

B S R & Co. LLP

Chartered Accountants

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Limited review report (unmodified) on unaudited quarterly consolidated financial results under Regulation 33 of the Listing Regulations 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 Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its share of the net profit / (loss) after tax of its joint venture for the quarter ended 30 June 2020 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company'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 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 as disclosed in Annexure I.
5. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and were not subjected to audit.
6. 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 7 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 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

B S R & Co. LLP

Limited review report (unmodified) on unaudited quarterly consolidated financial results under Regulation 33 of the Listing Regulations of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 (continued)

7. We did not review the interim financial results of 18 subsidiaries and step down subsidiaries included in the Statement, whose interim financial results reflect total revenues of Rs 25.94 million, total net loss after tax of Rs 19.52 million, for the quarter ended 30 June 2020, 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.

8. The Statement also includes the Group's share of net profit/(loss) after tax of Rs. Nil for the quarter ended 30 June 2020, 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:20065155AAAEM1152

Bangalore

7 August 2020

Annexure I: List of subsidiaries and joint venture

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
7	Sobha Construction Products Private 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	Sobha Interior Private Limited
3	Kuthavakkam Realtors Private Limited
4	Kuthavakkam Builders Private Limited

Joint venture of Sobha Limited

SL No	Name of the joint venture
1	Kondhwa Projects LLP

SOBHA LIMITED

Corporate Identity Number (CIN) : L45201KA1995PLC018475

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

Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com

Website: www.sobha.com

Statement of consolidated financial results for the quarter ended 30 June 2020

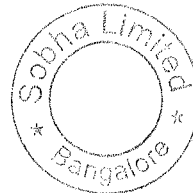
(₹ in million)

	Particulars	3 months ended 30.06.2020 [Unaudited]	Preceding 3 months ended 31.03.2020 [Audited]*	Corresponding 3 months ended 30.06.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
1	Revenue				
	(a) Revenue from operations	3,500	9,101	11,767	37,539
	(b) Other income	46	92	36	288
	(c) Finance income	47	83	128	430
	Total income	3,593	9,276	11,931	38,257
2	Expenses				
	(a) Land purchase cost	12	386	2,510	4,268
	(b) Cost of raw materials and components consumed	277	692	808	3,002
	(c) Purchase of project materials	197	2,190	2,328	7,216
	(d) (Increase)/ decrease in inventories	(492)	(380)	(985)	(3,412)
	(e) Subcontractor and other charges	657	2,052	2,260	8,836
	(f) Employee benefits expense	304	600	646	2,464
	(g) Depreciation and amortization	189	188	175	723
	(h) Finance cost**	1,784	1,718	1,731	6,816
	(i) Other expenses	611	1,016	1,034	4,014
	Total expenses	3,539	8,462	10,507	33,927
3	Profit before tax (1-2)	54	814	1,424	4,330
4	Tax expense				
	(a) Current tax	113	259	110	452
	(b) Deferred tax (credit) / charge	(125)	48	408	1,063
	Total tax expense	(12)	307	518	1,515
5	Profit for the period (3-4)	66	507	906	2,815
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)	-	(1)	3	5
	Total other comprehensive income	-	(1)	3	5
7	Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)] (5+6)	66	506	909	2,820
8	Paid-up equity share capital (Face value per share - ₹ 10)	948	948	948	948
9	Other equity	-	-	-	23,364
10	Earnings Per Share (EPS) - (in ₹)				
	Basic and diluted EPS (not annualised for the quarters)	0.70	5.35	9.55	29.69

* refer note 4

Also refer the notes to the consolidated financial results

** Includes notional interest accrued on advance from customers as per Ind AS 115 amounting to ₹ 936 million, ₹ 878 million and ₹ 891 million for the three months ended 30 June 2020, 31 March 2020 and 30 June 2019 respectively and ₹ 3,558 million for the year ended 31 March 2020.



