



SONATA SOFTWARE

A Sonata Software Company



29th April, 2022

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 Regulations 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 i.e. 29th April, 2022, the Board, *inter alia*, has-

- a) Approved the Audited Financial results (Standalone and Consolidated) for the quarter and year ended 31st March, 2022. The said results in the prescribed format along with Independent Auditors' Report are enclosed herewith. A copy of the press release is also enclosed for your reference.
- b) The Independent Auditors' Report on the Audited Financial Results of the Company (Standalone and Consolidated) for the financial year ended on 31st March, 2022 is with unmodified opinion and the declaration in this regard is enclosed.

Further, the Board of Directors have also:

- c) Recommended a Final Dividend of Rs. 13/- per Equity share (1300 % on par value Re. 1/-) for the financial year ended 31st March, 2022 and the Final Dividend is payable subject to the approval of shareholders at the ensuing Annual General Meeting. The dividend, subject to the approval of shareholders, will be dispatched /credited within 30 days from the date of ensuing AGM.
- d) We shall inform you in due course the date on which the 27th Annual General Meeting of the Company will be held.



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Further, we wish to inform you on the following update :

The term of M/s Deloitte Haskins & Sells LLP, Chartered Accountants shall end upon conclusion of the 27th Annual General Meeting. Accordingly, the Board of Directors of the Company have approved the appointment of M/s B S R & Co. LLP, Chartered Accountants, Bengaluru, (Firm Registration No. 101248W/W-100022) as Statutory Auditor of the Company to hold office from conclusion of the 27th AGM till the conclusion of the 32nd AGM, subject to approval of the shareholders at the ensuing AGM. The communication in this regard was intimated to stock exchanges on January 18, 2022.

The meeting commenced at 2.30 p.m. and concluded at 5.30 p.m. Also note that the aforesaid information will be available on our website www.sonata-software.com.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Sonata Software Limited**

Mangal Kulkarni

Company Secretary, Compliance Officer and Head Legal

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE 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, 2022 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2022, 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, 2022" of **SONATA SOFTWARE LIMITED** (the "Company"), (the "Statement"), being submitted by the Company pursuant to the requirement 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, 2022:

- 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, 2022

With respect to the Standalone Financial Results for the quarter ended March 31, 2022, 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, 2022, 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, 2022

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2022 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 Standalone Financial Results

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 has been compiled from the related audited standalone financial statements for the year ended March 31, 2022. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2022 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 Ind AS, 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 is 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 is 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, 2022

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2022 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 Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls 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



Deloitte Haskins & Sells LLP

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 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, 2022

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2022 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.

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



Gurvinder Singh
Partner
(Membership No. 110128)
UDIN: 22110128AICMMS4430

Place: Bengaluru
Date: April 29, 2022

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
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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, 2022

Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
		(Refer Note 11)	(Unaudited)	(Refer Note 11)	(Audited)	(Audited)
1	Revenue from operations	19,437	18,587	19,703	75,814	78,141
2	Other income	1,410	4,393	1,096	16,424	4,480
3	Total Revenue (1 + 2)	20,847	22,980	20,799	92,238	82,621
4	Expenses					
	(a) Purchases of Stock-in-Trade	1,795	2,248	1,597	9,468	6,074
	(b) Employee benefits expense	11,487	10,412	11,203	41,499	41,333
	(c) Finance costs	196	217	238	878	972
	(d) Depreciation and amortization expense	437	431	462	1,755	1,890
	(e) Other expenses	2,822	3,097	2,068	10,615	7,323
	Total expenses	16,737	16,405	15,568	64,215	57,592
5	Profit before tax (3 - 4)	4,110	6,575	5,231	28,023	25,029
6	Tax expense					
	(1) Current tax	1,057	859	1,278	4,197	5,904
	(2) Provision for tax relating to prior years	-	-	(79)	-	1,485
	(3) Deferred tax	(110)	91	117	307	(263)
7	Profit for the period (5 - 6)	3,163	5,625	3,915	23,519	17,903
8	Other comprehensive income					
	1 (a) Items that will not be reclassified to profit or (loss)	(434)	(131)	(1,017)	(933)	(66)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	76	20	219	149	15
	2 Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	(17)	14	1	(14)	131
	(b) Exchange differences on forward cover	(150)	352	(190)	201	2,423
	(c) Income tax relating to items that will be reclassified to profit or (loss)	24	(53)	13	(30)	(576)
	Total	(501)	202	(974)	(627)	1,927
9	Total Comprehensive Income for the period (7 + 8)	2,662	5,827	2,941	22,892	19,830
10	Paid-up equity share capital (Face Value ₹ 1/-)	1,039	1,039	1,039	1,039	1,039
11	Other equity (Refer Note 8)	56,136	51,913	51,913	56,136	51,913
12	Earnings per equity share (of ₹ 1/- each) (Refer Note 9)					
	(a) Basic	3.04	5.42	3.77	22.63	17.23
	(b) Diluted	3.04	5.41	3.77	22.62	17.23
	See accompanying notes to the financial results					

