yours faithfully

For **Sonata Software Limited**

Mangal Kulkarni
Company Secretary, Compliance Officer and Head-Legal

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
SONATA SOFTWARE LIMITED**

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2021 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2021 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2021" of **SONATA SOFTWARE LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2021:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2021

With respect to the Standalone Financial Results for the quarter ended March 31, 2021, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2021, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2021

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2021 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2021 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2021 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2021 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.



Deloitte Haskins & Sells LLP

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



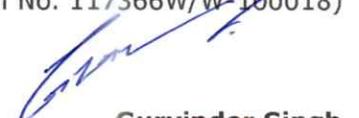
(b) Review of the Standalone Financial Results for the quarter ended March 31, 2021

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2021 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

The Statement includes the results for the Quarter ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Gurvinder Singh
Partner
(Membership No. 110128)

UDIN: 21110128AAAABV1520

Place: Bengaluru
Date: May 12, 2021

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
CIN - L72200MH1994PLC082110

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Part I

₹ in lakhs, except per share data

Statement of standalone financial results for the quarter and year ended March 31, 2021

SI No.	Particulars	Quarter ended			Year ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		(Refer Note 2)	(Unaudited)	(Refer Note 2)	(Audited)	(Audited)
1	Revenue from operations	19,703	19,308	22,178	78,141	87,684
2	Other income	1,096	3,356	5,545	4,480	9,713
3	Total Revenue (1 + 2)	20,799	22,664	27,723	82,621	97,397
4	Expenses					
	(a) Purchases of Stock-in-Trade	1,597	1,357	1,560	6,074	6,352
	(b) Employee benefits expense	11,203	10,874	12,080	41,333	46,706
	(c) Finance costs	238	240	287	972	1,090
	(d) Depreciation and amortization expense	462	472	528	1,890	2,060
	(e) Other expenses	2,068	1,352	4,406	7,323	14,314
	Total expenses	15,568	14,295	18,861	57,592	70,522
5	Profit before tax (3 - 4)	5,231	8,369	8,862	25,029	26,875
6	Tax expense					
	(1) Current tax	1,278	1,233	1,030	5,904	6,001
	(2) Provision for tax relating to prior years (Refer Note 7)	(79)	1,564	-	1,485	-
	(3) Deferred tax	117	142	(76)	(263)	(252)
7	Profit for the period (5 - 6)	3,915	5,430	7,908	17,903	21,126
8	Other comprehensive income					
	1 (a) Items that will not be reclassified to profit or (loss)	(1,017)	271	(618)	(66)	(846)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	219	(33)	120	15	180
	2 Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	1	106	(9)	131	34
	(b) Exchange differences on forward cover	(190)	201	(1,459)	2,423	(3,513)
	(c) Income tax relating to items that will be reclassified to profit or (loss)	13	24	205	(576)	741
	Total	(974)	569	(1,761)	1,927	(3,404)
9	Total Comprehensive Income for the period (7 + 8)	2,941	5,999	6,147	19,830	17,722
10	Paid-up equity share capital (Face Value ₹ 1/-)	1,039	1,039	1,039	1,039	1,039
11	Other equity (Refer Note 5)	51,913	36,289	36,289	51,913	36,289
12	Earnings per equity share (of ₹ 1/- each) (Refer Note 6)					
	(a) Basic	3.77	5.23	7.61	17.23	20.33
	(b) Diluted	3.77	5.22	7.61	17.23	20.33
	See accompanying notes to the financial results					

