

7th May, 2024

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex, Mumbai
Kind Attn: Manager, Listing Department
Stock Code – SONATSOFTW

BSE Limited
P.J. Towers, Dalal Street, Mumbai
Kind Attn: Manager, Listing Department
Stock Code - 532221

Dear Sirs/Madam,

SUB: OUTCOME OF BOARD MEETING

REF: DISCLOSURE UNDER REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (“LISTING REGULATIONS”)

We hereby inform that at the meeting of Board of Directors of Sonata Software Limited (the “Company”) held today i.e. 7th May 2024, the Board, *inter-alia*, has considered and approved the following:

- a. Audited Financial Results of the Company (standalone and consolidated) for the quarter and year ended 31st March, 2024. The said results in the prescribed format along with Independent Auditors’ Report thereon are enclosed herewith.
- b. Independent Auditors’ Report on the Audited Financial Results of the Company (standalone and consolidated) for the financial year ended 31st March, 2024, with unmodified opinion and the declaration in this regard is enclosed.
- c. Recommended a Final Dividend of Rs. 4.40/- per Equity share (440% on par value Re. 1/-) for the financial year ended 31st March, 2024 and the Final Dividend is payable subject to the approval of shareholders at the ensuing Annual General Meeting (AGM). The dividend, subject to the approval of shareholders, will be dispatched / credited within 30 days from the date of ensuing AGM. We shall inform you in due course the date on which the 29th Annual General Meeting of the Company will be held.
- d. Approved merger of Encore I.T. Services Solutions Private Limited (a wholly owned subsidiary of the Company) with the Company. Also, accorded in-principle approval for merger of Encore Software Services Inc., USA (a wholly owned subsidiary of Sonata Software North America Inc., USA) with Sonata Software North America Inc., USA (wholly owned subsidiary of the Company). The information as required under Regulation 30 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July, 2023, as amended (“SEBI Circular”), is enclosed herewith as Annexure I.
- e. Based on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Surin Kapadia (DIN: 00770828) as additional director designated as Independent Director of the Company for a term of 5 (five) consecutive years with effect from 7th May, 2024 till 6th May, 2029, subject to the approval of the shareholders. The information as required under Regulation 30 of the Listing Regulations, read with the SEBI Circular, is enclosed herewith as Annexure II.

Sonata Software Limited - SSL

Registered Office: 208, T V Industrial Estate, 2nd Floor, S K Ahire Marg, Worli, Mumbai – 400 030
Corporate Office: Tower-A, Sonata Towers, Global Village (Sattva Global City), RVCE Post, Kengeri Hobli,
Mysore Road, Bengaluru - 560059, India
Tel: +91 80 6778 1000 | CIN: L72200MH1994PLC082110

Website: www.sonata-software.com
email: info@sonata-software.com

- f. Based on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Ms. Mona Desai (DIN: 03065966) as additional director designated as Independent Director of the Company for a term of 5 (five) consecutive years with effect from 7th May, 2024 till 6th May, 2029, subject to the approval of the shareholders. The information as required under Regulation 30 of the Listing Regulations, read with the SEBI Circular, is enclosed herewith as Annexure II.
- g. Based on the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Sanjay Asher (DIN: 00008221) as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from 8th August, 2024 till 7th August, 2029, subject to the approval of shareholders. The information as required under Regulation 30 of the Listing Regulations, read with the SEBI Circular is enclosed herewith as Annexure II.

Mr. Surin Kapadia, Ms. Mona Desai and Mr. Sanjay Asher have confirmed that they meet the criteria of Independence under the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. Further, the aforesaid Directors are not debarred from holding the office of a Director by virtue of any order passed by SEBI or any other statutory authority.

The meeting commenced at 3:00 p.m. and concluded at 4:25 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

Encl.: As above

Annexure I

Disclosure under Clause (1) of Para A of Part A of Schedule III of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Details of merger of Encore I.T. Services Solutions Private Limited (wholly owned subsidiary of the Company) with Sonata Software Limited (the Company)

Sr. No.	Particulars	Details
1.	Name of the entities forming part of the amalgamation/merger, details in brief such as size, turnover etc.	Merger of Encore I.T. Services Solutions Private Limited (wholly owned subsidiary of the Company) (Transferee Company) with Sonata Software Limited (the Company) (Transferor Company), subject to regulatory approvals. Turnover: Encore I.T. Services Solutions Private Limited: INR 8,581 Lakhs in FY 2023-24 Sonata Software Limited: INR 95,030 Lakhs in FY 2023-24
2.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms-length"?	Yes, at arms-length basis. Merger will be carried out as per the IndAS 103 Business Combinations prescribed by the Central Government under Companies Act, 2013.
3.	Area of business of the entity(ies)	Information Technology Services
4.	Rationale of Amalgamation/Merger	For operational efficiency and synergy benefits.
5.	In case of cash consideration - amount or otherwise share exchange ratio	Not applicable
6.	Brief details of change in shareholding pattern (if any) of listed entity	There will be no change in shareholding pattern of Sonata Software Limited

Details of merger of Encore Software Services Inc., USA (a wholly owned subsidiary of Sonata Software North America Inc., USA) with Sonata Software North America Inc., USA (a wholly owned subsidiary of the Company)

Sr. No.	Particulars	Details
1.	Name of the entities forming part of the amalgamation/merger, details in brief such as size, turnover etc.	Merger of Encore Software Services Inc., USA (a wholly owned subsidiary of Sonata Software North America Inc., USA) with Sonata Software North America Inc., USA (a wholly owned subsidiary of the Company). Turnover: Encore Software Services Inc.: INR 20,673 Lakhs in FY 2023-24 Sonata Software North America Inc.: INR 115,444 Lakhs in FY 2023-24
2.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms-length"?	Yes, at arms-length basis. Merger will be carried out as per the applicable reporting framework.
3.	Area of business of the entity(ies)	Information Technology Services
4.	Rationale of Amalgamation/Merger	For operational efficiency and synergy benefits.
5.	In case of cash consideration - amount or otherwise share exchange ratio	Not applicable
6.	Brief details of change in shareholding pattern (if any) of listed entity	Not applicable

