



SONATA SOFTWARE LIMITED



10th August, 2020

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

Dear Sirs,

BSE Limited

P.J. Towers, Dalal Street

Mumbai

Kind Attn: Manager, Listing Department

Email Id: listing.centre@bseindia.com

Stock Code - 532221

Sub: OUTCOME OF BOARD MEETING

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

With reference to the above, we wish to inform you that the Unaudited Financial Results for the quarter ended 30th June, 2020 were considered and adopted by the Board in the meeting held today i.e. 10th August, 2020.

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose a copy of the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2020 together with Limited Review Report from our Statutory Auditors. A copy of the press release is enclosed for your reference.

The meeting of the Board of Directors of the Company commenced at 10.45 a.m. and concluded at 3.15 p.m.

Also note that the aforesaid information will be available on our website www.sonata-software.com

Please take the same on record.

Thanking you,

Yours faithfully

For **Sonata Software Limited**

Mangal Kulkarni

Company Secretary and Compliance Officer

Encl: as above

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

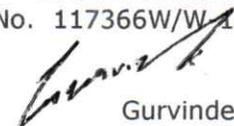
TO THE BOARD OF DIRECTORS OF

SONATA SOFTWARE LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SONATA SOFTWARE LIMITED** ("the Company") for the quarter ended June 30, 2020 ("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.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India (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 Standards on Auditing specified under section 143(10) of the Companies Act, 2013 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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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.

For **Deloitte Haskins and Sells LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Gurvinder Singh
(Partner)

(Membership No. 110128)
UDIN: 20110128AAAAACN3459

Place: Bengaluru
Date: August 10, 2020

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

(₹ in lakhs, except per share data)

Statement of unaudited standalone financial results for the quarter ended June 30, 2020					
Sl No.	Particulars	Quarter ended			Year ended
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited) (Refer Note 3)	(Unaudited)	(Audited)
1	Revenue from operations	18,215	22,178	20,877	87,684
2	Other income (Refer Note 4)	(149)	5,545	1,013	9,713
3	Total Revenue (1 + 2)	18,066	27,723	21,890	97,397
4	Expenses				
	(a) Purchases of Stock-in-trade	1,516	1,560	1,480	6,352
	(b) Employee benefits expense	9,310	12,080	11,122	46,706
	(c) Finance costs	250	287	277	1,090
	(d) Depreciation and amortization expense	480	528	503	2,060
	(e) Other expenses	1,977	4,406	3,301	14,314
	Total expenses	13,533	18,861	16,683	70,522
5	Profit before tax (3 - 4)	4,533	8,862	5,207	26,875
6	Tax expense				
	(a) Current tax	1,562	1,030	1,332	6,001
	(b) Deferred tax	(374)	(76)	159	(252)
7	Profit for the period (5 - 6)	3,345	7,908	3,716	21,126
8	Other comprehensive income				
	1 (a) Items that will not be reclassified to profit or (loss)	344	(618)	(203)	(846)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	(90)	120	58	180
	2 Items that will be reclassified to profit or (loss)				
	(a) Exchange differences in translating the financial statements of foreign operations	13	(9)	(123)	34
	(b) Exchange differences on forward cover	1,060	(1,459)	45	(3,513)
	(c) Income tax relating to items that will be reclassified to profit or (loss)	(281)	205	22	741
	Total	1,046	(1,761)	(201)	(3,404)
9	Total Comprehensive Income for the period (7 + 8)	4,391	6,147	3,515	17,722
10	Paid-up equity share capital (Face Value ₹ 1/-)	1,039	1,039	1,039	1,039
11	Other equity (Refer Note 6)	36,289	36,289	52,276	36,289
12	Earnings per equity share (of ₹ 1/- each) (Refer Note 5)				
	(a) Basic	3.22	7.61	3.58	20.33
	(b) Diluted	3.22	7.61	3.58	20.33
	See accompanying notes to the financial results				

Notes:

