

1st February, 2024

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

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

Dear Sirs/Madam,

SUB: OUTCOME OF BOARD MEETING

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

We wish to inform you that at the meeting of Board of Directors of the Company held today i.e. 1st February 2024, the Board, *inter-alia*, has considered and approved the Unaudited Financial Results of the Company (standalone and consolidated) for the quarter and nine months ended 31st December, 2023.

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 for the quarter and nine months ended, 31st December, 2023 together with the Limited Review Report from Statutory Auditors of the Company. A copy of the press release is also enclosed for your reference.

The meeting commenced at 2.00 p.m. and concluded at 3.25 p.m. Also note that the aforesaid information will be available on our website www.sonata-software.com.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Sonata Software Limited**



Mangal Kulkarni
Company Secretary, Compliance Officer and Head Legal

Encl.: As above

B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
No. 13/2, off Intermediate Ring Road
Bengaluru - 560 071, India
Telephone: +91 80 4682 3000
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Limited Review Report on unaudited standalone financial results of Sonata Software Limited for the quarter ended 31 December 2023 and year to date results for the period from 1 April 2023 to 31 December 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

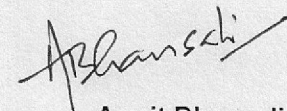
To the Board of Directors of Sonata Software Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sonata Software Limited (hereinafter referred to as "the Company") for the quarter ended 31 December 2023 and year to date results for the period from 1 April 2023 to 31 December 2023 ("the Statement") in which, are included interim financial results of 6 branches and the employee welfare trust.
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report 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. A review of interim financial information consists of making inquiries, primarily of persons 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 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 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248WW-100022



Amrit Bhansali

Partner

Membership No.: 065155

UDIN:24065155BKEYMQ7166

Bangalore

01 February 2024

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 unaudited standalone financial results for the quarter and nine months period ended December 31, 2023

Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	24,276	24,017	23,317	71,780	68,888	92,086
2	Other income (Refer Note 4)	12,042	16,297	4,362	28,986	11,148	15,968
3	Total income (1 + 2)	36,318	40,314	27,679	100,766	80,036	108,054
4	Expenses						
	(a) Purchase of stock-in-trade (traded goods)	1,457	1,631	2,028	6,032	7,611	10,219
	(b) Changes in inventories of stock-in-trade	1	8	-	-	17	17
	(c) Employee benefits expense	16,659	16,870	13,987	50,554	39,103	54,350
	(d) Finance costs	122	107	173	351	543	696
	(e) Depreciation and amortization expense	528	543	486	1,563	1,380	1,851
	(f) Other expenses	3,227	3,687	3,482	10,029	9,465	14,504
	Total expenses	21,994	22,846	20,156	68,529	58,119	81,637
5	Profit before tax (3 - 4)	14,324	17,468	7,523	32,237	21,917	26,417
6	Tax expense						
	(1) Current tax	856	680	1,135	1,593	3,623	3,958
	(2) Deferred tax	(26)	(59)	(81)	(69)	(243)	422
	Total tax expense	830	621	1,054	1,524	3,380	4,380
7	Profit for the period (5 - 6)	13,494	16,847	6,469	30,713	18,537	22,037
8	Other comprehensive income						
	1 Items that will not be reclassified to profit/(loss)						
	(a) Remeasurement of the defined benefit plans	106	21	81	325	(17)	(463)
	(b) Income tax relating to Items that will not be reclassified to profit/(loss)	(27)	(23)	(13)	(82)	3	77
	2 Items that will be reclassified to profit or (loss)						
	(a) Exchange differences in translating the financial statements of foreign operations	(28)	(6)	108	(16)	(11)	(5)
	(b) Fair value changes on derivatives designated as cash flow hedge, net	(442)	98	(470)	171	(1,631)	(1,117)
	(c) Income tax relating to Items that will be reclassified to profit/(loss)	118	(70)	47	(39)	253	186
	Total	(273)	20	(247)	359	(1,403)	(1,322)
9	Total comprehensive income for the period (7 + 8)	13,221	16,867	6,222	31,072	17,134	20,715
10	Paid-up equity share capital (Face Value ₹ 1/-)	2,775	1,387	1,387	2,775	1,387	1,387
11	Other equity (Refer Note 6)	53,973	53,973	56,136	53,973	56,136	53,973
12	Earnings per equity share (of ₹ 1/- each) (Refer Note 3 & 5)						
	(a) Basic (in ₹)	4.86	6.07	2.33	11.07	6.68	7.94
	(b) Diluted (in ₹)	4.85	6.06	2.33	11.05	6.68	7.94
	See accompanying notes to the standalone financial results						