Annexure II

Disclosure under Clause (1) of Para A of Part A of Schedule III of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Details of Mr. Surin Kapadia (DIN: 00770828)

Particulars	Details
Reason for change viz. appointment, resignation, removal, death or otherwise	Mr. Surin Kapadia (DIN: 00770828) is appointed as an additional director designated as an Independent Director with effect from 7 th May, 2024 till 6 th May, 2029.
Date of Appointment / Cessation	7 th May, 2024
Term of appointment	Five (5) consecutive years w.e.f. 7 th May, 2024 till 6 th May, 2029, subject to approval of shareholders of the Company.
Brief Profile	Mr. Kapadia is a fellow member of the Institute of Chartered Accountants of India and Partner of M/s G. M. Kapadia & Co., Chartered Accountants. He is the head of the Firm's Transaction Advisory and Valuation practices and is also an integral part of the consultancy and corporate law practices of the Firm. Mr. Kapadia is actively involved in rendering of high value-added professional services. He has over 25 years' experience in the field of taxation, exchange control laws, mergers and acquisition and valuation.
Disclosure of relationships between Directors	Mr. Surin Kapadia is not related to any Director of the Company
Other Directorships / Memberships (in listed entities in case of resignation of Independent director)	Not applicable

Details of Ms. Mona Desai (DIN: 03065966)

Particulars	Details
Reason for change viz. appointment, resignation, removal, death or otherwise	Ms. Mona Desai (DIN: 03065966) is appointed as an additional director designated as an Independent Director with effect from 7 th May, 2024 till 6 th May, 2029.
Date of Appointment / Cessation	7 th May, 2024
Term of appointment	Five (5) consecutive years w.e.f. 7 th May, 2024 till 6 th May, 2029, subject to approval of shareholders of the Company.
Brief Profile	Ms. Desai holds a BA (Hons) degree in Psychology from Jai Hind College, Mumbai. She is an advocate and solicitor having passed the solicitors examination conducted by the Bombay Incorporated Law Society in 1995. She is a partner of the law firm M/s. A.H. Parpia & Co., Mumbai. She is a member of the Institutional Scientific & Ethics Board of Kokilaben Dhirubai Ambani Hospital & Medical Research Institute.

Disclosure of relationships between Directors	Ms. Mona Desai is not related to any Director of the Company
Other Directorships / Memberships (in listed entities in case of resignation of Independent director)	Not applicable

Details of Mr. Sanjay Asher (DIN: 00008221)

Particulars	Details
Reason for change viz. appointment, resignation, removal, death or otherwise	Mr. Sanjay Asher is appointed as an Independent Director for a second term of five consecutive years with effect from 8 th August, 2024 till 7 th August, 2029.
Date of Appointment / Cessation	7 th May, 2024
Term of appointment	Second term of Five (5) consecutive years i.e. 8 th August, 2024 till 7 th August, 2029, subject to approval of shareholders of the Company.
Brief Profile	<p>Mr. Asher is presently a Senior Partner with M/s. Crawford Bayley & Co., which is India's oldest law firm, established in 1830. Mr. Asher holds a Bachelor's Degree in Commerce and a Bachelor's Degree in Law from the University of Bombay. He has been a practising Advocate since 1991, and was admitted as a Solicitor in the year 1993. He is also a qualified Chartered Accountant.</p> <p>He specialises in the fields of M&A, cross-border M&A, joint ventures, private equity and capital markets. He has been a noted speaker at various seminars and conferences including those organised by Institute of Chartered Accountants of India and Institute of Company Secretaries of India.</p>
Disclosure of relationships between Directors	Mr. Sanjay Asher is not related to any Director of the Company
Other Directorships / Memberships (in listed entities in case of resignation of Independent director)	Not applicable

Independent Auditor's Report

To the Board of Directors of **Sonata Software Limited**

Report on the audit of the **Standalone Annual Financial Results**

Opinion

We have audited the accompanying standalone annual financial results of Sonata Software Limited (hereinafter referred to as the "Company") for the year ended 31 March 2024, attached herewith, (in which are included financial results from 6 branches and an employee welfare trust) being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2024.

Basis for Opinion

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Annual 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 together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the company/Board of Trustees of the employee welfare trust ("Trust") are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company/trust 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 accuracy and completeness of the accounting records,

Independent Auditor's Report (Continued)

Sonata Software Limited

relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the respective Management and the Board of Directors/Board of Trustees are responsible for assessing the company/trust 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/Board of Trustees either intends to liquidate the company/trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Board of Trustees are responsible for overseeing the financial reporting process of the company/trust.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 these standalone annual 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 standalone annual 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 standalone annual 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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Independent Auditor's Report (Continued)

Sonata Software Limited

Other Matters

- a. The standalone annual financial results include the results for the quarter ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Amrit Bhansali

Partner

Mumbai

07 May 2024

Membership No.: 065155

UDIN:24065155BKEYNR8111

SONATA SOFTWARE LIMITED

Registered Office: 208, T.V. Industrial Estate, S.K. Ahire Marg, Worli, Mumbai - 400 030

Corporate Office: Sonata Towers, Global Village, RVCE Post, Mysore Road, Bengaluru - 560 059

CIN - L72200MH1994PLC082110

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Part I ₹ in lakhs, except per share data

Statement of audited standalone financial results for the quarter and year ended March 31, 2024

Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		(Refer Note 8)	(Unaudited)	(Refer Note 8)	(Audited)	(Audited)
1	Revenue from operations	23,250	24,276	23,198	95,030	92,086
2	Other income (Refer Note 5)	4,418	12,042	4,820	33,404	15,968
3	Total income (1 + 2)	27,668	36,318	28,018	128,434	108,054
4	Expenses					
	(a) Purchase of stock-in-trade (traded goods)	1,507	1,457	2,608	7,539	10,219
	(b) Changes in inventories of stock-in-trade	-	1	-	-	17
	(c) Employee benefits expense	16,470	16,659	15,247	67,024	54,350
	(d) Finance costs	141	122	153	492	696
	(e) Depreciation and amortization expense	550	528	471	2,113	1,851
	(f) Other expenses	3,260	3,227	5,039	13,289	14,504
	Total expenses	21,928	21,994	23,518	90,457	81,637
5	Profit before tax (3 - 4)	5,740	14,324	4,500	37,977	26,417
6	Tax expense					
	(1) Current tax	391	856	335	1,984	3,958
	(2) Deferred tax	182	(26)	665	113	422
	Total tax expense	573	830	1,000	2,097	4,380
7	Profit for the period (5 - 6)	5,167	13,494	3,500	35,880	22,037
8	Other comprehensive income					
	1 Items that will not be reclassified to profit/(loss)					
	(a) Remeasurement of the defined benefit plans	83	106	(446)	408	(463)
	(b) Income tax relating to Items that will not be reclassified to profit/(loss)	(21)	(27)	74	(103)	77
	2 Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	16	(28)	6	-	(5)
	(b) Fair value changes on derivatives designated as cash flow hedge, net	134	(442)	514	305	(1,117)
	(c) Income tax relating to Items that will be reclassified to profit/(loss)	(37)	118	(67)	(76)	186
	Total	175	(273)	81	534	(1,322)
9	Total comprehensive income for the period (7 + 8)	5,342	13,221	3,581	36,414	20,715
10	Paid-up equity share capital (Face Value ₹ 1/-)	2,775	2,775	1,387	2,775	1,387
11	Other equity (Refer Note 7)	67,893	53,973	53,973	67,893	53,973
12	Earnings per equity share (of ₹ 1/- each) (Refer Note 4 & 6)					
	(a) Basic (in ₹)	1.86	4.86	1.24	12.93	7.94
	(b) Diluted (in ₹)	1.86	4.85	1.24	12.91	7.94
	See accompanying notes to the standalone financial results					

Standalone Balance Sheet			
Sl No.	Particulars	As at March 31, 2024 <i>(Audited)</i>	As at March 31, 2023 <i>(Audited)</i>
	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, plant and equipment	2,953	2,265
	(b) Right-of-use assets	3,077	3,058
	(c) Capital work-in-progress	-	2
	(d) Goodwill	282	282
	(e) Financial assets		
	(i) Investments	6,263	6,291
	(ii) Other financial assets	1,483	1,711
	(f) Deferred tax assets (net)	1,061	1,353
	(g) Income tax assets (net)	10,815	7,500
	(h) Other non-current assets	104	124
		26,038	22,586
2	CURRENT ASSETS		
	(a) Financial assets		
	(i) Investments	119	2,084
	(ii) Trade receivables	52,019	30,752
	(iii) Cash and cash equivalents	1,973	4,931
	(iv) Bank balances other than (iii) above	6,764	14,416
	(v) Other financial assets	1,824	664
	(b) Other current assets	6,545	4,806
		69,244	57,653
	TOTAL - ASSETS	95,282	80,239
	EQUITY AND LIABILITIES		
3	EQUITY		
	(a) Equity share capital	2,775	1,387
	(b) Other equity	67,893	53,973
		70,668	55,360
4	LIABILITIES		
	NON-CURRENT LIABILITIES		
	Financial liabilities		
	Lease liabilities	2,295	2,468
	Other financial liabilities	1,540	661
		3,835	3,129
5	CURRENT LIABILITIES		
	(a) Financial liabilities		
	Borrowings	4	62
	Lease liabilities	1,101	1,583
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	86	157
	Total outstanding dues of creditors other than micro enterprises and small enterprises	8,529	10,709
	Other financial liabilities	3,298	2,391
	(b) Other current liabilities	4,410	3,572
	(c) Provisions	1,360	1,267
	(d) Current tax liabilities (net)	1,991	2,009
		20,779	21,750
	TOTAL - EQUITY AND LIABILITIES	95,282	80,239

Standalone Cash Flow Statement


(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	37,977	26,417
Adjustments for :		
Depreciation and amortization expense	2,113	1,851
Finance costs	492	696
Impairment loss recognised on trade receivable	224	28
Provisions/ liabilities no longer required written back	(171)	(85)
Interest income	(823)	(1,345)
Dividend income from long-term investments in subsidiaries	(30,185)	(13,075)
Loss on sale of fixed assets / scrapped	13	19
Net (gain) on investments carried at fair value through profit and loss	(159)	(559)
Gain on termination of lease	(436)	(466)
Expenses/(gain) on employee stock based compensation	383	679
Exchange (gain)/loss on revaluation of investments	-	(53)
Net unrealized foreign exchange (gain)/loss	(602)	97
Operating profit before working capital changes	8,826	14,204
Changes in operating assets and liabilities:		
Decrease/(increase) in trade receivables	(21,254)	(14,208)
Decrease/(increase) in Inventories	-	17
Decrease/(increase) in other financial assets-current	(1,526)	18
Decrease/(increase) in other financial assets non-current	159	8
Decrease/(increase) in other non-current assets	23	(19)
Decrease/(increase) in other current assets	(1,740)	(2,777)
(Decrease)/increase in other financial liabilities non-current	804	661
(Decrease)/increase in trade payables	(1,992)	1,113
(Decrease)/increase in other financial liabilities	1,619	459
(Decrease)/increase in other current liabilities	1,248	1,500
(Decrease)/increase in provisions	94	39
Net cash flow from operations	(13,739)	1,015
Income taxes paid	(5,316)	(6,474)
Net cash flow from operating activities (A)	(19,055)	(5,459)
Net cash from operating activities after exceptional items		
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment including capital work-in-progress	(1,799)	(1,782)
Proceeds from disposal of property, plant and equipment	10	-
Investment in subsidiary	(89)	-
Purchase of current investments	(64,785)	(52,618)
Proceeds from sale of current investments	66,966	59,037
Investment in bank deposits	7,844	(12,144)
Interest received	988	2,142
Dividend received from subsidiary	30,185	13,075
Inter corporate deposits given	14,570	9,410
Inter corporate deposits recovered	(14,570)	(9,410)
Net cash flow from investing activities (B)	39,320	7,710
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from/(of) short-term borrowings (net)	(58)	62
Payment of lease liabilities	(1,574)	(1,875)
Payment of dividend	(21,891)	(23,240)
Proceeds from issue of shares on exercise of employee stock options	362	2
Interest paid	(44)	(25)
Net cash flow used in financing activities (C)	(23,205)	(25,076)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	(2,940)	(22,825)
Opening Cash and cash equivalents	4,931	27,848
Exchange difference on translation of foreign currency Cash and cash equivalents.	(18)	(92)
Closing Cash and cash equivalents	1,973	4,931
Cash and cash equivalents at the end of the period comprises:		
Balances with banks		
In current accounts	665	771
In EEFC accounts	207	185
In demand deposit accounts	1,101	3,975
	1,973	4,931

