

B S R & Co. LLP

Chartered Accountants

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Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results under Regulation 33 and 52 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015

To

Board of Directors of Sobha Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Sobha Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”), and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter ended 30 September 2019 and year to date results for the period from 1 April 2019 to 30 September 2019 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of the entities disclosed in Annexure 1.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Limited review report (continued)

6. We did not review the interim financial results of 17 subsidiaries and step down subsidiaries included in the Statement, whose interim financial results reflect total assets of Rs. 7,837 million as at 30 September 2019 and total revenues of Rs. 249 million and Rs. 396 million, total net profit/(loss) after tax and total comprehensive (loss)/ income of Rs. (30) million and Rs. 14 million, for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019, respectively, and cash out flows (net) of Rs. 1,112 million for the period from 1 April 2019 to 30 September 2019, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

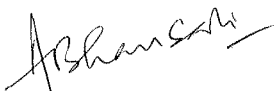
7. The Statement also includes the Group's share of net profit/(loss) after tax and total comprehensive income / loss of Rs.Nil and Rs.Nil for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019, respectively, as considered in the consolidated unaudited financial results, in respect of a joint venture, based on their interim financial results which have not been reviewed/audited. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

for B S R & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022



Amrit Bhansali

Partner

Membership number: 065155

UDIN: 19065155AAAADN7335

Bangalore

8 November 2019

Subsidiaries of Sobha Limited

SL No	Name of the subsidiary
1	Sobha City
2	Sobha Highrise Ventures Private Limited
3	Sobha Developers (Pune) Limited
4	Sobha Assets Private Limited
5	Sobha Tambaram Developers Limited
6	Sobha Nandambakkam Developers Limited

Subsidiaries of Sobha City

SL No	Name of the subsidiary
1	Vayaloor Properties Private Limited,
2	Vayaloor Builders Private Limited,
3	Vayaloor Developers Private Limited
4	Vayaloor Real Estate Private Limited
5	Vayaloor Realtors Private Limited and
6	Valasai Vettikadu Realtors Private Limited

Subsidiary of Sobha Highrise Ventures Private Limited

SL No	Name of the subsidiary
1	Sobha Contracting Private Limited

Subsidiary of Sobha Developers (Pune) Limited

SL No	Name of the subsidiary
1	Kilai Builders Private Limited
2	Sabha Interior Private Limited
3	Kuthavakkam Realtors Private Limited
4	Kuthavakkam Builders Private Limited

Joint venture of Sobha Limited

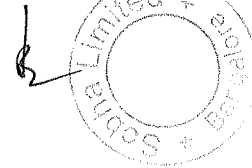
SL No	Name of the subsidiary
1	Kondhwa Projects LLP

Statement of unaudited consolidated financial results for the quarter and six months ended on 30 September 2019

(₹ in million)

	Particulars	3 months ended 30.09.2019 [Unaudited]	Preceding 3 months ended 30.06.2019 (Unaudited)	Corresponding 3 months ended 30.09.2018 [Unaudited]	Year to date figures for current period ended 30.09.2019 [Unaudited]	Year to date figures for the period ended 30.09.2018 [Unaudited]	Previous year ended 31.03.2019 [Audited]
1	Revenue						
	(a) Revenue from operations	7,839	11,767	6,587	19,606	12,564	34,421
	(b) Other income	87	36	62	123	105	348
	(c) Finance income	112	128	113	240	194	387
	Total income	8,038	11,931	6,762	19,969	12,863	35,156
2	Expenses						
	(a) Land purchase cost	520	2,510	38	3,030	680	1,030
	(b) Cost of raw materials and components consumed	836	808	618	1,644	1,147	2,756
	(c) Purchase of project materials	1,755	2,328	2,020	4,083	4,047	10,856
	(d) (Increase)/ decrease in inventories of building materials, finished goods, stock in trade - flats, land stock and work-in-progress	(1,943)	(985)	(1,547)	(2,928)	(3,393)	(2,944)
	(e) Subcontractor and other charges	2,481	2,260	2,141	4,741	3,945	8,863
	(f) Employee benefits expense	636	646	598	1,282	1,115	2,359
	(g) Depreciation and amortization	178	175	154	353	303	623
	(h) Finance cost*	1,667	1,731	532	3,398	1,073	2,362
	(i) Other expenses	980	1,034	1,317	2,014	2,315	4,768
	Total expenses	7,110	10,507	5,871	17,617	11,232	30,673
3	Profit before tax (1-2)	928	1,424	891	2,352	1,631	4,483
4	Tax expense						
	(a) Current tax	33	110	367	143	571	987
	(b) Deferred tax charge / (credit)	225	408	(90)	633	(80)	525
	Total tax expense	258	518	277	776	491	1,512
5	Profit for the period (3-4)	670	906	614	1,576	1,140	2,971
6	Other comprehensive income						
	Items that will not be reclassified to profit or loss in subsequent periods:						
	Re-measurement gains/ (losses) on defined benefit plan (net of tax expenses)	(2)	3	(12)	1	(4)	(8)
	Total other comprehensive income	(2)	3	(12)	1	(4)	(8)
7	Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)] (5+6)	668	909	602	1,577	1,136	2,963
8	Paid-up equity share capital (Face value per share - ₹ 10)	948	948	948	948	948	948
9	Other equity	22,120		19,516	22,120	19,516	21,143
10	Net worth	23,068		20,464	23,068	20,464	22,291
11	Earnings Per Share (EPS) - (in ₹) Basic and diluted EPS (not to be annualised)	7.07	9.55	6.47	16.62	12.02	31.33

