

SOBHA DEVELOPERS LIMITED

Regd. Office: 'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bangalore - 560 103

Statement of unaudited consolidated financial results for the quarter ended on September 30, 2012

(₹ in million)

	Quarter ended 30. 09. 2012 [Unaudited]	Preceding Quarter ended 30. 06. 2012 [Unaudited]	Corresponding Quarter ended 30. 09. 2011 [Unaudited]	Six months ended on 30. 09. 2012 [Unaudited]	Corresponding six months ended on 30. 09. 2011 [Unaudited]	Previous accounting year ended 31. 03. 2012 [Audited]
1 Income from operations						
(a) Net sales/ income from operations (net of excise duty)	4,140	4,320	2,938	8,460	5,711	14,054
(b) Other operating income	8	12	5	20	9	25
Total operating income	4,148	4,332	2,943	8,480	5,720	14,079
2 Expenditure						
(a) (Increase)/decrease in finished goods, stock in trade and work in progress	(809)	50	(4,240)	(759)	(4,495)	(4,852)
(b) Land cost	461	1	2,121	462	2,466	2,591
(c) Cost of materials consumed	261	281	236	542	400	1,011
(d) Purchase of project materials	1,166	1,006	643	2,172	1,054	2,867
(e) Subcontractor and labour charges	835	767	568	1,602	1,351	2,830
(f) License fees and plan approval charges	73	134	1,887	207	1,909	2,005
(g) Employee benefit expense	404	412	316	816	622	1,268
(h) Depreciation and amortization expense	141	140	91	281	165	388
(i) Other expenditure	472	483	457	955	801	1,694
Total expenses	3,004	3,274	2,079	6,278	4,273	9,802
3 Profit from operations before other income, finance cost and exceptional items (1-2)	1,144	1,058	864	2,202	1,447	4,277
4 Other income	14	16	28	30	30	65
5 Profit from operations before finance costs and exceptional items (3+4)	1,158	1,074	892	2,232	1,477	4,342
6 Finance costs	443	377	341	820	508	1,165
7 Profit after finance costs but before exceptional items (5-6)	715	697	551	1,412	969	3,177
8 Exceptional items	-	-	-	-	-	-
9 Profit from ordinary activities before tax (7+8)	715	697	551	1,412	969	3,177
10 Tax expense	214	247	197	461	349	1,076
11 Net profit from ordinary activities after tax (9-10)	501	450	354	951	620	2,101
12 Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13 Minority Interest	-	-	15	-	21	41
14 Net profit for the period (11-12-13)	501	450	339	951	599	2,060
15 Paid-up equity share capital (Face value per share - ₹ 10)	981	981	981	981	981	981
16 Reserves excluding revaluation reserves as per balance sheet				19,968		19,017
17 Earnings Per Share (EPS) - (in ₹)						
a) Basic and diluted EPS before extraordinary items	5.11	4.59	3.45	9.70	6.11	21.00
b) Basic and diluted EPS after extraordinary items	5.11	4.59	3.45	9.70	6.11	21.00

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Select information for the Quarter ended September 30, 2012

	Particulars	Quarter ended 30. 09. 2012 [Unaudited]	Preceding Quarter ended 30. 06. 2012 [Unaudited]	Corresponding Quarter ended 30. 09. 2011 [Unaudited]	Six months ended on 30. 09. 2012 [Unaudited]	Corresponding six months ended on 30. 09. 2011 [Unaudited]	Previous accounting year ended 31. 03. 2012 [Audited]
A	Particulars of Shareholding						
1	Public shareholding						
	- Number of equity shares		38,687,518		38,654,568	38,687,518	38,687,518
	- Percentage of shareholding		39.45%		39.42%	39.45%	39.45%
2	Promoters and promoter group shareholding						
a)	Pledged/encumbered						
	- Number of shares		10,700,000		10,700,000	10,700,000	10,700,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)		18.02%		18.01%	18.02%	18.02%
	- Percentage of shares (as a % of the total share capital of the company)		10.91%		10.91%	10.91%	10.91%
b)	Non-encumbered						
	- Number of shares		48,676,350		48,709,300	48,676,350	48,676,350
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)		81.98%		81.99%	81.98%	81.98%
	- Percentage of shares (as a % of the total share capital of the Company)		49.64%		49.67%	49.64%	49.64%

Particulars	Quarter ended 30. 09. 2012
B Investor Complaints	
Pending at the beginning of the quarter	-
Received during the quarter	2
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	1*

* resolved subsequent to quarter end.

