



SONATA SOFTWARE LIMITED



22<sup>nd</sup> May, 2018

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 Sirs,

**SUB: Outcome of Board Meeting**

**REF: Disclosure under Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We write to inform you that at the meeting of the Board of Directors held today, the Board, inter alia, has-

- a) Considered and adopted financial results for the fourth quarter and Audited Financial Results for the financial year ended 31<sup>st</sup> March, 2018. The said results in the prescribed format alongwith Audit Reports are enclosed herewith. A copy of the press release is also enclosed for your reference.
- b) The Independent Audit Reports on the Audited Financial Results of the Company (Standalone and Consolidated) for the financial year ended on 31<sup>st</sup> March, 2018 is with unmodified opinion and the declaration is attached.
- c) The Board of Directors have recommended a Final Dividend of Rs. 6.75 per Equity share (675 % on par value Re. 1/-) for the financial year ended 31<sup>st</sup> March, 2018 and the Final Dividend is payable subject to the approval of shareholders at the forthcoming Annual General Meeting.
- d) Approved to convene the 23<sup>rd</sup> AGM of the Company on Monday, August 13, 2018.



SONATA SOFTWARE LIMITED



The meeting commenced at 12.30 p.m. and concluded at 4.00 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**

**Kundan K. Lal**  
**Company Secretary and Compliance Officer**

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF SONATA SOFTWARE LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **SONATA SOFTWARE LIMITED** ("the Company"), for the year ended March 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors has been compiled from the related standalone financial statements which has been prepared in accordance with the Indian Accounting Standards ('Ind AS') 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 an opinion on the Statement based on our audit of such standalone financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

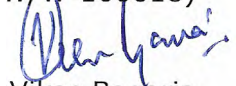
4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the

**Deloitte  
Haskins & Sells LLP**

profit, total comprehensive income and other financial information of the Company for the year ended March 31, 2018.

5. The Statement includes the results for the Quarter ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
6. The previously issued comparative financial information of the Company for the quarter and year ended March 31, 2017 included in this Statement has been prepared after adjusting the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. Adjustments made to the previously issued said comparative financial information to comply with Ind AS, have been audited by us.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Vikas Bagaria  
Partner

(Membership No.60408)

MUMBAI, May 22, 2018

**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

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(₹ in lakhs, except per share data)

**Statement of standalone financial results for the quarter and year ended March 31, 2018**

Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		(Refer Note 2)	(Unaudited)	(Refer Note 2)	(Audited)	(Audited)
1	Revenue from operations	17,962.18	18,028.15	15,001.01	68,850.62	59,260.34
2	Other income	1,097.72	685.05	771.02	4,196.25	3,233.77
3	<b>Total Revenue (1 + 2)</b>	<b>19,059.90</b>	<b>18,713.20</b>	<b>15,772.03</b>	<b>73,046.87</b>	<b>62,494.11</b>
4	<b>Expenses</b>					
	(a) Purchases of Stock-in-trade	856.33	1,503.43	520.63	4,493.68	2,654.42
	(b) Employee benefits expense	9,223.79	9,305.03	7,787.21	36,412.34	30,717.01
	(c) Finance costs	2.31	0.71	15.56	17.12	398.82
	(d) Depreciation and amortization expense	141.27	129.32	107.90	500.44	400.85
	(e) Other expenses	3,185.13	2,782.50	3,377.19	11,848.08	10,970.09
	<b>Total expenses</b>	<b>13,408.83</b>	<b>13,720.99</b>	<b>11,808.49</b>	<b>53,271.66</b>	<b>45,141.19</b>
5	<b>Profit before exceptional items and tax (3 - 4)</b>	<b>5,651.07</b>	<b>4,992.21</b>	<b>3,963.54</b>	<b>19,775.21</b>	<b>17,352.92</b>
6	Exceptional item					
	- Interest income on income tax refund	0.31	-	467.62	48.98	565.07
7	<b>Profit before tax (5 + 6)</b>	<b>5,651.38</b>	<b>4,992.21</b>	<b>4,431.16</b>	<b>19,824.19</b>	<b>17,917.99</b>
8	<b>Tax expense</b>					
	(1) Current tax	1,547.05	1,109.76	1,094.18	4,958.69	4,590.50
	(2) Short provision for tax relating to prior years	-	-	236.48	-	237.58
	(3) Deferred tax	(246.97)	17.23	(9.15)	(262.00)	(239.13)
9	<b>Profit for the period (7 - 8)</b>	<b>4,351.30</b>	<b>3,865.22</b>	<b>3,109.65</b>	<b>15,127.50</b>	<b>13,329.04</b>
10	<b>Other comprehensive income (Refer Note 5)</b>					
	1 (a) Items that will not be reclassified to profit or (loss)	(5.07)	43.08	137.11	(70.44)	(24.95)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	1.25	(10.62)	(33.59)	17.35	6.11
	2 (a) Items that will be reclassified to profit or (loss)	(158.09)	(208.58)	53.52	(397.53)	221.39
	(b) Income tax relating to items that will be reclassified to profit or (loss)	38.95	51.40	(13.11)	97.95	(54.24)
	<b>Total</b>	<b>(122.96)</b>	<b>(124.72)</b>	<b>143.93</b>	<b>(352.67)</b>	<b>148.31</b>
11	<b>Total Comprehensive Income for the period (9 + 10)</b>	<b>4,228.34</b>	<b>3,740.50</b>	<b>3,253.58</b>	<b>14,774.83</b>	<b>13,477.35</b>
12	<b>Paid-up equity share capital (Face Value ₹ 1/-)</b>	<b>1,037.79</b>	<b>1,037.32</b>	<b>1,036.74</b>	<b>1,037.79</b>	<b>1,036.74</b>
13	<b>Earnings per equity share (of ₹1/- each) :</b>					
	(a) Basic	4.19	3.72	3.00	14.57	12.85
	(b) Diluted	4.18	3.72	3.00	14.56	12.85
	See accompanying notes to the financial results					

