



SONATA SOFTWARE LIMITED



8th August, 2016

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th Floor
Bandra Kurla Complex
Bandra (E) Mumbai – 400 051
Stock Code - SONATSOFTW

BSE Limited
Listing Department
P.J. Towers, Dalal Street
Mumbai 400 001
Stock Code - 532221

Dear Sir/Madam,

SUB: UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2016

With reference to the above, we wish to inform you that the Unaudited Financial Results for the quarter ended 30th June, 2016 were considered and adopted by the Board in the meeting held on 8th August, 2016.

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) together with Limited Review Report from our Statutory Auditors for the quarter ended 30th June, 2016. The meeting of the Board of Directors of the Company commenced at 12.00 p.m. and concluded at 2.00 p.m.

A copy of the press release is enclosed for your reference.

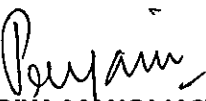
Also note that the aforesaid information will be available on our website www.sonata-software.com

Kindly take the same on record.

Thanking you,

Very truly yours,

For SONATA SOFTWARE LIMITED


PRIYA MANOJ JASWANI
COMPANY SECRETARY

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

TO THE BOARD OF DIRECTORS OF SONATA SOFTWARE LIMITED

1. We have reviewed the accompanying Statement of standalone unaudited financial results of **SONATA SOFTWARE LIMITED** ("the Company") for the quarter ended June 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), 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 issue a report on the Statement based on our review.
2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)



V. Srikumar
Partner

(Membership No. 84494)

MUMBAI, August 08, 2016
VS/ TSV/ 2016

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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Part I

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(₹ in lakhs)

Statement of standalone unaudited financial results for the quarter ended June 30, 2016

Sl No.	Particulars	Three months ended June 30, 2016	Preceding three months ended March 31, 2016	Corresponding three months ended June 30, 2015	Year ended March 31, 2016
		Unaudited	Audited (Refer Note 2)	Unaudited	Audited
1	Income from operations				
	(a) Net sales/income from operations	13,908.33	14,354.79	11,761.69	50,433.14
	(b) Other operating income	32.66	19.76	6.76	47.27
	Total income from operations (net)	13,940.99	14,374.55	11,768.45	50,480.41
2	Expenses				
	(a) Purchase of stock-in-trade	350.39	-	142.87	142.87
	(b) Employee benefits expense	7,452.51	7,089.23	7,123.61	28,642.48
	(c) Depreciation and amortisation expense	107.26	139.03	100.10	436.81
	(d) Other expenses	2,525.94	2,411.55	2,115.70	8,896.90
	(e) Net exchange loss/(gain)	(679.80)	(58.70)	(427.21)	(956.64)
	Total expenses	9,756.30	9,581.11	9,055.07	37,162.42
3	Profit from operations before other income, finance costs and exceptional item	4,184.69	4,793.44	2,713.38	13,317.99
4	Other income	451.81	1,003.68	599.63	2,936.91
5	Profit from ordinary activities before finance costs and exceptional item	4,636.50	5,797.12	3,313.01	16,254.90
6	Finance costs	285.26	98.08	81.83	390.62
7	Profit from ordinary activities after finance costs but before exceptional item	4,351.24	5,699.04	3,231.18	15,864.28
8	Exceptional item				
	Interest income on income tax refund	97.45	-	-	-
9	Profit from ordinary activities before tax	4,448.69	5,699.04	3,231.18	15,864.28
10	Tax expense	971.35	1,528.23	867.33	4,119.83
11	Net profit from ordinary activities after tax	3,477.34	4,170.81	2,363.85	11,744.45
12	Paid-up equity share capital (Face Value ₹ 1/-)	1,051.59	1,051.59	1,051.59	1,051.59
13	Reserve excluding revaluation reserves as per balance sheet of previous accounting year				34,983.74
14	Earnings per share (of ₹ 1/- each) (not annualised):				
	Basic and Diluted	3.31	3.97	2.25	11.17
	See accompanying notes to the financial results				

Notes:

- The above standalone unaudited financial results of the Company have been prepared in accordance with the measurement and recognition principles laid down in Accounting Standard 25 "Interim Financial Reporting" (AS - 25) prescribed under Section 133 of the Companies Act, 2013 and has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 08, 2016.
- The figures for the quarter ended March 31, 2016 are balancing figures arrived at based on audited results of the full financial year ended March 31, 2016 and published year to date unaudited figures for nine months ended December 31, 2015.
- Exceptional item for the quarter ended June 30, 2016 represents interest on Income Tax refund of ₹ 97.45 lakhs.
- The Company operates in a single Segment viz. International Software Service exports. Accordingly, segment results are not presented.
- Previous period figures have been regrouped/reclassified wherever necessary to confirm to current period classification.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Place : Mumbai
Date : 08th August, 2016

P SRIKAR REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM 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 Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), 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 issue a report on the Statement based on our review.
2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
- 3(i). The Statement includes the results of the following subsidiaries:
 - a. Sonata Information Technology Limited
 - b. Sonata Software North America Inc.
 - c. Sonata Software GmbH
 - d. Sonata Europe Limited
 - e. Sonata Software FZ- LLC
 - f. Sonata Software (Qatar) LLC
 - g. Rezopia Inc.
 - h. Halosys Technologies Inc. and
 - i. Interactive Business Information System Inc.
- 3(ii). We did not review the interim financial information of a subsidiary whose interim financial information reflect total revenues of ₹ 60.79 lakhs for the quarter ended June 30, 2016 and total profit/ (loss) after tax of ₹ 9.31 lakhs for the quarter ended June 30, 2016, as considered in the consolidated unaudited financial results. This interim financial information have been reviewed by other auditor whose report has been furnished to us by the Management and our report on the

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Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor.

4. Based on our review conducted as stated above and based on the consideration of the report of the other auditor referred to in paragraph 3(ii) above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)



V. Srikumar
Partner
(Membership No. 84494)

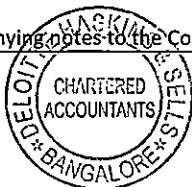
MUMBAI, August 8, 2016
VS/TSV/2016

SONATA SOFTWARE LIMITED

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Part I					
Statement of consolidated unaudited financial results for the quarter ended June 30, 2016					
SI No.	Particulars	Three months ended June 30, 2016	Preceding three months ended March 31, 2016	Corresponding three months ended June 30, 2015	Year ended March 31, 2016
		Unaudited	Audited (Refer Note 2)	Unaudited	Audited
1	Income from operations				
	(a) Net sales/income from operations	67,701.00	54,043.92	47,877.75	193,851.93
	(b) Other operating income	77.90	50.58	38.33	198.21
	Total income from operations (net)	67,778.90	54,094.50	47,916.08	194,050.14
2	Expenses				
	(a) Purchase of stock-in-trade	48,028.23	31,621.25	29,751.88	116,266.65
	(b) Changes in inventories of stock-in-trade	(1,591.86)	1,665.32	119.12	(267.59)
	(c) Employee benefits expense	11,136.97	11,032.18	9,711.20	40,978.37
	(d) Depreciation and amortisation expense	199.13	218.38	124.52	616.25
	(e) Other expenses	5,814.62	5,161.34	4,171.33	17,883.11
	(f) Net exchange loss/(gain)	(364.58)	(389.21)	(700.89)	(1,464.63)
	Total expenses	63,222.51	49,309.26	43,177.16	174,012.16
3	Profit from operations before other income, finance costs and exceptional item	4,556.39	4,785.24	4,738.92	20,037.98
4	Other income	881.51	1,032.41	488.90	2,913.58
5	Profit from ordinary activities before finance costs and exceptional item	5,437.90	5,817.65	5,227.82	22,951.56
6	Finance costs	423.66	244.98	151.88	794.95
7	Profit from ordinary activities after finance costs but before exceptional item	5,014.24	5,572.67	5,075.94	22,156.61
8	Exceptional item				
	Interest income on income tax refund	208.54	-	272.03	368.04
9	Profit from ordinary activities before tax	5,222.78	5,572.67	5,347.97	22,524.65
10	Tax expense	1,540.08	1,489.62	1,527.85	6,665.55
11	Net profit from ordinary activities after tax	3,682.70	4,083.05	3,820.12	15,859.10
12	Minority interest	-	-	-	-
13	Net profit after taxes and minority interest	3,682.70	4,083.05	3,820.12	15,859.10
14	Paid-up equity share capital (Face Value ₹ 1/-)	1,051.59	1,051.59	1,051.59	1,051.59
15	Reserve excluding revaluation reserves as per balance sheet of previous accounting year				46,047.65
16	Earnings per share (of ₹ 1/- each) (not annualised):				
	Basic and Diluted	3.50	3.88	3.63	15.08
See accompanying notes to the Consolidated financial results					