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- (1) Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Group'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 is

(₹ in million)					
	Particulars	3 months ended 30.06.2020 [Unaudited]	Preceding 3 months ended 31.03.2020 [Audited]*	Corresponding 3 months ended 30.06.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
I	Segment revenue				
	Real estate	2,229	4,307	8,452	22,801
	Contractual and manufacturing	1,417	5,090	3,606	15,907
	Total	3,646	9,397	12,058	38,708
	Less: Inter segment revenues	(146)	(296)	(291)	(1,169)
	Net revenue from operations	3,500	9,101	11,767	37,539
II	Segment results				
	Real estate	745	958	2,283	6,250
	Contractual and manufacturing	295	1,021	536	2,972
	Profit before other adjustments	1,040	1,979	2,819	9,222
	Less: Finance cost**	(848)	(840)	(840)	(3,258)
	Less: Other unallocable expenditure	(231)	(501)	(720)	(2,352)
	Add: Finance and other income	93	176	165	718
	Profit before tax	54	814	1,424	4,330
III	Segment assets #				
	Real estate	98,304	97,121	97,187	97,121
	Contractual and manufacturing	8,709	8,072	8,025	8,072
	Unallocated assets	2,841	4,930	5,019	4,930
	Total assets	109,854	110,123	110,231	110,123
IV	Segment liabilities #				
	Real estate	47,859	47,921	52,905	47,921
	Contractual and manufacturing	6,056	5,196	5,234	5,196
	Unallocated liabilities	31,560	32,694	28,892	32,694
	Total liabilities	85,475	85,811	87,031	85,811

* refer note 4

Capital employed = Segment assets - Segment liabilities

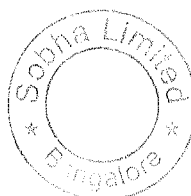
** Excludes notional interest accrued on advance from customers as per Ind AS 115 amounting to ₹ 936 million, ₹ 878 million and ₹ 891 million for the three months ended 30 June 2020, 31 March 2020 and 30 June 2019 respectively and ₹ 3,558 million for the year ended 31 March 2020. This is considered as part of the real estate segment results.

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

(₹ in million)					
	Particulars	3 months ended 30.06.2020 [Unaudited]	Preceding 3 months ended 31.03.2020 [Audited]*	Corresponding 3 months ended 30.06.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
	Total income	3,591	9,273	11,876	38,305
	Profit before tax	72	908	1,422	4,410
	Profit for the period	73	532	911	2,894

- (3) The unaudited consolidated financial results for the quarter ended 30 June 2020 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Group at its meeting held on 7 August 2020. The figures for the quarter ended 30 June 2020 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 consolidated financial results are filed with Stock Exchanges under Regulation 33 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.
- (4) The figures for the preceding 3 months ended 31 March 2020 are the balancing figures between the audited figures in respect of the full final year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of third quarter has only been reviewed and not subjected to audit.
- (5) On 11 March 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic. The Government of India announced complete lockdown effective 26 March 2020. The Group resumed its operations post lockdown on 4 May 2020, albeit at a reduced level. It has impacted the operations of the Group and the Group has considered the impact of the same in its financial results for the current quarter. The management is continuing to monitor the situation.
- (6) The previous period / year figures have been regrouped / reclassified, wherever necessary, to conform to the current quarter presentation.

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



J. C. Sharma
Vice Chairman and Managing Director

Bengaluru, India
7 August 2020

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Limited review report (unmodified) on unaudited quarterly standalone financial results under Regulation 33 of the Listing Regulations of SEBI (Listing Obligation 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 June 2020 ('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 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. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and were not subjected to audit.
5. 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 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: 20065155AAAENI267

Bangalore

7 August 2020

SOBHA LIMITED

Corporate Identity Number (CIN) : L45201KA1995PLC018475

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

Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com

Website: www.sobha.com

Statement of standalone financial results for the quarter ended 30 June 2020

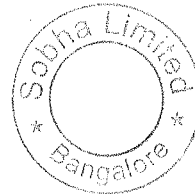
(₹ in million)