Notes:

- 1 The standalone financial results above is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. These audited standalone financial results thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 07, 2024. The statutory auditors, B S R & Co. LLP have expressed an unmodified audit opinion on standalone financial results.
The above audited standalone financial results are filed with Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 as amended from time to time and are available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com, and on the Company's website, www.sonata-software.com.
- 2 The Company also publishes audited consolidated financial results in addition to audited standalone financial results. In accordance with Ind AS 108 Operating Segments, the Company has disclosed the segment information in the audited consolidated financial results.
- 3 The Board of Directors recommended a final dividend of ₹ 4.40 /- (440% on par value of ₹ 1/-) per equity share for the financial year ended March 31, 2024. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- 4 Earnings per share (EPS) for quarterly periods are not annualised.
- 5 Other income for the quarter ended March 31, 2024 includes dividend income received from subsidiaries, Sonata Information Technology Limited ₹ 3,000 Lakhs and Encore IT Service Solutions Private Limited ₹ 500 lakhs. For the year ended March 31, 2024 other income includes dividend income received from subsidiaries, Sonata Information Technology Limited ₹ 18,500 Lakhs and Encore IT Service Solutions Private Limited ₹ 1,100 lakhs, Sonata Australia Pty Ltd ₹ 1,785 lakhs, Sonata Software Solutions Limited ₹ 8,800 lakhs.
- 6 The Company has allotted 140,212,408 Equity Shares of Re. 1/- each, credited as fully paid as bonus equity shares to the eligible Members of the Company as on the record date of December 12, 2023 in the ratio of 01 (One) new fully paid-up equity share for every 01 (One) existing fully paid-up equity shares (1:1). The EPS for all the periods presented have been adjusted to this effect as required by "Ind AS 33: Earnings per Share".
- 7 The other equity with respect to quarter ended March 31, 2023 and quarter ended December 31, 2023 represents balance as per the audited Balance Sheet of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015
- 8 The figures for the quarter ended March 31, 2024 and March 31 2023, 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, 2023 and December 31, 2022. The statutory auditors have performed a limited review on the results for the nine months ended December 31, 2023 and December 31, 2022.

For and on behalf of the Board of Directors



Samir Dhir
Managing Director & CEO

Place : Mumbai
Date : May 07, 2024

Independent Auditor's Report

To the Board of Directors of **Sonata Software Limited**

Report on the audit of the **Consolidated Annual Financial Results**

Opinion

We have audited the accompanying consolidated annual financial results of Sonata Software Limited (hereinafter referred to as the "Holding Company") and the subsidiaries (Holding Company and the subsidiaries together referred to as "the Group"), for the year ended 31 March 2024, attached herewith, (in which are included financial results from 10 branches) being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate financial statements of the subsidiaries referred to in paragraph (a) of "Other Matters" section below, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the entities mentioned in Annexure I to the aforesaid consolidated annual financial results.
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2024.

Basis for Opinion

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual 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 together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in sub paragraph no. (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133

Independent Auditor's Report (Continued)

Sonata Software Limited

of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual 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 the consolidated annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 management and Board of Directors either intends to liquidate the entities or to cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 these consolidated annual 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 consolidated annual 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 annual 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.



Independent Auditor's Report (Continued)

Sonata Software Limited

- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub paragraph no. (a) of the Other Matters paragraph in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matters

- a. The consolidated annual financial results include the audited financial results of 2 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 22,164 lakhs as at 31 March 2024, total revenue (before consolidation adjustments) of Rs. 24,285 lakhs and total net (loss) after tax (before consolidation adjustments) of Rs. 188 lakhs and net cash outflows (before consolidation adjustments) of Rs 199 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditor's reports on financial statements of these entities have been furnished to us by the management.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results 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.

- b. The consolidated annual financial results include the unaudited financial results of 18 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 13,704 lakhs as at 31 March 2024, total revenue (before consolidation adjustments) of Rs. 42,581, total net profit after tax (before consolidation adjustments) of Rs. 4,446 lakhs and net cash outflows (before consolidation adjustments) of Rs 467 lakhs for the year ended on that date, as considered in the consolidated annual financial results, have been furnished to us by the Board of Directors.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to the financial statements certified by the Board of Directors.



Independent Auditor's Report (Continued)

Sonata Software Limited

- c. The consolidated annual financial results include the results for the quarter ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Amrit Bhansali

Partner

Mumbai

07 May 2024

Membership No.: 065155

UDIN:24065155BKEYNT6171

Annexure I

List of entities included in consolidated annual financial results.

Sr. No	Name of component	Relationship
1	Sonata Software Limited	Parent
2	Sonata Information Technology Limited	Subsidiary
3	Sonata Software Solutions Limited	Subsidiary
4	Sonata Europe Limited	Subsidiary
5	Sonata Software North America Inc.	Subsidiary
6	Sonata Australia Pty Ltd (formerly known as "Scalable Data Systems Pty Ltd")	Subsidiary
7	Sonata Software (Qatar) LLC	Subsidiary
8	Encore IT Services Solutions Private Limited	Subsidiary
9	Sonata Software GmbH	Subsidiary
10	Sonata Software Intercontinental Limited	Subsidiary
11	Sonata Software Malaysia SDN. BHD.	Subsidiary
12	Sonata Software LLC (formerly known as Sopris Systems LLC)	Step-down Subsidiary
13	Encore Software Services, Inc.	Step-down Subsidiary
14	Sonata Software Canada Limited	Step-down Subsidiary
15	GAPbuster Limited	Step-down Subsidiary
16	Sonata Software Japan KK (formerly known as Kabushiki Kaisha GAPbuster Japan)	Step-down Subsidiary
17	GAPbuster Europe Limited	Step-down Subsidiary
18	GAPbuster Inc.	Step-down Subsidiary
19	Sonata Software (Shanghai) Co., Ltd (formerly known as GAPbuster China Co. Ltd)	Step-down Subsidiary
20	Sonata Software Worldwide Malaysia SDN. BHD. (formerly known as GAPbuster Worldwide Malaysia SDN. BHD.)	Step-down Subsidiary
21	GAPbuster Worldwide Pty Ltd	Step-down Subsidiary
22	Sonata Latin America S. DE R.L. DE C.V.	Step-down Subsidiary
23	Quant Systems Inc.	Step-down Subsidiary
24	Quant Cloud Solutions Private Limited	Step-down Subsidiary