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(₹ in lakhs)

<b>Balance Sheet</b>				
Sl No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	<b>ASSETS</b>			
1	<b>NON-CURRENT ASSETS</b>			
	(a) Property, plant and equipment	1,756.52	1,615.83	1,649.94
	(b) Capital work-in-progress	26.81	40.91	27.99
	(c) Goodwill	281.92	281.91	281.92
	(d) Other intangible assets	-	0.10	0.12
	(e) Financial assets			
	(i) Investments	9,616.90	2,561.01	2,919.65
	(ii) Other financial assets	1,236.01	1,223.31	1,082.42
	(f) Deferred tax assets (net)	1,056.02	678.71	557.37
	(g) Other non-current assets	2,928.42	3,948.58	3,560.30
		<b>16,902.60</b>	<b>10,350.36</b>	<b>10,079.71</b>
2	<b>CURRENT ASSETS</b>			
	(a) Financial assets			
	(i) Investments	10,295.11	10,992.41	8,066.37
	(ii) Trade receivables	18,482.71	16,008.37	12,451.97
	(iii) Cash and cash equivalents	11,626.65	2,446.19	1,845.05
	(iv) Bank balances other than (iii) above	939.15	11,251.28	17,087.62
	(v) Loans	-	-	195.00
	(vi) Other financial assets	2,145.52	3,440.32	2,429.40
	(b) Other current assets	513.20	702.66	607.18
		<b>44,002.34</b>	<b>44,841.23</b>	<b>42,682.59</b>
	<b>TOTAL - ASSETS</b>	<b>60,904.94</b>	<b>55,191.59</b>	<b>52,762.30</b>
	<b>EQUITY AND LIABILITIES</b>			
3	<b>EQUITY</b>			
	(a) Equity share capital	1,037.79	1,036.74	1,035.99
	(b) Other equity	48,104.72	45,778.69	36,272.87
		<b>49,142.51</b>	<b>46,815.43</b>	<b>37,308.86</b>
	<b>LIABILITIES</b>			
4	<b>NON-CURRENT LIABILITIES</b>			
	(a) Non-current liabilities	772.40	622.71	401.77
		<b>772.40</b>	<b>622.71</b>	<b>401.77</b>
5	<b>CURRENT LIABILITIES</b>			
	(a) Financial liabilities			
	(i) Borrowings	-	-	9,651.28
	(ii) Trade payables	5,771.84	3,855.86	3,235.65
	(iii) Other financial liabilities	515.69	198.58	223.74
	(b) Other current liabilities	1,310.48	1,297.68	957.58
	(c) Provisions	990.14	708.36	643.23
	(d) Current tax liabilities (net)	2,401.88	1,692.97	340.19
		<b>10,990.03</b>	<b>7,753.45</b>	<b>15,051.67</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>60,904.94</b>	<b>55,191.59</b>	<b>52,762.30</b>

