

7<sup>th</sup> May, 2025

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. 7<sup>th</sup> May, 2025, 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 31<sup>st</sup> March, 2025. 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 31<sup>st</sup> March, 2025, with unmodified opinion and the declaration in this regard is enclosed.
- c. Recommended Final Dividend of Rs. 4.40/- per Equity share (440% on par value Re. 1/-) for the financial year ended 31<sup>st</sup> March, 2025 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 30<sup>th</sup> Annual General Meeting of the Company will be held.
- d. Recommended appointment of M/s GDR & Partners LLP, Practising Company Secretaries as Secretarial Auditor for a term of five consecutive years commencing from FY 2025-26 till FY 2029-2030, subject to the approval of shareholders at the ensuing Annual General Meeting (AGM). The information as required under Regulation 30 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024, as amended, is enclosed herewith as **Annexure A**.

The meeting commenced at 03:40 p.m. and concluded at 04:50 p.m. (IST). Also note that the aforesaid information will be available on our website [www.sonata-software.com](http://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 A**

**Details under amended Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Sl. No.	Particulars	Details
1.	Reason for Change viz. appointment	Appointment of M/s. GDR & Partners LLP, Company Secretaries in Practice, (Firm Registration Number L2024KR016500) as Secretarial Auditors of the Company.
2.	Date of appointment and term of appointment	The Board at its meeting held on May 7, 2025, approved the appointment of M/s. GDR & Partners LLP as Secretarial Auditors of the Company, for five consecutive years commencing audit period from FY 2025-26 till FY 2029-2030, subject to approval of the shareholders at the ensuing AGM.
3.	Brief Profile (in case of appointment)	<p>GDR &amp; Partners, a firm of Company Secretaries set-up in the year 2024, is engaged in providing advisory to the corporates, non-corporate entities, institutions and entrepreneurs in the areas of Corporate and Commercial Laws, India Entry Services, Corporate Restructuring, Insolvency &amp; Bankruptcy, Contract Management, Labour and Industrial Laws and other allied services. GDR serves start-ups, small, medium and large business enterprises, Private equity investors, Domestic &amp; Foreign Institutional Investors. We at GDR believe in providing responsive and tailor made services to meet specific needs of our clients.</p> <p>GDR is promoted by seasoned professionals and is managed with highest degree of professionalism with diversified and extensive experience in related areas. The firm conducts itself within the framework of applicable professional standards,</p>

		laws, regulations and take pride in adding value to the businesses.  GDR provides innovative solutions to corporate entities and has a network of associates in all major cities across the country.
4.	Disclosure of relationships between directors (in case of appointment of a 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 2025, attached herewith, (in which are included financial results from 4 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 2025.

#### 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,

## Independent Auditor's Report (Continued)

### Sonata Software Limited

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 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 ability of 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's 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.

**Independent Auditor's Report (Continued)**

**Sonata Software Limited**

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.

**Other Matter(s)**

- a. The standalone annual financial results include the results for the quarter ended 31 March 2025 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.:101248WW-100022



**Amrit Bhansali**

*Partner*

Mumbai

07 May 2025

Membership No.: 065155

UDIN:25065155BMLBXN7029

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

www.sonata-software.com, Tel : +91-080-67781000, investor@sonata-software.com

Part I ₹ in lakhs, except per share data

Statement of audited standalone financial results for the quarter and year ended March 31, 2025

Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2025	December 31, 2024	March 31, 2024	March 31, 2025	March 31, 2024
		(Refer note 7)	(Unaudited)	(Refer note 7)	(Audited)	(Audited)
1	Revenue from operations	26,567	24,143	23,250	99,131	95,030
2	Other income (Refer Note 5)	628	947	4,418	18,392	33,404
3	<b>Total income (1 + 2)</b>	<b>27,195</b>	<b>25,090</b>	<b>27,668</b>	<b>117,523</b>	<b>128,434</b>
4	<b>Expenses</b>					
	(a) Purchase of stock-in-trade (traded goods)	35	41	1,507	213	7,539
	(b) Changes in inventories of stock-in-trade	(2)	-	-	(2)	-
	(c) Employee benefits expense	20,844	20,104	16,470	77,550	67,024
	(d) Finance costs	108	143	141	469	492
	(e) Depreciation and amortization expense	529	542	550	2,129	2,113
	(f) Other expenses	3,236	3,459	3,260	13,687	13,289
	<b>Total expenses</b>	<b>24,750</b>	<b>24,289</b>	<b>21,928</b>	<b>94,046</b>	<b>90,457</b>
5	<b>Profit before tax (3 - 4)</b>	<b>2,445</b>	<b>801</b>	<b>5,740</b>	<b>23,477</b>	<b>37,977</b>
6	<b>Tax expense</b>					
	(1) Current tax	641	388	391	2,337	1,984
	(2) Deferred tax	4	(179)	182	(237)	113
	<b>Total tax expense</b>	<b>645</b>	<b>209</b>	<b>573</b>	<b>2,100</b>	<b>2,097</b>
7	<b>Profit for the period (5 - 6)</b>	<b>1,800</b>	<b>592</b>	<b>5,167</b>	<b>21,377</b>	<b>35,880</b>
8	<b>Other comprehensive income</b>					
	1 Items that will not be reclassified to profit/(loss)					
	(a) Remeasurement of the defined benefit plans	(160)	(477)	83	(44)	408
	(b) Income tax relating to Items that will not be reclassified to profit/(loss)	40	120	(21)	11	(103)
	2 Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	-	-	16	-	-
	(b) The effective portion of gains/ (losses) on hedging instruments in a cash flow hedge	393	(139)	134	(115)	305
	(c) Income tax relating to Items that will be reclassified to profit/(loss)	(99)	35	(37)	29	(76)
	<b>Total</b>	<b>174</b>	<b>(461)</b>	<b>175</b>	<b>(119)</b>	<b>534</b>
9	<b>Total comprehensive income for the period (7 + 8)</b>	<b>1,974</b>	<b>131</b>	<b>5,342</b>	<b>21,258</b>	<b>36,414</b>
10	<b>Paid-up equity share capital (Face Value ₹ 1/-)</b>	<b>2,776</b>	<b>2,776</b>	<b>2,775</b>	<b>2,776</b>	<b>2,775</b>
11	<b>Other equity (Refer Note 6)</b>	<b>77,554</b>	<b>67,893</b>	<b>67,893</b>	<b>77,554</b>	<b>67,893</b>
12	<b>Earnings per equity share (of ₹ 1/- each) (Refer Note 4)</b>					
	(a) Basic (in ₹)	0.65	0.21	1.86	7.70	12.93
	(b) Diluted (in ₹)	0.65	0.21	1.86	7.69	12.91
	See accompanying notes to the standalone financial results					