Notes :

(1) Statement of assets and liabilities

(₹ in million)

Particulars	As at 30. 09. 2012 [Unaudited]	As at 31.03.2012 [Audited]
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	981	981
(b) Reserves and surplus	19,968	19,017
Sub-total	20,949	19,998
2 Minority interest	150	355
3 Non-current liabilities		
(a) Long term borrowings	291	244
(b) Deferred tax liabilities (net)	510	330
(c) Other long term liabilities	178	178
(d) Long term provisions	14	21
Sub-total	993	773
4 Current liabilities		
(a) Short term borrowings	14,221	12,000
(b) Trade payables	3,511	3,798
(c) Other current liabilities	6,053	4,083
(d) Short term provisions	651	1,366
Sub-total	24,436	21,247
Total	46,528	42,373
B ASSETS		
1 Non-current assets		
(a) Fixed assets	3,017	2,811
(b) Goodwill on consolidation (net)	165	42
(c) Non current investments	-	-
(d) Long term loans and advances	4,587	5,502
(e) Trade receivables	46	51
(f) Other non-current assets	136	102
Sub-total	7,951	8,508
2 Current assets		
(a) Current investments	-	-
(b) Inventories	17,367	16,759
(c) Trade receivables	1,477	1,129
(d) Cash, cash equivalents and other bank balances	1,193	588
(e) Short-term loans and advances	14,495	12,766
(f) Other current assets	4,045	2,623
Sub-total	38,577	33,865
Total	46,528	42,373

(2) As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided under Accounting Standard 17 'Segment Reporting'.

(3) The figures of standalone financial results are as follow:

Particulars	Quarter ended 30. 09. 2012 [Unaudited]	Preceding Quarter ended 30. 06. 2012 [Unaudited]	Corresponding Quarter ended 30. 09. 2011 [Unaudited]	Six months ended on 30. 09. 2012 [Unaudited]	Corresponding six months ended on 30. 09. 2011 [Unaudited]	Previous accounting year ended 31. 03. 2012 [Audited]
Income from operations	3,948	4,247	3,132	8,195	6,164	13,965
Profit before tax	567	680	592	1,247	1,045	2,952
Profit after tax	409	460	409	869	718	2,008
Basic and diluted EPS (in ₹)	4.17	4.69	4.17	8.86	7.32	20.48

The standalone unaudited financial results for the quarter ended September 30, 2012 can be viewed on the Company website www.sobhadevelopers.com and can also be viewed on the website of NSE and BSE

- (4) Effective April 1, 2012, the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India has become applicable to the Company. This has resulted in lower revenue recognition and lower profits before taxes of ₹ 98 million and ₹ 57 million respectively during the quarter ended September 30, 2012 and ₹ 122 million and ₹ 73 million respectively during six months ended September 30, 2012.
- (5) During the quarter ended September 30, 2012, the Company has purchased 100,000 equity shares in Sobha Highrise Ventures Private Limited for development of residential project in Bangalore, and accordingly Sobha Highrise Ventures Private Limited has become subsidiary of the Company.
- (6) This statement has been reviewed by the Audit Committee and taken on record at the meeting of the Board of Directors of the Company held on November 2, 2012.
- (7) The auditors have conducted a Limited review of the above financial results for the quarter ended September 30, 2012
- (8) Pursuant to Notification No. 447(E) dated February 28, 2011 and Notification No. 653(E) dated March 30, 2011 issued by the Ministry of Corporate Affairs and Notification no. CIR/CFD/DIL/4/2012 dated April 16, 2012, by Securities and Exchange Board of India, the Company has prepared its consolidated financial results as per revised Schedule VI to the Companies Act, 1956. Accordingly, the previous period / year figures have been regrouped/ rearranged, wherever required to align the consolidated financial results to the revised format.

For and on behalf of the Board of Directors of
Sobha Developers Limited


J. C. Sharma
Vice Chairman and Managing Director

Bangalore, India
November 2, 2012

Limited Review Report

Review Report to the Board of Directors,
Sobha Developers Limited

1. We have reviewed the unaudited consolidated financial results for the quarter ended September 30, 2012 included in the accompanying statement of unaudited financial results of Sobha Developers Limited ('the Company') and its subsidiaries (together, 'the Group') being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Company's management and have not been reviewed by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial results are 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. In respect of unaudited quarterly consolidated financial results, we did not review the financial results of four subsidiaries whose audited quarterly financial results (after eliminations) reflect total revenue of Rs 694.29 million for the quarter ended September 30, 2012 and total assets of Rs 4,232.92 million as at September 30, 2012. The financial information for these subsidiaries have been audited by the other auditors whose reports have been furnished to us, and our conclusion on the quarterly financial results is based solely on the reports of the other auditors.