**Notes to standalone financial results for the quarter and year ended March 31, 2018:**

- The Company has adopted Indian Accounting Standards (Ind AS) effective April 1, 2017 and accordingly, these standalone financial results have been prepared as per the recognition and measurement principles laid down in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2016 as the transition date. Ind AS 101 required that all Indian Accounting Standards and interpretations that are effective for the Ind AS financial statements for the quarter and year ended March 31, 2018 be applied consistently and retrospectively for all fiscal years presented. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Indian GAAP as at the transition date have been recognized directly in equity.
- The figures for the quarter ended March 31, 2018 and March 31, 2017, are balancing figures arrived at based on audited results of the full financial year and published year to date unaudited figures for nine months ended December 31, 2017 and December 31, 2016 respectively.

- 3 Reconciliation between equity as previously reported (referred to as previous GAAP) and Ind AS, is as under:

Particulars	(₹ in lakhs)	
	As at March 31, 2017	As at April 1, 2016
<b>As reported under previous GAAP</b>	45,615.85	36,035.34
Effect on consolidation of Sonata Employee Welfare Trust	537.32	384.56
Goodwill on acquisition of Business	146.75	90.52
Fair value changes with regard to investment in preference shares	(40.92)	595.47
Effect of discounting of security deposits	(5.39)	(2.40)
Fair valuation of Mutual funds	1,012.13	788.67
Fair valuation of forward contracts	(55.71)	(72.95)
Tax impact on above adjustments	(394.60)	(510.35)
<b>Equity as per Ind AS</b>	<b>46,815.43</b>	<b>37,308.86</b>

- 4 Reconciliation between standalone financial results as previously reported (referred to as previous GAAP) and Ind AS, is as under:

Particulars	(₹ in lakhs)	
	For the quarter ended March 31, 2017	For the year ended March 31, 2017
<b>Net profit as per previous GAAP</b>	3,216.67	13,723.35
Employee benefit expenses:		
- Actuarial (gain)/loss on defined benefit plans considered under Other Comprehensive Income	(137.11)	24.95
- Share based payment expense	(17.42)	(60.41)
Accounting for excess of expenditure over income, upon consolidation of Sonata Employee Welfare Trust	43.61	41.13
Unwinding of finance component of security deposits	(0.65)	(2.99)
Fair valuation of current investments	62.69	223.46
Fair valuation of forward contracts	(106.19)	(476.45)
Exchange differences in translation of foreign operations	43.91	272.31
Reversal of goodwill amortization	13.86	56.23
Loss on account of redemption of preference shares	-	(277.78)
Fair value changes with regard to investment in preference shares	(59.28)	(358.60)
Tax impact on the above adjustments	49.56	163.84
<b>Profit for the period as per Ind AS</b>	<b>3,109.65</b>	<b>13,329.04</b>

- 5 Other Comprehensive Income includes :

Particulars	(₹ in lakhs)	
	For the quarter ended March 31, 2017	For the year ended March 31, 2017
1) Items that will not be reclassified to profit or loss :		
- Actuarial (gain)/loss on defined benefit plans (gratuity)	137.11	(24.95)
Tax impact on the above	(33.59)	6.11
	<b>103.52</b>	<b>(18.84)</b>
2) Items that will be reclassified to profit or loss :		
- Mark to market (MTM) impact on forward contracts (net)	97.43	493.89
- Exchange differences in translation of foreign operations	(43.91)	(272.50)
Tax impact on the above	(13.11)	(54.24)
	<b>40.41</b>	<b>167.15</b>
<b>Total</b>	<b>143.93</b>	<b>148.31</b>

- 6 The Company operates in a single segment i.e "International Software Service Exports". Accordingly, segment results are not presented.

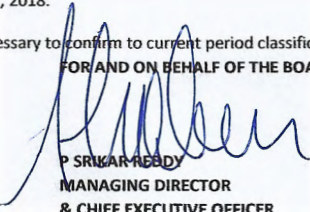
- 7 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 22, 2018.

- 8 The Board of Directors recommended a final dividend of Rs 6.75 (675% on par value of Rs 1/-) per equity share for the financial year ended March 31, 2018. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

- 9 The Register of Members and Share Transfer Books will remain closed from Monday, 6th August, 2018 to Monday, 13th August, 2018 (both days inclusive). The Annual General Meeting has been scheduled to be held on 13th August, 2018.

