

7th May, 2026

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

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

Dear Sirs/Madam,

SUB: OUTCOME OF BOARD MEETING

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

We hereby inform that at the meeting of Board of Directors of Sonata Software Limited (the “Company”) held today i.e. 7th May, 2026, the Board, *inter-alia*, has considered and approved the following:

- a. Audited Financial Results of the Company (standalone and consolidated) for the quarter and year ended 31st March, 2026. The said results in the prescribed format along with Independent Auditors’ Report thereon are enclosed herewith.
- b. Independent Auditors’ Report on the Audited Financial Results of the Company (standalone and consolidated) for the financial year ended 31st March, 2026, with unmodified opinion and the declaration in this regard is enclosed.
- c. Recommended Final Dividend of Rs. 4.15/- per Equity share (415% on par value Re. 1/-) for the financial year ended 31st March, 2026 and the Final Dividend is payable subject to the approval of shareholders at the ensuing Annual General Meeting (AGM). The dividend, subject to the approval of shareholders, will be dispatched / credited within 30 days from the date of ensuing AGM. We shall inform you in due course, the date on which the 31st Annual General Meeting of the Company will be held.

Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders with effect from April 1, 2020. Hence, the Final Dividend, if approved by the shareholders, shall be paid after deducting tax at source (‘TDS’) in accordance with the applicable provisions of income tax.

Sonata Software Limited - SSL

Registered Office: 208, T V Industrial Estate, 2nd Floor, S K Ahire Marg, Worli, Mumbai – 400 030
Corporate Office: Tower-A, Sonata Towers, Global Village (Sattva Global City), RVCE Post, Kengeri Hobli,
Mysore Road, Bengaluru - 560059, India
CIN: L72200MH1994PLC082110

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The meeting commenced at 03:00 p.m. and concluded at 04:05 p.m. (IST). 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

Independent Auditor's Report

To the Board of Directors of Sonata Software Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Sonata Software Limited (hereinafter referred to as the "Company") for the year ended 31 March 2026, attached herewith, (in which are included financial results from 4 branches and an employee welfare trust) being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the company/Board of Trustees of the employee welfare trust ("Trust") are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company/trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design,

Independent Auditor's Report (Continued)

Sonata Software Limited

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the respective Management and the Board of Directors/Board of Trustees are responsible for assessing the ability of company/trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Board of Trustees either intends to liquidate the company/trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Board of Trustees are responsible for overseeing the financial reporting process of the company/trust.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report (Continued)

Sonata Software Limited

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter(s)

- a. The standalone annual financial results include the results for the quarter ended 31 March 2026 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

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



Amrit Bhansali

Partner

Mumbai

07 May 2026

Membership No.: 065155

UDIN:26065155LDDDYF7014

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

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Part I

₹ in lakhs, except per share data

Statement of audited standalone financial results for the quarter and year ended March 31, 2026

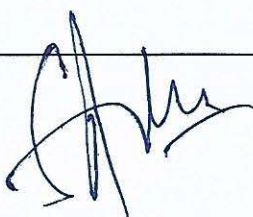
Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
		(Refer note 8)	(Unaudited)	(Refer note 8)	(Audited)	(Audited)
1	Revenue from operations	41,071	37,108	26,567	136,676	99,131
2	Other income	5,414	3,458	628	24,453	18,392
3	Total income (1 + 2)	46,485	40,566	27,195	161,129	117,523
4	Expenses					
	(a) Purchase of stock-in-trade (traded goods)	10,631	8,120	35	20,937	213
	(b) Changes in inventories of stock-in-trade	2	2	(2)	(2)	(2)
	(c) Employee benefits expense	16,763	21,752	20,844	81,691	77,550
	(d) Finance costs	97	375	108	1,101	469
	(e) Depreciation and amortization expense	750	754	529	3,066	2,129
	(f) Other expenses	5,780	3,431	3,236	16,042	13,687
	Total expenses	34,023	34,434	24,750	122,835	94,046
5	Profit before exceptional items and tax (3 - 4)	12,462	6,132	2,445	38,294	23,477
6	Exceptional item (Refer Note 6)					
	Impact of new labour codes	-	2,620	-	2,620	-
7	Profit before tax (5 - 6)	12,462	3,512	2,445	35,674	23,477
8	Tax expense					
	(1) Current tax	5,356	191	641	8,170	2,337
	(2) Deferred tax	(517)	17	4	(369)	(237)
	Total tax expense	4,839	208	645	7,801	2,100
9	Profit for the period (7 - 8)	7,623	3,304	1,800	27,873	21,377
10	Other comprehensive income					
	(1) Items that will not be reclassified to profit/(loss)					
	(a) Remeasurement of the defined benefit plans	(323)	(17)	(160)	(302)	(44)
	(b) Income tax relating to Items that will not be reclassified to profit/(loss)	81	5	40	76	11
	(2) Items that will be reclassified to profit or (loss)					
	(a) The effective portion of gains/ (losses) on hedging instruments in a cash flow hedge	(656)	(4)	393	(1,152)	(115)
	(b) Income tax relating to Items that will be reclassified to profit/(loss)	165	1	(99)	290	29
	Total	(733)	(15)	174	(1,088)	(119)
11	Total comprehensive income for the period (9 + 10)	6,890	3,289	1,974	26,785	21,258
12	Paid-up equity share capital (Face Value ₹ 1/-)	2,768	2,773	2,776	2,768	2,776
13	Other equity (Refer Note 7)	78,819	77,554	77,554	78,819	77,554
14	Earnings per equity share (of ₹ 1/- each) (Refer Note 4)					
	(a) Basic (in ₹)	2.75	1.19	0.65	10.05	7.70
	(b) Diluted (in ₹)	2.75	1.19	0.65	10.05	7.69
	See accompanying notes to the standalone financial results					