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Standalone Balance Sheet			
Sl No.	Particulars	As at March 31, 2025 (Audited)	As at March 31, 2024 (Audited)
	<b>ASSETS</b>		
1	<b>NON-CURRENT ASSETS</b>		
	(a) Property, plant and equipment	2,006	2,953
	(b) Right-of-use assets	2,252	3,077
	(c) Goodwill	282	282
	(d) Financial assets		
	(i) Investments	6,225	6,263
	(ii) Other financial assets	643	1,483
	(e) Deferred tax assets (net)	1,338	1,061
	(f) Income tax assets (net)	7,279	10,815
	(g) Other non-current assets	74	104
		<b>20,099</b>	<b>26,038</b>
2	<b>CURRENT ASSETS</b>		
	(a) Inventories	2	-
	(b) Financial assets		
	(i) Investments	1,608	119
	(ii) Trade receivables	66,471	52,019
	(iii) Cash and cash equivalents	2,439	1,973
	(iv) Bank balances other than (iii) above	5,943	6,764
	(v) Other financial assets	1,647	1,824
	(c) Other current assets	4,240	6,545
		<b>82,350</b>	<b>69,244</b>
	<b>TOTAL - ASSETS</b>	<b>102,449</b>	<b>95,282</b>
	<b>EQUITY AND LIABILITIES</b>		
3	<b>EQUITY</b>		
	(a) Equity share capital	2,776	2,775
	(b) Other equity	77,554	67,893
		<b>80,330</b>	<b>70,668</b>
4	<b>LIABILITIES</b>		
	<b>NON-CURRENT LIABILITIES</b>		
	(a) Financial liabilities		
	(i) Lease liabilities	1,971	2,295
	(ii) Other financial liabilities	2,589	1,540
		<b>4,560</b>	<b>3,835</b>
5	<b>CURRENT LIABILITIES</b>		
	(a) Financial liabilities		
	(i) Borrowings	-	4
	(ii) Lease liabilities	517	1,101
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	83	86
	Total outstanding dues of creditors other than micro enterprises and small enterprises	6,432	8,529
	(iv) Other financial liabilities	6,104	3,298
	(b) Other current liabilities	1,816	4,410
	(c) Provisions	1,864	1,360
	(d) Current tax liabilities (net)	743	1,991
		<b>17,559</b>	<b>20,779</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>102,449</b>	<b>95,282</b>