- These quarterly unaudited standalone financial results prepared in accordance with Indian Accounting Standards applicable as per Sec 133 of the Companies Act, 2013 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 10, 2020.
- The Company also publishes unaudited standalone financial results in addition to unaudited consolidated financial results. In accordance with Ind AS 108 Operating Segments, the Company has disclosed the segment information in the unaudited consolidated financial results.
- The figures for the quarter ended March 31, 2020 are balancing figures arrived at based on audited results of the full financial year ended March 31, 2020 and year to date unaudited figures for nine months ended December 31, 2019. The statutory auditors have performed a limited review on the results for the quarter ended March 31, 2020.
- Other Income includes the following :

Particulars	Quarter ended			Year ended
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
i) Interest Income	137	92	123	566
ii) Dividend from subsidiary	-	5,000	-	5,506
iii) Net gain on current investments	16	(111)	210	267
iv) Net foreign exchange gain/(loss)	(328)	540	599	3,217
v) Other non-operating income	26	24	81	157
Total	(149)	5,545	1,013	9,713

- EPS for quarterly periods is not annualised.
- Balances for the quarter ended June 30, 2020 and June 30, 2019 represents balance as per the audited balance sheet for the year ended March 31, 2020 and March 31, 2019 respectively as required by SEBI (Listing and other disclosure requirements) regulations, 2015.
- The management has considered the possible effects that may result from COVID-19 in the preparation of these standalone financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the recoverability of these assets, the management has considered the global economic conditions prevailing at the date of approval of these financial results and has used internal and external sources of Information including credit reports to the extent determined by it. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Bengaluru
 Date : August 10, 2020

P SRIKAR REDDY
 MANAGING DIRECTOR
 & CHIEF EXECUTIVE OFFICER

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED
FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF

SONATA SOFTWARE LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SONATA SOFTWARE LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2020 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

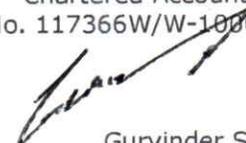
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent'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 Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 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.

4. The Statement includes the results of the Parent and subsidiaries as given in the Annexure of this report.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Gurvinder Singh
Partner
(Membership No. 110128)
UDIN: 20110128AAAACO1394

Place: Bengaluru
Date: August 10, 2020

Annexure to the Auditor's Report:

List of Subsidiaries:

1. Sonata Information Technology Limited
2. Sonata Software Solutions Limited
3. Sonata Software North America Inc.
4. Interactive Business Information Systems Inc.
5. Sonata Software FZ LLC
6. Sonata Software (Qatar) LLC
7. Sonata Europe Limited
8. Sonata Software GmbH
9. Scalable Data Systems Pty Ltd
10. Sopris Systems LLC
11. GAPbuster China Co. Ltd
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



SONATA SOFTWARE LIMITED

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(₹ in lakhs except per share data)

Statement of unaudited consolidated financial results for the quarter ended June 30, 2020

