

B S R & Co. LLP

Chartered Accountants

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Limited review report (unmodified) on unaudited quarterly consolidated financial results and consolidated year-to-date results under Regulation 33 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 ventures for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 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 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 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 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 and consolidated year-to-date results under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (continued)

1. We did not review the interim financial results of 18 subsidiaries and step down subsidiaries included in the Statement, whose interim financial results / financial statement reflect total assets of Rs 8,040.00 million as at 30 September 2020 and total revenues of Rs 15.67 million and Rs 41.53 million, total net profit/(loss) after tax and total comprehensive income/ loss of Rs 31.58 million and Rs 50.58 million, for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, respectively, and cash outflows (net) of Rs 39.39 million for the period from 1 April 2020 to 30 September 2020, as considered in the consolidated unaudited financial results. These interim financial results / financial statement 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 matters.

2. The Statement includes the Group's share of net profit after tax and total comprehensive income / loss of Rs. Nil and Rs. Nil for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, 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: 20065155AAAAHL8330

Bangalore

7 November 2020

BSR & Co. LLP

Annexure 1: 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



Statement of consolidated financial results for the quarter and six months ended 30 September 2020

		(₹ in million)					
	Particulars	3 months ended 30.09.2020 [Unaudited]	Preceding 3 months ended 30.06.2020 [Unaudited]	Corresponding 3 months ended 30.09.2019 [Unaudited]	Year to date figures for current period ended 30.09.2020 [Unaudited]	Year to date figures for period ended 30.09.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
1	Revenue						
	(a) Revenue from operations	5,220	3,500	7,839	8,720	19,606	37,539
	(b) Other income	188	46	87	234	123	288
	(c) Finance income	51	47	112	98	240	430
	Total income	5,459	3,593	8,038	9,052	19,969	38,257
2	Expenses						
	(a) Land purchase cost	55	12	520	67	1,030	4,268
	(b) Cost of raw materials and components consumed	478	277	836	755	1,644	3,002
	(c) Purchase of project materials	805	197	1,755	1,002	4,083	7,216
	(d) (Increase)/ decrease in inventories	98	(492)	(1,943)	(394)	(2,928)	(3,412)
	(e) Subcontractor and other charges	1,131	657	2,481	1,788	4,741	8,836
	(f) Employee benefits expense	458	304	636	762	1,282	2,464
	(g) Depreciation and amortization	195	189	178	384	353	723
	(h) Finance cost**	1,350	1,784	1,667	3,134	3,398	6,816
	(i) Other expenses	660	611	980	1,271	2,914	4,014
	Total expenses	5,230	3,539	7,110	8,769	17,617	33,927
3	Profit before tax (1-2)	229	54	928	283	2,352	4,330
4	Tax expense						
	(a) Current tax	(18)	113	33	95	143	452
	(b) Deferred tax (credit) / charge	85	(125)	225	(40)	633	1,063
	Total tax expense	67	(12)	258	55	776	1,515
5	Profit for the period (3-4)	162	66	670	228	1,576	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)	8	-	(2)	8	1	5
	Total other comprehensive income	8	-	(2)	8	1	5
7	Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)] (5+6)	170	66	668	236	1,577	2,820
8	Paid-up equity share capital (Face value per share - ₹ 10)	948	948	948	948	948	948
9	Other equity	22,936	23,431	22,120	22,936	22,120	23,364
10	Earnings Per Share (EPS) - (in ₹) Basic and diluted EPS (not annualised for the quarters)	1.71	0.70	7.07	2.40	16.62	29.69

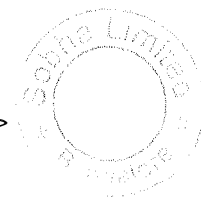
** Includes notional interest accrued on advance from customers as per Ind AS 115 amounting to ₹ 499 million, ₹ 936 million, ₹ 906 million for the three months ended 30 September 2020, 30 June 2020, 30 September 2019 and ₹ 1,435 million, ₹ 1,798 million, and ₹ 3,558 million for the half year ended 30 September 2020, 30 September 2019, and year ended 31 March 2020 respectively.