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## Standalone Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
	(Audited)	(Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	23,477	37,977
Adjustments for :		
Depreciation and amortization expense	2,129	2,113
Finance costs	469	492
Impairment loss recognised on trade receivable	265	224
Provisions/ liabilities no longer required written back	(1)	(171)
Interest income	(584)	(823)
Dividend income from long-term investments in subsidiaries	(15,800)	(30,185)
Loss on sale of fixed assets / scrapped	32	13
Net (gain) on investments carried at fair value through profit and loss	(195)	(159)
Gain on termination of lease	(1)	(436)
Commission on guarantees	(341)	-
Expenses/(gain) on employee stock based compensation	285	383
Net unrealized foreign exchange (gain)/loss	(387)	(602)
<b>Operating profit before working capital changes</b>	<b>9,348</b>	<b>8,826</b>
Changes in operating assets and liabilities:		
Decrease/(increase) in trade receivables	(14,375)	(21,254)
Decrease/(increase) in Inventories	(2)	-
Decrease/(increase) in other financial assets-current	173	(1,526)
Decrease/(increase) in other financial assets non-current	837	159
Decrease/(increase) in other non-current assets	29	23
Decrease/(increase) in other current assets	2,299	(1,740)
(Decrease)/increase in other financial liabilities non-current	905	804
(Decrease)/increase in trade payables	(2,036)	(1,992)
(Decrease)/increase in other financial liabilities	2,698	1,619
(Decrease)/increase in other current liabilities	(2,638)	1,248
(Decrease)/increase in provisions	503	94
<b>Net cash flow from / (used in) operations</b>	<b>(2,259)</b>	<b>(13,739)</b>
Income taxes paid (net of refunds)	126	(5,316)
<b>Net cash flow used in operating activities (A)</b>	<b>(2,133)</b>	<b>(19,055)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment including capital work-in-progress	(576)	(1,799)
Proceeds from disposal of property, plant and equipment	145	10
Investment in subsidiary	-	(89)
Purchase of current investments	(67,961)	(64,785)
Proceeds from sale of current investments	66,603	66,966
Proceeds from sale of bonds	43	-
Proceeds from sub-lease assets	18	-
Investment in bank deposits	709	7,844
Interest received	566	988
Commission on guarantees	341	-
Dividend received from subsidiary	15,800	30,185
Inter corporate loans given	(3,303)	(14,570)
Inter corporate loans recovered	3,303	14,570
<b>Net cash flow from investing activities (B)</b>	<b>15,688</b>	<b>39,320</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(repayment) from/(of) short-term borrowings (net)	(4)	(58)
Payment of lease liabilities	(1,161)	(1,574)
Payment of dividend	(12,258)	(21,891)
Proceeds from issue of shares on exercise of employee stock options	346	362
Interest paid	(41)	(44)
<b>Net cash flow used in financing activities (C)</b>	<b>(13,118)</b>	<b>(23,205)</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>	<b>437</b>	<b>(2,940)</b>
Opening Cash and cash equivalents	1,973	4,931
Exchange difference on translation of foreign currency Cash and cash equivalents.	29	(18)
<b>Closing Cash and cash equivalents</b>	<b>2,439</b>	<b>1,973</b>
Cash and cash equivalents at the end of the period comprises:		
Balances with banks		
In current accounts	2,234	665
In EEFC accounts	205	207
In demand deposit accounts	-	1,101
	<b>2,439</b>	<b>1,973</b>

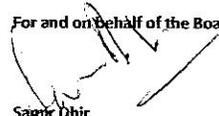
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**Notes:**

- 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 their respective meetings held on May 07, 2025. 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](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com), and on the Company's website, [www.sonata-software.com](http://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, 2025. 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 year ended March 31, 2025 includes dividend income received from subsidiaries, Sonata Information Technology Limited ₹ 13,000 Lakhs, Sonata Software Solutions Limited ₹ 2,300 lakhs and Encore IT Service Solutions Private Limited ₹ 500 lakhs.
- 6 The other equity with respect to quarter ended December 31, 2024 represents balance as per the audited financial statements of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015
- 7 The figures for the quarter ended March 31, 2025 and March 31, 2024, 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, 2024 and December 31, 2023 respectively. The statutory auditors have performed a limited review on the results for the nine months ended December 31, 2024 and December 31, 2023.

Place : Mumbai  
Date : May 07, 2025

For and on behalf of the Board of Directors

  
Sapar Dhir  
Managing Director & CEO

## 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 its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2025, attached herewith, (in which are included financial results from 12 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 auditor on separate audited financial statements of the subsidiary referred to in paragraph (a) of "Other Matters" section of this report, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the entities mentioned in Annexure I to this report on the 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 2025.

#### 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 report of the other auditor 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

**Independent Auditor's Report (Continued)**

**Sonata Software Limited**

prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective 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's 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.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results,

**Independent Auditor's Report (Continued)**

**Sonata Software Limited**

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 entity included in the consolidated annual financial results, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit 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 Matter(s)**

- a. The consolidated annual financial results include the audited financial results of one subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 1,138 Lakhs as at 31 March 2025, total revenue (before consolidation adjustments) of Rs. 4,706 Lakhs and total net profit after tax (before consolidation adjustments) of Rs. 392 lakhs and net cash outflow (before consolidation adjustments) of Rs 150 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which has been audited by its independent auditor. The independent auditor's report on financial statements of this entity has 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 this entity, is based solely on the report of such auditor 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 report of the other auditor.

- b. The consolidated annual financial results include the unaudited financial information of 14 Subsidiaries (including 1 branch), whose financial information reflects total assets (before consolidation adjustments) of Rs. 6,582 lakhs as at 31 March 2025, total revenue (before consolidation adjustments) of Rs. 17,586 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 1,186 lakhs, and net cash inflow (before consolidation adjustments) of Rs 10,162 lakhs, for the year ended on that date, as considered in the consolidated annual financial results. These financial information 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 are 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)**

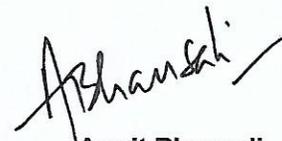
**Sonata Software Limited**

- c. The consolidated annual financial results include the results for the quarter ended 31 March 2025 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 2025