SI No.	Particulars	Quarter ended			Year ended
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited) (Refer Note 4)	(Unaudited)	(Audited)
1	Revenue from operations	95,244	92,868	87,463	374,326
2	Other income	313	1,218	1,678	5,840
3	Total Income (1 + 2)	95,557	94,086	89,141	380,166
4	Expenses				
	(a) Purchase of Stock-in-Trade (Traded goods)	66,541	58,895	55,583	241,579
	(b) Employee benefits expense	14,311	17,011	16,145	66,031
	(c) Finance costs	343	355	382	1,518
	(d) Depreciation and amortisation expense	1,021	923	895	3,654
	(e) Other expenses	6,584	8,659	6,774	29,435
	Total expenses	88,800	85,843	79,779	342,217
5	Profit before tax (3 - 4)	6,757	8,243	9,362	37,949
6	Tax expense				
	(a) Current tax	2,751	2,181	2,486	10,603
	(b) Deferred tax	(986)	(117)	171	(347)
7	Profit for the period (5 - 6)	4,992	6,179	6,705	27,693
8	Other comprehensive income				
	1 (a) Items that will not be reclassified to profit or (loss)	317	(674)	(194)	(865)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	(84)	179	55	232
	2 Items that will be reclassified to profit or (loss)				
	(a) Exchange differences in translating the financial statements of foreign operations	(1,220)	(72)	(461)	323
	(b) Exchange differences on forward cover	868	(1,416)	52	(3,511)
	(c) Income tax relating to items that will be reclassified to profit or (loss)	94	382	102	854
	Total	(25)	(1,601)	(446)	(2,967)
9	Total Comprehensive Income for the period (7 + 8)	4,967	4,578	6,259	24,726
	Of the Total Comprehensive Income above, total comprehensive income attributable to:				
	Owners of the parent	4,967	4,578	6,259	24,726
	Non - controlling interest	-	-	-	-
		4,967	4,578	6,259	24,726
	Of the Total Comprehensive Income above, Profit for the period attributable to:				
	Owners of the parent	4,992	6,179	6,705	27,693
	Non - controlling interest	-	-	-	-
		4,992	6,179	6,705	27,693
	Of the Total Comprehensive Income above, Other Comprehensive Income for the period attributable to:				
	Owners of the parent	(25)	(1,601)	(446)	(2,967)
	Non - controlling interest	-	-	-	-
		(25)	(1,601)	(446)	(2,967)
10	Paid-up equity share capital (Face Value ₹ 1/-)	1,039	1,039	1,039	1,039
11	Other equity (Refer Note 8)	65,928	65,928	75,787	65,928
12	Earnings per equity share (of ₹ 1/- each) (Refer Note 7)				
	(1) Basic	4.80	5.95	6.45	26.66
	(2) Diluted	4.80	5.95	6.45	26.66
	See accompanying notes to the Consolidated financial results				

Notes:

- 1 These quarterly unaudited consolidated financial results prepared in accordance with Indian accounting standards applicable as per Sec 133 of the Companies Act, 2013, have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 10, 2020.
- 2 Unaudited consolidated financial results include financial results of subsidiaries i.e, Sonata Information Technology Limited, Sonata Software North America Inc. (SSNA), Interactive Business Information Systems Inc. (IBIS), Sonata Software GmbH, Sonata Europe Limited, Sonata Software FZ-LLC, Sonata Software (Qatar) LLC, Scalable Data Systems Pty Ltd, Sopris Systems LLC, Sonata Software Solutions Limited, GAPbuster China Co. Ltd, GAPbuster Europe Limited, GAPbuster Inc., Gapbuster Limited, GAPbuster Worldwide Malaysia Sdn Bhd, GAPbuster worldwide Pty Limited, and Kabushiki Kaisha GAPbuster Japan.
- 3 Sonata Europe Limited, a wholly-owned subsidiary of Sonata Software Limited has acquired 100% stake in GAPbuster Ltd, a UK registered Company on April 20,2020 for an investment of USD 4.8 million (approximately ₹ 3,632 lakhs) (net of working capital) including USD 0.5 million (approximately ₹ 378 lakhs) which is deferred consideration payable on the completion of one year.
- 4 The figures for the quarter ended March 31, 2020 are balancing figures arrived at based on audited results of the full financial year ended March 31, 2020 and year to date unaudited figures for nine months ended December 31, 2019. The statutory auditors have performed a limited review on the results for the quarter ended March 31, 2020.
- 5 The management has considered the possible effects that may result from COVID-19 in the preparation of these consolidated financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the recoverability of these assets, the management has considered the global economic conditions prevailing at the date of approval of these financial results and has used internal and external sources of information including credit reports to the extent determined by it. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
- 6 The consolidated segment wise revenue, results and capital employed for the three months ended June 30, 2020 are as follows :

