



SONATA SOFTWARE LIMITED



4<sup>th</sup> February, 2021

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

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

Dear Sir/Madam,

**Sub: Outcome of Board Meeting**

**Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

With reference to the captioned subject, we would like to inform that the Board of Directors of the Company *inter-alia* considered and adopted the Unaudited Financial Results of the Company (standalone and consolidated) for quarter and nine months ended 31<sup>st</sup> December, 2020 at the meeting held today i.e. 4<sup>th</sup> February, 2021.

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 quarter and nine months ended 31<sup>st</sup> December, 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 1.30 p.m. and concluded at 3.00 p.m.

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**

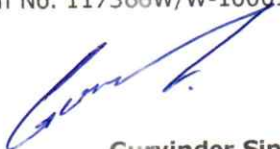
## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

### 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 and nine months ended December 31, 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: 21110128AAAAAN2275)

Place: Bengaluru  
Date: February 4, 2021

**SONATA SOFTWARE LIMITED**

Registered Office: 208, T.V. Industrial Estate, S.K. Ahire Marg, Worli, Mumbai - 400 030  
Corporate Office: 1/4, A.P.S Trust Building, Bull Temple Road, N.R. Colony, Bangalore - 560 019  
CIN - L72200MH1994PLC082110

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

Part I

₹ in lakhs, except per share data

**Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2020**

Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	19,308	20,914	23,018	58,438	65,505	87,684
2	Other income	3,356	177	1,223	3,384	4,168	9,713
3	<b>Total Revenue (1 + 2)</b>	<b>22,664</b>	<b>21,091</b>	<b>24,241</b>	<b>61,822</b>	<b>69,673</b>	<b>97,397</b>
4	<b>Expenses</b>						
	(a) Purchases of Stock-in-Trade	1,357	1,603	1,803	4,477	4,791	6,352
	(b) Employee benefits expense	10,874	9,947	11,898	30,129	34,626	46,706
	(c) Finance costs	240	244	259	734	802	1,090
	(d) Depreciation and amortization expense	472	476	521	1,428	1,533	2,060
	(e) Other expenses	1,352	1,924	3,154	5,255	9,907	14,314
	<b>Total expenses</b>	<b>14,295</b>	<b>14,194</b>	<b>17,635</b>	<b>42,023</b>	<b>51,659</b>	<b>70,522</b>
5	<b>Profit before tax (3 - 4)</b>	<b>8,369</b>	<b>6,897</b>	<b>6,606</b>	<b>19,799</b>	<b>18,014</b>	<b>26,875</b>
6	<b>Tax expense</b>						
	(1) Current tax	1,233	1,832	1,890	4,627	4,971	6,001
	(2) Provision for tax relating to prior years (Refer Note 6)	1,564	-	-	1,564	-	-
	(3) Deferred tax	142	(148)	(197)	(380)	(176)	(252)
7	<b>Profit for the period (5 - 6)</b>	<b>5,430</b>	<b>5,213</b>	<b>4,913</b>	<b>13,988</b>	<b>13,219</b>	<b>21,126</b>
8	<b>Other comprehensive income</b>						
	1 (a) Items that will not be reclassified to profit or (loss)	271	336	(52)	951	(228)	(846)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	(33)	(81)	10	(204)	61	180
	2 Items that will be reclassified to profit or (loss)						
	(a) Exchange differences in translating the financial statements of foreign operations	106	10	181	130	42	34
	(b) Exchange differences on forward cover	201	1,352	(957)	2,613	(2,054)	(3,513)
	(c) Income tax relating to items that will be reclassified to profit or (loss)	24	(331)	198	(589)	536	741
	<b>Total</b>	<b>569</b>	<b>1,286</b>	<b>(620)</b>	<b>2,901</b>	<b>(1,643)</b>	<b>(3,404)</b>
9	<b>Total Comprehensive Income for the period (7+ 8)</b>	<b>5,999</b>	<b>6,499</b>	<b>4,293</b>	<b>16,889</b>	<b>11,576</b>	<b>17,722</b>
10	<b>Paid-up equity share capital (Face Value ₹ 1/-)</b>	<b>1,039</b>	<b>1,039</b>	<b>1,039</b>	<b>1,039</b>	<b>1,039</b>	<b>1,039</b>
13	<b>Other equity (Refer Note 4)</b>	<b>36,289</b>	<b>36,289</b>	<b>52,276</b>	<b>36,289</b>	<b>52,276</b>	<b>36,289</b>
14	<b>Earnings per equity share (of ₹ 1/- each) (Refer Note 3)</b>						
	(a) Basic	5.23	5.02	4.73	13.46	12.72	20.33
	(b) Diluted	5.22	5.02	4.73	13.46	12.72	20.33
	See accompanying notes to the financial results						