Membership No.: 065155

UDIN:25065155BMLBXO2420

## Independent Auditor's Report (Continued)

## Sonata Software Limited

## 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	Encore Software Services, Inc.(merged with Sonata Software North America Inc. w.e.f. 26 August 2024)	Step-down Subsidiary
13	Sonata Software Canada Limited	Step-down Subsidiary
14	GAPbuster Limited (merged with Sonata Europe Limited w.e.f. 16 July 2024)	Step-down Subsidiary
15	Sonata Software Japan KK (formerly known as Kabushiki Kaisha GAPbuster Japan)	Step-down Subsidiary
16	GAPbuster Europe Limited (merged with Sonata Europe Limited w.e.f. 16 July 2024)	Step-down Subsidiary
17	GAPbuster Inc.	Step-down Subsidiary
18	Sonata Software (Shanghai) Co., Ltd (formerly known as GAPbuster China Co. Ltd)	Step-down Subsidiary
19	Sonata Software Worldwide Malaysia SDN. BHD. (formerly known as GAPbuster Worldwide Malaysia SDN. BHD.)	Step-down Subsidiary
20	GAPbuster Worldwide Pty Ltd	Step-down Subsidiary
21	Sonata Latin America S. DE R.L. DE C.V.	Step-down Subsidiary
22	Quant Systems Inc.	Step-down Subsidiary
23	Quant Cloud Solutions Private Limited	Step-down Subsidiary

**Independent Auditor's Report (Continued)**

**Sonata Software Limited**

Sr. No	Name of component	Relationship
24	Woodshed LLC	Step-down Subsidiary
25	Sonata Software LLC (formerly known as Sopris Systems LLC) (merged with SSNA w.e.f. 06 May 2024)	Step-down Subsidiary
26	Quant Systems CRC Inc Sociedad de Responsabilidad Limitada (CRC LLC)	Step-down Subsidiary
27	Sonata Software Solutions, Egypt (Incorporated w.e.f. 12 May 2024)	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, 2025						
Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2025 (Refer Note 5)	December 31, 2024 (Unaudited)	March 31, 2024 (Refer Note 5)	March 31, 2025 (Audited)	March 31, 2024 (Audited)
1	Revenue from operations	261,720	284,279	219,161	1,015,725	861,306
2	Other income	1,121	2,149	5,470	7,115	12,555
3	<b>Total income (1 + 2)</b>	<b>262,841</b>	<b>286,428</b>	<b>224,631</b>	<b>1,022,840</b>	<b>873,861</b>
4	<b>Expenses</b>					
	(a) Purchase of stock-in-trade (traded goods)	188,958	201,522	147,846	703,106	588,887
	(b) Changes in inventories of stock-in-trade	(2,636)	1,710	846	5,076	(6,918)
	(c) Employee benefits expense	41,937	40,428	33,116	159,767	133,456
	(d) Finance costs	1,009	1,597	2,157	6,525	8,501
	(e) Depreciation and amortization expense	2,303	3,227	3,367	12,149	13,193
	(f) Other expenses	16,195	24,262	22,941	78,851	73,138
	<b>Total expenses</b>	<b>247,766</b>	<b>272,746</b>	<b>210,273</b>	<b>965,474</b>	<b>810,257</b>
5	<b>Profit before exceptional item and tax (3 - 4)</b>	<b>15,075</b>	<b>13,682</b>	<b>14,358</b>	<b>57,366</b>	<b>63,604</b>
6	<b>Exceptional item</b>					
	Changes in fair value of contingent consideration payable (Refer Note 9)	-	-	-	-	17,466
7	<b>Profit before tax (5 - 6)</b>	<b>15,075</b>	<b>13,682</b>	<b>14,358</b>	<b>57,366</b>	<b>46,138</b>
8	<b>Tax expense</b>					
	(1) Current tax	3,727	4,253	3,899	17,285	19,234
	(2) Deferred tax	595	(1,072)	(577)	(2,386)	(3,946)
	<b>Total tax expense</b>	<b>4,322</b>	<b>3,181</b>	<b>3,322</b>	<b>14,899</b>	<b>15,288</b>
9	<b>Profit for the period (7 - 8)</b>	<b>10,753</b>	<b>10,501</b>	<b>11,036</b>	<b>42,467</b>	<b>30,850</b>
10	<b>Other comprehensive income</b>					
	1 Items that will not be reclassified to profit/(loss)					
	(a) Remeasurement of the defined benefit plans	(174)	(474)	(14)	(56)	256
	(b) Equity instruments through other comprehensive income	(649)	(15)	-	(938)	-
	(c) Income tax relating to Items that will not be reclassified to profit/(loss)	44	119	3	14	(65)
	2 Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	77	(202)	(308)	488	171
	(b) The effective portion of gains/ (losses) on hedging instruments in a cash flow hedge	527	(152)	322	(389)	669
	(c) Income tax relating to Items that will be reclassified to profit/(loss)	(152)	89	(3)	(25)	(211)
	<b>Total</b>	<b>(327)</b>	<b>(635)</b>	<b>-</b>	<b>(906)</b>	<b>820</b>
11.	<b>Total comprehensive income for the period (9 + 10)</b>	<b>10,426</b>	<b>9,866</b>	<b>11,036</b>	<b>41,561</b>	<b>31,670</b>
	Of the total comprehensive income above, profit for the period attributable to:					
	Owners of the Company	10,753	10,501	11,036	42,467	30,850
	Non - controlling interest	-	-	-	-	-
		<b>10,753</b>	<b>10,501</b>	<b>11,036</b>	<b>42,467</b>	<b>30,850</b>
	Of the total comprehensive income above, other comprehensive income for the period attributable to:					
	Owners of the Company	(327)	(635)	-	(906)	820
	Non - controlling interest	-	-	-	-	-
		<b>(327)</b>	<b>(635)</b>	<b>-</b>	<b>(906)</b>	<b>820</b>
	Of the total comprehensive income above, total comprehensive income attributable to:					
	Owners of the Company	10,426	9,866	11,036	41,561	31,670
	Non - controlling interest	-	-	-	-	-
		<b>10,426</b>	<b>9,866</b>	<b>11,036</b>	<b>41,561</b>	<b>31,670</b>
12	<b>Paid-up equity share capital (Face Value ₹ 1/-)</b>	<b>2,776</b>	<b>2,776</b>	<b>2,775</b>	<b>2,776</b>	<b>2,775</b>
13	<b>Other equity (Refer Note 6)</b>	<b>167,818</b>	<b>137,854</b>	<b>137,854</b>	<b>167,818</b>	<b>137,854</b>
14	<b>Earnings / (loss) per equity share (of ₹ 1/- each) (Refer Note 4)</b>					
	(a) Basic (in ₹)	3.87	3.78	3.97	15.30	11.12
	(b) Diluted (in ₹)	3.87	3.78	3.97	15.28	11.10
	See accompanying notes to the consolidated financial results					