SONATA SOFTWARE LIMITED

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Part II		₹ in lakhs	
Standalone Balance Sheet			
SI No.	Particulars	As at March 31, 2021	As at March 31, 2020
	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, Plant and Equipment	1,074	1,621
	(b) Right-of-use assets	7,049	8,387
	(c) Capital work-in-progress	11	-
	(d) Goodwill	282	282
	(e) Financial assets		
	(i) Investments	5,285	5,108
	(ii) Other Financial Assets	289	1,805
	(f) Deferred tax assets (net)	1,699	1,998
	(g) Other non-current assets	6,227	3,722
		21,916	22,923
2	CURRENT ASSETS		
	(a) Financial assets		
	(i) Investments	4,507	480
	(ii) Trade receivables	19,158	23,009
	(iii) Cash and cash equivalents	26,040	13,762
	(iv) Bank balances other than (iii) above	2,047	1,856
	(v) Loans	180	220
	(vi) Other financial assets	3,429	2,095
	(b) Other current assets	977	890
		56,338	42,312
	TOTAL - ASSETS	78,254	65,235
	EQUITY AND LIABILITIES		
3	EQUITY		
	(a) Equity share capital	1,039	1,039
	(b) Other equity	51,913	36,289
		52,952	37,328
4	LIABILITIES		
	NON-CURRENT LIABILITIES		
	Financial liabilities		
	Other financial liabilities	6,423	7,382
		6,423	7,382
5	CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	37	14
	Total outstanding dues of creditors other than micro enterprises and small enterprises	9,283	7,789
	(ii) Other financial liabilities	2,605	5,669
	(b) Other current liabilities	3,426	3,384
	(c) Provisions	1,433	1,598
	(d) Current tax liabilities (net)	2,095	2,071
		18,879	20,525
	TOTAL - EQUITY AND LIABILITIES	78,254	65,235

The disclosure is an extract of the standalone Balance Sheet as at March 31, 2021 and March 31, 2020 in compliance with Indian Accounting Standards ("Ind AS").

Notes :

- These quarterly and year ended standalone financial results prepared in accordance with Indian Accounting Standards applicable as per Sec 133 of the Companies Act, 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 12, 2021.
- The figures for the quarter ended March 31, 2021 and March 31, 2020, are balancing figures arrived based on audited results of the full financial year and published year to date unaudited figures for nine months ended December 31, 2020 and December 31, 2019 respectively. The statutory auditors have performed a limited review on the results for the quarter ended March 31, 2021.
- The Board of Directors recommended a final dividend of ₹ 10/- (1000% on par value of ₹ 1/-) per equity share for the financial year ended March 31, 2021. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- The Company also publishes consolidated financial results in addition to standalone financial results. In accordance with Ind AS 108 Operating Segments, the Company has disclosed the segment information in the consolidated financial results.
- The other equity with respect to quarter and nine months represents balance as per the audited Balance Sheet of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015
- EPS for quarterly periods is not annualised.
- The Company had outstanding disputes with the Income Tax department in relation to certain matters for AY 1995-96, 2001-02 to 2005-06, 2011-12 & 2013-14 pending before High Court Mumbai and AY 2014-15 & 2016-17 which are pending before CIT (A), Mumbai . During the previous quarter, the Company has opted to apply for settlement of these disputes under Direct Tax Vivad Se Vishwas Act, 2020, and the necessary applications were filed on December 28 & December 29, 2020. Consequently, a provision of ₹ 1,564 lakhs has been created during the previous quarter. The applications have subsequently been accepted by the Principal Commissioner of Income Tax certifying the amounts payable. This liability has been settled by the company during the current quarter.
- During the quarter the company had received a favorable judgement from Honourable Supreme Court of India on purchase of software products from non-resident is not taxable as 'Royalty' and withholding tax is not applicable as per the Income-tax Act, 1961. Consequently on account of this favorable judgement, contingent liability of the company has reduced by Rs. 2,842 lakhs for financial years 1999-00, 2000-01 and 2001-02.
- The management has considered the possible effects of the pandemic relating to COVID-19 on the carrying amounts of receivables and goodwill as at March 31, 2021. In developing the assumptions relating to the recoverability of these assets, the management has considered the global economic conditions prevailing at the date of approval of these financial results and has used internal and external sources of Information including credit reports to the extent determined by it. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