- 10 Previous year figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

  
P SRIKAR REDDY  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE OFFICER

Place: Mumbai  
Date: May 22, 2018



## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF SONATA SOFTWARE LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **SONATA SOFTWARE LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the year ended March 31, 2018 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Parent's Management and is approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards ('Ind AS'), 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 an opinion on the Statement based on our audit of such consolidated financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained other auditors in terms of their reports referred to in paragraph 5 below, is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of subsidiaries, referred to in paragraph 5 below, the Statement:
  - a. includes the results of the following entities:
    - Sonata Information Technology Limited
    - Sonata Software North America Inc
    - Rezopia Inc.
    - Halosys Technologies Inc.





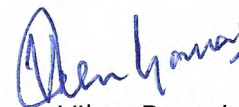
Interactive Business Information Systems Inc.  
Sonata Software GmbH  
Sonata Software FZ- LLC, Dubai  
Sonata Europe Limited  
Sonata (Qatar) LLC, Qatar

- b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Group for the year ended March 31, 2018.
5. We did not audit the financial statements of three subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 8,299 lakhs as at March 31, 2018, total revenues of Rs. 6,877 lakhs, total profit after tax of Rs. 1,020 lakhs and total comprehensive income of Rs. 1,020 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

6. The Statement includes the results for the Quarter ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
7. The comparative financial information of the Group for the quarter and year ended March 31, 2017, have been prepared after adjusting the previously issued consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. Adjustments made to the previously issued consolidated financial information to comply with Ind AS have been audited by us.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Vikas Bagaria  
Partner  
(Membership No.60408)

MUMBAI, May 22, 2018

**SONATA SOFTWARE LIMITED**

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(₹ in lakhs, except per share data)

Statement of consolidated financial results for the quarter and year ended March 31, 2018						
Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		(Refer Note 2)	(Unaudited)	(Refer Note 2)	(Audited)	(Audited)
1	Revenue from operations	62,580.39	76,674.64	68,576.37	245,394.18	237,077.61
2	Other income	1,187.65	651.57	939.08	4,545.28	4,711.83
3	<b>Total Revenue (1 + 2)</b>	<b>63,768.04</b>	<b>77,326.21</b>	<b>69,515.45</b>	<b>249,939.46</b>	<b>241,789.44</b>
4	<b>Expenses</b>					
	(a) Purchases of Stock-in-trade	37,396.84	51,709.42	44,769.20	148,807.35	148,832.74
	(b) Changes in inventories of Stock-in-Trade	3.10	(3.10)	1,859.63	-	1,000.90
	(c) Employee benefits expense	12,875.10	13,118.04	11,614.54	51,373.85	45,598.63
	(d) Finance costs	97.95	90.56	116.65	480.52	928.34
	(e) Depreciation and amortization expense	297.90	314.10	323.71	1,240.70	1,087.69
	(f) Other expenses	5,950.85	5,345.24	6,247.64	22,114.86	22,491.19
	<b>Total expenses</b>	<b>56,621.74</b>	<b>70,574.26</b>	<b>64,931.37</b>	<b>224,017.28</b>	<b>219,939.49</b>
5	<b>Profit before exceptional items and tax (3 - 4)</b>	<b>7,146.30</b>	<b>6,751.95</b>	<b>4,584.08</b>	<b>25,922.18</b>	<b>21,849.95</b>
6	Exceptional item					
	- Interest income on income tax refund	0.31	-	563.39	114.73	771.93
7	<b>Profit before tax (5 + 6)</b>	<b>7,146.61</b>	<b>6,751.95</b>	<b>5,147.47</b>	<b>26,036.91</b>	<b>22,621.88</b>
8	<b>Tax expense</b>					
	(1) Current tax	1,975.73	1,797.57	1,486.08	7,124.79	6,620.31
	(2) Short provision for tax relating to prior years	-	-	179.51	-	180.61
	(2) Deferred tax	(257.90)	22.73	(182.02)	(301.36)	129.35
9	<b>Profit for the period (7 - 8)</b>	<b>5,428.78</b>	<b>4,931.65</b>	<b>3,663.90</b>	<b>19,213.48</b>	<b>15,691.61</b>
10	<b>Other comprehensive income (Refer Note 5)</b>					
	1 (a) Items that will not be reclassified to profit or (loss)	(2.95)	18.28	154.51	(99.35)	(14.46)
	(b) Income tax relating to items that will not be reclassified to profit or (loss)	0.72	(4.48)	(37.85)	24.34	3.54
	2 (a) Items that will be reclassified to profit or (loss)	(8.17)	(229.01)	87.66	(295.69)	(521.48)
	(b) Income tax relating to items that will be reclassified to profit or (loss)	2.00	56.11	(21.48)	72.44	127.76
	<b>Total</b>	<b>(8.40)</b>	<b>(159.10)</b>	<b>182.84</b>	<b>(298.26)</b>	<b>(404.64)</b>
11	<b>Total Comprehensive Income for the period (9 + 10)</b>	<b>5,420.38</b>	<b>4,772.55</b>	<b>3,846.74</b>	<b>18,915.22</b>	<b>15,286.97</b>
	Of the Total Comprehensive Income above, total comprehensive income attributable to:					
	Owners of the parent	5,476.03	4,772.24	3,763.98	18,954.98	15,225.29
	Non - controlling interest	(55.65)	0.31	82.76	(39.76)	61.68
		<b>5,420.38</b>	<b>4,772.55</b>	<b>3,846.74</b>	<b>18,915.22</b>	<b>15,286.97</b>
	Of the Total Comprehensive Income above, Profit for the period attributable to:					
	Owners of the parent	5,484.43	4,931.34	3,581.14	19,253.24	15,629.93
	Non - controlling interest	(55.65)	0.31	82.76	(39.76)	61.68
		<b>5,428.78</b>	<b>4,931.65</b>	<b>3,663.90</b>	<b>19,213.48</b>	<b>15,691.61</b>
	Of the Total Comprehensive Income above, Other Comprehensive Income for the period attributable to:					
	Owners of the parent	(8.40)	(159.10)	182.84	(298.26)	(404.64)
	Non - controlling interest	-	-	-	-	-
		<b>(8.40)</b>	<b>(159.10)</b>	<b>182.84</b>	<b>(298.26)</b>	<b>(404.64)</b>
12	<b>Paid-up equity share capital (Face Value ₹ 1/-)</b>	<b>1,037.79</b>	<b>1,037.32</b>	<b>1,036.74</b>	<b>1,037.79</b>	<b>1,036.74</b>
13	<b>Earnings per equity share (of ₹ 1/- each) :</b>					
	(a) Basic	5.28	4.75	3.45	18.54	15.07
	(b) Diluted	5.27	4.75	3.45	18.53	15.07
	See accompanying notes to the consolidated financial results					