	Particulars	3 months ended 30.06.2020 [Unaudited]	Preceding 3 months ended 31.03.2020 [Audited]*	Corresponding 3 months ended 30.06.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
1	Revenue				
	(a) Revenue from operations	3,497	9,065	11,710	37,558
	(b) Other income	40	107	38	300
	(c) Finance income	54	101	128	447
	Total income	3,591	9,273	11,876	38,305
2	Expenses				
	(a) Land purchase cost	12	385	2,509	4,257
	(b) Cost of raw materials and components consumed	277	692	808	3,002
	(c) Purchase of project materials	215	2,145	2,328	7,297
	(d) (Increase)/ decrease in inventories	(473)	(304)	(944)	(3,164)
	(e) Subcontractor and other charges	657	2,054	2,247	8,833
	(f) Employee benefits expense	304	600	646	2,464
	(g) Depreciation and amortization	177	176	163	674
	(h) Finance cost**	1,753	1,703	1,711	6,732
	(i) Other expenses	597	914	986	3,800
	Total expenses	3,519	8,365	10,454	33,895
3	Profit before tax (1-2)	72	908	1,422	4,410
4	Tax expense				
	(a) Current tax	112	253	108	444
	(b) Deferred tax (credit) / charge	(113)	123	403	1,072
	Total tax expense	(1)	376	511	1,516
5	Profit for the period (3-4)	73	532	911	2,894
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)	-	(1)	3	5
	Total other comprehensive income	-	(1)	3	5
7	Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)] (5+6)	73	531	914	2,899
8	Paid-up equity share capital (Face value per share - ₹ 10)	948	948	948	948
9	Other equity	-	-	-	21,924
10	Earnings Per Share (EPS) - (in ₹) Basic and diluted EPS (not annualised for the quarters)	0.77	5.61	9.61	30.52

* refer note 3

Also refer the notes to the standalone financial results

** Includes notional interest accrued on advance from customers as per Ind AS 115 amounting to ₹ 930 million, ₹ 878 million and ₹ 891 million for the three months ended 30 June 2020, 31 March 2020 and 30 June 2019 respectively and ₹ 3,558 million for the year ended 31 March 2020



- (1) 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 is given below:

		(₹ in million)			
	Particulars	3 months ended 30.06.2020 [Unaudited]	Preceding 3 months ended 31.03.2020 [Audited]*	Corresponding 3 months ended 30.06.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
I	Segment revenue				
	Real estate	2,204	4,181	8,317	22,312
	Contractual and manufacturing	1,439	5,180	3,684	16,415
	Total	3,643	9,361	12,001	38,727
	Less: Inter segment revenues	(146)	(296)	(291)	(1,169)
	Net revenue from operations	3,497	9,065	11,710	37,558
II	Segment results				
	Real estate	733	1,007	2,260	6,224
	Contractual and manufacturing	299	1,019	535	2,966
	Profit before other adjustments	1,032	2,026	2,795	9,190
	Less: Finance cost**	(823)	(825)	(820)	(3,174)
	Less: Other unallocable expenditure	(231)	(501)	(719)	(2,353)
	Add: Share of (loss) / profit in a subsidiary partnership firm	(12)	17	8	17
	Add: Finance and other income	106	191	158	730
	Profit before tax	72	908	1,422	4,410
III	Segment assets #				
	Real estate	88,992	90,033	90,623	90,033
	Contractual and manufacturing	9,275	8,072	8,025	8,072
	Unallocated assets	6,779	7,326	7,951	7,326
	Total assets	105,046	105,431	106,599	105,431
IV	Segment liabilities #				
	Real estate	45,476	45,790	50,787	45,790
	Contractual and manufacturing	6,174	5,205	5,234	5,205
	Unallocated liabilities	30,449	31,564	28,891	31,564
	Total liabilities	82,099	82,559	84,912	82,559

* refer note 3

Capital employed = Segment assets - Segment liabilities

** Excludes notional interest accrued on advance from customers as per Ind AS 115 amounting to ₹ 930 million, ₹ 878 million and ₹ 891 million for the three months ended 30 June 2020, 31 March 2020 and 30 June 2019 respectively and ₹ 3,558 million for the year ended 31 March 2020. This is considered as part of the real estate segment results.

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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
7 August 2020