Notes:

- 1 The statutory auditors, B S R & Co. LLP have expressed an unmodified review opinion. The information presented 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 unaudited standalone financial results thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 01, 2024.
The above unaudited standalone financial results are filed with Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 as amended from time to time and are available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com, and on the Company's website, www.sonata-software.com.
- 2 The Company also publishes unaudited consolidated financial results in addition to unaudited standalone financial results. In accordance with Ind AS 108 Operating Segments, the Company has disclosed the segment information in the unaudited consolidated financial results.
- 3 Earnings per share (EPS) for quarterly and nine months period ended December 31, 2023 are not annualised.
- 4 Other income for the quarter ended December 31, 2023 includes dividend income received from subsidiaries, Sonata Information Technology Limited ₹ 5,500 Lakhs, Sonata Software Solutions Limited ₹ 4,400 Lakhs, Encore IT service solutions Private limited ₹ 400 lakhs and Sonata Australia Pty Ltd ₹ 953.82 Lakhs.
- 5 The Company has allotted 140,212,408 Equity Shares of Re. 1/- each, credited as fully paid as bonus equity shares to the eligible Members of the Company as on the record date of December 12, 2023 in the ratio of 01 (One) new fully paid-up equity share for every 01 (One) existing fully paid-up equity shares (1:1). The EPS for all the periods presented have been adjusted to this effect as required by "Ind AS 33: Earnings per Share".
- 6 The other equity with respect to quarter ended and nine months period ended December 31, 2023 represents balance as per the audited Balance Sheet of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015

Place : Bengaluru
Date : February 01, 2024

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


SAMIR DHIR
MANAGING DIRECTOR & CEO




Limited Review Report on unaudited consolidated financial results of Sonata Software Limited for the quarter ended 31 December 2023 and year to date results for the period from 1 April 2023 to 31 December 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Sonata Software Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Sonata Software Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 31 December 2023 and year to date results for the period from 1 April 2023 to 31 December 2023 ("the Statement") in which, are also included interim financial results of 9 branches, being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
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 Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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. A review of interim financial information consists of making inquiries, primarily of persons 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 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.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as disclosed in Annexure I to the Statement.
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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



B S R & Co. LLP

Limited Review Report (Continued)

Sonata Software Limited

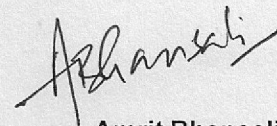
6. The Statement includes the interim financial results of 21 subsidiaries which have not been reviewed, whose interim financial results reflect total revenues (before consolidation adjustments) of Rs. 17,150 lakhs and Rs. 51,694 lakhs, total net profit after tax (before consolidation adjustments) of Rs. 857 lakhs and Rs. 3,801 lakhs and total comprehensive income (before consolidation adjustments) of Rs. 1,159 lakhs and Rs 4,163 lakhs, for the quarter ended 31 December 2023 and for the period from 1 April 2023 to 31 December 2023 respectively, as considered in the Statement. According to the information and explanations given to us by the Parent's management, these interim financial results are not material to the Group.

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

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



Amrit Bhansali

Partner

Membership No.: 065155

UDIN:24065155BKEYMR1725

Bangalore

01 February 2024

Limited Review Report (Continued)