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**Consolidated Balance Sheet**

(₹ in lakhs)

Sl No.	Particulars	As at	As at
		March 31, 2025	March 31, 2024
		(Audited)	(Audited)
	<b>ASSETS</b>		
1	<b>NON-CURRENT ASSETS</b>		
	(a) Property, plant and equipment	4,003	5,176
	(b) Right-of-use assets	6,358	8,097
	(c) Goodwill	113,970	111,346
	(d) Other intangible assets	36,017	42,481
	(e) Intangible asset under development	2,601	-
	(f) Financial assets		
	(i) Investments	348	1,299
	(ii) Other financial assets	2,532	3,823
	(g) Deferred tax assets (net)	8,553	8,844
	(h) Income tax assets (net)	24,976	25,941
	(i) Other non-current assets	2,987	348
	<b>Total</b>	<b>202,345</b>	<b>207,355</b>
2	<b>CURRENT ASSETS</b>		
	(a) Inventories	4,724	9,800
	(b) Financial assets		
	(i) Investments	24,509	23,208
	(ii) Trade receivables	174,093	160,508
	(iii) Cash and cash equivalents	30,998	53,602
	(iv) Bank balances other than (iii) above	13,945	32,895
	(v) Other financial assets	4,385	5,459
	(c) Other current assets	20,516	22,085
	<b>Total current assets</b>	<b>273,170</b>	<b>307,557</b>
	<b>TOTAL ASSETS</b>	<b>475,515</b>	<b>514,912</b>
	<b>EQUITY AND LIABILITIES</b>		
3	<b>EQUITY</b>		
	(a) Equity share capital	2,776	2,775
	(b) Other equity	167,818	137,854
	<b>Total Equity</b>	<b>170,594</b>	<b>140,629</b>
4	<b>LIABILITIES</b>		
	<b>NON-CURRENT LIABILITIES</b>		
	(a) Financial liabilities		
	(i) Borrowings	22,790	43,101
	(ii) Lease liabilities	5,569	6,700
	(iii) Other financial liabilities	3,184	2,757
	(iv) Deferred tax liabilities (net)	9,927	12,397
		<b>41,470</b>	<b>64,955</b>
5	<b>CURRENT LIABILITIES</b>		
	(a) Financial liabilities		
	(i) Borrowings	21,366	24,329
	(ii) Lease liabilities	1,877	2,416
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	139	305
	Total outstanding dues of creditors other than micro enterprises and small enterprises	155,562	141,290
	(iv) Other financial liabilities	53,329	100,159
	(b) Other current liabilities	13,632	24,111
	(c) Provisions	4,278	3,698
	(d) Current tax liabilities (net)	13,268	13,020
	<b>Total current liabilities</b>	<b>263,451</b>	<b>309,328</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>475,515</b>	<b>514,912</b>

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**Consolidated Cash Flow Statement**