Standalone Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	25,029	26,875
Adjustments for :		
Depreciation and amortization expense	1,890	2,060
Finance costs	972	1,081
Provision for doubtful trade receivables	389	(90)
Provisions/ liabilities no longer required written back	-	(57)
From concessions on lease payments	(124)	-
Interest on financial assets at amortized cost	(57)	-
Interest from fixed deposits/margin money with banks	(794)	(432)
Interest from inter-corporate deposits	(13)	(75)
Interest Income from sub lease	-	(36)
Dividend income from long-term investments in subsidiaries	(2,894)	(5,506)
Net (gain)/loss on disposal of Property, Plant and Equipment	22	1
Net (gain) on valuation of current investments	(205)	(267)
Expenses on employee stock based compensation	(53)	58
Exchange (gain)/loss on revaluation of investments	(178)	(72)
Unrealized foreign exchange gain (Net)	(1,016)	(790)
Operating cash flows before movements in working capital	22,968	22,727
Adjustments for :		
Decrease/(increase) in trade receivables	3,335	7,889
Decrease/(increase) in other financial assets-current	185	510
Decrease/(increase) in other financial assets non-current	25	14
Decrease/(increase) in other non-current assets	(230)	(64)
Decrease/(increase) in other current assets	(88)	(48)
(Decrease)/increase in other financial liabilities non-current	(924)	(16)
(Decrease)/increase in trade payables	1,602	2,864
(Decrease)/increase in other financial liabilities	270	17
(Decrease)/increase in other current liabilities	(23)	901
(Decrease)/increase in provisions	(165)	370
Net cash flow from / (used in) operating activities before taxes	26,955	35,164
Income taxes paid, net of refunds	(8,158)	(7,000)
Net cash flow from / (used in) operating activities (A)	18,797	28,164
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment progress and capital advances	(92)	(756)
Proceeds from disposal of Property, Plant and Equipment	4	3
Investment in subsidiary	-	(1)
Purchase of investments	(21,999)	(24,400)
Proceeds from sale of investments	18,180	34,087
Bank balances not considered as Cash and cash equivalents	(191)	(420)
Interest received	415	522
Dividend received from subsidiary	2,894	5,506
Inter corporate deposit to subsidiary (net)	41	25
Net cash flow from / (used in) investing activities (B)	(748)	14,566
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(1,621)	(1,759)
Payment of dividend	(4,065)	(29,303)
Payment of taxes on dividend	-	(4,975)
Finance costs paid	(15)	(41)
Net cash flow from / (used in) financing activities (C)	(5,701)	(36,078)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	12,348	6,652
Opening Cash and cash equivalents	13,762	7,174
Exchange difference on translation of foreign currency Cash and cash equivalents	(70)	(64)
Closing Cash and cash equivalents	26,040	13,762
Cash and cash equivalents at the end of the year comprises:		
Balances with banks		
In current accounts	1,000	2,095
In EEFC accounts	350	8,543
In demand deposit accounts	24,690	3,124
	26,040	13,762

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Bengaluru
Date: May 12, 2021

P SRIKAR REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
SONATA SOFTWARE LIMITED**

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2021 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2021 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2021" of **SONATA SOFTWARE LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Results for the year ended March 31, 2021:

- (i) includes the results of the subsidiaries as given in the Annexure to this report;
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2021.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2021

With respect to the Consolidated Financial Results for the quarter ended March 31, 2021, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2021, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2021

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2021 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2021, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2021 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2021

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2021 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Audited Consolidated Financial Results of which we are the independent auditors.



Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2021

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2021 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed in the Annexure to this report.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
- We did not audit the financial statements of three subsidiaries included in the consolidated financial results whose financial statements reflect total assets of Rs. 15,330 lakhs as at March 31, 2021 and total revenues of Rs. 3,313 lakhs and Rs. 12,505 lakhs for the quarter and year ended March 31, 2021 respectively, total net profit after tax of Rs. 987 lakhs and Rs. 2,994 lakhs for the quarter and year ended March 31, 2021 respectively and total comprehensive income of Rs. 987 lakhs and Rs. 2,994 lakhs for the quarter and year ended March 31, 2021 respectively and net cash outflows of Rs. 2,231 lakhs for the year ended March 31, 2021 as considered in the statement. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion 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 and the procedures performed by us as stated under Auditor's Responsibilities section above.

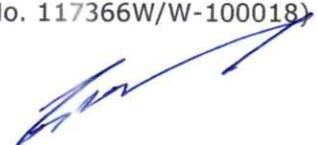
Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Deloitte
Haskins & Sells LLP

- The consolidated financial results includes the unaudited financial statements of eight subsidiaries whose financial statements reflect total assets of Rs. 1,888 lakhs as at March 31, 2021 and total revenues of Rs. 1,581 lakhs and Rs. 4,600 lakhs for the quarter and year ended March 31, 2021 respectively and total net profit after tax of Rs. 204 lakhs and Rs. 155 lakhs for the quarter and year ended March 31, 2021 respectively and total comprehensive income of Rs. 204 lakhs and Rs. 155 lakhs for the quarter and year ended March 31, 2021 respectively and net cash inflows of Rs. 382 lakhs for the year ended March 31, 2021, as considered in the Statement. These financial statements are unaudited and furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Board of Directors.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Gurvinder Singh
Partner
(Membership No. 110128)