SONATA SOFTWARE LIMITED

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(₹ in lakhs)

Standalone Balance Sheet			
SI No.	Particulars	As at March 31, 2022	As at March 31, 2021
	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, Plant and Equipment	1,010	1,074
	(b) Right-of-use assets	5,734	7,049
	(c) Capital work-in-progress	1	11
	(d) Goodwill	282	282
	(e) Financial assets		
	(i) Investments	6,389	5,285
	(ii) Other Financial Assets	1,761	1,813
	(f) Deferred tax assets (net)	1,512	1,699
	(g) Other non-current assets	5,152	4,703
		21,841	21,916
2	CURRENT ASSETS		
	(a) Financial assets		
	(i) Investments	7,900	4,507
	(ii) Trade receivables	15,283	19,158
	(iii) Cash and cash equivalents	27,848	26,040
	(iv) Bank balances other than (iii) above	2,272	2,047
	(v) Loans	-	180
	(vi) Other financial assets	4,108	3,429
	(b) Other current assets	1,077	977
		58,488	56,338
	TOTAL - ASSETS	80,329	78,254
	EQUITY AND LIABILITIES		
3	EQUITY		
	(a) Equity share capital	1,039	1,039
	(b) Other equity	56,136	51,913
		57,175	52,952
4	LIABILITIES		
	NON-CURRENT LIABILITIES		
	(a) Financial liabilities		
	Lease liabilities	5,283	6,423
		5,283	6,423
5	CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Lease liabilities	1,862	1,788
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	39	37
	Total outstanding dues of creditors other than micro enterprises and small enterprises	10,013	9,283
	(iii) Other financial liabilities	978	817
	(b) Other current liabilities	1,679	3,426
	(c) Provisions	1,228	1,433
	(d) Current tax liabilities (net)	2,072	2,095
		17,871	18,879
	TOTAL - EQUITY AND LIABILITIES	80,329	78,254

The disclosure is an extract of the standalone Balance Sheet as at March 31, 2022 and March 31, 2021 in compliance with Indian Accounting Standards ("Ind AS")"

Notes :

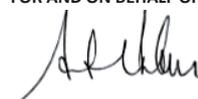
- These quarterly and year ended audited standalone financial results prepared in accordance with Indian Accounting Standards applicable as per Sec 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and amendments thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on April 29, 2022
- The Board of Directors recommended a final dividend of ₹ 13 (1,300% on par value of Rs 1/-) per equity share for the financial year ended March 31, 2022. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- The term of M/s Deloitte Haskins & Sells LLP, Chartered Accountants shall end upon conclusion of the 27th AGM. Accordingly, the Board of Directors have approved the appointment of M/s B S R & Co. LLP, Chartered Accountants Bengaluru, (Firm Registration No. 101248W/W-100022) as Statutory Auditor of the Company to hold office from conclusion of the 27th AGM till the conclusion of the 32nd AGM, subject to approval of the shareholders at the ensuing AGM.
- Mr. Samir Dhir has been appointed as CEO of Sonata Software Limited with effect from April 8, 2022. CEO transition is part of the Sonata Software Board's succession plan. Mr. Srikar Reddy will continue as MD and will transition to Mr. Samir Dhir over the next 9 to 12 months.
- The company has obtained control of Encore IT Services Solutions Private Limited, a Chennai based Company ("Encore") on August 1, 2021 for a total consideration of USD 1.2 Mn (₹ 890.76 Lakhs)
- During the year Sonata Software Intercontinental Limited ("SSIL") has been incorporated in Ireland as a Wholly owned subsidiary with effect from 8th September, 2021.
- 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 each quarter and year ended 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 management has considered the possible effects of the pandemic relating to COVID-19 on the carrying amounts of receivables, investments and other financial assets as at March 31, 2022. 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 figures for the quarter ended March 31, 2022 and March 31, 2021, 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, 2021 and December 31, 2020 respectively. The statutory auditors have performed a limited review on the results for the quarter ended March 31, 2022.