Independent Auditor's Report (Continued)

Sonata Software Limited

Sr. No	Name of component	Relationship
25	Woodshed LLC	Step-down Subsidiary
26	Quant Systems CRC Inc Sociedad de Responsabilidad Limitada (CRC LLC)	Step-down Subsidiary



Part I		₹ in lakhs, except per share data				
Statement of audited consolidated financial results for the quarter and year ended March 31, 2024						
Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2024 <i>(Refer Note 6)</i>	December 31, 2023 <i>(Unaudited)</i>	March 31, 2023 <i>(Refer Note 6)</i>	March 31, 2024 <i>(Audited)</i>	March 31, 2023 <i>(Audited)</i>
1	Revenue from operations	219,161	249,335	191,350	861,306	744,912
2	Other income	5,470	1,951	2,497	12,555	7,082
3	Total income (1 + 2)	224,631	251,286	193,847	873,861	751,994
4	Expenses					
	(a) Purchase of stock-in-trade (traded goods)	147,846	168,688	134,900	588,887	548,163
	(b) Changes in inventories of stock-in-trade	846	7,518	1,173	(6,918)	(2,589)
	(c) Employee benefits expense	33,116	33,744	25,679	133,456	93,311
	(d) Finance costs	2,157	2,194	717	8,501	1,854
	(e) Depreciation and amortization expense	3,367	3,372	1,892	13,193	5,913
	(f) Other expenses	22,941	18,614	14,438	73,138	45,614
	Total expenses	210,273	234,130	178,799	810,257	692,266
5	Profit before exceptional item and tax (3 - 4)	14,358	17,156	15,048	63,604	59,728
6	Exceptional item (Refer Note 9)					
	Changes in fair value of contingent consideration payable	-	17,466	-	17,466	-
7	Profit before tax (5 - 6)	14,358	(310)	15,048	46,138	59,728
8	Tax expense					
	(1) Current tax	3,899	5,531	4,435	19,234	16,709
	(2) Deferred tax	(577)	(1,225)	(764)	(3,946)	(2,171)
	Total tax expense	3,322	4,306	3,671	15,288	14,538
9	Profit for the period (7 - 8)	11,036	(4,616)	11,377	30,850	45,190
10	Other comprehensive income					
	1 Items that will not be reclassified to profit/(loss)					
	(a) Remeasurement of the defined benefit plans	(14)	49	(547)	256	(662)
	(b) Income tax relating to Items that will not be reclassified to profit/(loss)	3	(15)	134	(65)	162
	2 Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	(308)	372	(149)	171	873
	(b) Fair value changes on derivatives designated as cash flow hedge, net	322	(933)	(51)	669	(3,539)
	(c) Income tax relating to Items that will be reclassified to profit/(loss)	(3)	123	43	(211)	652
	Total	-	(404)	(570)	820	(2,514)
11	Total comprehensive income for the period (9 + 10)	11,036	(5,020)	10,807	31,670	42,676
	Of the total comprehensive income above, profit for the period attributable to:					
	Owners of the Company	11,036	(4,616)	11,377	30,850	45,190
	Non - controlling interest	-	-	-	-	-
		11,036	(4,616)	11,377	30,850	45,190
	Of the total comprehensive income above, other comprehensive income for the period attributable to:					
	Owners of the Company	-	(404)	(570)	820	(2,514)
	Non - controlling interest	-	-	-	-	-
		-	(404)	(570)	820	(2,514)
	Of the total comprehensive income above, total comprehensive income attributable to:					
	Owners of the Company	11,036	(5,020)	10,807	31,670	42,676
	Non - controlling interest	-	-	-	-	-
		11,036	(5,020)	10,807	31,670	42,676
12	Paid-up equity share capital (Face Value ₹ 1/-)	2,775	2,775	1,387	2,775	1,387
13	Other equity (Refer Note 7)	137,854	128,678	128,678	137,854	128,678
14	Earnings / (loss) per equity share (of ₹ 1/- each) (Refer Note 4 & 5)					
	(a) Basic (in ₹)	3.97	(1.66)	4.10	11.12	16.29
	(b) Diluted (in ₹)	3.97	(1.66)	4.10	11.10	16.29
	See accompanying notes to the consolidated financial results					

Consolidated Balance Sheet

(₹ in lakhs)