**SONATA SOFTWARE LIMITED**

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 Corporate Office: 1/4, A.P.S Trust Building, Bull Temple Road, N.R. Colony, Bangalore - 560 019  
 CIN - L72200MH1994PLC082110  
 www.sonata-software.com, Tel : +91-080-67781999 Fax : +91-080-26601387, investor@sonata-software.com

(₹ in lakhs)

<b>Balance Sheet</b>				
Sl No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	<b>ASSETS</b>			
1	<b>NON-CURRENT ASSETS</b>			
	(a) Property, plant and equipment	2,314.61	2,368.02	2,499.24
	(b) Capital work-in-progress	28.38	42.48	28.66
	(c) Goodwill	8,067.40	8,028.94	8,202.50
	(d) Intangible assets	1,008.59	1,431.48	1,538.76
	(e) Financial assets			
	(i) Investments	6,845.04	5.96	3.61
	(ii) Other financial assets	2,116.61	1,433.62	1,197.50
	(f) Deferred tax assets (net)	1,244.44	454.17	519.45
	(g) Other non-current assets	6,363.07	6,582.73	5,320.05
	<b>Total</b>	<b>27,988.14</b>	<b>20,347.40</b>	<b>19,309.77</b>
2	<b>CURRENT ASSETS</b>			
	(a) Financial assets			
	(i) Investments	12,996.67	12,792.73	6,013.12
	(ii) Inventories	-	-	1,000.90
	(iii) Trade receivables	39,644.50	51,991.25	35,111.24
	(iv) Cash and cash equivalents	33,406.31	8,099.62	7,225.64
	(v) Bank balances other than (iv) above	1,313.41	17,204.74	22,678.48
	(vi) Other financial assets	4,405.54	6,013.29	4,466.47
	(b) Other current assets	3,601.71	3,320.43	3,532.23
	<b>Total current assets</b>	<b>95,368.14</b>	<b>99,422.06</b>	<b>80,028.08</b>
	<b>TOTAL ASSETS</b>	<b>123,356.28</b>	<b>119,769.46</b>	<b>99,337.85</b>
	<b>EQUITY AND LIABILITIES</b>			
3	<b>EQUITY</b>			
	(a) Equity share capital	1,037.79	1,036.74	1,035.99
	(b) Other equity	64,292.84	58,002.94	46,619.03
	(c) Non-controlling interest	(4.17)	35.59	(10.11)
	<b>Total</b>	<b>65,326.46</b>	<b>59,075.27</b>	<b>47,644.91</b>
	<b>LIABILITIES</b>			
4	<b>NON-CURRENT LIABILITIES</b>			
	(a) Financial liabilities			
	(i) Borrowings	1,868.21	3,357.08	5,222.71
	(ii) Other Financial Liabilities	243.12	483.17	489.79
	(b) Other non-current liabilities	1,025.14	921.38	755.08
	<b>Total non-current liabilities</b>	<b>3,136.47</b>	<b>4,761.63</b>	<b>6,467.58</b>
5	<b>CURRENT LIABILITIES</b>			
	(a) Financial liabilities			
	(i) Borrowings	-	177.59	11,905.32
	(ii) Trade payables	43,225.95	44,824.54	26,546.45
	(iii) Other Financial Liabilities	2,034.52	2,157.54	679.05
	(b) Other current liabilities	4,205.44	5,324.41	3,605.80
	(c) Provisions	1,437.05	1,164.09	1,033.82
	(d) Current tax liabilities (net)	3,990.39	2,284.39	1,454.92
	<b>Total current liabilities</b>	<b>54,893.35</b>	<b>55,932.56</b>	<b>45,225.36</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>123,356.28</b>	<b>119,769.46</b>	<b>99,337.85</b>