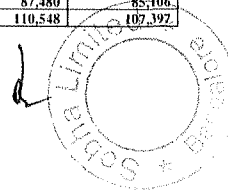
* Includes notional interest accrued on advance from customers as per Ind AS 115 'Revenue from Contracts with Customers' amounting to ₹ 906 million, ₹ 891 million and ₹ 1,798 for the quarters ended 30 September 2019, 30 June 2019 and half year ended 30 September 2019 respectively. This does not have an impact on the cashflows of the Group.



Notes :

(1) The consolidated balance sheet is as below:

		(₹ in million)	
Particulars		As at 30.09.2019 [Unaudited]	As at 31.03.2019 [Audited]
A	Assets		
1	Non-current assets		
	Property, plant and equipment	2,822	2,842
	Capital work-in-progress	73	-
	Right of use assets	143	-
	Investment property	3,717	2,029
	Investment property under construction	2,416	1,900
	Intangible assets	106	3
	Investments	1,138	1,138
	Financial assets		
	Trade receivables	158	84
	Other non-current financial assets	207	182
	Other non-current assets	1,986	5,107
	Current tax assets (net)	96	87
	Deferred tax assets (net)	140	935
		16,002	14,297
2	Current assets		
	Inventories	70,065	65,173
	Financial assets		
	Trade receivables	3,342	3,271
	Cash and cash equivalents	533	1,645
	Bank balance other than cash and cash equivalents	61	127
	Other current financial assets	7,184	5,699
	Other current assets	13,361	17,185
		94,546	93,100
	Total assets	110,548	107,397
B	Equity and liabilities		
1	Equity		
	Equity share capital	948	948
	Other equity	22,120	21,343
	Total equity	23,068	22,291
2	Non-current liabilities		
	Financial liabilities		
	Borrowings	601	18
	Lease liabilities	146	-
	Other non-current financial liabilities	-	2
	Long-term provisions	133	119
	Deferred tax liabilities (net)	84	-
		964	169
3	Current liabilities		
	Financial liabilities		
	Borrowings	29,096	24,379
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises; and	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	11,026	11,328
	Other current financial liabilities	5,082	6,477
	Other current liabilities	41,045	42,048
	Liabilities for current tax (net)	107	555
	Provisions	160	150
		86,516	84,937
	Total liabilities	87,480	85,106
	Total equity and liabilities	110,548	107,397



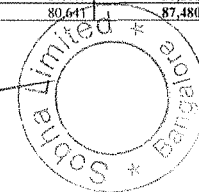
(2) The consolidated statement of cash flows is as below:

Particulars	Year to date figures for current period ended 30.09.2019 [Unaudited]	Year to date figures for the period ended 30.09.2018 [Unaudited]
Cash flows from operating activities		
Profit before tax	2,352	1,631
Adjustments to reconcile profit before tax to net cash flows from operating activities		
Depreciation and amortization expense	332	283
Depreciation of investment properties	21	20
(Gain)/ loss on sale of property, plant and equipment	(3)	(6)
Finance income (including fair value change in financial instruments)	(240)	(194)
Finance costs (including fair value change in financial instruments)	3,398	1,073
Allowance for credit loss	-	4
Bad debts written off	-	-
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(101)	600
Increase in inventories	(4,874)	(663)
(Increase)/ decrease in other financial assets	(1,410)	3,074
(Increase)/ decrease in other assets	3,902	(297)
Increase in trade payables and other financial liabilities	(709)	884
Increase/(decrease) in provisions	21	(48)
Decrease in other non-financial liabilities	(2,904)	(5,592)
Cash (used in) / generated from operating activities	(215)	769
Income tax paid (net of refund)	(353)	(350)
Net cash flows from/ (used in) operating activities	(568)	419
Cash flows from investing activities		
Purchase of property, plant and equipment	(913)	(383)
Proceeds from sale of property, plant and equipment	2	11
Purchase of investment properties	(1,709)	(7)
Amount contributed to partnership current account	9	29
(Investments in)/ redemption of bank deposits (having original maturity of more than three months) - net	(39)	146
Interest received	240	195
Net cash flows used in investing activities	(2,410)	(9)
Cash flows from financing activities		
Repayment of long-term borrowings	(960)	(1,262)
Proceeds from short-term borrowings	12,487	10,164
Repayment of short-term borrowings	(7,113)	(7,603)
Lease payments	(39)	-
Finance cost paid	(1,709)	(1,513)
Dividends paid on equity shares	(664)	(240)
Tax on dividend paid	(136)	(49)
Net cash flows generated from / (used in) financing activities	1,866	(503)
Net increase/ (decrease) in cash and cash equivalents	(1,112)	(93)
Cash and cash equivalents at the beginning of the period	1,645	1,060
Cash and cash equivalents at the end of the period	533	967

(3) Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz., Real estate and Contractual and manufacturing business. Details of consolidated segment-wise revenue, results, assets and liabilities:

(₹ in million)							
	Particulars	3 months ended 30.09.2019 [Unaudited]	Preceding 3 months ended 30.06.2019 [Unaudited]	Corresponding 3 months ended 30.09.2018 [Unaudited]	Year to date figures for current period ended 30.09.2019 [Unaudited]	Year to date figures for the period ended 30.09.2018 [Unaudited]	Previous year ended 31.03.2019 [Audited]
I	Segment revenue						
	Real estate	4,276	8,452	3,855	12,728	7,451	22,653
	Contractual and manufacturing	3,880	3,606	2,995	7,486	5,599	12,908
	Total	8,156	12,058	6,850	20,214	13,050	35,561
	Less: Inter segment revenues	(317)	(291)	(263)	(608)	(486)	(1,140)
	Net revenue from operations	7,839	11,767	6,587	19,606	12,564	34,421
II	Segment results						
	Real estate	2,204	3,175	1,103	5,379	2,182	5,680
	Contractual and manufacturing	763	536	578	1,299	1,088	2,226
	Profit before other adjustments	2,967	3,711	1,681	6,678	3,270	7,906
	Less: Finance cost	(1,666)	(1,732)	(532)	(3,198)	(1,073)	(2,362)
	Less: Other unallocable expenditure	(572)	(720)	(433)	(1,292)	(865)	(1,796)
	Add: Finance and other income	199	165	175	364	299	735
	Profit before tax	928	1,424	891	2,352	1,631	4,483
III	Segment assets #						
	Real estate	96,752	97,187	87,077	96,752	87,077	91,324
	Contractual and manufacturing	8,819	8,025	5,918	8,819	5,918	6,999
	Unallocated assets	4,977	5,019	8,110	4,977	8,110	9,074
	Total assets	110,548	110,231	101,105	110,548	101,105	107,397
IV	Segment liabilities #						
	Real estate	51,139	52,905	48,469	51,139	48,469	50,552
	Contractual and manufacturing	5,125	5,234	5,769	5,125	5,769	6,603
	Unallocated liabilities	31,216	28,892	26,403	31,216	26,403	27,951
	Total liabilities	87,480	87,031	80,641	87,480	80,641	85,106