Sonata Software Limited

Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship
1	Sonata Software Limited	Parent
2	Sonata Information Technology Limited	Subsidiary
3	Sonata Software Solutions Limited	Susbsidiary
4	Sonata Europe Limited	Susbsidiary
5	Sonata Software North America Inc.	Susbsidiary
6	Sonata Australia Pty Ltd (formerly known as "Scalable Data Systems Pty Ltd")	Susbsidiary
7	Sonata Software (Qatar) LLC	Susbsidiary
8	Encore IT Services Solutions Private Limited	Susbsidiary
9	Sonata Software GmbH	Susbsidiary
10	Sonata Software Intercontinental Limited	Susbsidiary
11	Sonata Software Malaysia SDN. BHD.	Susbsidiary
12	Sonata Software LLC (formerly known as Sopris Systems LLC)	Step-down Subsidiary
13	Encore Software Services, Inc.	Step-down Subsidiary
14	Sonata Software Canada Limited	Step-down Subsidiary
15	GAPbuster Limited	Step-down Subsidiary
16	Sonata Software Japan KK (formerly known as Kabushiki Kaisha GAPbuster Japan)	Step-down Subsidiary
17	GAPbuster Europe Limited	Step-down Subsidiary
18	GAPbuster Inc.	Step-down Subsidiary

Limited Review Report (Continued)

Sonata Software Limited

19	Sonata Software (Shanghai) Co., Ltd (formerly known as GAPbuster China Co. Ltd)	Step-down Subsidiary
20	Sonata Software Worldwide Malaysia SDN. BHD. (formerly known as GAPbuster Worldwide Malaysia SDN. BHD.)	Step-down Subsidiary
21	GAPbuster Worldwide Pty Ltd	Step-down Subsidiary
22	Sonata Latin America S. DE R.L. DE C.V.	Step-down Subsidiary
23	Quant Systems Inc.	Step-down Subsidiary
24	Quant Cloud Solutions Private Limited	Step-down Subsidiary
25	Woodshed LLC	Step-down Subsidiary
26	Quant Systems CRC Inc Sociedad de Responsabilidad Limitada (CRC LLC)	Step-down Subsidiary

Part I ₹ in lakhs, except per share data

Statement of unaudited consolidated financial results for the quarter and nine months period ended December 31, 2023

Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	249,335	191,257	226,078	642,145	553,562	744,912
2	Other income	1,951	2,320	1,655	7,084	4,585	7,082
3	Total income (1 + 2)	251,286	193,577	227,733	649,229	558,147	751,994
4	Expenses						
	(a) Purchase of stock-in-trade (traded goods)	168,688	137,894	172,439	441,041	413,263	548,163
	(b) Changes in inventories of stock-in-trade	7,518	(16,893)	3,105	(7,764)	(3,762)	(2,589)
	(c) Employee benefits expense	33,744	33,982	23,976	100,340	67,632	93,311
	(d) Finance costs	2,194	2,067	385	6,344	1,137	1,854
	(e) Depreciation and amortization expense	3,372	3,334	1,362	9,826	4,021	5,913
	(f) Other expenses	18,614	16,542	10,932	50,197	31,176	45,614
	Total expenses	234,130	176,926	212,199	599,984	513,467	692,266
5	Profit before exceptional item and tax (3 - 4)	17,156	16,651	15,534	49,245	44,680	59,728
6	Exceptional item (Refer Note 7) Changes in fair value of contingent consideration payable	17,466	-	-	17,466	-	-
7	Profit before tax (5 - 6)	(310)	16,651	15,534	31,779	44,680	59,728
8	Tax expense						
	(1) Current tax	5,531	5,849	3,354	15,334	12,274	16,709
	(2) Deferred tax	(1,225)	(1,615)	414	(3,369)	(1,407)	(2,171)
	Total tax expense	4,306	4,234	3,768	11,965	10,867	14,538
9	Profit for the period (7 - 8)	(4,616)	12,417	11,766	19,814	33,813	45,190
10	Other comprehensive income						
	1 Items that will not be reclassified to profit/(loss)						
	(a) Remeasurement of the defined benefit plans	49	10	158	270	(115)	(662)
	(b) Income tax relating to Items that will not be reclassified to profit/(loss)	(15)	(4)	(38)	(68)	28	162
	2 Items that will be reclassified to profit or (loss)						
	(a) Exchange differences in translating the financial statements of foreign operations	372	288	991	479	1,022	873
	(b) Fair value changes on derivatives designated as cash flow hedge, net	(933)	158	(709)	347	(3,488)	(3,539)
	(c) Income tax relating to Items that will be reclassified to profit/(loss)	123	(111)	(59)	(208)	609	652
	Total	(404)	341	343	820	(1,944)	(2,514)
11	Total comprehensive income for the period (9 + 10)	(5,020)	12,758	12,109	20,634	31,869	42,676
	Of the total comprehensive income above, total comprehensive income attributable to:						
	Owners of the Company	(5,020)	12,758	12,109	20,634	31,869	42,676
	Non - controlling interest	-	-	-	-	-	-
		(5,020)	12,758	12,109	20,634	31,869	42,676
	Of the total comprehensive income above, profit for the period attributable to:						
	Owners of the Company	(4,616)	12,417	11,766	19,814	33,813	45,190
	Non - controlling interest	-	-	-	-	-	-
		(4,616)	12,417	11,766	19,814	33,813	45,190
	Of the total comprehensive income above, other comprehensive income for the period attributable to:						
	Owners of the Company	(404)	341	343	820	(1,944)	(2,514)
	Non - controlling interest	-	-	-	-	-	-
		(404)	341	343	820	(1,944)	(2,514)
12	Paid-up equity share capital (Face Value ₹ 1/-)	2,775	1,387	1,387	2,775	1,387	1,387
13	Other equity (Refer Note 5)	128,678	128,678	108,881	128,678	108,881	128,678
14	Earnings / (loss) per equity share (of ₹ 1/- each) (Refer Note 3 & 4)						
	(a) Basic (in ₹)	(1.66)	4.48	4.24	7.14	12.19	16.29
	(b) Diluted (in ₹)	(1.66)	4.47	4.24	7.13	12.19	16.29
	See accompanying notes to the consolidated financial results						