UDIN: 21110128AAAABW1079

Place: Bengaluru
Date: May 12, 2021

Annexure to the Auditor's Report (bearing UDIN Ref. : 21110128AAAABW1079):

List of Subsidiaries:

1. Sonata Information Technology Limited
2. Sonata Software Solutions Limited
3. Sonata Software North America Inc.
4. Interactive Business Information Systems Inc.
5. Sonata Software FZ LLC
6. Sonata Software (Qatar) LLC
7. Sonata Europe Limited
8. Sonata Software GmbH
9. Scalable Data Systems Pty Ltd
10. Sopris Systems LLC
11. GAPbuster China Co. Ltd (acquired on April 20, 2020)
12. GAPbuster Europe Limited (acquired on April 20, 2020)
13. GAPbuster Inc. (acquired on April 20, 2020)
14. Gapbuster Limited (acquired on April 20, 2020)
15. GAPbuster Worldwide Malaysia Sdn Bhd (acquired on April 20, 2020)
16. GAPbuster worldwide Pty Limited (acquired on April 20, 2020)
17. Kabushiki Kaisha GAPbuster Japan (acquired on April 20, 2020)



SONATA SOFTWARE LIMITED

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Corporate Office: 1/4, A.P.S Trust Building, Bull Temple Road, N.R. Colony, Bangalore - 560 019
CIN - L72200MH1994PLC082110

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Part I		₹ in lakhs, except per share data				
Statement of consolidated financial results for the quarter and year ended March 31, 2021						
Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		(Refer Note 9)	(Unaudited)	(Refer Note 9)	(Audited)	(Audited)
1	Revenue from operations	107,571	139,616	92,868	422,808	374,326
2	Other income	1,892	325	1,218	2,775	5,840
3	Total Revenue (1 + 2)	109,463	139,941	94,086	425,583	380,166
4	Expenses					
	(a) Purchases of Stock-in-Trade	74,337	107,549	58,895	299,158	241,579
	(b) Employee benefits expense	16,800	16,516	17,011	62,548	66,031
	(c) Finance costs	355	462	355	1,539	1,518
	(d) Depreciation and amortization expense	938	992	923	3,957	3,654
	(e) Other expenses	6,126	4,459	8,659	23,167	29,435
	Total expenses	98,556	129,978	85,843	390,369	342,217
5	Profit before tax (3 - 4)	10,907	9,963	8,243	35,214	37,949
6	Tax expense					
	(1) Current tax	2,606	2,292	2,181	10,203	10,603
	(2) Provision for tax relating to prior years (Refer Note 7)	(83)	2,183		2,099	
	(3) Deferred tax	78	109	(117)	(1,484)	(347)
7	Profit for the period (5 - 6)	8,306	5,379	6,179	24,396	27,693
8	Other comprehensive income					
	1 (a) Items that will not be reclassified to profit or (loss)	(985)	295	(674)	(69)	(865)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	245	(70)	179	17	232
	2 Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations and on goodwill reinstatement	216	724	(72)	1,040	323
	(b) Exchange differences on forward cover	(450)	739	(1,416)	3,535	(3,511)
	(c) Income tax relating to Items that will be reclassified to profit or (loss)	60	(346)	382	(1,134)	854
	Total	(914)	1,342	(1,601)	3,389	(2,967)
9	Total Comprehensive Income for the period (7 + 8)	7,392	6,721	4,578	27,785	24,726
	Of the total Comprehensive Income above, total comprehensive income attributable to:					
	Owners of the company	7,392	6,721	4,578	27,785	24,726
	Non - controlling interest	-	-	-	-	-
		7,392	6,721	4,578	27,785	24,726
	Of the Total Comprehensive Income above, Profit for the period attributable to:					
	Owners of the parent	8,306	5,379	6,179	24,396	27,693
	Non - controlling interest	-	-	-	-	-
		8,306	5,379	6,179	24,396	27,693
	Of the Total Comprehensive Income above, Other Comprehensive Income for the period attributable to:					
	Owners of the parent	(914)	1,342	(1,601)	3,389	(2,967)
	Non - controlling interest	-	-	-	-	-
		(914)	1,342	(1,601)	3,389	(2,967)
10	Paid-up equity share capital (Face Value ₹ 1/-)	1,039	1,039	1,039	1,039	1,039
11	Other equity (Refer Note 5)	89,508	65,928	65,928	89,508	65,928
12	Earnings per equity share (of ₹ 1/- each) (Refer Note 4)					
	(a) Basic	7.99	5.18	5.95	23.48	26.66
	(b) Diluted	7.99	5.18	5.95	23.48	26.66
	See accompanying notes to the consolidated financial results					