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
	(Audited)	(Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	57,366	46,138
Adjustments for :		
Depreciation and amortization expense	12,149	13,193
Changes in fair value of contingent consideration	-	17,466
Finance costs	6,525	8,501
Impairment (gain)/loss recognised on trade receivable	1,478	2,347
Provisions/ liabilities no longer required written back	(125)	(5,450)
Interest Income	(3,320)	(3,423)
Net (gain) / loss on sale of property, plant and equipment / scrapped	39	41
Net (gain) on investments carried at fair value through profit and loss	(1,961)	(1,276)
Gain on termination of lease	(3)	(492)
Expenses on employee stock based compensation	285	383
Net unrealized foreign exchange (gain) / loss	(1,946)	(2,206)
<b>Operating profit before working capital changes</b>	<b>70,487</b>	<b>75,222</b>
Changes in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	(15,077)	(38,789)
Decrease/(Increase) in inventories	5,076	(6,918)
Decrease/(increase) in other financial assets non-current	719	(160)
Decrease/(increase) in other financial assets current	1,285	(4,651)
Decrease/(increase) in other non-current assets	(233)	2
Decrease/(increase) in other current assets	1,573	(4,629)
(Decrease)/Increase in trade payables	14,427	17,675
(Decrease)/increase in other financial liabilities non-current	1,463	2,083
(Decrease)/increase in other financial liabilities	11,024	-
(Decrease)/increase in other current liabilities	(10,093)	13,853
(Decrease)/increase in provisions	137	592
<b>Net cash flow from / (used in) operations</b>	<b>80,788</b>	<b>54,280</b>
Income taxes paid (net of refunds)	(16,355)	(26,226)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>64,433</b>	<b>28,054</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment including intangible assets, capital-work-in progress and intangible asset under development	(6,852)	(2,539)
Proceeds from disposal of property, plant and equipment	75	2,547
Purchase of current investments	(705,019)	(572,319)
Proceeds from sale of bonds	4,338	-
Payment in relation to business acquisition	(59,194)	(7,264)
Proceeds from sale of current investments	701,292	571,075
Investment in bank deposits	19,675	(255)
Interest received	2,125	3,324
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(43,560)</b>	<b>(5,431)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of lease liabilities	(2,927)	(3,337)
Proceeds from short-term borrowings	1,694	9,756
Repayment of short-term borrowings	(6,575)	(7,900)
Repayment of term loan	(19,766)	(46,780)
Proceeds from long-term borrowings	-	62,183
Payment of dividend	(12,258)	(21,891)
Proceeds from issue of shares on exercise of ESOP	346	362
Interest paid	(3,844)	(3,243)
<b>Net cash flow used in financing activities (C)</b>	<b>(43,330)</b>	<b>(10,850)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(22,457)</b>	<b>11,773</b>
Opening cash and cash equivalents	53,602	41,740
Exchange difference on translation of foreign currency cash and cash equivalents	(147)	89
<b>Closing Cash and cash equivalents</b>	<b>30,998</b>	<b>53,602</b>
Cash and cash equivalents at the end of the year comprises:		
Cash on hand	1	1
Balances with banks		
In Current accounts	18,939	15,439
In EEFC accounts	2,540	1,072
In deposit accounts	9,518	37,090
	<b>30,998</b>	<b>53,602</b>

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**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, 2025. 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), 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) (merged with SSNA with effect from May 06, 2024), Sonata Software Solutions Limited, Sonata Software (Shanghai) Co., Ltd (formerly known as GAPbuster China Co. Ltd), GAPbuster Europe Limited (merged with SEL with effect from July 16, 2024), GAPbuster Inc., GAPbuster Limited (merged with SEL with effect from July 16, 2024), 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. (merged with SSNA with effect from August 26, 2024), 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., Quant Systems CRC Inc Sociedad De Responsabilidad Limitada (CRC LLC), Quant Cloud Solutions Private Limited, Woodshed LLC, Sonata Software Malaysia SDN. BHD (w.e.f. June 13, 2023) and Sonata Software Solutions, Egypt (w.e.f. May 12, 2024).
- 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, 2025. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- Earnings per share (EPS) for the quarterly periods are not annualised.
- The figures for the quarter ended March 31, 2025 and March 31, 2024, 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, 2024 and December 31, 2023 respectively. The statutory auditors have performed a limited review on the results for the nine months ended December 31, 2024 and December 31, 2023.
- The other equity with respect to the quarter ended December 31, 2024 represents balance as per the audited consolidated financial statements of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- Audited standalone financial results

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2025	December 31, 2024	March 31, 2024	March 31, 2025	March 31, 2024
	(Refer Note 5)	(Unaudited)	(Refer Note 5)	(Audited)	(Audited)
Revenue from operations	26,567	24,143	23,250	99,131	95,030
Profit before tax	2,445	801	5,740	23,477	37,977
Profit after tax	1,800	592	5,167	21,377	35,880

The results for the quarter and year ended March 31, 2025, 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, had acquired 100% stake in the Quant systems Inc., (Quant) on March 10, 2023. The purchase consideration included contingent consideration payable over two years based on Quant achieving certain financial targets in the year ended December 31, 2023 and December 31, 2024. The amounts payable for calendar year 2023 were finalized and paid during the year. Currently, the Company and the selling shareholders of Quant are in the process of renegotiation of certain terms for the year ended December 31, 2024, which is expected to be consummated within the next quarter.
- In the previous year, the Group re-measured the fair value of the contingent consideration payable in relation to the acquisition of stake in Quant resulting in an increase in the contingent consideration payable by USD 17.12 mn (₹ 14,244 Lakhs). Similarly, the Group re-measured the fair value of the contingent consideration payable with respect to an earlier acquisition, which resulted in the change in fair value by USD 3.87 mn (₹ 3,222 Lakhs). The above changes in fair value of contingent consideration payable amounting to USD 20.99 mn (₹ 17,466 Lakhs) was owing to better financial performance of the acquired entities and were recorded in the consolidated 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 :