Notes:

- The statutory auditors, B S R & Co. LLP have expressed an unmodified review opinion. The information presented 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 unaudited Consolidated financial results thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 01, 2024. The above unaudited 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.
- 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. (Merged with SSNA with effect from November 17, 2022), Sonata Software GmbH, Sonata Software Europe Limited, Sonata Software FZ-LLC (Closed w.e.f. May 19, 2023), Sonata Software (Qatar) LLC, Sonata Australia Pty Ltd (formerly known as Scalable Data Systems Pty Ltd), Sonata Software LLC (formerly known as Sopris Systems LLC), Sonata Software Solutions Limited, Sonata Software (Shanghai) Co., Ltd (formerly known as GAPbuster China Co. Ltd), GAPbuster Europe Limited, GAPbuster Inc., GAPbuster Limited, Sonata Software Worldwide Malaysia SDN. BHD. (formerly known as GAPbuster Worldwide Malaysia SDN BHD), GAPbuster Worldwide Pty Limited, Sonata Software Japan KK (formerly known as Kabushiki Kaisha GAPbuster Japan), Encore Software Services, Inc., Encore IT Services Solutions Private Limited, Sonata Software Intercontinental Limited, Sonata Software Canada Limited, Sonata Latin America S. DE R.L. DE C.V., Quant Systems Inc. (w.e.f. March 10, 2023), Quant Systems CRC Inc Sociedad De Responsabilidad Limitada (CRC LLC) (w.e.f. March 10, 2023), Quant Cloud Solutions Private Limited (w.e.f. March 10, 2023), Woodshed LLC (w.e.f. March 10, 2023) and Sonata Software Malaysia SDN. BHD (w.e.f. June 13, 2023).
- Earnings Per Share (EPS) for quarterly and nine months period ended December 31, 2023 is not annualised.
- Sonata Software Limited (Holding Company) allotted 140,212,408 Equity Shares of Re. 1/- each, credited as fully paid as bonus equity shares to the eligible Members of the Holding Company whose names appear in the Register of Members of the Company as on the record date of December 12, 2023 in the ratio of 01 (One) new fully paid-up equity share for every 01 (One) existing fully paid-up equity shares (1:1). The EPS for all the periods presented have been adjusted to this effect as required by "Ind AS 33: Earnings Per Share".
- The other equity with respect to each quarter and nine months period ended December 31, 2023 represents balance as per the audited consolidated Balance Sheet of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- Unaudited standalone financial results

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	24,276	24,017	23,317	71,780	68,888	92,086
Profit before tax	14,324	17,468	7,523	32,237	21,917	26,417
Profit after tax	13,494	16,847	6,469	30,713	18,537	22,037

The results for the quarter and nine months period ended December 31, 2023, are available on the Company's website at www.sonata-software.com and also on the website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com, where the shares of the Company are listed.