Capital employed = Segment assets - Segment liabilities



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

Particulars	3 months ended 30.09.2019 [Unaudited]	Preceding 3 months ended 30.06.2019 (Unaudited)	Corresponding 3 months ended 30.09.2018 [Unaudited]	Year to date figures for current period ended 30.09.2019 [Unaudited]	Year to date figures for the period ended 30.09.2018 [Unaudited]	Previous year ended 31.03.2019 [Audited]
Total income	8,225	11,876	6,583	20,101	12,054	34,338
Profit before tax	948	1,422	844	2,370	1,437	4,320
Profit for the period	689	911	573	1,600	1,005	2,866

(5) The unaudited consolidated financial results for the quarter and half year ended 30 September 2019 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Group at its meeting held on 8 November 2019. The figures for the quarter and half year ended 30 September 2019 was subject to 'Limited Review' by Statutory Auditors of the Group who have expressed an unqualified review opinion. The information presented above is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The above unaudited consolidated financial results are filed with Stock Exchanges under Regulation 33 and 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 and are available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com, and on the Company's website, www.sobha.com.

(6) Effective 1 April 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts, except leases which are expiring less than 12 months on 1 April 2019 using the modified retrospective method without taking the cumulative adjustment to retained earnings. Accordingly, the comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹ 143 million and ₹ 173 million as at 30 September 2019 and 1 April 2019 respectively and a corresponding lease liability of ₹ 143 million and ₹ 173 million as at 30 September 2019 and 1 April 2019 respectively. The net effect of adoption has resulted in an increase in cost by ₹ 2 million (net of tax).

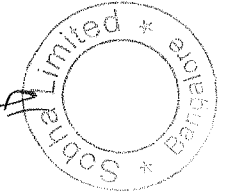
(7) The Group has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Group has recognised Provision for Income Tax for the six months ended 30 September 2019 and re-measured its Deferred Tax Asset basis the rate prescribed in the said section. The Group will account for the impact of this change over the period July 2019 to March 2020 by revising the annual effective income tax rate.

(8) The previous year figures have been regrouped / reclassified, wherever necessary, to conform to the current quarter and half year presentation.

Bengaluru, India
8 November 2019

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

J. C. Sharma
Vice Chairman and Managing Director



B S R & Co. LLP

Chartered Accountants

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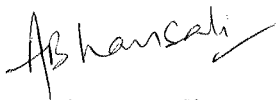
Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of Sobha Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sobha Limited (the 'Company') for the quarter ended 30 September 2019 and year to date results for the period from 1 April 2019 to 30 September 2019 ("the Statement").
2. 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 Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 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 **B S R & Co. LLP**
Chartered Accountants

ICAI Firm registration number: 101248W/W-100022



Amrit Bhansali

Partner

Membership number: 065155

UDIN: 19065155AAAADM7839

Bangalore

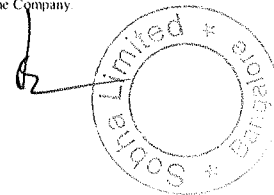
8 November 2019

Statement of standalone financial results for the quarter and six months ended 30 September 2019

(₹ in million)