Standalone Balance Sheet			
SI No.	Particulars	As at	As at
		March 31, 2026	March 31, 2025
		(Audited)	(Audited)
	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, plant and equipment	1,654	2,006
	(b) Right-of-use assets	11,694	2,252
	(c) Goodwill	282	282
	(d) Intangible asset under development	505	-
	(e) Financial assets		
	(i) Investments	6,225	6,225
	(ii) Loans	9,481	-
	(iii) Other financial assets	1,141	643
	(f) Deferred tax assets (net)	2,073	1,338
	(g) Income tax assets (net)	5,764	7,279
	(h) Other non-current assets	100	74
	Total non-current assets	38,919	20,099
2	CURRENT ASSETS		
	(a) Inventories	4	2
	(b) Financial assets		
	(i) Investments	-	1,608
	(ii) Trade receivables	89,731	66,471
	(iii) Cash and cash equivalents	3,143	2,439
	(iv) Bank balances other than (iii) above	1,504	5,943
	(v) Other financial assets	1,020	1,647
	(c) Other current assets	5,303	4,240
	Total current assets	100,705	82,350
	TOTAL - ASSETS	139,624	102,449
	EQUITY AND LIABILITIES		
3	EQUITY		
	(a) Equity share capital	2,768	2,776
	(b) Other equity	78,819	77,554
	Total Equity	81,587	80,330
	LIABILITIES		
4	NON-CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Lease liabilities	9,338	1,971
	(ii) Other financial liabilities	325	2,589
	Total non-current liabilities	9,663	4,560
5	CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Borrowings	8,630	-
	(ii) Lease liabilities	2,247	517
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	291	83
	Total outstanding dues of creditors other than micro enterprises and small enterprises	17,502	6,432
	(iv) Other financial liabilities	8,627	6,104
	(b) Other current liabilities	1,502	1,816
	(c) Provisions	5,543	1,864
	(d) Current tax liabilities (net)	4,032	743
	Total current liabilities	48,374	17,559
	TOTAL - EQUITY AND LIABILITIES	139,624	102,449

Standalone Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
	(Audited)	(Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	35,674	23,477
Adjustments for :		
Depreciation and amortization expense	3,066	2,129
Finance costs	1,101	469
Impairment loss recognised on trade receivables and contract assets	2,179	265
Provisions / liabilities no longer required written back	(33)	(1)
Interest income	(363)	(584)
Dividend income from long-term investments in subsidiaries	(18,562)	(15,800)
(Gain) / loss on sale of fixed assets / scrapped	(20)	32
Net (gain) on investments carried at fair value through profit and loss	(220)	(195)
Gain on termination of lease	(203)	(1)
Commission on guarantees	(910)	(341)
Expenses on employee stock based compensation	183	285
Net unrealized foreign exchange (gain) / loss	(3,846)	(430)
Net unrealized (gain) / loss on derivatives carried at fair value through profit or loss	970	43
Operating profit before working capital changes	19,016	9,348
Changes in operating assets and liabilities:		
Decrease/(increase) in trade receivables	(21,836)	(14,375)
Decrease/(increase) in Inventories	(2)	(2)
Decrease/(increase) in other financial assets - current	601	173
Decrease/(increase) in other financial assets non-current	(1,086)	837
Decrease/(increase) in other non-current assets	(30)	29
Decrease/(increase) in other current assets	(1,060)	2,299
(Decrease)/increase in other financial liabilities non-current	(2,012)	905
(Decrease)/increase in trade payables	10,969	(2,036)
(Decrease)/increase in other financial liabilities - current	20	2,698
(Decrease)/increase in other current liabilities	(618)	(2,638)
(Decrease)/increase in provisions	3,679	503
Net cash flow from / (used in) operations	7,641	(2,259)
Income taxes paid (net of refunds)	(3,341)	126
Net cash flow used in operating activities (A)	4,300	(2,133)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment including capital work-in-progress and intangible asset under development	(1,182)	(576)
Proceeds from disposal of property, plant and equipment	71	145
Purchase of current investments	(63,098)	(67,961)
Proceeds from sale of current investments	64,872	66,603
Proceeds from sale of bonds	54	43
Proceeds from sub-lease assets	2	18
Investments in bank deposits	(828)	(2,892)
Proceeds from maturity of bank deposits	5,275	3,601
Interest received	330	566
Commission on guarantees	910	341
Dividend received from subsidiary	18,500	15,800
Inter corporate loans given	(8,989)	(3,300)
Inter corporate loans recovered	-	3,300
Net cash flow from investing activities (B)	15,917	15,688
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from/(of) short-term borrowings (net)	-	(4)
Payment of lease liabilities	(2,575)	(1,161)
Payment of dividend	(22,321)	(12,258)
Proceeds from issue of shares on exercise of employee stock options	91	346
Payments for shares purchased by Employee Welfare Trust	(3,200)	-
Inter corporate borrowings received	28,600	-
Inter corporate borrowings repaid	(19,970)	-
Interest paid	(227)	(41)
Net cash flow used in financing activities (C)	(19,602)	(13,118)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	615	437
Opening Cash and cash equivalents	2,439	1,973
Exchange difference on translation of foreign currency Cash and cash equivalents.	89	29
Closing Cash and cash equivalents	3,143	2,439
Cash and cash equivalents at the end of the period comprises:		
Balances with banks		
In current accounts	1,802	2,234
In EEFC accounts	1,341	205
	3,143	2,439



Notes:

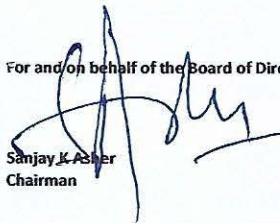
- 1 The standalone financial results above is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. These audited standalone financial results thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 07, 2026. The statutory auditors, B S R & Co. LLP have expressed an unmodified audit opinion on standalone financial results.
The above audited standalone financial results are filed with Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 as amended from time to time and are available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com, and on the Company's website, www.sonata-software.com.
- 2 The Company also publishes audited consolidated financial results in addition to audited standalone financial results. In accordance with Ind AS 108 Operating Segments, the Company has disclosed the segment information in the audited consolidated financial results.
- 3 The Board of Directors recommended a final dividend of ₹ 4.15/- (415% on par value of ₹ 1/-) per equity share for the financial year ended March 31, 2026. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- 4 Earnings per share (EPS) for quarterly periods are not annualised. Due to the anti-dilutive effect of potential equity shares, the diluted earnings per share has been restricted to the basic earnings per share for the relevant periods reported in these results.
- 5 Other income for the quarter ended March 31, 2026 includes dividend income received from subsidiaries, Sonata Information Technology Limited ₹ 2,000 Lakhs and Sonata Software Solutions Limited ₹ 1,000 lakhs. Other income for the year ended March 31, 2026 includes dividend income received from subsidiaries, Sonata Information Technology Limited ₹ 14,000 Lakhs and Sonata Software Solutions Limited ₹ 4,500 lakhs.
- 6 On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational safety, Health and Working Conditions Code, 2020, (Labour Codes) which consolidate 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment.

Based on the requirements of New Labour Codes and relevant Accounting Standards, the Company has estimated the liability for employee benefits, which has resulted in an incremental expense, on account of recognition of past service costs. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality, regulatory-driven, non-recurring nature of this impact, the Company has presented the same as an 'Exceptional Item' in the standalone statement of profit and loss for the quarter ended December 31, 2025 and year ended March 31, 2026 consisting of gratuity of ₹ 1,988 lakhs and compensated absences of ₹ 632 lakhs.

The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.
- 7 The other equity with respect to quarter ended December 31, 2025 represents balance as per the audited financial statements of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015
- 8 The figures for the quarter ended March 31, 2026 and March 31, 2025, are balancing figures arrived based on audited results of the full financial year and published year to date unaudited figures for nine months ended December 31, 2025 and December 31, 2024 respectively. The statutory auditors had performed a limited review on the results for the nine months ended December 31, 2025 and December 31, 2024.
- 9 Upon expiration of the term of Mr. Samir Dhir (DIN: 03021413), on May 08, 2026, he will cease to vacate office as Managing Director & Chief Executive Officer of the Company. Mr. Samir Dhir has also resigned from the position of Executive Director with effect from close of business hours on May 08, 2026 (the date of expiry of his term as Managing Director & Chief Executive Officer). The Board took note of the above at its meeting held on April 25, 2026 and appointed Mr. Rajsekhar Datta Roy as the Chief Executive Officer of the Company with effect from May 09, 2026.

Place : Mumbai
Date : May 07, 2026

For and on behalf of the Board of Directors



Sanjay K. Asher
Chairman

Independent Auditor's Report

To the Board of Directors of Sonata Software Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Sonata Software Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2026, attached herewith, (in which are included financial results from 12 branches) being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate audited financial statements of the subsidiary referred to in paragraph (a) of "Other Matters" section of this report, the aforesaid consolidated annual financial results:

- include the annual financial results of the entities mentioned in Annexure I to this report on the consolidated annual financial results;
- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, along with the consideration of report of the other auditor referred to in sub paragraph no. (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards

Independent Auditor's Report (Continued)

Sonata Software Limited

prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management and Board of Directors either intends to liquidate the entities or to cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results,

Independent Auditor's Report (Continued)

Sonata Software Limited

including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entity included in the consolidated annual financial results, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub paragraph no. (a) of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Other Matter(s)

- a. The consolidated annual financial results include the audited financial results of one subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 1,085 Lakhs as at 31 March 2026, total revenue (before consolidation adjustments) of Rs. 621 Lakhs and total net loss (before consolidation adjustments) of Rs. 73 lakhs and net cash outflow (before consolidation adjustments) of Rs 44 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which has been audited by its independent auditor. The independent auditor's report on financial statements of this entity has been furnished to us by the management.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

- b. The consolidated annual financial results include the unaudited financial information of 14 Subsidiaries (including 1 branch), whose financial information reflects total assets (before consolidation adjustments) of Rs. 13,600 lakhs as at 31 March 2026, total revenue (before consolidation adjustments) of Rs. 13,078 lakhs, total net loss (before consolidation adjustments) of Rs. 203 lakhs, and net cash outflow (before consolidation adjustments) of Rs 44 lakhs, for the year ended on that date, as considered in the consolidated annual financial results. These financial information have been furnished to us by the Board of Directors.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to the financial information certified by the Board of Directors.

- c. The consolidated annual financial results include the results for the quarter ended 31 March 2026

B S R & Co. LLP

Independent Auditor's Report (Continued)

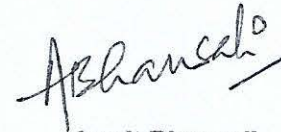
Sonata Software Limited

being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

Chartered Accountants

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



Amrit Bhansali

Partner

Mumbai

07 May 2026

Membership No.: 065155

UDIN:26065155NRIGYY4539

Independent Auditor's Report (Continued)

Sonata Software Limited

Annexure I

List of entities included in consolidated annual financial results.