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

The consolidated segment wise revenue and results are as follows :

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment revenue						
a. India	148,724	106,109	174,968	372,039	374,920	485,766
b. Other than India	101,045	85,288	51,314	271,710	179,272	260,087
Total	249,769	191,397	226,282	643,749	554,192	745,853
Less : Inter segment revenue	(434)	(140)	(204)	(1,604)	(630)	(941)
Revenue from operations	249,335	191,257	226,078	642,145	553,562	744,912
2. Segment results						
Profit before tax and interest and unallocable expenditure						
a. India	5,317	4,935	7,449	14,613	15,917	21,148
b. Other than India	13,027	11,873	7,233	35,914	27,847	34,988
Total	18,344	16,808	14,682	50,527	43,764	56,136
Less: Finance costs	(2,194)	(2,067)	(385)	(6,344)	(1,137)	(1,854)
Add: Unallocable income net of unallocable expenditure	1,006	1,910	1,237	5,062	2,053	5,446
3. Profit before exceptional item and tax	17,156	16,651	15,534	49,245	44,680	59,728
Exceptional item						
- Changes in fair value of contingent consideration payable	17,466	-	-	17,466	-	-
4. Profit before tax	(310)	16,651	15,534	31,779	44,680	59,728

The consolidated segment wise assets and liabilities are as follows :

Particulars	December 31, 2023	September 30, 2023	December 31, 2022	March 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	4. Segment assets			
a. India	128,660	155,017	128,025	115,386
b. Other than India	308,027	302,150	121,748	283,874
c. Unallocable	33,793	27,648	28,188	36,428
Total assets	470,480	484,815	277,961	435,688
5. Segment liabilities				
a. India	130,692	151,124	107,287	114,373
b. Other than India	184,549	163,079	45,771	174,967
c. Unallocable	25,742	26,608	5,827	16,283
Total liabilities	340,983	340,811	158,885	305,623
6. Capital employed (4-5)	129,497	144,004	119,076	130,065

For and on behalf of the Board of Directors

Samir Dhir

Samir Dhir
Managing Director & CEO



Place : Bengaluru
Date : February 01, 2024



Sonata Software: International Services delivered Industry leading Dollar revenue growth; up 3.5% QoQ (38.3% YoY). Domestic business delivered strong Gross contribution growth of 14.2% QoQ (25.8% YoY) in INR.

Bengaluru, February 01, 2024

[Sonata Software](#) [NSE: SONATSOFTW, BSE: 532221], a leader in Modernization Engineering, today reported its unaudited financial results for its 3rd quarter ended December 31, 2023.

Description	in ₹ Crores							
	For the Quarter ended					For the nine months ended		
	31-Dec-23	30-Sep-23	31-Dec-22	QoQ	YoY	31-Dec-23	31-Dec-22	YoY
Revenues								
International IT Services	696.8	670.0	489.6	4%	42%	2,000.6	1,386.8	44%
Domestic- Products & Services	1,800.3	1,244.0	1,773.6	45%	2%	4,436.0	4,156.9	7%
Consolidated	2,493.4	1,912.6	2,260.8	30%	10%	6,421.5	5,535.6	16%
EBITDA								
International IT Services	168.5	165.0	123.2	2%	37%	484.1	358.6	35%
Domestic- Products & Services	59.2	56.4	51.7	5%	14%	172.1	142.8	21%
Consolidated	227.2	220.5	172.8	3%	31%	654.2	498.4	31%
PAT after exceptional item[^]								
International IT Services	(88.8)	83.7	81.3	-	-	74.9	235.9	-
Domestic- Products & Services	42.6	40.5	36.3	5%	17%	123.3	102.2	21%
Consolidated	(46.2)	124.2	117.6	-	-	198.1	338.1	-
PAT before exceptional item[^]								
International IT Services	85.9	83.7	81.3	3%	6%	249.5	235.9	6%
Domestic- Products & Services	42.6	40.5	36.3	5%	17%	123.3	102.2	21%
Consolidated	128.5	124.2	117.6	3%	9%	372.8	338.1	10%