Standalone Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	28,023	25,029
Adjustments for :		
Depreciation and amortization expense	1,755	1,890
Finance costs	864	972
Provision for doubtful trade receivables	(302)	389
Lease payment concessions	(138)	(124)
Interest on financial assets at amortized cost	(42)	(57)
Interest from fixed deposits/margin money with banks	(1,347)	(794)
Interest from inter-corporate deposits	(41)	(13)
Dividend income from long-term investments in subsidiaries	(10,808)	(2,894)
(Gain) / loss on sale of fixed assets / scrapped	-	22
Net (gain) on valuation of current investments	(309)	(205)
Expenses on employee stock based compensation	34	(53)
Exchange (gain)/loss on revaluation of investments	31	(178)
Unrealized foreign exchange gain (net)	(21)	(1,016)
Operating profit before changes in operating assets and liabilities	17,699	22,968
Adjustments for :		
Decrease/(increase) in trade receivables	4,552	3,335
Decrease/(increase) in other financial assets-current	(192)	185
Decrease/(increase) in other financial assets non-current	27	25
Decrease/(increase) in other non-current assets	307	(230)
Decrease/(increase) in other current assets	(99)	(88)
(Decrease)/increase in other financial liabilities non-current	(893)	(924)
(Decrease)/increase in trade payables	664	1,602
(Decrease)/increase in other financial liabilities	155	270
(Decrease)/increase in other current liabilities	(2,680)	(23)
(Decrease)/increase in provisions	(206)	(165)
Net cash flow from / (used in) operating activities before taxes	19,334	26,955
Income taxes paid, net of refunds	(4,977)	(8,158)
Net cash flow from / (used in) operating activities (A)	14,357	18,797
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets, capital work-in-progress and capital advances	(373)	(92)
Proceeds from sale of fixed assets	-	4
Purchase of Non-current investments	(356)	
Purchase of investments	(41,041)	(21,999)
Proceeds from sale of investments	38,071	18,180
Bank balances not considered as Cash and cash equivalents	(224)	(191)
Interest received	798	415
Dividend received from subsidiary	10,808	2,894
Inter corporate deposit to subsidiary (net)	180	41
Net cash flow from / (used in) investing activities (B)	7,863	(748)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment on lease liabilities	(1,689)	(1,621)
Dividends paid on equity shares	(18,693)	(4,065)
Finance costs paid	(37)	(15)
Net cash flow from / (used in) financing activities (C)	(20,419)	(5,701)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	1,801	12,348
Opening Cash and cash equivalents	26,040	13,762
Exchange difference on translation of foreign currency Cash and cash equivalents	7	(70)
Closing Cash and cash equivalents	27,848	26,040
Cash and cash equivalents at the end of the year comprises:		
In current accounts	702	1,000
In EEFC accounts	995	350
In demand deposit accounts	26,151	24,690
	27,848	26,040

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



P SRIKAR REDDY
MANAGING DIRECTOR

Place: Bengaluru
Date: April 29 2022

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, 2022 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2022, 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, 2022" of **SONATA SOFTWARE LIMITED** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), (the "Statement"), being submitted by the Company pursuant to the requirement 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, 2022:

- (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 Listing Regulations; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") 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, 2022.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2022

With respect to the Consolidated Financial Results for the quarter ended March 31, 2022, 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, 2022, 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Deloitte Haskins & Sells LLP

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2022

We conducted our audit in accordance with the Standards on Auditing (“SA”s) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Results section of our report. 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, 2022 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 Consolidated Financial Results

This Statement which includes Consolidated financial results is the responsibility of the Company’s Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2022 has been compiled from the related audited financial statements. This responsibility includes preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2022 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 Ind AS, 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 Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Boards 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 Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

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

Auditor’s Responsibilities:

a) For the Audit of the Consolidated Financial Results for the year ended March 31, 2022

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2022 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.