**Notes to unaudited standalone financial results for the quarter and nine months ended December 31, 2020:**

- These quarterly and nine months ended unaudited standalone financial results prepared in accordance with Indian Accounting Standards applicable as per Sec 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and amendments thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 4, 2021.
- The Company publishes unaudited standalone financial results along with 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.
- EPS for quarter and nine months period ended is not annualised.
- Balances for the quarter ended December 31, 2020, September 30, 2020, and December 31, 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.
- As the quarter and year-to-date figures are taken from the source and rounded to the nearest digits, the quarter figures in this results added up to the figures reported for the previous quarters might not always add up to the year-to-date figures reported in this results.
- The Company had outstanding disputes with the Income Tax department in relation to certain matters for AY 1995-96, 2001-02 to 2005-06, 2011-12 & 2013-14 pending before High Court Mumbai and AY 2014-15 & 2016-17 which are pending before CIT (A), Mumbai. During the quarter, the Company has opted to apply for settlement of these disputes under Direct Tax Vivad Se Vishwas Act, 2020, and the necessary applications were filed on December 28 & December 29, 2020. Consequently, a provision of ₹ 1,564 lakhs has been created during the quarter. The applications have subsequently been accepted by the Principal Commissioner of Income Tax certifying the amounts payable. These amounts are to be settled by the Company on or before March 31, 2021.
- The Board of Directors declared an interim dividend of ₹ 4/- (par value of ₹ 1/- each) per equity share on November 6, 2020 and the same was paid on November 26, 2020. The interim dividend declared in the previous year was ₹ 5.75 per equity share.
- 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.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

P SRIKAR REDDY  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE OFFICER

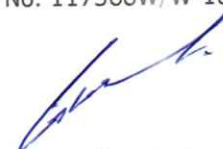
Place: Bengaluru  
Date: February 4, 2021

## 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 and nine months ended December 31, 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: 21110128AAAAA09714)

Place: Bengaluru  
Date: February 4, 2021

**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**

Registered Office: 208, T.V. Industrial Estate, S.K. Ahire Marg, Worli, Mumbai - 400 030  
Corporate Office: 1/4, A.P.S Trust Building, Bull Temple Road, N.R. Colony, Bangalore - 560 019  
CIN - L72200MH1994PLC082110