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Part II		₹ in lakhs	
Consolidated Balance Sheet			
Sl No.	Particulars	As at March 31, 2021	As at March 31, 2020
	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, Plant and Equipment	1,512	2,130
	(b) Right-of-use assets	8,491	9,729
	(c) Capital work-in-progress	12	-
	(d) Goodwill	17,591	15,578
	(e) Other intangible assets	4,769	2,377
	(f) Financial assets		
	(i) Investments	1,055	873
	(ii) Other Financial Assets	1,951	3,655
	(g) Deferred tax assets (net)	1,894	2,439
	(h) Other non-current assets	10,498	5,906
	Total	47,773	42,687
2	CURRENT ASSETS		
	(a) Financial assets		
	(i) Investments	6,542	480
	(ii) Trade receivables	61,579	70,000
	(iii) Cash and cash equivalents	64,066	37,220
	(iv) Bank balances other than (iii) above	3,643	2,424
	(v) Other Financial Assets	7,261	4,326
	(b) Other current assets	3,828	4,509
	Total current assets	146,919	118,959
	TOTAL ASSETS	194,692	161,646
	EQUITY AND LIABILITIES		
3	EQUITY		
	(a) Equity Share capital	1,039	1,039
	(b) Other equity	89,508	65,928
	Total	90,547	66,967
	LIABILITIES		
4	NON-CURRENT LIABILITIES		
	Financial liabilities		
	Other Financial Liabilities	10,207	11,574
	Total	10,207	11,574
5	CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Borrowings	8,973	8,600
	(ii) Trade payables	65,097	56,186
	(iii) Other Financial Liabilities	2,821	5,600
	(b) Other current liabilities	9,902	6,833
	(c) Provisions	2,715	2,293
	(d) Current tax liabilities (net)	4,430	3,593
	Total current liabilities	93,938	83,105
	TOTAL EQUITY AND LIABILITIES	194,692	161,646

The disclosure is an extract of the consolidated Balance Sheet as at March 31, 2021 and March 31, 2020 in compliance with Indian Accounting Standards ("Ind AS").

Consolidated Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	35,214	37,949
Adjustments for :		
Depreciation and amortization expense	3,957	3,654
Finance costs	1,463	1,491
Impairment loss recognised on trade receivables and bad debts written off	1,034	871
Interest from unwinding of rent deposits discounted	(27)	(26)
From concessions on lease payments	(128)	-
Interest from fixed deposits/margin money with banks	(1,645)	(850)
Net (gain) / loss on sale of property, plant and equipment / scrapped	26	2
Net gain on investments carried at fair value through profit and loss	(340)	(541)
Unwinding of interest on rental deposits	-	60
Expenses on employee stock based compensation	(53)	58
Net unrealized foreign exchange (gain) / loss	(316)	(2,683)
Operating profit before working capital changes	39,185	39,985
Adjustments for:		
Decrease/(Increase) in trade receivables	3,852	13,680
Decrease/(increase) in other financial assets non-current	143	(1,692)
Decrease/(increase) in other financial assets-current	461	236
Decrease/(increase) in other non-current assets	(238)	(82)
Decrease/(increase) in other current assets	680	(1,730)
(Decrease)/Increase in trade payables	10,734	(2,433)
(Decrease)/increase in other financial liabilities non-current	(646)	162
(Decrease)/increase in other financial liabilities	-	(1)
(Decrease)/increase in other current liabilities	2,991	1,181
(Decrease)/increase in provisions	422	443
Cash generated from operations	57,584	49,749
Direct taxes/advance tax paid (net)	(13,321)	(12,893)
Net cash flow from operating activities (A)	44,263	36,856
B. CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on property, plant and equipment	(188)	(847)
Proceeds from disposal of property, plant and equipment	4	3
Purchase of current investments	(95,295)	(88,447)
Purchase of non-current investments	(188)	(246)
Cash outflow on acquisition of subsidiary	(5,047)	-
Proceeds from sale of current investments	89,573	102,511
Bank balances not considered as Cash and cash equivalents	(1,218)	65
Interest received	949	868
Net cash flow used in investing activities (B)	(11,410)	13,907
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(2,178)	(2,389)
Proceeds from short-term borrowings	9,199	10,625
Repayment of short-term borrowings	(8,826)	(3,586)
Payment of dividend	(4,065)	(29,304)
Payment of taxes on dividend	-	(6,107)
Finance costs	(340)	(221)
Net cash flow used in financing activities (C)	(6,210)	(30,982)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	26,643	19,781
Opening cash and cash equivalents	37,221	17,432
Exchange difference on translation of foreign currency cash and cash equivalents	202	7
Closing Cash and cash equivalents	64,066	37,220
Cash and cash equivalents at the end of the year comprises:		
Cash on hand	1	1
Balances with banks		
In Current accounts	9,505	6,366
In EEFC accounts	603	8,979
In demand deposit accounts	53,957	21,874
	64,066	37,220