Sl No.	Particulars	As at March 31, 2024 <i>(Audited)</i>	As at March 31, 2023 <i>(Audited)</i>
	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, plant and equipment	5,176	4,800
	(b) Right-of-use assets	8,097	8,281
	(c) Capital work-in-progress	-	82
	(d) Goodwill	111,346	109,837
	(e) Other intangible assets	42,481	50,309
	(f) Financial assets		
	(i) Investments	1,299	1,396
	(ii) Other financial assets	3,823	4,192
	(g) Deferred tax assets (net)	8,844	-
	(h) Income tax assets (net)	25,941	14,935
	(i) Other non-current assets	348	348
	Total	207,355	194,180
2	CURRENT ASSETS		
	(a) Inventories	9,800	2,882
	(b) Financial assets		
	(i) Investments	23,208	20,580
	(ii) Trade receivables	160,508	123,622
	(iii) Cash and cash equivalents	53,602	41,740
	(iv) Bank balances other than (iii) above	32,895	31,286
	(v) Other financial assets	5,459	1,406
	(c) Other current assets	22,085	17,459
	(d) Asset held-for-sale	-	2,533
	Total current assets	307,557	241,508
	TOTAL ASSETS	514,912	435,688
	EQUITY AND LIABILITIES		
3	EQUITY		
	(a) Equity share capital	2,775	1,387
	(b) Other equity	137,854	128,678
	Total	140,629	130,065
4	LIABILITIES		
	NON-CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Borrowings	43,101	30,506
	(ii) Lease liabilities	6,700	6,751
	(iii) Other financial liabilities	2,757	44,964
	(iv) Deferred tax liabilities (net)	12,397	7,069
		64,955	89,290
5	CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Borrowings	24,329	18,852
	(ii) Lease liabilities	2,416	2,941
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	305	164
	Total outstanding dues of creditors other than micro enterprises and small enterprises	141,290	129,323
	(iv) Other financial liabilities	100,159	42,218
	(b) Other current liabilities	24,111	10,515
	(c) Provisions	3,698	3,106
	(d) Current tax liabilities (net)	13,020	9,214
	Total current liabilities	309,328	216,333
	TOTAL EQUITY AND LIABILITIES	514,912	435,688

Consolidated Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	46,138	59,728
Adjustments for :		
Depreciation and amortization expense	13,193	5,913
Changes in fair value of contingent consideration	17,466	-
Finance costs	8,501	1,809
Impairment (gain)/loss recognised on trade receivable	2,347	628
Provisions/ liabilities no longer required written back	(5,450)	(465)
Interest Income	(3,423)	(2,643)
Net (gain) / loss on sale of property, plant and equipment / scrapped	41	25
Net (gain) on investments carried at fair value through profit and loss	(1,276)	(1,523)
Gain on termination of lease	(492)	(466)
Expenses on employee stock based compensation	383	679
Net unrealized foreign exchange (gain) / loss	(2,206)	(1,639)
Operating profit before working capital changes	75,222	62,046
Changes in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	(38,789)	(31,258)
Decrease/(Increase) in inventories	(6,918)	(2,590)
Decrease/(increase) in other financial assets non-current	(160)	(397)
Decrease/(increase) in other financial assets current	(4,651)	(7,829)
Decrease/(increase) in other non-current assets	2	16
Decrease/(increase) in other current assets	(4,629)	(4,525)
Decrease/(increase) Asset held-for-sale	-	(2,533)
(Decrease)/Increase in trade payables	17,675	25,432
(Decrease)/increase in other financial liabilities non-current	2,083	(2,974)
(Decrease)/increase in other financial liabilities	-	6,785
(Decrease)/increase in other current liabilities	13,853	1,956
(Decrease)/increase in provisions	592	256
Net cash flow from / (used in) operations	54,280	44,385
Income taxes paid	(26,226)	(17,543)
Net cash flow from / (used in) operating activities (A)	28,054	26,842
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment including intangible assets, capital-work-in progress	(2,539)	(4,105)
Proceeds from disposal of property, plant and equipment	2,547	(5)
Purchase of current investments	(572,319)	(499,637)
Payment in relation to business acquisition	(7,264)	(52,939)
Proceeds from sale of current investments	571,075	495,035
Investment in bank deposits	(255)	(27,691)
Interest received	3,324	3,808
Net cash flow from / (used in) investing activities (B)	(5,431)	(85,534)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(3,337)	(3,258)
Proceeds from short-term borrowings	9,756	14,733
Repayment of short-term borrowings	(7,900)	(14,512)
Repayment of term loan	(46,780)	-
Proceeds from long-term borrowings	62,183	45,128
Payment of dividend	(21,891)	(23,241)
Proceeds from issue of shares on exercise of ESOP	362	2
Interest paid	(3,243)	(177)
Net cash flow used in financing activities (C)	(10,850)	18,675
Net increase/(decrease) in cash and cash equivalents (A+B+C)	11,773	(40,017)
Opening cash and cash equivalents	41,740	73,369
Cash and cash equivalents on acquisition of subsidiaries during the year	-	8,759
Exchange difference on translation of foreign currency cash and cash equivalents	89	(371)
Closing Cash and cash equivalents	53,602	41,740
Cash and cash equivalents at the end of the period comprises:		
Cash on hand	1	2
Balances with banks		
In Current accounts	15,439	25,365
In EEFC accounts	1,072	1,002
In deposit accounts	37,090	15,371
	53,602	41,740

Notes:

- The consolidated financial results is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. These audited Consolidated financial results thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 07, 2024. The statutory auditors, B S R & Co. LLP have expressed an unmodified audit opinion on the consolidated financial results.
The above audited Consolidated financial results are filed with Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 as amended from time to time and are available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com, and on the Company's website, www.sonata-software.com.
- 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. (Merged with SSNA with effect from November 17, 2022), Sonata Software GmbH, Sonata Europe Limited (SEL), Sonata Software FZ-LLC (Closed w.e.f. May 19, 2023), Sonata Software (Qatar) LLC, Sonata Australia Pty Ltd, Sonata Software LLC (formerly known as Sopris Systems LLC), Sonata Software Solutions Limited, Sonata Software (Shanghai) Co., Ltd (formerly known as GAPbuster China Co. Ltd), GAPbuster Europe Limited, GAPbuster Inc., GAPbuster Limited, Sonata Software Worldwide Malaysia SDN. BHD. (formerly known as GAPbuster Worldwide Malaysia SDN BHD), GAPbuster Worldwide Pty Limited, Sonata Software Japan KK (formerly known as Kabushiki Kaisha GAPbuster Japan), Encore Software Services, Inc., Encore IT Services Solutions Private Limited, Sonata Software Intercontinental Limited, Sonata Software Canada Limited, Sonata Latin America S. DE R.L. DE C.V., Quant Systems Inc. (w.e.f. March 10, 2023), Quant Systems CRC Inc Sociedad De Responsabilidad Limitada (CRC LLC) (w.e.f. March 10, 2023), Quant Cloud Solutions Private Limited (w.e.f. March 10, 2023), Woodshed LLC (w.e.f. March 10, 2023) and Sonata Software Malaysia SDN. BHD (w.e.f. June 13, 2023).
- The Board of Directors recommended a final dividend of ₹ 4.40/- (440% on par value of ₹ 1/-) per equity share for the financial year ended March 31, 2024. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- EPS for quarterly periods are not annualised.
- Sonata Software Limited (Holding Company) allotted 140,212,408 Equity Shares of Re. 1/- each, credited as fully paid as bonus equity shares to the eligible Members of the Holding Company whose names appear in the Register of Members of the Company as on the record date of December 12, 2023 in the ratio of 01 (One) new fully paid-up equity share for every 01 (One) existing fully paid-up equity shares (1:1). The EPS for all the periods presented have been adjusted to this effect as required by "Ind AS 33: Earnings Per Share".
- The figures for the quarter ended March 31, 2024 and March 31, 2023, 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, 2023 and December 31, 2022 respectively. The statutory auditors have performed a limited review on the results for the nine months ended December 31, 2023 and December 31, 2022.
- The other equity with respect to each quarter ended March 31, 2023 and December 31, 2023 represents balance as per the audited consolidated Balance Sheet of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- Audited standalone financial results