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

Part I		₹ in lakhs, except per share data					
Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2020							
Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	139,616	80,377	123,688	315,237	281,458	374,326
2	Other income	325	244	859	882	4,621	5,840
3	<b>Total Revenue (1 + 2)</b>	<b>139,941</b>	<b>80,621</b>	<b>124,547</b>	<b>316,119</b>	<b>286,079</b>	<b>380,166</b>
4	<b>Expenses</b>						
	(a) Purchases of Stock-in-Trade	107,549	50,731	89,037	224,821	182,684	241,579
	(b) Employee benefits expense	16,516	14,922	16,697	45,749	49,019	66,031
	(c) Finance costs	462	378	430	1,183	1,164	1,518
	(d) Depreciation and amortization expense	992	1,005	913	3,019	2,729	3,654
	(e) Other expenses	4,459	5,996	6,987	17,040	20,775	29,435
	<b>Total expenses</b>	<b>129,978</b>	<b>73,032</b>	<b>114,064</b>	<b>291,812</b>	<b>256,371</b>	<b>342,217</b>
5	<b>Profit before tax (3 - 4)</b>	<b>9,963</b>	<b>7,589</b>	<b>10,483</b>	<b>24,307</b>	<b>29,708</b>	<b>37,949</b>
6	<b>Tax expense</b>						
	(1) Current tax	2,292	2,553	2,763	7,596	8,422	10,603
	(2) Provision for tax relating to prior years(Refer Note 6)	2,183	-	-	2,183	-	-
	(3) Deferred tax	109	(684)	134	(1,562)	(230)	(347)
7	<b>Profit for the period (5 - 6)</b>	<b>5,379</b>	<b>5,720</b>	<b>7,586</b>	<b>16,090</b>	<b>21,516</b>	<b>27,693</b>
8	<b>Other comprehensive income</b>						
	1 (a) Items that will not be reclassified to profit or (loss)	295	303	(42)	917	(191)	(865)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	(70)	(73)	10	(228)	53	232
	2 Items that will be reclassified to profit or (loss)						
	(a) Exchange differences in translating the financial statements of foreign operations and on goodwill reinstatement	724	1,320	824	824	395	323
	(b) Exchange differences on forward cover	739	2,378	(965)	3,985	(2,095)	(3,511)
	(c) Income tax relating to items that will be reclassified to profit or (loss)	(346)	(942)	46	(1,194)	471	854
	<b>Total</b>	<b>1,342</b>	<b>2,986</b>	<b>(127)</b>	<b>4,304</b>	<b>(1,367)</b>	<b>(2,967)</b>
9	<b>Total Comprehensive Income for the period (7+ 8)</b>	<b>6,721</b>	<b>8,706</b>	<b>7,459</b>	<b>20,394</b>	<b>20,149</b>	<b>24,726</b>
	Of the Total Comprehensive Income above, total comprehensive income attributable to:						
	Owners of the parent	6,721	8,706	7,459	20,394	20,149	24,726
	Non - controlling interest	-	-	-	-	-	-
	<b>Total</b>	<b>6,721</b>	<b>8,706</b>	<b>7,459</b>	<b>20,394</b>	<b>20,149</b>	<b>24,726</b>
	Of the Total Comprehensive Income above, Profit for the period attributable to:						
	Owners of the parent	5,379	5,720	7,586	16,090	21,516	27,693
	Non - controlling interest	-	-	-	-	-	-
	<b>Total</b>	<b>5,379</b>	<b>5,720</b>	<b>7,586</b>	<b>16,090</b>	<b>21,516</b>	<b>27,693</b>
	Of the Total Comprehensive Income above, Other Comprehensive Income for the period attributable to:						
	Owners of the parent	1,342	2,986	(127)	4,304	(1,367)	(2,967)
	Non - controlling interest	-	-	-	-	-	-
	<b>Total</b>	<b>1,342</b>	<b>2,986</b>	<b>(127)</b>	<b>4,304</b>	<b>(1,367)</b>	<b>(2,967)</b>
10	<b>Paid-up equity share capital (Face Value ₹ 1/-)</b>	<b>1,039</b>	<b>1,039</b>	<b>1,039</b>	<b>1,039</b>	<b>1,039</b>	<b>1,039</b>
11	<b>Other equity (Refer Note 8)</b>	<b>65,928</b>	<b>65,928</b>	<b>75,787</b>	<b>65,928</b>	<b>75,787</b>	<b>65,928</b>
12	<b>Earnings per equity share (of ₹ 1/- each) (Refer Note 7)</b>						
	(a) Basic	5.18	5.50	7.30	15.48	20.70	26.66
	(b) Diluted	5.18	5.50	7.30	15.48	20.70	26.66
	See accompanying notes to the consolidated financial results						

**Notes:**

- 1 These quarterly and nine months ended unaudited consolidated financials results prepared in accordance with Indian accounting standards applicable as per Sec 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and amendments thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 4, 2021.
- 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 The Board of Directors declared an interim dividend of ₹ 4/- (par value of ₹ 1/- each) per equity share on November 06, 2020 and the same was paid on November 26, 2020. The interim dividend declared in the previous year was ₹5.75/- per equity share.
- 4 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.
- 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 Group had outstanding disputes with the Income Tax department in relation to certain matters for AY 1995-96, 2001-02 to 2005-06, 2011-12 & 2013-14 pending before High Court Mumbai and AY 2014-15 & 2016-17 which are pending before CIT (A), Mumbai in Sonata Software Limited and for AY 2004-05 to 2006-07 which are pending before High court, Mumbai in Sonata Information Technology Limited. During the quarter, the group has opted to apply for settlement of these disputes under Direct Tax Vivad Se Vishwas Act, 2020, and the necessary applications were filed on December 28 & December 29, 2020. Consequently, a provision of ₹ 1,564 lakhs in Sonata Software Limited and ₹ 618 lakhs in Sonata Information Technology Limited has been created during the quarter. The applications have subsequently been accepted by the Principal Commissioner of Income Tax certifying the amounts payable. These amounts are to be settled by the Group on or before March 31, 2021.
- 7 EPS for quarter and nine months ended is not annualised.
- 8 Balances for the quarter ended December 31, 2020, September 30, 2020, and December 31, 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.
- 9 As the quarter and year-to-date figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the year-to-date figures reported in this results.
- 10 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