Notes:

- These quarterly and year ended audited consolidated financial results prepared in accordance with Indian Accounting Standards applicable as per Sec 133 of the Companies Act, 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 12, 2021.
- Audited consolidated financial results include financial results of subsidiaries i.e, Sonata Information Technology Limited, Sonata Software North America Inc. (SSNA), Interactive Business Information Systems Inc. (IBIS), Sonata Software GmbH, Sonata Europe Limited, Sonata Software FZ-LLC, Sonata Software (Qatar) LLC, Scalable Data Systems Pty Ltd, Sopris Systems LLC, Sonata Software Solutions Limited, GAPbuster China Co. Ltd, GAPbuster Europe Limited, GAPbuster Inc., Gapbuster Limited, GAPbuster Worldwide Malaysia Sdn Bhd, GAPbuster worldwide Pty Limited, and Kabushiki Kaisha GAPbuster Japan.
- The Board of Directors recommended a final dividend of ₹ 10/- (1000% on par value of ₹ 1/-) per equity share for the financial year ended March 31, 2021. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- EPS for quarterly periods is not annualized.
- The other equity with respect to quarter represents balance as per the audited consolidated Balance Sheet of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- Sonata Europe Limited, a wholly-owned subsidiary of Sonata Software Limited has acquired 100% stake in GAPbuster Ltd, a UK registered Company on April 20,2020 for an investment of USD 4.8 million (approximately ₹ 3,658 lakhs) (net of working capital) including USD 0.5 million (approximately ₹ 382 lakhs) which is deferred consideration payable on the completion of one year.
- The Group had outstanding disputes with the Income Tax department in relation to certain matters for AY 1995-96, 2001-02 to 2005-06, 2011-12 & 2013-14 pending before High Court Mumbai and AY 2014-15 & 2016-17 which are pending before CIT (A), Mumbai in Sonata Software Limited and for AY 2004-05 to 2006-07 which are pending before High court, Mumbai in Sonata Information Technology Limited. During the previous quarter, the group has opted to apply for settlement of these disputes under Direct Tax Vivad Se Vishwas Act, 2020, and the necessary applications were filed on December 28 & December 29, 2020. Consequently, a provision of ₹ 1,564 lakhs in Sonata Software Limited and ₹ 618 lakhs in Sonata Information Technology Limited has been created during the previous quarter. The applications have subsequently been accepted by the Principal Commissioner of Income Tax certifying the amounts payable. This liability has been settled by the Group during the current quarter.
- During the quarter the group had received a favorable judgement from Honourable Supreme Court of India on purchase of software products from non-resident is not taxable as 'Royalty' and withholding tax is not applicable as per the Income-tax Act, 1961. Consequently on account of this favorable judgement, contingent liability of the group has reduced by Rs. 5,024 lakhs for financial years 1999-00, 2000-01 and 2001-02.
- The figures for the quarter ended March 31, 2021 and March 31, 2020, are balancing figures arrived based on audited results of the full financial year and published year to date unaudited figures for nine months ended December 31, 2020 and December 31, 2019 respectively. The statutory auditors have performed a limited review on the results for the quarter ended March 31, 2021.
- The management has considered the possible effects that may result from COVID-19 in the preparation of these consolidated financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the recoverability of these assets, the management has considered the global economic conditions prevailing at the date of approval of these financial results and has used internal and external sources of information including credit reports to the extent determined by it. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