Particulars	Quarter ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	(Refer Note 6)	(Unaudited)	(Refer Note 6)	(Audited)	(Audited)
Revenue from operations	23,250	24,276	23,198	95,030	92,086
Profit before tax	5,740	14,324	4,500	37,977	26,417
Profit after tax	5,167	13,494	3,500	35,880	22,037

The results for the quarter and year ended March 31, 2024, are available on the Company's website at www.sonata-software.com and also on the website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com, where the shares of the Company are listed.

- Sonata Software North America Inc., (SSNA) a wholly owned subsidiary of Sonata Software Limited, acquired 100% stake in the Quant systems inc., (Quant) on March 10, 2023 for a purchase consideration of USD 159 mn (INR 130,348 Lakhs) (net of working capital) including cash consideration of USD 70.70 mn (INR 57,960 Lakhs) and USD 88.30 mn (INR 72,388 Lakhs) of contingent consideration payable over 2 years. During the quarter ended December 31, 2023, the Company has re-measured the fair value of the contingent consideration payable to be USD 105.42 mn (INR 87,719 Lakhs), thereby an increase of USD 17.12 mn (INR 14,244 Lakhs). Similarly, the Company has re-measured the fair value of the contingent consideration payable with respect to an earlier acquisition, which has resulted in the change in fair value by USD 3.87 mn (INR 3,222 Lakhs). The above changes in fair value of contingent consideration payable amounting to USD 20.99 mn (INR 17,466 Lakhs) is owing to better financial performance of the acquired entities and are recorded in the Statement of Profit and Loss. The Management has disclosed the above changes in fair value as an 'exceptional item', considering the significance of the amount and its non-recurring nature.
- The CEO & MD of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. Information reported to the CODM for the purposes of resource allocation and assessment of segment performance focuses on geographical territory; Accordingly, the reportable segments are "India" and "Other than India"

The consolidated segment wise revenue and results are as follows :

Particulars	Quarter ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	(Refer Note 6)	(Unaudited)	(Refer Note 6)	(Audited)	(Audited)
1. Segment revenue					
a. India	119,223	148,724	110,846	491,261	485,766
b. Other than India	100,133	101,045	80,815	371,844	260,087
Total	219,356	249,769	191,661	863,105	745,853
Less : Inter segment revenue	(195)	(434)	(311)	(1,799)	(941)
Revenue from operations	219,161	249,335	191,350	861,306	744,912
2. Segment results					
Profit before tax, interest, depreciation and amortization					
a. India	4,964	5,378	5,277	19,733	21,329
b. Other than India	13,764	16,338	10,224	59,348	40,720
Total	18,728	21,716	15,501	79,081	62,049
Less: Depreciation and amortization	(3,367)	(3,372)	(1,892)	(13,193)	(5,913)
Less: Finance costs	(2,157)	(2,194)	(717)	(8,501)	(1,854)
Add: Unallocable income net of unallocable expenditure	1,154	1,006	2,156	6,217	5,446
3. Profit before exceptional item and tax	14,358	17,156	15,048	63,604	59,728
Exceptional item					
- Changes in fair value of contingent consideration payable	-	17,466	-	17,466	-
4. Profit before tax	14,358	(310)	15,048	46,138	59,728

The consolidated segment wise assets and liabilities are as follows :

Particulars	Quarter ended		
	March 31, 2024	December 31, 2023	March 31, 2023
	(Audited)	(Unaudited)	(Audited)
4. Segment assets			
a. India	145,582	128,660	115,386
b. Other than India	334,545	308,027	283,874
c. Unallocable	34,785	33,793	36,428
Total assets	514,912	470,480	435,688
5. Segment liabilities			
a. India	143,509	130,692	114,373
b. Other than India	205,357	184,549	174,967
c. Unallocable	25,417	25,742	16,283
Total liabilities	374,283	340,983	305,623
6. Capital employed (4-5)	140,629	129,497	130,065

For and on behalf of the Board of Directors


Samir Dhir
Managing Director & CEO

Place : Mumbai
Date : May 07, 2024



Sonata Software: International Services Dollar revenue for FY'24 of 323.6 Mn grew 34.3% YoY. Domestic business delivered Gross contribution for FY'24 of 260.4 Cr 18.6% YoY growth in INR. The Board recommends a final dividend of ₹ 4.40 per share (FY'24 total dividend ₹ 7.90 per share).

Mumbai, May 07, 2024

[Sonata Software](https://www.sonata-software.com) [NSE: SONATSOFTW, BSE: 532221], a leader in Modernization Engineering, today reported its audited financial results for its Financial Year ended March 31, 2024.