Particulars	Quarter ended			Year ended
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	(Unaudited)	(Unaudited) (Refer Note 4)	(Unaudited)	(Audited)
(₹ in lakhs)				
1. Segment revenue				
a. India	53,367	59,160	48,911	223,491
b. Other than India	42,333	34,084	38,959	152,997
Total	95,700	93,244	87,870	376,488
Less : Inter segment revenue	(456)	(376)	(407)	(2,162)
Revenue from operations	95,244	92,868	87,463	374,326
2. Segment results				
a. India	1,399	2,120	1,664	7,166
b. Other than India	5,234	6,265	7,428	30,673
Total	6,633	8,385	9,092	37,839
Less: Finance costs	(343)	(355)	(382)	(1,518)
Add: Unallocable income net of unallocable expenditure	467	213	652	1,628
3. Profit before tax	6,757	8,243	9,362	37,949
	As at June 30, 2020	As at March 31, 2020	As at June 30, 2019	
4. Segment assets				
a. India	88,290	63,425	70,087	
b. Other than India	84,219	74,779	84,686	
c. Unallocable	27,110	23,442	19,552	
Total Assets	199,619	161,646	174,325	
5. Segment liabilities				
a. India	78,433	52,474	57,579	
b. Other than India	31,332	30,010	26,833	
c. Unallocable	16,747	12,195	6,228	
Total Liabilities	126,512	94,679	90,640	
6. Capital Employed	73,107	66,967	83,685	

- 7 EPS for quarterly periods is not annualised.
- 8 Balances for the quarter ended June 30, 2020 and June 30, 2019 represents balance as per the audited balance sheet for the year ended March 31, 2020 and March 31, 2019 respectively as required by SEBI (Listing and other disclosure requirements) regulations , 2015.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Bengaluru
Date : August 10, 2020

P SRIKAR REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER



Sonata Software - Consolidated Q1 FY 20-21 PAT at ₹ 49.9 Crores Bengaluru, August 10, 2020

Sonata Software, a global IT services and technology solutions company, today reported its unaudited financial results for its 1st quarter ended 30th June 2020.

Description	in ₹ Crores				
	For the Quarter ended				YoY
	30-Jun-20	31-Mar-20	QoQ	30-Jun-19	
Revenues					
International IT Services	275.8	325.5	-15%	304.5	-9%
Domestic- Products & Services	681.3	607.0	12%	574.1	19%
Consolidated	952.4	928.7	3%	874.6	9%
EBITDA					
International IT Services	64.7	72.3	-10%	84.4	-23%
Domestic- Products & Services	16.9	23.2	-27%	22.4	-25%
Consolidated	81.2	95.2	-15%	106.4	-24%
PAT					
International IT Services	38.3	45.2	-15%	53.4	-28%
Domestic- Products & Services	11.6	16.6	-30%	13.7	-15%
Consolidated	49.9	61.8	-19%	67.1	-26%

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

“These last few months have been unprecedented in the speed of evolution of events and the impact it has had on businesses globally. Our immediate focus was obviously to ensure the employee safety and organise ourselves to deliver services remotely globally with work from home measures implemented effectively. We have been able to move 100% of our work force to work remotely/ from home and been able to create and implement processes to deliver different kinds of services to our clients extremely effectively.

As mentioned last quarter our overall strategy of creating digital enterprises by creating platform through our unique Platformation™ methodology is more relevant in the new normal with more digitisation, automation and contactless operations. The results this quarter bear fruit of a successful response and execution of the above strategies with results better than forecasted. We are also glad to report that the acquisitions we made last year Sopris and Scalable have created opportunities in industries like utilities and commodity and Agri based businesses. GBW our latest acquisition is in the customer experience space (CX) is another large emerging opportunity in the digital transformation pace. We believe this augurs well for growth in the next few quarters.



Performance Highlights for the quarter:

- **Consolidated:**

- Revenues at ₹ 952.4 crores; QoQ growth of 3%
- EBITDA at ₹ 81.2 crores;
- PAT at ₹ 49.9 crores;
- Cash and equivalents of approximately ₹ 399 Crores (net of borrowings).

- **International IT Services:**

- Revenues at ₹ 275.8 crores;
- EBITDA at ₹ 64.7 crores;
- PAT at ₹ 38.3 crores;
- Addition of 6 new customers.

- **Domestic Products & Services:**

- Revenues at ₹ 681.3 crores; QoQ growth of 12%
- EBITDA at ₹ 16.9 crores;
- PAT at ₹ 11.6 crores;

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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