Sr. No	Name of component	Relationship
1	Sonata Software Limited	Parent
2	Sonata Information Technology Limited	Subsidiary
3	Sonata Software Solutions Limited	Subsidiary
4	Sonata Europe Limited	Subsidiary
5	Sonata Software North America Inc.	Subsidiary
6	Sonata Australia Pty Ltd (formerly known as Scalable Data Systems Pty Ltd)	Subsidiary
7	Sonata Software (Qatar) LLC	Subsidiary
8	Encore IT Services Solutions Private Limited	Subsidiary
9	Sonata Software GmbH	Subsidiary
10	Sonata Software Intercontinental Limited	Subsidiary
11	Sonata Software Malaysia SDN. BHD.	Subsidiary
12	Encore Software Services, Inc.(merged with Sonata Software North America Inc. w.e.f. 26 August 2024)	Step-down Subsidiary
13	Sonata Software Canada Limited	Step-down Subsidiary
14	GAPbuster Limited (merged with Sonata Europe Limited w.e.f. 16 July 2024)	Step-down Subsidiary
15	Sonata Software Japan KK (formerly known as Kabushiki Kaisha GAPbuster Japan)	Step-down Subsidiary
16	GAPbuster Europe Limited (merged with Sonata Europe Limited w.e.f. 16 July 2024)	Step-down Subsidiary
17	GAPbuster Inc.	Step-down Subsidiary
18	Sonata Software (Shanghai) Co., Ltd (formerly known as GAPbuster China Co. Ltd)	Step-down Subsidiary
19	Sonata Software Worldwide Malaysia SDN. BHD. (formerly known as GAPbuster Worldwide Malaysia SDN. BHD.)	Step-down Subsidiary
20	GAPbuster Worldwide Pty Ltd	Step-down Subsidiary
21	Sonata Latin America S. DE R.L. DE C.V.	Step-down Subsidiary
22	Sonata Software Solutions North America Inc. (formerly known as Quant Systems Inc.)	Step-down Subsidiary

Independent Auditor's Report (Continued)

Sonata Software Limited

Sr. No	Name of component	Relationship
23	Sonata Software Technology Private Limited (formerly known Quant Cloud Solutions Private Limited)	Step-down Subsidiary
24	Woodshed LLC	Step-down Subsidiary
25	Sonata Software LLC (formerly known as Sopris Systems LLC) (merged with SSNA w.e.f. 06 May 2024)	Step-down Subsidiary
26	Quant Systems CRC Inc Sociedad de Responsabilidad Limitada (CRC LLC)	Step-down Subsidiary
27	Sonata Software Solutions, Egypt (Incorporated w.e.f. 12 May 2024)	Step-down Subsidiary

Part I ₹ in lakhs, except per share data

Statement of audited consolidated financial results for the quarter and year ended March 31, 2026

Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2026 (Refer Note 5)	December 31, 2025 (Unaudited)	March 31, 2025 (Refer Note 5)	March 31, 2026 (Audited)	March 31, 2025 (Audited)
1	Revenue from operations	253,619	308,058	261,720	1,070,124	1,015,725
2	Other income	3,757	1,140	1,121	10,454	7,115
3	Total income (1 + 2)	257,376	309,198	262,841	1,080,578	1,022,840
4	Expenses					
	(a) Purchase of stock-in-trade (traded goods)	181,165	243,130	188,958	782,020	703,106
	(b) Changes in inventories of stock-in-trade	3,140	(3,074)	(2,636)	1,043	5,076
	(c) Employee benefits expense	31,825	37,121	41,937	153,000	159,767
	(d) Finance costs	1,914	1,299	1,009	5,142	6,525
	(e) Depreciation and amortization expense	2,538	2,654	2,303	10,426	12,149
	(f) Other expenses	16,620	10,861	16,195	59,936	78,851
	Total expenses	237,202	291,991	247,766	1,011,567	965,474
5	Profit before exceptional item and tax (3 - 4)	20,174	17,207	15,075	69,011	57,366
6	Exceptional item					
	Impairment loss recognised on receivables (Refer Note 7)	9,695	-	-	9,695	-
	Reversal of contingent consideration payable (Refer Note 8)	(6,538)	-	-	(6,538)	-
	Impact of new labour codes (Refer Note 9)	-	3,128	-	3,128	-
7	Profit before tax (5 - 6)	17,017	14,079	15,075	62,726	57,366
8	Tax expense					
	(1) Current tax	4,677	5,066	3,727	18,816	17,285
	(2) Deferred tax	(710)	(1,423)	595	(2,529)	(2,386)
	Total tax expense	3,967	3,643	4,322	16,287	14,899
9	Profit for the period (7 - 8)	13,050	10,436	10,753	46,439	42,467
10	Other comprehensive income					
	(1) Items that will not be reclassified to profit/(loss)					
	(a) Remeasurement of the defined benefit plans	(402)	(92)	(174)	(502)	(56)
	(b) Equity instruments through other comprehensive income	(72)	-	(649)	(72)	(938)
	(c) Income tax relating to items that will not be reclassified to profit/(loss)	101	23	44	126	14
	(2) Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	2,136	552	77	3,819	488
	(b) The effective portion of gains/ (losses) on hedging instruments in a cash flow hedge	(3,887)	(191)	527	(4,613)	(389)
	(c) Income tax relating to items that will be reclassified to profit/(loss)	441	(91)	(152)	200	(25)
	Total	(1,683)	201	(327)	(1,042)	(906)
11	Total comprehensive income for the period (9 + 10)	11,367	10,637	10,426	45,397	41,561
	Of the total comprehensive income above, profit for the period attributable to:					
	Owners of the Company	13,050	10,436	10,753	46,439	42,467
	Non - controlling interest	-	-	-	-	-
		13,050	10,436	10,753	46,439	42,467
	Of the total comprehensive income above, other comprehensive income for the period attributable to:					
	Owners of the Company	(1,683)	201	(327)	(1,042)	(906)
	Non - controlling interest	-	-	-	-	-
		(1,683)	201	(327)	(1,042)	(906)
	Of the total comprehensive income above, total comprehensive income attributable to:					
	Owners of the Company	11,367	10,637	10,426	45,397	41,561
	Non - controlling interest	-	-	-	-	-
		11,367	10,637	10,426	45,397	41,561
12	Paid-up equity share capital (Face Value ₹ 1/-)	2,768	2,773	2,776	2,768	2,776
13	Other equity (Refer Note 6)	187,695	167,818	167,818	187,695	167,818
14	Earnings / (loss) per equity share (of ₹ 1/- each) (Refer Note 4)					
	(a) Basic (in ₹)	4.71	3.76	3.87	16.74	15.30
	(b) Diluted (in ₹)	4.71	3.76	3.87	16.74	15.28
	See accompanying notes to the consolidated financial results					