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2025	December 31, 2024	March 31, 2024	March 31, 2025	March 31, 2024
	(Refer Note 5)	(Unaudited)	(Refer Note 5)	(Audited)	(Audited)
<b>1. Segment revenue</b>					
a. India	159,523	184,140	119,223	611,325	491,261
b. Other than India	102,362	100,366	100,133	405,897	371,844
<b>Total</b>	<b>261,885</b>	<b>284,506</b>	<b>219,356</b>	<b>1,017,222</b>	<b>863,105</b>
Less : inter segment revenue	(155)	(227)	(195)	(1,497)	(1,799)
<b>Revenue from operations</b>	<b>261,720</b>	<b>284,279</b>	<b>219,161</b>	<b>1,015,725</b>	<b>861,306</b>
<b>2. Segment results</b>					
Profit before tax, interest, depreciation and amortization					
a. India	6,623	5,862	4,964	22,466	19,733
b. Other than India	11,742	12,574	13,764	52,433	59,348
<b>Total</b>	<b>18,365</b>	<b>18,436</b>	<b>18,728</b>	<b>74,899</b>	<b>79,081</b>
Less: Depreciation and amortization	(2,303)	(3,227)	(3,367)	(12,149)	(13,193)
Less: Finance costs	(1,009)	(1,597)	(2,157)	(6,525)	(8,501)
Add: Unallocable income net of unallocable expenditure	22	70	1,154	1,141	6,217
<b>3. Profit before exceptional item and tax</b>	<b>15,075</b>	<b>13,682</b>	<b>14,358</b>	<b>57,366</b>	<b>63,604</b>
Exceptional item					
- Changes in fair value of contingent consideration payable	-	-	-	-	17,466
<b>4. Profit before tax</b>	<b>15,075</b>	<b>13,682</b>	<b>14,358</b>	<b>57,366</b>	<b>46,138</b>

*Cij*

The consolidated segment wise assets and liabilities are as follows :

(₹ in lakhs)

Particulars	March 31, 2025	December 31, 2024	March 31, 2024
	(Audited)	(Unaudited)	(Audited)
<b>4. Segment assets</b>			
a. India	139,880	136,367	145,582
b. Other than India	302,106	308,281	334,545
c. Unallocable	33,529	34,427	34,785
<b>Total assets</b>	<b>475,515</b>	<b>479,075</b>	<b>514,912</b>
<b>5. Segment liabilities</b>			
a. India	143,704	138,900	143,509
b. Other than India	138,022	151,970	205,357
c. Unallocable	23,195	28,261	25,417
<b>Total liabilities</b>	<b>304,921</b>	<b>319,131</b>	<b>374,283</b>
<b>6. Capital employed (4-5)</b>	<b>170,594</b>	<b>159,944</b>	<b>140,629</b>

For and on behalf of the Board of Directors

Samir Ghis  
Managing Director & CEO

Place : Mumbai

Date : May 07, 2025



**Sonata Software recommends final dividend of 440% for FY 25 and delivers QoQ EBITDA margin growth of 1.9% for the International IT Services.**

**Mumbai, May 07, 2025**

[Sonata Software](#) [NSE: SONATSOFTW, BSE: 532221], a leader in Modernization Engineering, today reported its audited financial results for its Financial Year ended March 31, 2025.

Description	in ₹ Crores							
	For the Quarter ended					For the year ended		
	31-Mar-25	31-Dec-24	QoQ	31-Mar-24	YoY	31-Mar-25	31-Mar-24	YoY
<b>Revenues</b>								
International IT Services	702.3	731.7	-4%	679.0	3%	2,829.7	2,679.6	6%
Domestic- Products & Services	1,918.2	2,111.1	-9%	1,514.5	27%	7,340.6	5,950.5	23%
Consolidated	2,617.2	2,842.8	-8%	2,191.6	19%	10,157.2	8,613.1	18%
<b>EBITDA<sup>#</sup></b>								
International IT Services	115.7	107.1	8%	117.6	-2%	480.5	563.3	-15%
Domestic- Products & Services	56.5	56.4	0%	26.5	113%	208.6	164.6	27%
Consolidated	172.7	163.6	6%	144.1	20%	689.3	727.5	-5%
<b>PAT before exceptional item</b>								
International IT Services	62.3	56.9	9%	70.3	-11%	246.6	319.8	-23%
Domestic- Products & Services	45.2	48.1	-6%	40.1	13%	178.1	163.3	9%
Consolidated	107.5	105.0	2%	110.4	-3%	424.7	483.2	-12%
<b>PAT after exceptional item</b>								
International IT Services	62.3	56.9	9%	70.3	-11%	246.6	145.1	70%
Domestic- Products & Services	45.2	48.1	-6%	40.1	13%	178.1	163.3	9%
Consolidated	107.5	105.0	2%	110.4	-3%	424.7	308.5	38%

<sup>#</sup>EBITDA (before Other Income & Fx)

**Commenting on the quarterly results, Mr. Samir Dhir, MD & CEO of Sonata Software, said:** *“In Q4, we delivered a QoQ 1.9% improvement in EBITDA. Over FY’25, we secured 11 large deals, including two in the fourth quarter. Our Healthcare and BFSI verticals have grown significantly, scaling from 13% to 35% of our business over the past three years—reflecting the success of our diversification strategy. We remain confident in Sonata’s long-term vision and growth trajectory, as clients increasingly embrace modernization to gain competitive advantage.”*

Speaking on the results Mr. Sujit Mohanty, MD & CEO of Sonata Information Technology Limited said, *“This quarter, we made steady progress by renewing several key client contracts—many at enhanced values—despite sectoral headwinds. Our continued focus on cloud-led transformation drove improved year-on-year gross contribution and helped us onboard new customers.”*