- 1 The above consolidated unaudited financial results of the Group have been prepared in accordance with the measurement and recognition principles laid down in Accounting Standard 25 "Interim Financial Reporting" (AS - 25) prescribed under Section 133 of the Companies Act, 2013 and has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 08, 2016.
- 2 The figures for the quarter ended March 31, 2016, are balancing figures arrived at based on audited results of the full financial year ended March 31, 2016 and published year to date unaudited figures for nine months ended December 31, 2015.
- 3 Consolidated unaudited financial results include subsidiaries i.e, Sonata Information Technology Limited, Sonata Software North America Inc., Rezopia, Inc., Halosys Technologies Inc. (w.e.f September 11, 2015), Interactive Business Information Systems, Inc. (IBIS) (w.e.f November 18, 2015), Sonata Software GmbH, Sonata Europe Limited, Sonata Software FZ-LLC and Sonata Software (Qatar) LLC.
The figures for current quarter are inclusive of Halosys Technologies Inc. and Interactive Business Information Systems, Inc. (IBIS) and hence figures of the current quarter and of corresponding three months ended June 30, 2015 are not comparable.
- 4 Exceptional item for the quarter ended June 30, 2016 represents interest on Income Tax refund of ₹ 97.45 lakhs of Sonata Software Limited and ₹ 111.09 lakhs of Sonata Information Technology Limited.
- 5 The consolidated segment wise revenue and results for the quarter ended June 30, 2016 are as follows :

Particulars	(₹ in lakhs)			
	Three months ended June 30, 2016	Preceding three months ended March 31, 2016	Corresponding three months ended June 30, 2015	Year ended March 31, 2016
	Unaudited	Audited (Refer Note 2)	Unaudited	Audited
1. Segment revenue				
a. India	50,131.93	36,966.69	33,170.63	129,558.46
b. Other than India	18,367.37	17,498.58	15,297.97	66,137.57
Total	68,499.30	54,465.27	48,468.60	195,696.03
Less: Inter segment revenue	720.40	370.77	552.52	1,645.89
Net sales/income from operations	67,778.90	54,094.50	47,916.08	194,050.14
2. Segment results				
Profit before tax and interest				
a. India	1,772.40	1,819.57	1,096.06	6,407.53
b. Other than India	2,783.99	2,965.67	3,642.86	13,630.45
Total	4,556.39	4,785.24	4,738.92	20,037.98
Less: Finance costs	423.66	244.98	151.88	794.95
Unallocable Income net of unallocable expenditure	881.51	1,032.41	488.90	2,913.58
3. Profit before tax and exceptional item	5,014.24	5,572.67	5,075.94	22,156.61
Exceptional item				
Interest Income on income tax refund	208.54	-	272.03	368.04
Profit before tax and minority interest	5,222.78	5,572.67	5,347.97	22,524.65
4. Segment assets				
a. India	50,519.23	34,480.39	37,154.04	34,480.39
b. Other than India	44,260.86	43,325.39	35,287.24	43,325.39
c. Unallocable	21,523.40	21,382.77	15,423.27	21,382.77
Total Assets	116,303.49	99,188.55	87,864.55	99,188.55
5. Segment liabilities				
a. India	33,834.67	23,134.09	21,037.91	23,134.09
b. Other than India	9,758.19	9,897.48	13,716.35	9,897.48
c. Unallocable	22,206.08	19,057.74	7,191.02	19,057.74
Total Liabilities	65,798.94	52,089.31	41,945.28	52,089.31