Consolidated Balance Sheet

(₹ in lakhs)

Sl No.	Particulars	As at	As at
		March 31, 2026	March 31, 2025
		(Audited)	(Audited)
	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, plant and equipment	6,142	4,003
	(b) Right-of-use assets	14,347	6,358
	(c) Goodwill	126,808	113,970
	(d) Other intangible assets	35,048	36,017
	(e) Intangible asset under development	7,439	2,601
	(f) Financial assets		
	(i) Investments	314	348
	(ii) Other financial assets	1,255	2,532
	(g) Deferred tax assets (net)	11,539	8,553
	(h) Income tax assets (net)	23,772	24,976
	(i) Other non-current assets	5,191	2,987
	Total non-current assets	231,855	202,345
2	CURRENT ASSETS		
	(a) Inventories	3,681	4,724
	(b) Financial assets		
	(i) Investments	18,308	24,509
	(ii) Trade receivables	184,936	174,093
	(iii) Cash and cash equivalents	37,253	30,998
	(iv) Bank balances other than (iii) above	4,883	13,945
	(v) Other financial assets	2,992	4,385
	(c) Other current assets	25,221	20,516
	Total current assets	277,274	273,170
	TOTAL ASSETS	509,129	475,515
	EQUITY AND LIABILITIES		
3	EQUITY		
	(a) Equity share capital	2,768	2,776
	(b) Other equity	187,695	167,818
	Total Equity	190,463	170,594
4	LIABILITIES		
	NON-CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Borrowings	28,404	22,790
	(ii) Lease liabilities	12,384	5,569
	(iii) Other financial liabilities	3,643	3,184
	(b) Deferred tax liabilities (net)	10,939	9,927
	Total non-current liabilities	55,370	41,470
5	CURRENT LIABILITIES		
	(a) Financial liabilities		
	(i) Borrowings	28,416	21,366
	(ii) Lease liabilities	3,099	1,877
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	350	139
	Total outstanding dues of creditors other than micro enterprises and small enterprises	179,687	155,562
	(iv) Other financial liabilities	18,468	53,329
	(b) Other current liabilities	11,515	13,632
	(c) Provisions	8,549	4,278
	(d) Current tax liabilities (net)	13,212	13,268
	Total current liabilities	263,296	263,451
	TOTAL EQUITY AND LIABILITIES	509,129	475,515

Consolidated Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
	(Audited)	(Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	62,726	57,366
Adjustments for :		
Depreciation and amortization expense	10,426	12,149
Changes in fair value of contingent consideration	(6,538)	-
Finance costs	5,142	6,525
Impairment (gain)/loss recognised on trade receivable and contract assets	14,774	1,478
Provisions/ liabilities no longer required written back	(34)	(125)
Interest Income	(825)	(3,320)
Net (gain) / loss on sale of property, plant and equipment / scrapped	218	39
Net (gain) on investments carried at fair value through profit and loss	(2,178)	(1,961)
Gain on termination of lease	(223)	(3)
Expenses on employee stock based compensation	183	285
Net unrealized foreign exchange (gain) / loss	(12,317)	(1,252)
Net unrealized (gain)/loss on derivatives carried at fair value through profit or loss	631	(694)
Operating profit before working capital changes	71,985	70,487
Changes in operating assets and liabilities:		
Decrease/(Increase) in trade receivables	(20,149)	(15,077)
Decrease/(Increase) in inventories	1,043	5,076
Decrease/(increase) in other financial assets non-current	(83)	719
Decrease/(increase) in other financial assets current	721	1,285
Decrease/(increase) in other non-current assets	(43)	(233)
Decrease/(increase) in other current assets	(4,707)	1,573
(Decrease)/increase in trade payables	24,892	14,427
(Decrease)/increase in other financial liabilities non-current	(2,171)	1,463
(Decrease)/increase in other financial liabilities	(2,743)	11,024
(Decrease)/increase in other current liabilities	715	(10,093)
(Decrease)/increase in provisions	937	137
Net cash flow from / (used in) operations	70,397	80,788
Income taxes paid (net of refunds)	(16,595)	(16,355)
Net cash flow from / (used in) operating activities (A)	53,802	64,433
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment including intangible assets, capital-work-in progress and intangible asset under development	(11,359)	(6,852)
Proceeds from disposal of property, plant and equipment	89	75
Purchase of current investments	(801,001)	(705,019)
Proceeds from sale of bonds	54	4,338
Payment in relation to business acquisition	(29,929)	(59,194)
Proceeds from sale of current investments	809,584	701,292
Investment in bank deposits	(8,870)	(15,827)
Proceeds from maturity of Bank deposits	18,883	35,502
Interest received	817	2,125
Net cash flow from / (used in) investing activities (B)	(21,732)	(43,560)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(3,900)	(2,927)
Proceeds from short-term borrowings	-	1,694
Repayment of short-term borrowings	-	(6,575)
Repayment of term loan	(23,439)	(19,766)
Proceeds from term loan	29,912	-
Payment of dividend	(22,321)	(12,258)
Proceeds from issue of shares on exercise of ESOP	91	346
Payments for shares purchased by Employee Welfare Trust	(3,200)	-
Interest paid	(3,789)	(3,844)
Net cash flow used in financing activities (C)	(26,646)	(43,330)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	5,424	(22,457)
Opening cash and cash equivalents	30,998	53,602
Exchange difference on translation of foreign currency cash and cash equivalents	831	(147)
Closing Cash and cash equivalents	37,253	30,998
Cash and cash equivalents at the end of the period comprises:		
Cash on hand	1	1
Balances with banks		
In Current accounts	25,338	18,939
In EEFC accounts	11,881	2,540
In deposit accounts	33	9,518
	37,253	30,998