	3 months ended 30.09.2019 [Unaudited]	Preceding 3 months ended 30.06.2019 [Unaudited]	Corresponding 3 months ended 30.09.2018 [Unaudited]	Year to date figures for current period ended 30.09.2019 [Unaudited]	Year to date figures for the period ended 30.09.2018 [Unaudited]	Previous year ended 31.03.2019 [Audited]
1 Revenue						
(a) Revenue from operations	8,024	11,718	6,409	19,742	11,756	33,579
(b) Other income	90	30	62	120	105	344
(c) Finance income	111	128	112	239	193	415
Total income	8,225	11,876	6,583	20,101	12,054	34,338
2 Expenses						
(a) Land purchase cost	511	2,509	38	3,020	143	464
(b) Cost of raw materials and components consumed	836	808	618	1,644	1,147	2,756
(c) Purchase of project materials	1,935	2,328	2,020	4,263	4,047	10,856
(d) (Increase)/ decrease in inventories of building materials, finished goods, stock in trade - flats, land stock and work-in-progress	(1,865)	(944)	(1,583)	(2,809)	(3,292)	(2,621)
(e) Subcontractor and other charges	2,475	2,247	2,142	4,722	3,945	8,841
(f) Employee benefits expense	636	646	598	1,282	1,115	2,359
(g) Depreciation and amortization	166	163	144	329	283	582
(h) Finance cost*	1,644	1,711	517	3,355	1,039	2,293
(i) Other expenses	939	986	1,245	1,925	2,190	4,488
Total expenses	7,277	10,454	5,739	17,731	10,617	30,018
3 Profit before tax (1-2)	948	1,422	844	2,370	1,437	4,320
4 Tax expense						
(a) Current tax	33	108	358	141	551	975
(b) Deferred tax charge / (credit)	226	403	(87)	629	(119)	479
Total tax expense	259	511	271	770	432	1,454
5 Profit for the period (3-4)	689	911	573	1,600	1,005	2,866
6 Other comprehensive income						
Items that will not be reclassified to profit or loss in subsequent periods:						
Re-measurement gains/ (losses) on defined benefit plan (net of tax expenses)	(2)	3	(12)	1	(4)	(8)
Total other comprehensive income	(2)	3	(12)	1	(4)	(8)
7 Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)] (5+6)	687	914	561	1,601	1,001	2,858
8 Paid-up equity share capital (Face value per share - ₹ 10)	948	948	948	948	948	948
9 Other equity	20,627		17,969	20,627	17,969	19,825
10 Net worth	21,575		18,917	21,575	18,917	20,773
11 Paid-up debt capital	496		1,376	496	1,376	1,387
12 Debenture redemption reserve	111		257	111	257	300
13 Earnings Per Share (EPS) - (in ₹) Basic and diluted EPS (not to be annualised)	7.26	9.61	6.04	16.87	10.59	30.23
14 Debt equity ratio (refer note 6)				1.37	1.27	1.22
15 Debt service coverage ratio (DSCR) (refer note 5)				0.40	0.24	0.32
16 Interest service coverage ratio (ISCR) (refer note 5)				2.52	2.38	2.88

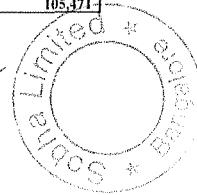
* Includes notional interest accrued on advance from customers as per Ind AS 115 'Revenue from Contracts with Customers' amounting to ₹ 906 million, ₹ 891 million and ₹ 1,798 for the quarters ended 30 September 2019, 30 June 2019 and half year ended 30 September 2019 respectively. This does not have an impact on the cashflows of the Company.



Notes :

(1) The standalone balance sheet is as below:

		(₹ in million)	
Particulars		As at 30.09.2019 (Unaudited)	As at 31.03.2019 (Audited)
A	Assets		
1	Non-current assets		
	Property, plant and equipment	2,740	2,831
	Capital work-in-progress	73	-
	Right of use assets	143	-
	Investment property under construction	2,416	1,900
	Intangible assets	1	1
	Financial assets		
	Investments	3,869	4,163
	Trade receivables	158	84
	Other non-current financial assets	289	174
	Other non-current assets	5,095	5,107
	Deferred tax assets (net)	95	970
		14,879	15,230
2	Current assets		
	Inventories	67,384	62,744
	Financial assets		
	Trade receivables	3,194	3,125
	Cash and cash equivalents	438	1,605
	Bank balance other than cash and cash equivalents	59	126
	Other current financial assets	7,390	5,697
	Other current assets	13,060	16,944
		91,525	90,241
	Total assets	106,404	105,471
B	Equity and liabilities		
1	Equity		
	Equity share capital	948	948
	Other equity	20,627	19,825
	Total equity	21,575	20,773
2	Non-current liabilities		
	Financial liabilities		
	Borrowings	-	48
	Lease liabilities	146	-
	Long-term provisions	133	121
	Deferred tax liabilities (net)	-	-
		279	169
3	Current liabilities		
	Financial liabilities		
	Borrowings	28,816	23,701
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises; and	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	11,077	11,240
	Other current financial liabilities	4,405	5,993
	Other current liabilities	39,985	42,890
	Liabilities for current tax (net)	107	555
	Provisions	160	150
		84,550	84,529
	Total liabilities	84,829	84,698
	Total equity and liabilities	106,404	105,471



(2) The standalone statement of cash flows is as below:

Particulars	(₹ in million)	
	Year to date figures for current period ended 30.09.2019 [Unaudited]	Year to date figures for the period ended 30.09.2018 [Unaudited]
Cash flows from operating activities		
Profit before tax	2,370	1,437
Adjustments to reconcile profit before tax to net cash flows from operating activities		
Depreciation and amortization expense	329	283
(Gain)/ loss on sale of property, plant and equipment	(3)	(6)
Finance income (including fair value change in financial instruments)	(239)	(193)
Finance costs (including fair value change in financial instruments)	3,355	1,039
Allowance for credit loss	-	4
Share of (profit)/ loss from investment in partnership firm	(9)	2
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(99)	506
Increase in inventories	(4,640)	(238)
(Increase)/ decrease in other financial assets	(1,702)	3,073
(Increase)/ decrease in other assets	3,854	(596)
Increase in trade payables and other financial liabilities	(711)	836
Increase/(decrease) in provisions	21	(48)
Decrease in other non-financial liabilities	(4,772)	(5,126)
Cash (used in) / generated from operating activities	(2,246)	973
Income tax paid (net of refund)	(342)	(309)
Net cash flows from/ (used in) operating activities	(2,588)	664
Cash flows from investing activities		
Purchase of property, plant and equipment	(721)	(382)
Proceeds from sale of property, plant and equipment	2	11
Amount contributed to partnership current account	285	(37)
(Investments in)/ redemption of bank deposits (having original maturity of more than three months) - net	(38)	118
Interest received	239	193
Net cash flows used in investing activities	(233)	(97)
Cash flows from financing activities		
Repayment of long-term borrowings	(1,012)	(1,262)
Proceeds from short-term borrowings	12,206	10,163
Repayment of short-term borrowings	(7,036)	(7,576)
Lease payments	(39)	-
Finance cost paid	(1,665)	(1,478)
Dividends paid on equity shares	(664)	(240)
Tax on dividend paid	(136)	(49)
Net cash flows generated from / (used in) financing activities	1,654	(442)
Net increase/ (decrease) in cash and cash equivalents	(1,167)	125
Cash and cash equivalents at the beginning of the period	1,605	805
Cash and cash equivalents at the end of the period	438	930

(3) Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz., Real estate and Contractual and manufacturing business. Details of standalone segment-wise revenue, results, assets and liabilities:

Particulars	(₹ in million)					
	3 months ended 30.09.2019 [Unaudited]	Preceding 3 months ended 30.06.2019 [Unaudited]	Corresponding 3 months ended 30.09.2018 [Unaudited]	Year to date figures for current period ended 30.09.2019 [Unaudited]	Year to date figures for the period ended 30.09.2018 [Unaudited]	(Previous year ended 31.03.2019 [Audited])
I Segment revenue						
Real estate	4,183	8,317	3,688	12,500	6,646	21,820
Contractual and manufacturing	4,157	3,684	2,994	7,841	5,598	12,908
Total	8,340	12,001	6,682	20,341	12,244	34,728
Less: Inter segment revenues	(317)	(291)	(263)	(608)	(486)	(1,140)
Less: Other operating income - share of profits/ (losses) in a subsidiary partnership firm	1	8	(10)	9	(2)	(9)
Net revenue from operations	8,024	11,718	6,409	19,742	11,756	33,579
II Segment results						
Real estate	2,201	3,151	1,053	5,352	1,958	5,433
Contractual and manufacturing	762	535	578	1,297	1,088	2,226
Profit before other adjustments	2,963	3,686	1,631	6,649	3,046	7,659
Less: Finance cost	(1,644)	(1,711)	(517)	(3,355)	(1,039)	(2,293)
Less: Other unallocable expenditure	(573)	(719)	(434)	(1,292)	(866)	(1,796)
Add: Share of profits/ (losses) in a subsidiary partnership firm	1	8	(10)	9	(2)	(9)
Add: Finance and other income	201	158	174	359	298	759
Profit before tax	948	1,422	844	2,370	1,437	4,320
III Segment assets #						
Real estate	90,017	90,623	82,809	90,017	82,809	88,776
Contractual and manufacturing	8,819	8,025	5,918	8,819	5,918	6,999
Unallocated assets	7,568	7,951	10,570	7,568	10,570	9,696
Total assets	106,404	106,599	99,297	106,404	99,297	105,471
IV Segment liabilities #						
Real estate	49,171	50,787	49,021	49,171	49,021	51,123
Contractual and manufacturing	5,125	5,234	5,769	5,125	5,769	6,603
Unallocated liabilities	30,533	28,891	25,590	30,533	25,590	26,972
Total liabilities	84,829	84,912	80,380	84,829	80,380	84,698