Description	in ₹ Crores							
	For the Quarter ended					For the year ended		
	31-Mar-24	31-Dec-23	QoQ	31-Mar-23	YoY	31-Mar-24	31-Mar-23	YoY
Revenues								
International IT Services	679.0	696.8	-3%	533.5	27%	2,679.6	1,920.4	40%
Domestic- Products & Services	1,514.5	1,800.3	-16%	1,383.4	9%	5,950.5	5,540.4	7%
Consolidated	2,191.6	2,493.4	-12%	1,913.5	15%	8,613.1	7,449.1	16%
EBITDA								
International IT Services	143.2	168.5	-15%	123.5	16%	627.7	482.0	30%
Domestic- Products & Services	56.2	59.2	-5%	54.0	4%	228.3	196.8	16%
Consolidated	198.8	227.2	-12%	176.6	13%	853.0	675.0	26%
PAT before exceptional item								
International IT Services	70.3	85.9	-18%	74.8	-6%	319.8	310.7	3%
Domestic- Products & Services	40.1	42.6	-6%	39.0	3%	163.3	141.2	16%
Consolidated	110.4	128.5	-14%	113.8	-3%	483.2	451.9	7%
PAT after exceptional item								
International IT Services	70.3	(88.8)	-	74.8	-	145.1	310.7	-
Domestic- Products & Services	40.1	42.6	-6%	39.0	3%	163.3	141.2	16%
Consolidated	110.4	(46.2)	-	113.8	-	308.5	451.9	-

Speaking on the quarterly results Mr. Samir Dhir, MD & CEO of the Company said, “We remain optimistic about our long-term vision and growth prospects. In FY24, our international business delivered industry leading 34.3% growth YoY. During the Q4, large deals decisioning delays & associated costs resulted in sequential degrowth both in our international revenue USD terms by 2.4% QoQ, and consolidated PAT of 14.1% QoQ. Despite Q4 and short-term headwinds, as we reflect on the year, we have taken significant steps towards our long-term goals.”

Speaking on the results Mr. Sujit Mohanty, MD & CEO of Sonata Information Technology Limited said, “Our PAT de-grew by 6% QoQ due to seasonality; however, Annual PAT grew 16% over the previous year. We had fruitful engagements with our existing customers through targeted GTMs which helped us expand our business from our existing customer base.”

Performance Highlights for the Q4'24 & FY'24:

- **Consolidated:**
 - Revenues for Q4'24 at ₹ 2,191.6 crores; QoQ de-growth of 11.8%. Revenues for FY'24 at ₹ 8,613.1 crores; YoY growth of 15.6%.



- EBITDA for Q4'24 is ₹ 198.8 crores; QoQ de-growth of 12.5%. EBITDA for FY'24 at ₹ 853.0 crores; YoY growth of 26.4%.
- PAT for Q4'24 stood at ₹ 110.4 Crores; QoQ de-growth of 14.1%. PAT (before exceptional items) for FY'24 stood at ₹ 483.2 Crores; YoY growth of 6.9%.
- Net Cash and equivalents of approximately ₹ 441.3 Crores (net of borrowings).

● **International IT Services:**

- Revenues for Q4'24 at ₹ 679.0 crores; QoQ de-growth of 2.6%. Revenues for FY'24 at ₹ 2,679.6 crores; YoY growth of 39.5%.
- Revenue for Q4'24 in USD at 81.7 Mn, QoQ de-growth of 2.4%. Revenue for FY'24 in USD at 323.6 Mn YoY growth of 34.3%.
- EBITDA for Q4'24 at ₹ 143.2 crores; QoQ de-growth of 15.2%. EBITDA for FY'24 at ₹ 627.7 crores; YoY growth of 30.2%
- PAT for Q4'24 stood at ₹ 70.3 Crores; QoQ de-growth of 18.2%. PAT (before exceptional items) for FY'24 stood at ₹ 319.8 Crores; YoY growth of 2.9%.
- DSO at 45 days (same as Q3'24)
- 18 New Customer added during the quarter.
- Strong growth from digital based competencies like Managed cloud services and Digital Platformation™ Services (Microsoft & Open source) and focused verticals like TMT, Healthcare & Life Sciences, Manufacturing, Retail / CPG/ TTH, BFSI and Emerging.
- Our pipeline continues to be healthy and strong through multiple new digital wins from existing and new customers.

● **Domestic Products & Services:**

- Revenues for Q4'24 at ₹ 1,514.5 crores; QoQ de-growth of 15.9%. Revenues for FY'24 at ₹ 5950.5 crores; YoY growth of 7.4%
- Gross contribution for Q4'24 at ₹ 64.8 Crs de-grew by 9.1% QoQ. Gross contribution for FY'24 at ₹ 260.4 Crs grew by 18.6% YoY
- EBITDA for Q4'24 at ₹ 56.2 crores; QoQ de-growth of 4.5%. EBITDA for FY'24 at ₹ 228.3 crores; YoY growth of 16.0%
- PAT for Q4'24 at ₹ 40.1 crores; QoQ de-growth of 5.9%. PAT for FY'24 at ₹ 163.3 crores; YoY growth of 15.7%.
- DSO at 36 days (same as Q3'24)



About Sonata Software

Sonata Software is a leading Modernization Engineering company, powered by its unique Platformation™ framework that brings together industry expertise, platform technology excellence, design innovation and strategic engagement models to deliver sustained value to customers. We partner with Fortune 500 clients to help them reimagine their business processes as part of modernization programs. As part of this phase, we drive business enablement sessions, consulting, and business processes to be aligned with best-in-class industry-specific practices. Our outcome-based Modernization Services include Cloud, Data, Dynamics, Managed Services, Automation and Digital Contact Center. We offer services and solutions around newer technologies like Generative AI, MS Fabric, and other modernization platforms. Sonata has a strong global presence in key regions including US, UK, Europe, APAC, and ANZ. We are a trusted partner of world leading companies in TMT, Retail & CPG. Manufacturing, BFSI and HLS space. Our partner ecosystem boasts of strong relationships with Microsoft, AWS, Salesforce, Snowflake, Google, and Industry partners and is critical to the value we create with our clients.

For further information, please contact:

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nandita.v@sonata-software.com

7th May, 2024

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai
Kind Attn: Manager, Listing Department
Stock Code - SONATSOFTW

BSE Limited
P.J. Towers, Dalal Street
Mumbai
Kind Attn: Manager, Listing Department
Stock Code - 532221

Dear Sirs/Madam,

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 B S R & Co. LLP (Firm Registration No. 101248W/W-100022), 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, 2024.

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