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S.R. BATLIBOI & ASSOCIATES

Chartered Accountants

4. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, nothing has come to our attention that causes us to believe that the unaudited consolidated financial results for the quarter ended September 30, 2012 included in the accompanying statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" [notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. Batliboi & Associates

For S.R. BATLIBOI & ASSOCIATES

Firm registration number: 101049W

Chartered Accountants

Adarsh Ranka

per Adarsh Ranka

Partner

Membership No.: 209567

Bengaluru, India

November 2, 2012



SOBHA DEVELOPERS LIMITED

Regd. Office: 'SOBHA', Sarjapur - Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bangalore - 560 103

Statement of unaudited financial results for the quarter ended on September 30, 2012

(₹ in million)

	Quarter ended 30. 09. 2012 [Unaudited]	Preceding Quarter ended 30. 06. 2012 [Unaudited]	Corresponding Quarter ended 30. 09. 2011 [Unaudited]	Six months ended on 30. 09. 2012 [Unaudited]	Corresponding six months ended on 30. 09. 2011 [Unaudited]	Previous accounting year ended 31. 03. 2012 [Audited]
1 Income from operations						
(a) Net sales/ income from operations (net of excise duty)	3,864	4,215	3,107	8,079	6,123	13,868
(b) Share of profits in a partnership firm ["Subsidiary"]	76	20	20	96	32	73
(c) Other operating income	8	12	5	20	9	24
Total operating income	3,948	4,247	3,132	8,195	6,164	13,965
2 Expenditure						
(a) (Increase)/decrease in finished goods, stock in trade and work in progress	(741)	71	(4,058)	(670)	(4,056)	(4,591)
(b) Land cost	463	1	2,122	464	2,466	2,587
(c) Cost of materials consumed	258	281	236	539	400	1,011
(d) Purchase of project materials	1,166	1,006	641	2,172	1,053	2,867
(e) Subcontractor and labour charges	824	713	562	1,537	1,319	2,804
(f) License fees and plan approval charges	29	134	1,888	163	1,909	2,005
(g) Employee benefit expense	404	412	316	816	622	1,267
(h) Depreciation and amortization expense	138	126	91	264	165	388
(i) Other expenditure	473	497	455	970	800	1,676
Total expenses	3,014	3,241	2,253	6,255	4,678	10,014
3 Profit from operations before other income, finance cost and exceptional items (1-2)	934	1,006	879	1,940	1,486	3,951
4 Other income	11	15	27	26	29	63
5 Profit from operations before finance costs and exceptional items (3+4)	945	1,021	906	1,966	1,515	4,014
6 Finance costs	378	341	314	719	470	1,062
7 Profit after finance costs but before exceptional items (5-6)	567	680	592	1,247	1,045	2,952
8 Exceptional items	-	-	-	-	-	-
9 Profit from ordinary activities before tax (7+8)	567	680	592	1,247	1,045	2,952
10 Tax expense	158	220	183	378	327	944
11 Net profit from ordinary activities after tax (9-10)	409	460	409	869	718	2,008
12 Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13 Net profit for the period (11-12)	409	460	409	869	718	2,008
14 Paid-up equity share capital (Face value per share - ₹ 10)	981	981	981	981	981	981
15 Reserves excluding revaluation reserves as per balance sheet				19,893		19,024
16 Earnings Per Share (EPS) - (in ₹)						
a) Basic and diluted EPS before extraordinary items	4.17	4.69	4.17	8.86	7.32	20.48
b) Basic and diluted EPS after extraordinary items	4.17	4.69	4.17	8.86	7.32	20.48

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Select information for the Quarter ended September 30, 2012

Particulars	Quarter ended 30. 09. 2012 [Unaudited]	Preceding Quarter ended 30. 06. 2012 [Unaudited]	Corresponding Quarter ended 30. 09. 2011 [Unaudited]	Six months ended on 30. 09. 2012 [Unaudited]	Corresponding six months ended on 30. 09. 2011 [Unaudited]	Previous accounting year ended 31. 03. 2012 [Audited]
A Particulars of Shareholding						
1 Public shareholding						
- Number of equity shares		38,687,518		38,654,568	38,687,518	38,687,518
- Percentage of shareholding		39.45%		39.42%	39.45%	39.45%
2 Promoters and promoter group shareholding						
a) Pledged/encumbered						
- Number of shares		10,700,000		10,700,000	10,700,000	10,700,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)		18.02%		18.01%	18.02%	18.02%
- Percentage of shares (as a % of the total share capital of the company)		10.91%		10.91%	10.91%	10.91%
b) Non-encumbered						
- Number of shares		48,676,350		48,709,300	48,676,350	48,676,350
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)		81.98%		81.99%	81.98%	81.98%
- Percentage of shares (as a % of the total share capital of the Company)		49.64%		49.67%	49.64%	49.64%

Particulars	Quarter ended 30.09.2012
B Investor Complaints	
Pending at the beginning of the quarter	-
Received during the quarter	2
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	1*

* resolved subsequent to quarter end.