**Notes to consolidated financial results for the quarter and year ended March 31, 2018:**

- The Company has adopted Indian Accounting Standards (Ind AS) effective April 1, 2017 and accordingly, these consolidated financial results have been prepared as per the recognition and measurement principles laid down in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2016 as the transition date. Ind AS 101 required that all Indian Accounting Standards and interpretations that are effective for the Ind AS financial statements for the quarter and year ended March 31, 2018 be applied consistently and retrospectively for all fiscal years presented. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Indian GAAP as at the transition date have been recognized directly in equity.
- The figures for the quarter ended March 31, 2018 and March 31, 2017, are balancing figures arrived at based on audited results of the full financial year and published year to date unaudited figures for nine months ended December 31, 2017 and December 31, 2016 respectively.

3 Reconciliation between equity as previously reported (referred to as previous GAAP) and Ind AS, is as under:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at April 1, 2016
<b>As reported under previous GAAP</b>	58,459.01	47,099.25
Effect on consolidation of Sonata Employee Welfare Trust	537.34	384.57
Fair valuation of contingent consideration of subsidiary (net)	27.68	39.26
Effect on account of business combination	(86.03)	255.86
Fair valuation of investments in equity instruments	5.65	3.30
Effect of discounting of security deposits	(5.48)	(2.47)
Fair valuation of mutual funds	1,012.13	788.67
Fair valuation of forward contracts	(56.27)	(81.58)
Tax impact on above adjustments	(818.76)	(841.95)
<b>Equity as per Ind AS</b>	<b>59,075.27</b>	<b>47,644.91</b>

4 Reconciliation between consolidated financial results as previously reported (referred to as previous GAAP) and Ind AS, is as under:

(₹ in lakhs)

Particulars	For the quarter ended	For the year ended
	March 31, 2017	March 31, 2017
<b>Net profit as per previous GAAP</b>	4,042.53	15,372.45
Employee benefit expenses:		
- Actuarial (gain)/loss on defined benefit plans considered under Other Comprehensive Income	(154.51)	14.46
- Share based payment expense	(17.42)	(60.41)
Accounting for excess of expenditure over income, upon consolidation of Sonata Employee Welfare Trust	43.61	41.13
Unwinding of finance component of security deposits	(0.65)	(3.02)
Fair Valuation of current investments	62.87	225.81
Fair valuation of forward contracts	(81.30)	(468.38)
Exchange differences in translation of foreign operations	(335.40)	858.28
Interest unwinding of contingent consideration payable to shareholders	(6.09)	(22.94)
Amortization of intangibles recognized	(38.48)	(157.64)
Tax impact on the above adjustments	148.74	(108.13)
<b>Profit for the period as per Ind AS</b>	<b>3,663.90</b>	<b>15,691.61</b>