Deloitte Haskins & Sells LLP

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls 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 financial information 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 Annual 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 Company 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, 2022

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2022 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



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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

- We did not audit the financial statements of two subsidiaries included in the consolidated financial results whose financial statements reflect total assets of Rs. 14,525 lakhs as at March 31, 2022 and total revenues of Rs. 5,157 lakhs and Rs. 16,635 lakhs for the quarter and year ended March 31, 2022 respectively, total net profit of Rs. 382 lakhs and Rs. 2,169 lakhs for the quarter and year ended March 31, 2022 respectively and total comprehensive income of Rs. 382 lakhs and Rs. 2,169 lakhs for the quarter and year ended March 31, 2022 respectively and net cash inflows of Rs. 180 lakhs for the year ended March 31, 2022 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.

- The consolidated financial results includes the unaudited financial statements of eleven subsidiaries whose financial statements reflect total assets of Rs. 3,370 lakhs as at March 31, 2022 and total revenues of Rs. 2,019 lakhs and Rs. 8,478 lakhs for the quarter and year ended March 31, 2022 respectively and total net loss after tax of Rs. 60 lakhs for the quarter and total net profit of Rs. 289 lakhs for the year ended March 31, 2022 respectively and total comprehensive loss of Rs. 53 lakhs for the quarter and total comprehensive income of Rs. 293 lakhs year ended March 31, 2022 respectively and net cash outflows of Rs. 510 lakhs for the year ended March 31, 2022, as considered in the Statement. These financial statements are unaudited and 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 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: 22110128AICLSK6571

Place: Bengaluru
Date: April 29, 2022

**Deloitte
Haskins & Sells LLP**
Annexure to Auditors' Report

List of Entities:

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
12. GAPbuster Europe Limited
13. GAPbuster Inc.
14. Gapbuster Limited
15. GAPbuster Worldwide Malaysia Sdn Bhd
16. GAPbuster worldwide Pty Limited
17. Kabushiki Kaisha GAPbuster Japan
18. Sonata Software Intercontinental Limited (incorporated on September 08, 2021)
19. Encore Software Services Inc (acquired on August 01, 2021)
20. Encore IT Services Solutions Private Limited (acquired on August 01, 2021)
21. Sonata Software Canada Limited (incorporated on December 03, 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

www.sonata-software.com, Tel : +91-080-67781999 Fax : +91-080-26601387, investor@sonata-software.com

Part I ₹ in lakhs, except per share data

Statement of consolidated financial results for the quarter and year ended March 31, 2022

Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
		(Refer Note 14)	(Unaudited)	(Refer Note 14)	(Audited)	(Audited)
1	Revenue from operations	146,363	185,802	107,571	555,337	422,808
2	Other income (Refer Note 10)	4,503	1,527	1,892	10,198	2,775
3	Total Revenue (1 + 2)	150,866	187,329	109,463	565,535	425,583
4	Expenses					
	(a) Purchases of Stock-in-Trade	103,607	145,682	74,337	402,307	299,158
	(b) Employee benefits expense	20,532	18,895	16,800	73,702	62,548
	(c) Finance costs	423	467	355	1,805	1,539
	(d) Depreciation and amortization expense	1,307	1,268	938	4,732	3,957
	(e) Other expenses (Refer Note 11)	11,414	8,058	6,126	32,953	23,167
	Total expenses	137,283	174,370	98,556	515,499	390,369
5	Profit before exceptional items and tax (3 - 4)	13,583	12,959	10,907	50,036	35,214
6	Tax expense					
	(1) Current tax	4,692	3,627	2,606	14,547	10,203
	(2) provision for tax relating to prior years	-	-	(83)	-	2,099
	(2) Deferred tax	(1,199)	(435)	78	(2,154)	(1,484)
7	Profit for the period (7 - 8)	10,090	9,767	8,306	37,643	24,396
8	Other comprehensive income					
	1 (a) Items that will not be reclassified to profit or (loss)	(475)	(64)	(985)	(1,111)	(69)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	122	16	245	278	17
	2 Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	570	196	216	478	1,040
	(b) Exchange differences on forward cover	(144)	732	(450)	1,166	3,535
	(c) Income tax relating to Items that will be reclassified to profit or (loss)	(114)	(227)	60	(411)	(1,134)
	Total	(41)	653	(914)	400	3,389
9	Total Comprehensive Income for the period (9 + 10)	10,049	10,420	7,392	38,043	27,785
	Of the Total Comprehensive Income above, total comprehensive income attributable to:					
	Non - controlling interest	10,049	10,420	7,392	38,043	27,785
	Owners of the parent	-	-	-	-	-
	Total	10,049	10,420	7,392	38,043	27,785
	Of the Total Comprehensive Income above, Profit for the period attributable to:					
	Owners of the parent	10,090	9,767	8,306	37,643	24,396
	Non - controlling interest	-	-	-	-	-
	Total	10,090	9,767	8,306	37,643	24,396
	Of the Total Comprehensive Income above, Other Comprehensive Income for the period attributable to:					
	Owners of the parent	(41)	653	(914)	400	3,389
	Non - controlling interest	-	-	-	-	-
	Total	(41)	653	(914)	400	3,389
10	Paid-up equity share capital (Face Value ₹ 1/-)	1,039	1,039	1,039	1,039	1,039
11	Other equity (Refer Note 13)	108,881	89,508	89,508	108,881	89,508
12	Earnings per equity share (of ₹ 1/- each) (Refer Note 12)					
	(a) Basic	9.71	9.40	7.99	36.23	23.48
	(b) Diluted	9.70	9.39	7.99	36.21	23.48
	See accompanying notes to the consolidated financial results					

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Part II **(₹ in lakhs)**

Consolidated Balance Sheet

SI No.	Particulars	As at March 31, 2022	As at March 31, 2021
	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, Plant and Equipment	1,770	1,512
	(b) Right-of-use assets	10,560	8,491
	(c) Capital work-in-progress	1	12
	(d) Goodwill	22,072	17,591
	(e) Other intangible assets	8,290	4,769
	(f) Financial assets		
	(i) Investments	1,385	1,055
	(ii) Other Financial Assets	3,795	3,586
	(g) Deferred tax assets (net)	2,613	1,894
	(h) Other non-current assets	11,005	8,863
	Total	61,491	47,773
2	CURRENT ASSETS		
	(a) Financial assets		
	(i) Investments	14,476	6,542
	(ii) Trade receivables	89,256	61,579
	(iii) Cash and cash equivalents	73,369	64,066
	(iv) Bank balances other than (iii) above	3,594	3,643
	(v) Other Financial Assets	10,370	7,261
	(b) Other current assets	2,963	3,828
	Total current assets	194,028	146,919
	TOTAL ASSETS	255,519	194,692
	EQUITY AND LIABILITIES		
3	EQUITY		
	(a) Equity Share capital	1,039	1,039
	(b) Other equity	108,881	89,508
	Total	109,920	90,547
4	LIABILITIES		
	NON-CURRENT LIABILITIES		
	(a) Financial liabilities		
	Lease Liabilities	9,173	7,189
	Other financial liabilities	7,427	3,018
	(b) Other non-current liabilities	-	-
	Total	16,600	10,207
5	CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Borrowings	3,800	8,973
	(ii) Lease Liabilities	2,968	2,339
	(iii) Trade payables	105,473	65,097
	(iv) Other Financial Liabilities	488	482
	(b) Other current liabilities	7,595	9,902
	(c) Provisions	2,850	2,715
	(d) Current tax liabilities (net)	5,825	4,430
	Total current liabilities	128,999	93,938
	TOTAL EQUITY AND LIABILITIES	255,519	194,692