11 (a) The consolidated segment wise revenue and results are as follows :

(₹ in lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Segment revenue</b>						
a. India	94,786	43,561	79,589	191,714	164,331	223,491
b. Other than India	45,251	37,596	44,594	125,179	118,913	152,997
<b>Total</b>	<b>140,036</b>	<b>81,157</b>	<b>124,183</b>	<b>316,893</b>	<b>283,244</b>	<b>376,488</b>
Less : Inter segment revenue	(420)	(780)	(495)	(1,656)	(1,786)	(2,162)
<b>Revenue from operations</b>	<b>139,616</b>	<b>80,377</b>	<b>123,688</b>	<b>315,237</b>	<b>281,458</b>	<b>374,326</b>
<b>2. Segment results</b>						
Profit before tax and interest						
a. India	2,583	1,394	1,942	5,376	5,047	7,166
b. Other than India	7,308	5,989	8,668	18,528	24,410	30,673
<b>Total</b>	<b>9,891</b>	<b>7,383</b>	<b>10,610</b>	<b>23,904</b>	<b>29,457</b>	<b>37,839</b>
Less: Finance costs	(462)	(378)	(430)	(1,183)	(1,164)	(1,518)
Add: Unallocable income net of unallocable expenditure	534	584	303	1,586	1,415	1,628
<b>4. Profit before tax</b>	<b>9,963</b>	<b>7,589</b>	<b>10,483</b>	<b>24,307</b>	<b>29,708</b>	<b>37,949</b>

11(b) Consolidated segment wise assets and liabilities

(₹ in lakhs)

Particulars	December 31, 2020	September 30, 2020	December 31, 2019	March 31, 2020
<b>5. Segment assets</b>				
a. India	67,408	74,581	71,183	63,425
b. Other than India	73,047	80,375	81,018	74,779
c. Unallocable	52,411	28,939	21,473	23,442
<b>Total Assets</b>	<b>192,866</b>	<b>183,895</b>	<b>173,674</b>	<b>161,646</b>
<b>6. Segment liabilities</b>				
a. India	56,365	52,173	62,905	52,474
b. Other than India	33,102	30,433	26,012	30,010
c. Unallocable	20,259	20,726	4,189	12,195
<b>Total Liabilities</b>	<b>109,726</b>	<b>103,332</b>	<b>93,106</b>	<b>94,679</b>
<b>Capital Employed</b>	<b>83,140</b>	<b>80,565</b>	<b>80,568</b>	<b>66,967</b>

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Bengaluru  
Date : February 4, 2021

P SRIKAR REDDY  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE OFFICER



## Sonata Software - Consolidated Q3 FY 21 EBIDTA at ₹ 114 Crores, QoQ growth of 27%

Bengaluru, February 04, 2021

Sonata Software, a global IT services and technology solutions company, today reported its unaudited financial results for its 3<sup>rd</sup> quarter ended and nine months ended 31<sup>st</sup> December 2020.

Description	in ₹ Crores							
	For the Quarter ended					For the nine months ended		
	31-Dec-20	30-Sep-20	31-Dec-19	QoQ	YoY	31-Dec-20	31-Dec-19	YoY
<b>Revenues</b>								
International IT Services	300.9	288.1	329.8	4%	-9%	864.8	946.8	-9%
Domestic- Products & Services	1,099.4	523.5	912.0	110%	21%	2,304.1	1,885.2	22%
Consolidated	1,396.2	803.8	1,236.9	74%	13%	3,152.4	2,814.6	12%
<b>EBITDA</b>								
International IT Services	87.1	70.4	91.6	24%	-5%	222.3	265.5	-16%
Domestic- Products & Services	27.3	19.6	27.0	39%	1%	63.8	71.9	-11%
Consolidated	114.2	89.7	118.3	27%	-3%	285.1	336.0	-15%
<b>PAT before VsVs *</b>								
International IT Services	57.0	43.6	57.8	31%	-1%	138.9	167.3	-17%
Domestic- Products & Services	18.6	13.6	18.1	36%	3%	43.8	47.8	-8%
Consolidated	75.6	57.2	75.9	32%	0%	182.7	215.2	-15%
<b>PAT after VsVs *</b>								
International IT Services	41.4	43.6	57.8	-5%	-28%	123.3	167.3	-26%
Domestic- Products & Services	12.4	13.6	18.1	-9%	-32%	37.6	47.8	-21%
Consolidated	53.8	57.2	75.9	-6%	-29%	160.9	215.2	-25%