[^] Sonata Software North America Inc., (SSNA) a wholly owned subsidiary of Sonata Software Limited, acquired 100% stake in the Quant systems inc., (Quant) on March 10, 2023 for a purchase consideration of USD 159 mn (INR 130,348 Lakhs) (net of working capital) including cash consideration of USD 70.70 mn (INR 57,960 Lakhs) and USD 88.30 mn (INR 72,388 Lakhs) of contingent consideration payable over 2 years. The Company has re-measured the fair value of the contingent consideration payable to be USD 105.42 mn (INR 87,719 Lakhs), thereby an increase of USD 17.12 mn (INR 14,244 Lakhs). Similarly, the Company has re-measured the fair value of the contingent consideration payable with respect to an earlier acquisition, which has resulted in the change in fair value by USD 3.87 mn (INR 3,222 Lakhs). The above changes in fair value of contingent consideration payable amounting to USD 20.99 mn (INR 17,466 Lakhs) are owing to better financial performance of the acquired entities and are recorded in the Statement of Profit and Loss. The Management has disclosed the above changes in fair value as an 'exceptional item', considering the significance of the amount and its non-recurring nature.

Speaking on the quarterly results **Mr. Samir Dhir, MD & CEO** of the Company said, “We are proud and excited to deliver yet another quarter of Industry-leading growth, despite the macro geo-political issues, economic challenges, and slowdown in tech-spending. Our International services Revenue in USD terms grew **3.5% QoQ** and Domestic Gross contribution grew by **14.2% QoQ**. We are delighted to be adjudged



“**Best Governed Company 2023**” at ICSI national awards for excellence in corporate governance and certified as “**Most preferred Workplace 2023-24**” by Marksmen Daily.”

Speaking on the results **Mr. Sujit Mohanty, MD & CEO** of Sonata Information Technology Limited said,

"We had one of our best quarter's performances delivered in our Domestic Business during the quarter. Our Gross Contribution grew by **14.2 % QoQ** and **25.8 % YoY**. Our Q3 PAT grew by **17.4% YoY**. We had fruitful engagements with our existing customers through targeted GTMs which helped us expand our business from our existing customer base."

Performance Highlights for the quarter:

- **Consolidated:**

- Revenues at ₹ 2,493.4 crores; QoQ growth of 30%
- EBITDA at ₹ 227.2 crores; QoQ growth of 3%
- PAT before exceptional item stood at ₹ 128.5 Crores; QoQ growth of 3%.
- Net Cash and equivalents of approximately ₹ 228 Crores (net of borrowings).

- **International IT Services:**

- Revenues at ₹ 696.8 crores; QoQ growth of 4%
- Revenue in USD at 83.7 Million, QoQ revenue growth of 3.5% & YoY 38.3% in USD terms,
- EBITDA at ₹ 168.5 crores; QoQ growth of 2%
- PAT before exceptional items stood at ₹ 85.9 Crores, QoQ growth of 3%.
- DSO at 45 days (Q2'24: 45 days)
- 13 New Customer added during the quarter
- Overall strategy of delivering outcome-based Modernization services using our Domain-Led and technology-based Modernization anchored by GTMs executed through Platformation™.
- Strong growth from digital based competencies like Managed cloud services and Digital Platformation™ Services (Microsoft & Open source) and focused verticals like TMT, Healthcare & Life Sciences, Manufacturing, Retail / CPG/ TTH, BFSI and Emerging.
- Our pipeline continues to be healthy and strong through multiple new digital wins from existing and new customers.

- **Domestic Products & Services:**

- Revenues at ₹ 1,800.3 crores; QoQ growth of 45%
- Gross contribution at ₹ 71.3 Crs grew by 25.8% YoY.
- EBITDA at ₹ 59.2 crores; QoQ growth of 5%
- PAT at ₹ 42.6 crores; QoQ growth of 5%
- DSO at 36 days (Q2'24: 35 days)



About Sonata Software

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

For further information, please contact:

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