The disclosure is an extract of the consolidated Balance Sheet as at March 31, 2022 and March 31, 2021 in compliance with Indian Accounting Standards ("Ind AS")

Consolidated Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	50,036	35,214
Adjustments for :		
Depreciation and amortization expense	4,732	3,957
Goodwill impairment	2,293	-
Finance costs	1,714	1,463
Impairment loss recognised on trade receivables and bad debts written off	(733)	1,034
Interest from unwinding of rent deposits discounted	(14)	(27)
Lease payments concessions	(142)	(128)
Interest from fixed deposits/margin money with banks	(2,849)	(1,645)
Net (gain) / loss on sale of property, plant and equipment / scrapped	-	26
Interest from PSU bonds	(10)	-
Net gain on investments carried at fair value through profit and loss	(553)	(340)
Expenses on employee stock based compensation	34	(53)
Net unrealized foreign exchange (gain) / loss	(380)	(316)
Operating profit before working capital changes	54,128	39,185
Adjustments for:		
Decrease/(Increase) in trade receivables	(26,275)	3,852
Decrease/(increase) in other financial assets non-current	28	143
Decrease/(increase) in other financial assets-current	(1,530)	461
Decrease/(increase) in other non-current assets	83	(238)
Decrease/(increase) in other current assets	866	680
(Decrease)/Increase in trade payables	40,809	10,734
(Decrease)/increase in other financial liabilities non-current	(664)	(646)
(Decrease)/increase in other current liabilities	(3,410)	2,991
(Decrease)/increase in provisions	135	422
Cash generated from operations	64,170	57,584
Income taxes paid, net of refunds	(15,592)	(13,321)
Net cash flow from operating activities (A)	48,578	44,263
B. CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on property, plant and equipment	(963)	(188)
Proceeds from disposal of property, plant and equipment	(1)	4
Purchase of current investments	(258,945)	(95,295)
Purchase of non-current investments	(290)	(188)
Cash outflow on acquisition of subsidiary	(4,976)	(5,047)
Proceeds from sale of current investments	251,563	89,573
Bank balances not considered as Cash and cash equivalents	48	(1,218)
Interest received	1,671	949
Net cash flow used in investing activities (B)	(11,893)	(11,410)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(2,921)	(2,178)
Proceeds from short-term borrowings	6,858	9,199
Repayment of short-term borrowings	(12,031)	(8,826)
Payment of dividend	(18,693)	(4,065)
Finance costs	(273)	(340)
Net cash flow used in financing activities (C)	(27,060)	(6,210)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	9,625	26,643
Opening cash and cash equivalents	64,066	37,221
Exchange difference on translation of foreign currency cash and cash equivalents	(322)	202
Closing Cash and cash equivalents	73,369	64,066
Cash and cash equivalents at the end of the year comprises:		
Cash on hand	1	1
Balances with banks		
In Current accounts	8,729	9,505
In EEFC accounts	1,100	603
In demand deposit accounts	63,539	53,957
	73,369	64,066

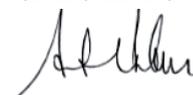
Notes:

- These quarterly and year ended consolidated financials results prepared in accordance with Indian accounting standards applicable as per Sec 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and amendments thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on April 29, 2022
- Audited consolidated financial results include financial results of subsidiaries i.e., Sonata Information Technology Limited, Sonata Software North America Inc., Interactive Business Information Systems Inc., Sonata Software GmbH, Sonata Europe Limited, Sonata Software FZ-LLC, Sonata Software (Qatar) LLC, Sonata Australia Pty Ltd (formerly known as 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, Kabushiki Kaisha GAPbuster Japan, Encore Software Services, Inc., Encore IT Services Solutions Private Limited, Sonata Software Intercontinental Limited and Sonata Software Canada Limited.
- The Board of Directors recommended a final dividend of ₹ 13 (1,300 % on par value of ₹ 1/-) per equity share for the financial year ended March 31, 2022. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- The term of M/s Deloitte Haskins & Sells LLP, Chartered Accountants shall end upon conclusion of the 27th AGM. Accordingly, the Board of Directors have approved the appointment of M/s B S R & Co. LLP, Chartered Accountants Bengaluru, (Firm Registration No. 101248W/W-100022) as Statutory Auditor of the Company to hold office from conclusion of the 27th AGM till the conclusion of the 32nd AGM, subject to approval of the shareholders at the ensuing AGM.
- Mr. Samir Dhir has been appointed as CEO of Sonata Software Limited with effect from April 8, 2022. CEO transition is part of the Sonata Software Board's succession plan. Mr. Srikar Reddy will continue as MD and will transition to Mr. Samir Dhir over the next 9 to 12 months.
- The name of Scalable Data Systems Pty Ltd, a wholly owned subsidiary of Sonata Software Limited, is changed to Sonata Australia Pty Ltd, with effect from 16th March 2022
- During the year Sonata Software Canada Limited ("SSCL") has been incorporated in Canada as a Wholly owned subsidiary of Sonata Software North America ("SSNA") with effect from 3rd December, 2021.
- Sonata Software North America Inc., (SSNA) a wholly-owned subsidiary of Sonata Software Limited, has acquired 100% stake in Encore Software Services, Inc. a California Corporation ("Encore US") on August 1, 2021 for a total consideration of USD 14.94 Mn (₹ 11,131.53 Lakhs) which comprises of upfront cash consideration of USD 5.83 Mn (₹ 4,336.12 Lakhs) and contingent consideration of USD 9.11 Mn (₹ 6,795.41 lakhs) payable over 3 years. Additionally, Sonata Software Limited, has also obtained control of Encore IT Services Solutions Private Limited, a Chennai based Company ("Encore") on August 1, 2021 for a total consideration of USD 1.2 Mn (₹ 890.76 Lakhs)
- During the year Sonata Software Intercontinental Limited ("SSIL") has been incorporated in Ireland as a Wholly owned subsidiary of Sonata Software Limited with effect from 8th September, 2021.
- Other income includes liabilities written back of ₹ 2,663 lakhs relating to earn out payments no longer payable to sellers of Sopris Systems LLC
- Other expense includes ₹ 2,293 Lakhs of impairment of goodwill pertaining to Sopris Systems, LLC
- EPS for quarterly periods is not annualised.
- The other equity with respect to each quarter and year ended represents balance as per the audited Balance Sheet of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- The figures for the quarter ended March 31, 2022 and March 31, 2021, 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, 2021 and December 31, 2020 respectively. The statutory auditors have performed a limited review on the results for the quarter ended March 31, 2022.
- The management has considered the possible effects of the pandemic relating to COVID-19 on the carrying amounts of receivables, investments and other financial assets as at March 31, 2022. 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 consolidated segment wise revenue and results are as follows :

Particulars	(₹ in lakhs)				
	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Refer Note 14)	(Unaudited)	(Refer Note 14)	(Audited)	(Audited)
1. Segment revenue					
a. India	94,428	126,244	65,899	352,234	257,614
b. Other than India	52,060	59,694	42,152	203,838	167,331
Total	146,488	185,938	108,051	556,072	424,945
Less : Inter segment revenue	(125)	(136)	(480)	(735)	(2,137)
Revenue from operations	146,363	185,802	107,571	555,337	422,808
2. Segment results					
Profit before tax and interest					
a. India	4,156	3,406	2,899	14,113	8,303
b. Other than India	6,181	8,684	7,485	28,981	25,986
Total	10,337	12,090	10,384	43,094	34,289
Less: Finance costs	(423)	(467)	(355)	(1,805)	(1,539)
Add: Unallocable income net of unallocable expenditure	3,669	1,336	878	8,747	2,464
3. Profit before tax	13,583	12,959	10,907	50,036	35,214

Particulars	(₹ in lakhs)		
	March 31, 2022	December 31, 2021	March 31, 2021
4. Segment assets			
a. India	106,325	102,908	75,727
b. Other than India	99,151	101,350	84,745
c. Unallocable	50,043	44,083	34,220
Total Assets	255,519	248,341	194,692
5. Segment liabilities			
a. India	91,814	90,759	56,652
b. Other than India	44,158	45,878	34,091
c. Unallocable	9,627	11,838	13,402
Total Liabilities	145,599	148,475	104,145
6. Capital Employed (4-5)	109,920	99,866	90,547

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


P SRIKAR REDDY
MANAGING DIRECTOR

Place : Bengaluru
Date : April 29, 2022



Sonata Software - Consolidated FY 2022 PAT at ₹ 376 Crores; 54% YoY growth; Board has recommended final dividend of ₹ 13 giving total dividend for year at ₹ 21 per share today.