## Performance Highlights for FY'25 & Q4'25:

- **International IT Services:**

- Revenue for FY'25 was ₹2,829.7 crores, reflecting a YoY growth of 5.6%, Q4'25 stood at ₹702.3 crores, showing a decline of 4.0% QoQ.
- In USD terms, revenue for FY'25 was \$335.5 million, up 3.7% YoY, Q4'25 stood at \$81.3 million, showing a QoQ decline of 6.6%.
- EBITDA (before other income and forex) for FY'25 was ₹480.5 crores, a decline of 14.7% compared to the previous year, Q4'25 stood at ₹115.7 crores, increase by 8% QoQ.
- PAT after exceptional items for FY'25 was ₹246.6 crores, increase by 69.9% YoY (FY'24 ₹145.1 crores).
- Q4'25 PAT stood at ₹62.3 crores, increase by 9.5% QoQ
- DSO improved to 61 days in Q4'25, compared to 64 days in Q3'25. (DSO revised based on the industry practices, using TTM revenue and the current debtor balances.)
- 14 new customers were added during the quarter.

- **Domestic Products & Services:**

- Revenue for FY'25 stood at ₹7,340.6 crores, reflecting a YoY growth of 23.4%. Q4'25 revenue stood at ₹1,918.2 crores, showing a decline of 9.1% QoQ.
- Gross contribution for FY'25 was ₹299.1 crores, increase by 14.8% YoY. For Q4'25, gross contribution stood at ₹78.4 crores, a decline of 4.3% QoQ.
- EBITDA (before other income and forex) for FY'25 was ₹208.6 crores, QoQ a YoY growth of 26.8%. Q4'25 EBITDA stood at ₹56.5 crores, showing increase by 0.1% QoQ.
- PAT for FY'25 stood at ₹178.1 crores, increased by 9.0% YoY, for Q4'25 stood at ₹45.2 crores, a decline of 6.0% QoQ.
- DSO improved to 46 days in Q4'25, compared to 51 days in Q3'25.
- ROCE stood at 43.2% in Q4'25, compared to 48.5% in Q3'25.
- RONW stood at 41.8% in Q4'25, compared to 47.7% in Q3'25.

- **Consolidated:**

- Revenue for FY'25 stood at ₹10,157.2 crores, reflecting a YoY growth of 17.9%, Q4'25 revenue stood at ₹2,617.2 crores, showing a QoQ decline of 7.9%.
- EBITDA for FY'25 was ₹689.3 crores, YoY decline of 5.2%, Q4'25 EBITDA stood at ₹172.5 crores, showing increase of 5.8% QoQ.
- PAT after exceptional items for FY'25 stood at ₹424.7 crores (FY'24 ₹308.5 crores), showing a YoY growth of 37.6%.
- Q4'25 PAT stood at ₹107.5 crores, increase by 2.4% QoQ.
- Cash and cash equivalents (net) stood at ₹ 262 Crores in Q4'25(Q3'25 ₹ 176 Crores) against Q4'24 ₹ 441.3 Crores.



## About Sonata Software

### About Sonata Software Limited

In today's market, there is a unique duality in technology adoption. On one side, extreme focus on cost containment by clients, and on the other, deep motivation to modernize their Digital storefronts to attract more consumers and B2B customers.

Sonata Software, with \$1 billion revenue, is the leading Modernization company. Our unique Modernization approach through **Platformation.AI** helps create efficient and agile digital businesses to drive intelligent ecosystems of the future. Our bouquet of Modernization Engineering services cuts across Data, Cloud, Dynamics, Automation, Cyber Security, and around newer technologies like Generative AI, Microsoft Fabric, and other modernization platforms.

Our unique and innovative Responsible-first AI offering **Sonata Harmoni.AI** is a comprehensive platform powered by GenAI and encompasses a variety of industry solutions, service delivery platforms, and accelerators. It is distinguished by its embedded ethics, privacy, security, and compliance. We enable our clients to leverage AI in three different ways: i) driving efficiencies, ii) driving higher consumer experience/modern sales, and iii) driving innovative business models.

Headquartered in Bengaluru, India, Sonata Software has a strong global presence, including key regions North America, UK, Europe, APAC, and ANZ. We are one of the fastest growing IT Services companies and a trusted partner of Fortune 500 companies in Banking, Financial Services and Insurance (BFSI); Healthcare and Lifesciences (HLS); Telecom, Media, and Technology (TMT); and Retail, Manufacturing and Distribution (RMD) space.

Sonata Software boasts of a very strong partnership with Microsoft, AWS and many others. We are proud member of Microsoft AI Partner Council and have also achieved AWS Generative AI Competency. Also, we are member of the prestigious Inner Circle for Microsoft Business Applications and Featured and Launch Partner for Microsoft Fabric.

### About Sonata Information Technology Limited

Sonata Information Technology Limited, our Domestic Business, partners with Indian enterprise customers in their digital transformation journeys. As a digital transformation partner, it helps enterprises adopt and scale cloud solutions, fostering innovation and growth. It also helps customers in managing & maintaining their Hybrid Cloud Platforms and related enterprise IT security environments.

For more information, please visit <https://www.sonata-software.com/>

Media contact: Vinitha Oommen [vinitha.oommen@sonata-software.com](mailto:vinitha.oommen@sonata-software.com)

7<sup>th</sup> May, 2025

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, 2025.

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**