5 Other Comprehensive Income includes :

(₹ in lakhs)

Particulars	For the quarter ended	For the year ended
	March 31, 2017	March 31, 2017
1) Items that will not be reclassified to profit or loss :		
- Actuarial (gain)/loss on defined benefit plans (gratuity)	154.51	(14.46)
Tax impact on the above	(37.85)	3.54
	116.66	(10.92)
2) Items that will be reclassified to profit or loss :		
- Mark to market (MTM) impact on forward contracts (net)	97.44	493.69
- Exchange differences in translation of foreign operations & goodwill restatement	(9.78)	(1,015.17)
Tax impact on the above	(21.48)	127.76
	66.18	(393.72)
<b>Total</b>	<b>182.84</b>	<b>(404.64)</b>

6 Consolidated financial results include subsidiaries i.e, Sonata Information Technology Limited, Sonata Software North America Inc., Rezopia Inc., Halosys Technologies Inc., Interactive Business Information Systems Inc. (IBIS), Sonata Software GmbH, Sonata Europe Limited, Sonata Software FZ-LLC and Sonata Software (Qatar) LLC.

7 The above consolidated financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 22, 2018.

8 The Board of Directors recommended a final dividend of Rs 6.75 (675 % on par value of Rs 1) per equity share for the financial year ended March 31, 2018. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

9 The Register of Members and Share Transfer Books will remain closed from Monday, 6th August, 2018 to Monday, 13th August, 2018 (both days inclusive). The Annual General Meeting has been scheduled to be held on 13th August, 2018.

10 The consolidated segment wise revenue and results are as follows :

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
	(Refer Note 2)	(Unaudited)	(Refer Note 2)	(Audited)	(Audited)
<b>1. Segment revenue</b>					
a. India	37,876.58	50,245.59	49,557.83	148,943.20	160,673.56
b. Other than India	25,165.35	26,897.19	19,458.07	98,607.94	78,600.16
<b>Total</b>	<b>63,041.93</b>	<b>77,142.78</b>	<b>69,015.90</b>	<b>247,551.14</b>	<b>239,273.72</b>
Less : Inter segment revenue	461.54	468.14	439.53	2,156.96	2,196.11
<b>Revenue from operations</b>	<b>62,580.39</b>	<b>76,674.64</b>	<b>68,576.37</b>	<b>245,394.18</b>	<b>237,077.61</b>
<b>2. Segment results</b>					
Profit before tax and interest					
a. India	1,110.75	1,025.66	921.52	3,978.25	4,269.33
b. Other than India	5,635.50	5,641.22	3,184.83	20,818.60	16,072.19
<b>Total</b>	<b>6,746.25</b>	<b>6,666.88</b>	<b>4,106.35</b>	<b>24,796.85</b>	<b>20,341.52</b>
Less: Finance costs	97.95	90.56	116.65	480.52	928.34
Add: Unallocable income net of unallocable expenditure	498.00	175.63	594.37	1,605.85	2,436.77
<b>3. Profit before tax and exceptional item</b>	<b>7,146.30</b>	<b>6,751.95</b>	<b>4,584.08</b>	<b>25,922.18</b>	<b>21,849.95</b>
Exceptional item					
- Interest Income on income tax refund	0.31	-	563.39	114.73	771.93
<b>4. Profit before tax</b>	<b>7,146.61</b>	<b>6,751.95</b>	<b>5,147.47</b>	<b>26,036.91</b>	<b>22,621.88</b>

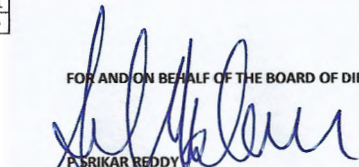
(₹ in lakhs)

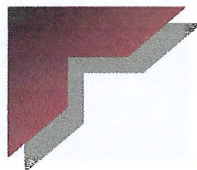
Particulars	As at March 31, 2018	As at March 31, 2017
<b>5. Segment assets</b>		
a. India	46,887.15	51,285.22
b. Other than India	61,310.73	53,387.53
c. Unallocable	15,158.40	15,096.71
<b>Total Assets</b>	<b>123,356.28</b>	<b>119,769.46</b>
<b>6. Segment liabilities</b>		
a. India	38,673.76	43,345.26
b. Other than India	11,979.82	9,531.02
c. Unallocable	7,376.23	7,817.91
<b>Total Liabilities</b>	<b>58,029.81</b>	<b>60,694.19</b>

11 Previous year figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

Place : Mumbai  
Date : May 22, 2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

  
P. SRIKAR REDDY  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE OFFICER



**Sonata Software - Consolidated Q4 FY18 PAT at ₹ 54.8 Crores; 53% YoY growth and Board has recommended final dividend of ₹ 6.75 per share at its meeting held today.**

Mumbai, May 22, 2018

Sonata Software, a global IT services and technology solutions company, today reported its audited financial results for its 4<sup>th</sup> quarter ended 31<sup>st</sup> March 2018.