Bengaluru, 29 April, 2022

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 2022.

Description	in ₹ Crores							
	For the Quarter ended					For the Year ended		
	31-Mar-22	31-Dec-21	QoQ	31-Mar-21	YoY	31-Mar-22	31-Mar-21	YoY
Revenues								
International IT Services	413.9	395.2	5%	319.0	30%	1,493.8	1,183.9	26%
Domestic- Products & Services	1,051.0	1,464.2	-28%	761.5	38%	4,066.9	3,065.6	33%
Consolidated	1,463.6	1,858.0	-21%	1,075.7	36%	5,553.4	4,228.1	31%
EBITDA								
International IT Services	113.8	110.5	3%	90.5	26%	425.0	312.8	36%
Domestic- Products & Services	39.5	36.9	7%	31.8	24%	142.4	95.6	49%
Consolidated	153.1	146.9	4%	122.0	25%	565.7	407.1	39%
PAT								
International IT Services	72.4	71.2	2%	60.5	20%	274.5	183.8	49%
Domestic- Products & Services	28.5	26.4	8%	22.6	26%	101.8	60.2	69%
Consolidated	100.9	97.6	3%	83.1	21%	376.4	244.0	54%

Commenting on the results Mr. Srikar Reddy, Managing Director of the Company said:

The results show that we continue to execute well on our goal of enabling our clients to build world class digital enterprises through our unique Platformation™ methodology.

Over the financial year we have continued to invest in and build world class competencies in platform engineering, cloud transformation, data analytics and Microsoft digital platform and aligning them to Platformation™.

To serve our international clients better we have set up global delivery centers in Canada and Ireland.

Our India business has continued to show robust growth with increasing percentage of cloud and digital infrastructure contracts.

We have a comprehensive approach to our human capital. We have initiated a number of initiatives to improve employee training and development, engagement and retention, building up capacity for future growth through



new hires and upgrading of existing capabilities. We have increased our near shore delivery presence for different geographical regions.

We are excited to announce the appointment of Samir Dhir as new CEO of the company. Samir joined us in April 2022 and is based in the USA. Board has appointed Samir as Whole-time Director today w.e.f 9th May 2022. He has a very impressive record of scaling up organizations in international services. In addition to Samir, we have invested significantly in attracting senior talent globally in Marketing, Business Development and Delivery, to be announced shortly and during the current year.

Performance Highlights for the quarter:

- **Consolidated:**

- Revenues at ₹ 1,463.6 crores;
- EBITDA at ₹ 153.1 crores; QoQ growth of 4%
- PAT at ₹ 100.9 crores; QoQ growth of 3%
- DSO days at 39.
- Cash and equivalents of approximately ₹ 866 Crores (net of borrowings).

- **International IT Services:**

- Revenues at ₹ 413.9 crores; QoQ growth of 5%
- Revenue in USD at 55.7 Million, QoQ revenue growth of 4.3% in USD terms.
- EBITDA at ₹ 113.8 crores; QoQ growth of 3%
- PAT at ₹ 72.4 crores; QoQ growth of 2%
- Addition of 12 new customers.
- International services DSO improved from 43 days to 40 days.
- 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 40 days from 43 days.
- Our pipeline continues to be healthy and strong through multiple new digital wins from existing and new customers.

- **Domestic Products & Services:**

- Revenues at ₹ 1,051.0 crores;
- DSO days at 38 days
- EBITDA at ₹ 39.5 crores; QoQ growth of 7%
- PAT at ₹ 28.5 crores; QoQ growth of 8%



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

A Sonata Software Company



29th April, 2022

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, 2022.

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

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For **Sonata Software Limited**

Jagannathan C N
Chief Financial Officer