Notes:

- 1 The consolidated financial results is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. These audited consolidated financial results thereafter have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 07, 2026. The statutory auditors, B S R & Co. LLP have expressed an unmodified audit opinion on the consolidated financial results. The above audited consolidated financial results are filed with Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 as amended from time to time and are available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com, and on the Company's website, www.sonata-software.com.
- 2 Audited consolidated financial results include financial results of subsidiaries i.e., Sonata Information Technology Limited, Sonata Software North America Inc. (SSNA), Sonata Software GmbH, Sonata Europe Limited (SEL), Sonata Software (Qatar) LLC, Sonata Australia Pty Ltd, Sonata Software LLC (merged with SSNA with effect from May 06, 2024), Sonata Software Solutions Limited, Sonata Software (Shanghai) Co., Ltd, GAPbuster Europe Limited (merged with SEL with effect from July 16, 2024), GAPbuster Inc., GAPbuster Limited (merged with SEL with effect from July 16, 2024), Sonata Software Worldwide Malaysia SDN. BHD. , GAPbuster Worldwide Pty Limited, Sonata Software Japan KK, Encore Software Services, Inc. (merged with SSNA with effect from August 26, 2024), Encore IT Services Solutions Private Limited, Sonata Software Intercontinental Limited, Sonata Software Canada Limited, Sonata Latin America S. DE R.L. DE C.V., Sonata Software Solutions North America, Inc. (formerly known as Quant Systems Inc.), Quant Systems CRC Inc Sociedad De Responsabilidad Limitada (CRC LLC), Sonata Software Technology Private Limited (formerly known as Quant Cloud Solutions Private Limited), Woodshed LLC, Sonata Software Malaysia SDN. BHD and Sonata Software Solutions, Egypt.
- 3 The Board of Directors recommended a final dividend of ₹ 4.15/- (415% on par value of ₹ 1/-) per equity share for the financial year ended March 31, 2026. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
- 4 EPS for quarterly and nine months periods are not annualised. Due to the anti-dilutive effect of potential equity shares, the diluted earnings per share has been restricted to the basic earnings per share for the relevant periods reported in these results.
- 5 The figures for the quarter ended March 31, 2026 and March 31, 2025, are balancing figures arrived based on audited results of the full financial year and published year to date unaudited figures for nine months ended December 31, 2025 and December 31, 2024 respectively. The statutory auditors had performed a limited review on the results for the nine months ended December 31, 2025 and December 31, 2024.
- 6 The other equity with respect to the quarter ended December 31, 2025 represents balance as per the audited consolidated financial statements of the previous year as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.
- 7 Further to the disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on March 07, 2026, regarding the initiation of proceedings by Sonata Software North America Inc. (wholly owned subsidiary) against one of its customers, the Group has created an allowance for expected credit losses towards the entire outstanding receivables from the customer as at March 31, 2026, amounting to ₹ 9,695 Lakhs (USD 10.64 Mn). Considering the materiality of transaction, its non-recurring and litigative nature the Group has disclosed the same as an 'Exceptional item' for the quarter and financial year ended March 31, 2026. The Management in consultation with legal advisors, are actively engaged in monitoring the matter, and appropriate actions are being taken to protect the Group's interests.
- 8 The Group and the selling shareholder of Sonata Software Solutions North America, Inc. (formerly known as Quant Systems Inc.) finalized the payout terms of contingent consideration for the year ended December 31, 2024 vide an amendment to the purchase agreement on May 18, 2025. As per this amendment, an amount of ₹ 6,538 Lakhs (USD 6.89 Mn) was payable to the selling shareholder, at the sole discretion of the Company, which has now been concluded as not payable. Accordingly, the liability has been written back. Owing to the significance of the amount, unusual nature and the fact that the re-measurement of liability was recorded as an exceptional item, the aforesaid reversal has also been disclosed as an exceptional item.
- 9 On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational safety, Health and Working Conditions Code, 2020, (Labour Codes') which consolidate 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment. Based on the requirements of New Labour Codes and relevant Accounting Standards, the Group has estimated the liability for employee benefits, which has resulted in an incremental expense, on account of recognition of past service costs. The Group has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality, regulatory-driven, non-recurring nature of this impact, the Group has presented the same as an 'Exceptional Item' in the consolidated statement of profit and loss for the quarter ended December 31, 2025 and year ended March 31, 2026 consisting of gratuity of ₹ 2,329 Lakhs and compensated absences of ₹ 799 Lakhs. The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.
- 10 Upon expiration of the term of Mr. Samir Dhir (DIN: 03021413), on May 08, 2026, he will cease to vacate office as Managing Director & Chief Executive Officer of the Company. Mr. Samir Dhir has also resigned from the position of Executive Director with effect from close of business hours on May 08, 2026 (the date of expiry of his term as Managing Director & Chief Executive Officer). The Board took note of the above at its meeting held on April 25, 2026 and appointed Mr. Rajsekhar Datta Roy as the Chief Executive Officer of the Company with effect from May 09, 2026.