Description	in ₹ Crores							
	For the Quarter ended					For the Year ended		
	31-Mar-18	31-Dec-17	QoQ	31-Mar-17	YoY	31-Mar-18	31-Mar-17	YoY
<b>Revenues</b>								
International IT Services	241.8	240.8	0%	207.1	17%	928.5	821.8	13%
Domestic- Products & Services	388.7	530.3	-27%	486.1	-20%	1,546.8	1,577.4	-2%
Consolidated	625.8	766.7	-18%	685.8	-9%	2,453.9	2,370.8	4%
<b>EBITDA</b>								
International IT Services	59.8	56.8	5%	41.9	43%	219.1	190.9	15%
Domestic- Products & Services *	15.8	15.4	2%	14.1	12%	60.4	58.3	4%
Consolidated *	75.4	71.6	5%	55.9	35%	277.6	246.4	13%
<b>PAT</b>								
International IT Services	45.1	40.1	12%	27.3	65%	156.7	122.6	28%
Domestic- Products & Services	9.7	9.2	6%	8.5	13%	35.8	33.7	6%
Consolidated	54.8	49.3	11%	35.8	53%	192.5	156.3	23%
* Includes "exceptional Item" Interest income received on Income-Tax refund of ₹ 1.14 crore in FY2017-18 (of which Domestic relates to ₹ 0.65 crore and balance ₹ 0.49 crore relates to International) and ₹ 7.70 crores in FY2016-17 (of which Domestic relates to ₹ 2.00 crore and balance ₹ 5.70 crore relates to International)								

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

“We are extremely satisfied with the progress we have made in the financial year. The results are a reflection that the strategy we are executing of being a digital transformation partner to our clients and implementing our proprietary Platformation™ model of digitising business by creating open scalable networked and intelligent digital platforms has obtained a solid endorsement from our clients and partners. We continue to build new technology capabilities in the area of RPA, AI ML, IOT, Block Chain and Cyber Security and invest in our core digital platforms Brick and Click Retail, Rezopia Travel, Modern Distribution, Halosys Mobility and Kartopia Ecommerce.”



### Performance Highlights for the quarter:

- **Consolidated:**

- Revenues at ₹625.8 Crores;
- EBITDA at ₹75.4 Crores : growth of 5% QoQ;
- PAT at ₹54.8 Crores : growth of 11% QoQ;
- Cash and equivalents of approximately ₹509 Crores (net of borrowings).

- **International IT Services:**

- Revenues at ₹241.8 crores;
- EBITDA at ₹59.8 Crores : growth of 5% QoQ;
- PAT at ₹45.1 Crores : growth of 12% QoQ;
- Addition of 12 new customers.

- **Domestic Products & Services :**

- Revenues at ₹388.7 crores;
- EBITDA at ₹15.8 Crores : growth of 2% QoQ;
- PAT at ₹9.7 Crores : growth of 6% QoQ;

### 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, 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© and Halosys Mobility Platform©, best in class capabilities on ISV digital technology platforms such as Microsoft Dynamics 365, Microsoft Azure, SAP Hybris, Cloud Engineering and Managed Services, as well as new digital applications like IoT, Artificial Intelligence, Machine Learning, Robotic Process Automation, Chatbots, Block Chain and Cyber Security. Sonata's people and systems are nurtured to bring together the depth of thought leadership, customer commitment and execution excellence to make a difference to business with technology.

### For further information, please contact:

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SONATA SOFTWARE LIMITED



22<sup>nd</sup> May, 2018

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 Sirs,

**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 Deloitte Haskins & Sells, LLP, (FRN -117366W), Statutory Auditors of the Company, have issued Independent Audit Reports with unmodified opinion on the Standalone and Consolidated financial results for the year ended March 31, 2018.

This declaration is provided pursuant to Regulation 33 (3) (d) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on record.

Thanking you,

For Sonata Software Limited

Prasanna Oke  
Chief Financial Officer