Capital employed = Segment assets - Segment liabilities



(4) Disclosures under regulation 52(4) and 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Non-Convertible Debentures are as follows:

Sl. No	Particulars	Previous due date for payment of Interest for NCDs	Paid on	Amount of Interest (₹ in million)	Previous due date for repayment of Principal of NCDs	Paid on	Redemption Amount (₹ in million)	Next due date for payment of Interest for NCDs	Amount of Interest (₹ in million)	Next due date for repayment of Principal of NCDs	Redemption Amount (₹ in million)	Rating Assigned by Rating Agency
1	12.50% Redeemable Secured NCDs-Series-1 of ₹ 1000 Million	19-Jul-19	19-Jul-19	44	19-Jul-19	19-Jul-19	350	-	-	-	-	ICRA A+
2	12.00% Redeemable Secured NCDs-Series-4 of ₹ 350 Million	29-Jul-19	29-Jul-19	42	29-Jul-19	29-Jul-19	350	-	-	-	-	BRICKWORKS A+ (SO)
3	12.00% Redeemable Secured NCDs-Series-8 of ₹ 200 Million	29-Sep-19	27-Sep-19	24	29-Sep-19	27-Sep-19	200	-	-	-	-	BRICKWORKS A+ (SO)
4	11.40% Redeemable Secured NCDs-Series-10 of ₹ 100 Million	3-Mar-19	5-Mar-19	11	-	-	-	3-Mar-20	11	3-Mar-20	100	BRICKWORKS A+ (SO)
5	11.40% Redeemable Secured NCDs-Series-12 of ₹ 200 Million	11-Mar-19	11-Mar-19	23	-	-	-	11-Mar-20	23	11-Mar-20	200	BRICKWORKS A+ (SO)
6	11.40% Redeemable Secured NCDs-Series-15 of ₹ 200 Million	21-Mar-19	21-Mar-19	23	-	-	-	21-Mar-20	23	21-Mar-20	200	BRICKWORKS A+ (SO)

(5) DSCR represents profit before finance cost and exceptional items / finance cost incurred (excludes interest accounted on advance from customers) and principal repayment of loan funds during the period. ISCR represents profit before finance cost and exceptional items / finance cost(excludes interest accounted on advance from customers).

(6) Debt-equity ratio represents debt [non-current borrowings, current borrowings and current maturities of non-current borrowings] / equity [equity share capital plus other equity, including debenture redemption reserve].

(7) The unaudited standalone financial results for the quarter and half year ended 30 September 2019 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on 8 November 2019. The figures for the quarter and half year ended 30 September 2019 was subject to 'Limited Review' by Statutory Auditors of the Company who have expressed an unqualified review opinion. The information presented above is prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The above unaudited standalone financial results are filed with Stock Exchanges under Regulation 33 and 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 and are available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com, and on the Company's website, www.sobha.com.

(8) Effective 1 April 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts, except leases which are expiring less than 12 months on 1 April 2019 using the modified retrospective method without taking the cumulative adjustment to retained earnings. Accordingly, the comparatives for the year ended 31 March 2019 have not been retrospectively adjusted.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹ 143 million and ₹ 173 million as at 30 September 2019 and 1 April 2019 respectively and a corresponding lease liability of ₹ 143 million and ₹ 173 million as at 30 September 2019 and 1 April 2019 respectively. The net effect of adoption has resulted in an increase in cost by ₹ 2 million (net of tax).

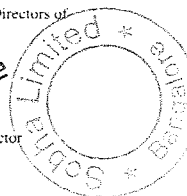
(9) The Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax for the six months ended 30 September 2019 and re-measured its Deferred Tax Asset basis the rate prescribed in the said section. The Company will account for the impact of this change over the period July 2019 to March 2020 by revising the annual effective income tax rate.

(10) The previous year figures have been regrouped / reclassified, wherever necessary, to conform to the current quarter and half year presentation.

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

J. C. Sharma

J. C. Sharma
Vice Chairman and Managing Director



Bengaluru, India
8 November 2019