11 Audited standalone financial results

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Refer Note 5)	(Unaudited)	(Refer Note 5)	(Audited)	(Audited)
Revenue from operations	41,071	37,108	26,567	136,676	99,131
Profit before tax	12,462	3,512	2,445	35,674	23,477
Profit after tax	7,623	3,304	1,800	27,873	21,377

The results for the quarter and year ended March 31, 2026, 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.

- 12 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".

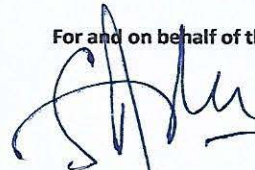
The consolidated segment wise revenue and results are as follows :

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	(Refer Note 5)	(Unaudited)	(Refer Note 5)	(Audited)	(Audited)
1. Segment revenue					
a. India	139,974	203,448	159,523	655,690	611,325
b. Other than India	113,785	104,911	102,362	416,105	405,897
Total	253,759	308,359	261,885	1,071,795	1,017,222
Less : Inter segment revenue	(140)	(301)	(165)	(1,671)	(1,497)
Revenue from operations	253,619	308,058	261,720	1,070,124	1,015,725
2. Segment results					
Profit before tax, interest, depreciation and amortization					
a. India	4,581	6,094	6,623	34,541	22,466
b. Other than India	20,045	15,066	11,742	49,849	52,433
Total	24,626	21,160	18,365	84,390	74,899
Less: Depreciation and amortization	(2,538)	(2,654)	(2,303)	(10,426)	(12,149)
Less: Finance costs	(1,914)	(1,299)	(1,009)	(5,142)	(6,525)
Add: Unallocable income net of unallocable expenditure	-	-	22	189	1,141
3. Profit before exceptional item and tax	20,174	17,207	15,075	69,011	57,366
Exceptional item					
- Impairment loss recognised on receivables	9,695	-	-	9,695	-
- Reversal of contingent consideration payable	(6,538)	-	-	(6,538)	-
- Impact of new labour codes	-	3,128	-	3,128	-
4. Profit before tax	17,017	14,079	15,075	62,726	57,366

The consolidated segment wise assets and liabilities are as follows :

Particulars	(₹ in lakhs)		
	March 31, 2026	December 31, 2025	March 31, 2025
	(Refer Note 5)	(Unaudited)	(Audited)
5. Segment assets			
a. India	171,089	157,317	139,880
b. Other than India	302,729	313,315	302,106
c. Unallocable	35,311	37,969	33,529
Total assets	509,129	508,601	475,515
6. Segment liabilities			
a. India	174,255	171,595	143,704
b. Other than India	120,260	127,221	138,022
c. Unallocable	24,151	25,535	23,195
Total liabilities	318,666	324,351	304,921
7. Capital employed (5-6)	190,463	184,250	170,594

For and on behalf of the Board of Directors



Sanjay K Asher
Chairman

Place : Mumbai
Date : May 07, 2026

7th May, 2026

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

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

Dear Sirs/Madam,

SUB: DECLARATION ON INDEPENDENT AUDIT REPORTS WITH UNMODIFIED OPINION PURSUANT TO REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

This is to confirm that B S R & Co. LLP (Firm Registration No. 101248W/W-100022), Statutory Auditors of the Company, have issued Independent Audit Reports with unmodified opinion on the Standalone and Consolidated Audited Financial Results for the quarter and Financial Year ended March 31, 2026.

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

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Sonata Software Limited



Jagannathan C N
Chief Financial Officer



Q4'26 consolidated PAT grew by 25.0% QoQ and 21.4% YoY. Sonata Software recommends final dividend of 415% for FY'26.

Mumbai, May 07, 2026

[Sonata Software](#) [NSE: SONATSOFTW, BSE: 532221], a leader in Modernization Engineering, today reported its audited financial results for its Financial Year ended March 31, 2026.

Description	in ₹ Crores								
	For the Quarter ended					For the year ended			YoY
	31-Mar-26	31-Dec-25	QoQ	31-Mar-25	YoY	31-Mar-26	31-Mar-25		
Revenues									
International IT Services	779.2	738.6	5.5%	702.3	10.9%	2,948.0	2,829.7	4.2%	
Domestic- Products & Services	1,759.2	2,345.9	-25.0%	1,918.2	-8.3%	7,772.1	7,340.6	5.9%	
Consolidated	2,536.2	3,080.6	-17.7%	2,617.2	-3.1%	10,701.2	10,157.3	5.4%	
EBITDA[#]									
International IT Services	157.4	144.0	9.3%	115.7	36.1%	543.7	480.5	13.1%	
Domestic- Products & Services	51.2	56.2	-8.8%	56.5	-9.3%	197.9	208.6	-5.2%	
Consolidated	208.7	200.2	4.2%	172.7	20.8%	741.3	689.3	7.5%	
PAT									
International IT Services	84.2	59.8	40.6%	62.3	35.0%	292.7	246.6	18.7%	
Domestic- Products & Services	46.3	44.6	3.9%	45.2	2.5%	171.7	178.1	-3.6%	
Consolidated	130.5	104.4	25.0%	107.5	21.4%	464.4	424.7	9.3%	

[#]EBITDA (before Other Income, Forex and exceptional items).