12. The consolidated segment wise revenue and results are as follows :

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	(Refer Note 8)	(Unaudited)	(Refer Note 8)	(Audited)	(Audited)
1. Segment revenue					
a. India	65,899	94,786	59,160	257,614	223,491
b. Other than India	42,152	45,251	34,084	167,331	152,997
Total	108,051	140,036	93,244	424,945	376,488
Less : Inter segment revenue	(480)	(420)	(376)	(2,137)	(2,162)
Revenue from operations	107,571	139,616	92,868	422,808	374,326
2. Segment results					
Profit before tax and interest					
a. India	2,899	2,583	2,120	8,303	7,166
b. Other than India	7,485	7,308	6,265	25,986	30,673
Total	10,384	9,891	8,385	34,289	37,839
Less: Finance costs	(355)	(462)	(355)	(1,539)	(1,518)
Add: Unallocable income net of unallocable expenditure	878	534	213	2,464	1,628
3. Profit before tax	10,907	9,963	8,243	35,214	37,949

(₹ in lakhs)

Particulars	March 31, 2021	December 31, 2020	March 31, 2020
4. Segment assets			
a. India	75,727	67,408	63,425
b. Other than India	84,745	73,047	74,779
c. Unallocable	34,220	52,411	23,442
Total Assets	194,692	192,866	161,646
5. Segment liabilities			
a. India	56,652	56,365	52,474
b. Other than India	34,091	33,102	30,010
c. Unallocable	13,402	20,259	12,195
Total Liabilities	104,145	109,726	94,679
6. Capital Employed (4-5)	90,547	83,140	66,967

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Bengaluru
Date : May 12, 2021

P SRIKAR REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER



Sonata Software - Consolidated Q4 PAT at ₹ 83 Crores; 54% QoQ growth; Board has recommended final dividend of 1000% giving total dividend for year at 1400% at its meeting held today.

Bengaluru, 12 May, 2021

Sonata Software, a global IT services and technology solutions company, today reported its audited financial results for its 4th quarter and year ended 31st March 2021.

Description	in ₹ Crores							
	For the Quarter ended					For the Year ended		
	31-Mar-21	31-Dec-20	QoQ	31-Mar-20	YoY	31-Mar-21	31-Mar-20	YoY
Revenues								
International IT Services	319.0	300.9	6%	325.5	-2%	1,183.9	1,272.3	-7%
Domestic- Products & Services	761.5	1,099.4	-31%	607.0	25%	3,065.6	2,492.2	23%
Consolidated	1,075.7	1,396.2	-23%	928.7	16%	4,228.1	3,743.3	13%
EBITDA								
International IT Services	90.5	87.1	4%	72.3	25%	312.8	337.8	-7%
Domestic- Products & Services	31.8	27.3	16%	23.2	37%	95.6	95.1	1%
Consolidated	122.0	114.2	7%	95.2	28%	407.1	431.2	-6%
PAT								
International IT Services	60.5	41.4	46%	45.2	34%	183.8	212.5	-14%
Domestic- Products & Services	22.6	12.4	83%	16.6	36%	60.2	64.4	-7%
Consolidated	83.1	53.8	54%	61.8	34%	244.0	276.9	-12%

Speaking on the results Mr. Srikar Reddy, Managing Director & CEO of the Company said:

The results for the year have shown significant growth quarter on quarter over the year both in revenues and profits across all business operations, geographies, digital services and industry verticals, and indicate that we are now on a path of sustained growth.

This is a clear indication that our overall strategy of building digital enterprises by creating platforms through our unique Platformation™ methodology is more relevant in the current context with greater investments by enterprises in digitization and automation. We have become a much stronger organization in the quality of clients, relationships, and internal investments, in creating world class competencies aligned to Platformation™ across platform engineering, cloud transformation, data analytics and Microsoft Dynamics. We specifically would like to mention the GBW investment we made which is focused on delivering platform based CX (customer experience) which continues to show promise with addition of some marquee clients and adds differentiation to our digital offering.