Notes :

(1) Statement of assets and liabilities

(₹ in million)

Particulars	As at 30. 09. 2012 [Unaudited]	As at 31.03.2012 [Audited]
	A EQUITY AND LIABILITIES	
1 Shareholders' funds		
(a) Share capital	981	981
(b) Reserves and surplus	19,893	19,024
Sub-total	20,874	20,005
2 Non-current liabilities		
(a) Long term borrowings	291	244
(b) Deferred tax liabilities (net)	510	330
(c) Other long term liabilities	178	178
(d) Long term provisions	14	21
Sub-total	993	773
3 Current liabilities		
(a) Short term borrowings	12,461	10,850
(b) Trade payables	3,201	3,358
(c) Other current liabilities	6,735	4,491
(d) Short term provisions	504	1,236
Sub-total	22,901	19,935
Total	44,768	40,713
B ASSETS		
1 Non-current assets		
(a) Fixed assets	3,017	2,810
(b) Non current investments	2,305	1,539
(c) Long term loans and advances	4,561	5,502
(d) Trade receivables	46	51
(e) Other non-current assets	88	79
Sub-total	10,017	9,981
2 Current assets		
(a) Current investments	-	-
(b) Inventories	15,004	14,366
(c) Trade receivables	1,582	1,117
(d) Cash, cash equivalents and other bank balances	660	533
(e) Short-term loans and advances	13,920	12,574
(f) Other current assets	3,585	2,142
Sub-total	34,751	30,732
Total	44,768	40,713

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- (2) As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided under Accounting Standard 17 'Segment Reporting'.
- (3) Effective April 1, 2012, the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India has become applicable to the Group. This has resulted in lower revenue recognition and lower profits before taxes of ₹ 98 million and ₹ 57 million respectively during the quarter ended September 30, 2012 and ₹ 122 million and ₹ 73 million respectively during six months ended September 30, 2012.
- (4) During the quarter ended September 30, 2012, the Company has purchased 100,000 equity shares in Sobha Highrise Ventures Private Limited for development of residential project in Bangalore, and accordingly Sobha Highrise Ventures Private Limited has become subsidiary of the Company.
- (5) This statement has been reviewed by the Audit Committee and taken on record at the meeting of the Board of Directors of the Company held on November 2, 2012.
- (6) The auditors have conducted a Limited review of the above financial results for the quarter ended September 30, 2012.
- (7) Pursuant to Notification No. 447(E) dated February 28, 2011 and Notification No. 653(E) dated March 30, 2011 issued by the Ministry of Corporate Affairs and Notification no. CIR/CFD/DIL/4/2012 dated April 16, 2012, by Securities and Exchange Board of India, the Company has prepared its financial results as per revised Schedule VI to the Companies Act, 1956. Accordingly, the previous period / year figures have been regrouped/ rearranged, wherever required to align the financial results to the revised format.

Bangalore, India
November 2, 2012

For and on behalf of the Board of Directors of
Sobha Developers Limited



J. C. Sharma
Vice Chairman and Managing Director

Limited Review Report

Review Report to the Board of Directors,
Sobha Developers Limited

1. We have reviewed the unaudited financial results for the quarter ended September 30, 2012 included in the accompanying statement of unaudited financial results of Sobha Developers Limited ('the Company'), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Company's management and have not been reviewed by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are 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. In respect of unaudited quarterly financial results, we did not review the financial information as regards Company's share in profits of partnership firm (post tax) amounting to Rs.76 million for the quarter ended September 30, 2012. The financial information has been audited by other auditors whose reports have been furnished to us, and the Company's share in profits of partnership firm investments has been included in the unaudited quarterly financial results solely based on the report of other auditors.



S.R. BATLIBOI & ASSOCIATES

Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the unaudited financial results for the quarter ended September 30, 2012 included in the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" [notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. Batliboi & Associates

For S.R. BATLIBOI & ASSOCIATES

Firm registration number: 101049W

Chartered Accountants



per Adarsh Ranka

Partner

Membership No.: 209567

Bengaluru, India

November 2, 2012