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

[Signature]
P SRIKAR REDDY
MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER

Place : Mumbai
Date : 08th August, 2016





Sonata Software - Consolidated Q1 FY17 Revenues at ₹678 Crores and PAT at ₹37 Crores

Mumbai, August 8, 2016

Sonata Software, a global IT services and technology solutions company, today reported its unaudited financial results for its 1st quarter ended June 30, 2016.

in ₹ Crores					
Description	For the Quarter ended			30/Jun/15	YoY
	30/Jun/16	31/Mar/16	QoQ		
Revenues					
International IT Services	195.7	189.0	4%	165.6	18%
Domestic- Products & Services	489.3	355.6	38%	319.1	53%
Consolidated	677.8	540.9	25%	479.2	41%
EBITDA					
International IT Services *	44.0	46.2	-5%	42.8	3%
Domestic- Products & Services *	15.3	14.9	2%	14.4	6%
Consolidated *	58.5	60.4	-3%	56.2	4%
PAT					
International IT Services	28.0	32.3	-13%	29.8	-6%
Domestic- Products & Services	8.8	8.6	3%	8.4	5%
Consolidated	36.8	40.8	-10%	38.2	-4%
* Includes "exceptional Item" Interest income received on Income-Tax refund of ₹2.08 crores in Q1 of FY2016-17 (of which Domestic relates to ₹1.11 crore and balance ₹ 0.97 crore relates to International), and ₹2.72 crores in Q1 of FY2015-16 (relating to Domestic).					

Speaking on the results Mr. Srikar Reddy, Managing Director & CEO of the Company said "The quarter saw good top line performance across business divisions. This is a result of our execution of our IP led strategy of being a digital transformation partner across all our verticals and focus on digital technologies. The M&A done in the past have helped us attain a differentiated position as a partner for digital platforms. Another highlight was that two of our industry specific solutions for retail and distribution have become available on Microsoft's AppSource that is an exciting emerging model for cloud based enterprise solutions".



Performance Highlights for the quarter:

• **Consolidated:**

- Revenues at ₹678 Crores : growth of 41% YoY;
- EBIDTA at ₹58 Crores : growth of 4% YoY;
- PAT at ₹37 Crores : decline of 4% YoY;
- Cash and equivalents of approximately ₹201 Crores (net of borrowings).

• **International IT Services:**

- Revenues at ₹196 crores : growth of 18% YoY;
- EBIDTA at ₹44 Crores : growth of 3% YoY;
- PAT at ₹28 Crores : decline of 6% YoY;
- Addition of 6 new customers.
- Showcased retail products including Brick & Click and other solutions for retailers at "ReTechCon" event held in Mumbai, India.
- Two solutions have been made available on Microsoft's AppSource on cloud viz., "Advanced Supply Chain Software" for Dynamics Ax and "Brick & Click Retail Solution".

• **Domestic Products & Services :**

- Revenues at ₹489 crores : growth of 53% YoY;
- EBIDTA at ₹15 Crores : growth of 6% YoY;
- PAT at ₹9 Crores : growth of 5% YoY;
- Received award: "2016 Microsoft Country Partner of the year for India", for demonstrating excellence in innovation and implementation of customer solutions based on Microsoft technology.

About Sonata Software

Sonata Software is a global IT solutions firm focused on catalysing business transformation initiatives of its clients through deep domain knowledge, technology expertise and customer commitment. The company delivers strategic technology solutions for Travel, Retail & Distribution and Software Product companies to drive enhanced customer engagement, operations efficiency and return on IT investments. Sonata brings its own proprietary platforms, products and services in digital technology areas such as Omni-channel commerce, Mobility, Analytics, Cloud and ERP to enable speed and reliability of IT led innovation. A trusted long-term service provider to Fortune 500 companies across both the software product development and enterprise business segments, Sonata seeks to add differentiated value to leadership to those who want to make an impact on their businesses, with IT.

For further information, please contact:

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