With clear visibility and growing long term business opportunity, we are focused now on investing for growth, in talent acquisition across the world, building IP and competency development, investing in sustained brand building.

We are also focused currently especially in India to ensure the safety and health of all Sonatians. The company has taken a slew of measures aimed at supporting people like free vaccinations, tie-up with Covid centers, access to medical attention and procurement of oxygen concentrators.

Performance Highlights for the quarter:

- **Consolidated:**

- Revenues at ₹ 1075.7 crores;
- EBITDA at ₹ 122 crores; QoQ growth of 7%
- PAT at ₹ 83.1 crores; QoQ growth of 54%
- DSO days improved from 47 days to 43 days
- Cash and equivalents of approximately ₹ 648 Crores (net of borrowings).

- **International IT Services:**

- Revenues at ₹ 319 crores; QoQ growth of 6%
- Revenue in USD at 43.8 Million, QoQ revenue growth of 7.0% in USD terms and constant currency growth of 6.2%.
- Growth across all geographies (USA 5.3%, Europe 4.5%, Rest of World 13.1%) .
- EBITDA at ₹ 90.5 crores; QoQ growth of 4%
- PAT at ₹ 60.5 crores; QoQ growth of 46%
- Addition of 10 new customers.
- Overall strategy of creating digital enterprises by creating platform through our unique Platformation™ methodology are yielding results.
- Strong growth from digital based competencies like Managed cloud services and Digital Platformation™ Services (Microsoft & Open source) and focused verticals like ISV, Retail (Essential), Distribution and Manufacturing and Commodity Business & Service Industry.
- Strong cash and liquidity positions maintained. Improvement in DSO to 36 days.
- Our pipeline continues to be healthy and strong through multiple new digital wins from existing and new customers.

- **Domestic Products & Services:**

- Revenues at ₹ 761.5 crores;
- DSO days improved from 57 days to 49 days
- EBITDA at ₹ 31.8 crores; QoQ growth of 16%
- PAT at ₹ 22.6 crores; QoQ growth of 83%



About Sonata Software

Sonata is a global technology company, that enables successful platform based digital transformation initiatives for enterprises, to create businesses that are connected, open, intelligent and scalable. Sonata's Platformation™ methodology brings together industry expertise, platform technology excellence, design thinking-led innovation and strategic engagement models to deliver sustained long term value to customers. A trusted partner of world leaders in the Retail, Manufacturing & Distribution, Travel and Software industries, Sonata's solution portfolio includes its own digital platform such as Brick & Click Retail Platform©, Modern Distribution Platform©, Rezopia Digital Travel Platform©, RAPID DevOps Platform©, Kartopia E-commerce Platform© , Halosys Mobility Platform©, and Commodity CTRM Platform©, best-in-class capabilities on ISV digital technology platforms such as Microsoft Dynamics 365, Microsoft Azure, SAP Hybris, Cloud Engineering and Managed Services, as well as new digital applications like IoT, Artificial Intelligence, Machine Learning, Robotic Process Automation, Chatbots, Block Chain and Cyber Security. Sonata's people and systems are nurtured to bring together the depth of thought leadership, customer commitment and execution excellence to make a difference to business with technology.

For further information, please contact:

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SONATA SOFTWARE LIMITED

12th May, 2021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai
Kind Attn: Manager, Listing Department
Email Id: neaps@nse.co.in
Stock Code - SONATSOFTW

BSE Limited
P.J. Towers, Dalal Street
Mumbai
Kind Attn: Manager, Listing Department
Email Id: listing.centre@bseindia.com
Stock Code - 532221

Dear Sirs,

SUB: Declaration on Independent Audit Reports with unmodified opinion pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to confirm that Deloitte Haskins & Sells, LLP, (FRN 117366W/W-100018), Statutory Auditors of the Company, have issued Independent Audit Reports with unmodified opinion on the Standalone and Consolidated Audited financial results for the quarter and financial year ended March 31, 2021.

This declaration is provided pursuant to Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on record.

Thanking you,

For Sonata Software Limited

Jagannathan C N
Chief Financial Officer