Commenting on the results Mr. Rajsekhar Datta Roy, CEO-designate of Sonata Software said: “We won 2 large deals in Q4'26 and remain confident on Sonata's growth momentum, by becoming the strategic partners to our clients to enable the AI modernization journey. We will continue to invest in AI capabilities and partnerships, to further accelerate our pivot to AI.”

Speaking on the results Mr. Sujit Mohanty, MD & CEO of Sonata Information Technology Limited, said: “This quarter, we achieved strong performance in our core cloud platform offerings. We successfully acquired new clients for our cloud services and data protection solutions business areas. We realized YoY growth from key accounts.”

Performance Highlights for FY'26 & Q4'26:

- International IT Services:**

- Revenue for FY'26 stood at ₹2,948.0 crores, growth of 4.2% YoY, Q4'26 stood at ₹779.2 crores, growth of 5.5% QoQ.
- In USD terms, revenue for FY'26 stood at \$328.4 million.
- In USD terms, revenue for Q4'26 stood at \$82.4, flattish QoQ and growth of 1.3% YoY. In CC terms growth of 0.6% QoQ and 1.1% YoY.
- EBITDA (before other income, forex and exceptional items) for FY'26 stood at ₹543.7 crores, growth of 13.1% YoY, Q4'26 stood at ₹157.4 crores, growth of 9.3% QoQ.
- PAT for FY'26 stood at ₹292.7 crores, growth of 18.7% YoY, Q4'26 stood at ₹84.2 crores, growth of 40.6% QoQ.
- DSO stood at 64 days in Q4'26, compared to 71 days in Q3'26.
- ROCE stood at 24.5% in Q4'26, compared to 18.7% in Q3'26.
- RONW stood at 30.3% in Q4'26, compared to 23.1% in Q3'26.



- 7 new customers were added during the quarter.

- **Domestic Products & Services:**

- Revenue for FY'26 stood at ₹7772.1 crores, growth of 5.9% YoY, Q4'26 stood at ₹1759.2 crores.
- Gross contribution for FY'26 stood at ₹288.7 crores, degrowth of 3.5% YoY. For Q4'26, gross contribution stood at ₹75.3 crores, degrowth of 1.1% QoQ.
- EBITDA (before other income, forex and exceptional items) for FY'26 stood at ₹197.9 crores, degrowth of 5.2% YoY, Q4'26 stood at ₹51.2 crores, degrowth of 8.8% QoQ.
- PAT for FY'26 stood at ₹171.7 crores, degrowth of 3.6% YoY, Q4'26 stood at ₹46.3 crores, growth of 3.9% QoQ.
- DSO stood at 47 days in Q4'26, compared to 42 days in Q3'26.
- ROCE stood at 43.5% in Q4'26, compared to 43.1% in Q3'26.
- RONW stood at 39.0% in Q4'26, compared to 41.8% in Q3'26.

- **Consolidated:**

- Revenue for FY'26 stood at ₹10701.2 crores, growth of 5.4% YoY, Q4'26 stood at ₹2536.2 crores.
- EBITDA (before other income, forex and exceptional items) for FY'26 stood at ₹741.3 crores, growth of 7.5% YoY, Q4'26 stood at ₹208.7 crores, growth of 4.2% QoQ.
- PAT for FY'26 stood at ₹464.4 crores, growth of 9.3% YoY, Q4'26 stood at ₹130.5 crores, growth of 25.0% QoQ.
- Cash and cash equivalents (gross) stood at ₹ 605.5 Crores.
- Cash and cash equivalents (net) stood at ₹ 30.7 Crores.
- ROCE stood at 28.1% in Q4'26, compared to 23.3% in Q3'26.
- RONW stood at 32.5% in Q4'26, compared to 27.7% in Q3'26.

About Sonata Software

Sonata Software, with over US\$1.2 billion in revenue, is a leading AI-first modernization engineering company powered by its unique Platformation™ framework. With 90% of its workforce AI-trained, Sonata helps enterprises evolve from systems-based operations to intelligent business platforms, leveraging a strong partner ecosystem to drive speed, efficiency, and growth. The Company's AI-first modernization engineering services span Cloud, Data, AI, Microsoft Dynamics, Test Automation, and Managed Services.

Sonata's AI-led modernization is enabled by a powerful suite of proprietary tools, platforms, assets, and accelerators. At the core is Harmoni.AI, its responsible-first AI offering, which brings together industry solutions and service delivery platforms designed to accelerate enterprise AI adoption. This includes AgentBridge, a managed services offering for agentic workflows, supported by a robust governance and observability framework, development toolkit for creating fungible agents integrated into enterprise systems, and agent marketplace with an internal ecosystem of modular, reusable agents.

Headquartered in Bengaluru, India, Sonata Software has a strong global presence across key regions, including the US, UK, India, Malaysia, Mexico, Australia, DACH (Germany and Switzerland) and the Nordics (Finland). The Company is a trusted partner to Fortune 500 enterprises across Banking, Financial Services and Insurance; Healthcare and Life Sciences; Telecom, Media and Technology; and Retail, Manufacturing and Distribution.

Sonata's deep collaborations with partners such as Microsoft, AWS, Salesforce, and Snowflake strengthen its ability to deliver cutting-edge AI solutions. Its 30+ year partnership with Microsoft, along with its membership in



the elite Microsoft Inner Circle, places Sonata among the top 1% of global Microsoft partners. Sonata is also among the first companies to earn the Microsoft Frontier Partner Badge and has achieved AWS Premier Tier Status in the AWS Partner Network.

About Sonata Information Technology Limited

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

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

Media contact: Vinitha Oommen vinitha.oommen@sonata-software.com