\* During the quarter provision for income tax settlement under Vivad se Vishwas Scheme (“VsVs”) is made ₹ 15.6 Crores for International IT Services (Sonata Software Limited), ₹ 6.2 Crores for Domestic Products & Services (Sonata Information Technology Limited) and ₹ 21.8 Crores for Consolidation financials. Consequently, contingent liability (based on the original demand as per order) has been reduced by ₹ 33.7 Crores for International IT Services (Sonata Software Limited), ₹ 15.3 Crores for Domestic Products & Services (Sonata Information Technology Limited) and ₹ 49 Crores for Consolidation financials.

Mr. Srikar Reddy, Managing Director & CEO of the Company said-

The results for the quarter reflect all round growth across different segments of the business, growth especially in the digital business resulting in highly profitable growth. This is a clear indication that our overall strategy of building digital enterprises by creating platforms through our unique Platformation™ methodology is more relevant in the current context with greater reliance and investments by enterprises in digitization and automation. We have become a much stronger organization in the quality of clients, relationships, and internal investments, in creating world class competencies aligned to Platformation™ across platform engineering, cloud transformation, data analytics and Microsoft Dynamics. Specifically, we would like to mention the GBW





investment made which is focussed on delivering platform based CX (customer experience) is holding premise and differentiation to our digital offering.

With clear visibility and business opportunity in the immediate future, we are focused now on investing for long term growth, in talent acquisition and transformation, IP and competency development.

The company also announced compensation revision effective January 1<sup>st</sup>, 2021.

### **Performance Highlights for the quarter:**

- **Consolidated:**

- Revenues at ₹ 1,396 Crores: growth of 74% QoQ and growth of 13% on YoY basis.
- EBITDA at ₹ 114 Crores: growth of 27% QoQ
- Net Profit at ₹ 75.6 Crores (Grossed up for income tax settlement under VsVs ₹ 21.8 Crores); sequential growth 32%
- Cash and equivalents (net of borrowings) approximately ₹ 604 Crores.

- **International IT Services:**

- Revenues at ₹ 300 crores; growth of 4% QoQ;
- Revenue in USD at 41 Million, QoQ revenue growth of 5.0% in USD terms and constant currency growth of 4.5%.
- Growth across all geographies (USA 7.1% , Europe 4.9% , Rest of World 1.4% ) .
- EBITDA at ₹ 87 Crores: growth of 24% QoQ;
- Net profit (PAT) at ₹ 57 Crores (Grossed up for income tax settlement under VsVs ₹ 15.6 Crores), QoQ growth of 31%
- Addition of 8 new customers during the quarter.
- Overall strategy of creating digital enterprises by creating platform through our unique Platformation methodology are yielding results.
- Strong growth from digital based competencies like Managed cloud services and Digital Platformation Services (Microsoft & Open source) and focused verticals like ISV, Retail (Essential) and Commodity Business & Service Industry.
- Strong cash and liquidity positions maintained. Improvement in DSO days from 47 days to 36 days.
- Our pipeline continues to be healthy and strong through multiple new digital wins from existing and new customers.

- **Domestic Products & Services:**

- Revenues at ₹ 1,099 crores: growth of 110% QoQ;
- Domestic business revenue driven by multiyear cloud-based annuity deals. More than 60% of revenue from cloud-based deals. Sustained growth ensured through strong customer retention, ~82% of gross margin from customers with turnover (customer's revenue) more than 1,000 Crores and more than 60% of gross margin earned from repetitive customers with more the 5 years of association.
- Domestic business measured on absolute Gross Margin. Gross margin for the Quarter at ₹ 38 crs vs Q2'21 ₹ 30 Crores, QoQ growth of 26%.
- EBITDA at ₹ 27 Crores: growth of 39% QoQ;
- Net profit (PAT) at ₹ 18.6 crores QoQ growth of 36% (Grossed up for income tax settlement under VsVs ₹ 6.2 Crores).
- DSO days improved from 63 days to 57 days.



### **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:**

Nandita Venkatesh  
Sonata Software Limited  
CIN- L72200MH1994PLC082110  
A.P.S. Trust Building,  
Bull Temple Road, N.R. Colony  
Bangalore 560019, India  
Tel: +91 80 67781999  
nandita.v@sonata-software.com