Notes :

(1) The consolidated balance sheet is as below

		(₹ in million)	
	Particulars	As at 30.09.2020 [Unaudited]	As at 31.03.2020 [Audited]
A	Assets		
1	Non-current assets		
	Property, plant and equipment	4,600	4,631
	Right of use assets	104	128
	Investment property	3,478	1,881
	Investment property under construction	-	2,323
	Intangible assets	232	232
	Investments	1,143	1,143
	Financial assets		
	Trade receivables	295	141
	Other non-current financial assets	100	162
	Other non-current assets	5,174	5,181
	Current tax assets (net)	121	113
	Deferred tax assets (net)	22	21
		15,269	15,956
2	Current assets		
	Inventories	67,342	67,045
	Financial assets		
	Trade receivables	2,420	3,605
	Cash and cash equivalents	786	675
	Bank balance other than cash and cash equivalents	276	209
	Other current financial assets	8,287	8,310
	Other current assets	15,357	14,323
		94,468	94,167
	Total assets	109,737	110,123
B	Equity and liabilities		
1	Equity		
	Equity share capital	948	948
	Other equity	22,936	23,364
	Total equity	23,884	24,312
2	Non-current liabilities		
	Financial liabilities		
	Borrowings	3,691	2,378
	Lease liabilities	38	61
	Long-term provisions	155	145
	Deferred tax liabilities (net)	273	311
		4,157	2,895
3	Current liabilities		
	Financial liabilities		
	Borrowings	27,355	28,625
	Lease liabilities	74	74
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises; and Total outstanding dues of creditors other than micro enterprises and small enterprises	7,184	9,567
	Other current financial liabilities	5,493	4,937
	Other current liabilities	41,208	39,293
	Provisions	142	151
	Current tax liabilities (net)	240	269
		81,696	82,916
	Total liabilities	85,853	85,811
	Total equity and liabilities	109,737	110,123

[Signature]



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

Particulars	₹ in million	
	Year to date figures for current period ended 30.09.2020 [Unaudited]	Year to date figures for period ended 30.09.2019 [Unaudited]
Cash flows from operating activities		
Profit before tax	283	2,352
Adjustments to reconcile profit before tax to net cash flows from operating activities		
Depreciation and amortization expense	314	332
Depreciation of investment properties	70	21
(Gain)/loss on sale of property, plant and equipment	-	(3)
Finance income (including fair value change in financial instruments)	(99)	(240)
Finance costs (including fair value change in financial instruments)	3,046	3,388
Working capital adjustments		
(Increase)/decrease in trade receivables	1,147	(101)
Increase in inventories	1,196	(4,874)
(increase)/decrease in other financial assets	241	(1,410)
(Increase)/decrease in other assets	(353)	3,902
Increase/(decrease) in trade payables and other financial liabilities	(2,238)	(709)
Increase/(decrease) in provisions	1	21
(Decrease)/increase in other non-financial liabilities	480	(2,904)
Cash generated from operating activities	3,998	(225)
Income tax paid (net of refund)	(132)	(351)
Net cash flows from operating activities	3,866	(578)
Cash flows from investing activities		
Purchase of property, plant and equipment	(276)	(481)
Transfer / (Purchase) of investment property under construction	1,667	(432)
Purchase of intangible assets	-	-
Proceeds from sale of property, plant and equipment	1	2
Purchase of investment properties	(1,667)	(1,709)
Amount contributed to partnership current account	-	9
(Investments in)/redemption of bank deposits - net	(6)	(39)
Interest received	99	240
Net cash flows used in investing activities	(182)	(2,410)
Cash flows from financing activities		
Repayment of long-term borrowings	(75)	(960)
Proceeds from short-term borrowings	5,514	12,487
Repayment of short-term borrowings	(7,441)	(7,113)
Lease payments	(23)	(39)
Finance cost paid	(883)	(1,699)
Dividends paid on equity shares	(665)	(664)
Tax on dividend paid	-	(136)
Net cash flows used in financing activities	(3,573)	1,876
Net increase/(decrease) in cash and cash equivalents	111	(1,112)
Cash and cash equivalents at the beginning of the period	675	1,645
Cash and cash equivalents at the end of the period	786	533

(3) 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 given below:

Particulars	₹ in million					
	3 months ended 30.09.2020 [Unaudited]	Preceding 3 months ended 30.06.2020 [Unaudited]	Corresponding 3 months ended 30.09.2019 [Unaudited]	Year to date figures for current period ended 30.09.2020 [Unaudited]	Year to date figures for period ended 30.09.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
I Segment revenue						
Real estate	3,334	2,229	4,276	5,563	12,728	22,801
Contractual and manufacturing	2,101	1,417	3,880	3,518	7,486	15,907
Total	5,435	3,646	8,156	9,081	20,214	38,708
Less: Inter segment revenues	(215)	(146)	(317)	(361)	(608)	(1,169)
Net revenue from operations	5,220	3,500	7,839	8,720	19,606	37,539
II Segment results						
Real estate	874	745	2,204	1,619	5,379	6,250
Contractual and manufacturing	402	295	763	697	1,299	2,972
Profit before other adjustments	1,276	1,040	2,967	2,316	6,678	9,222
Less: Finance cost**	(851)	(948)	(1,666)	(1,699)	(3,398)	(3,258)
Less: Other unallocable expenditure	(435)	(231)	(572)	(666)	(1,292)	(2,352)
Add: Finance and other income	239	93	199	332	364	718
Profit before tax	229	54	928	283	2,352	4,330
III Segment assets #						
Real estate	97,673	98,304	96,752	97,673	96,752	97,121
Contractual and manufacturing	9,215	8,709	8,819	9,215	8,819	8,072
Unallocated assets	2,849	2,841	4,977	2,849	4,977	4,930
Total assets	109,737	109,854	110,548	109,737	110,548	110,123
IV Segment liabilities #						
Real estate	49,119	47,859	51,139	49,119	51,139	47,921
Contractual and manufacturing	1,355	6,056	5,125	4,355	5,125	5,196
Unallocated liabilities	32,379	31,560	31,216	32,379	31,216	32,694
Total liabilities	85,853	85,475	87,480	85,853	87,480	85,811

Capital employed = Segment assets - Segment liabilities

** Excludes notional interest accrued on advance from customers as per Ind AS 115 amounting to ₹ 499 million, ₹ 936 million, ₹ 906 million for the three months ended 30 September 2020, 30 June 2020, 30 September 2019 and ₹ 1,435 million, ₹ 1,798 million, and ₹ 3,558 million for the half year ended 30 September 2020, 30 September 2019, and year ended 31 March 2020 respectively

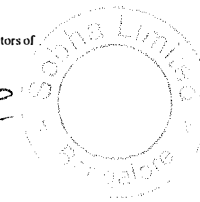
(4) The figures of standalone financial results are as follow:

Particulars	₹ in million					
	3 months ended 30.09.2020 [Unaudited]	Preceding 3 months ended 30.06.2020 [Unaudited]	Corresponding 3 months ended 30.09.2019 [Unaudited]	Year to date figures for current period ended 30.09.2020 [Unaudited]	Year to date figures for period ended 30.09.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
Total income	5,467	3,591	8,225	9,058	20,101	38,305
Profit before tax	247	72	948	319	2,370	4,410
Profit for the period	166	73	689	239	1,600	2,894

(5) The unaudited consolidated financial results for the quarter and half year ended 30 September 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 November 2020. The figures for the quarter and half year ended 30 September 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

(6) On 11 March 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic. The Group resumed its operations post lockdown in May 2020, however the pandemic has impacted the Group's operations. Though the Group's business is increasing, it has considered the impact in its financial results for the quarter and half year ended, including its assessment of recoverable value of its assets based on internal and external information. The Group continues to monitor the situation.

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



B S R & Co. LLP

Chartered Accountants

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

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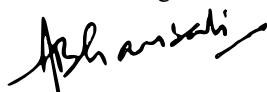
Board of Directors of Sobha Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Sobha Limited ("the Company") for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 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. 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: 20065155AAAAHK8738

Bangalore

7 November 2020

Statement of standalone financial results for the quarter and six months ended 30 September 2020

		(₹ in million)					
	Particulars	3 months ended 30.09.2020 [Unaudited]	Preceding 3 months ended 30.06.2020 [Unaudited]	Corresponding 3 months ended 30.09.2019 [Unaudited]	Year to date figures for current period ended 30.09.2020 [Unaudited]	Year to date figures for the period ended 30.09.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
1	Revenue						
	(a) Revenue from operations	5,230	3,497	8,024	8,727	19,742	37,558
	(b) Other income	180	40	90	220	120	300
	(c) Finance income	57	54	111	111	239	447
	Total income	5,467	3,591	8,225	9,058	20,101	38,305
2	Expenses						
	(a) Land purchase cost	55	12	511	67	3,020	4,257
	(b) Cost of raw materials and components consumed	478	277	836	755	1,644	3,002
	(c) Purchase of project materials	790	215	1,935	1,005	4,263	7,297
	(d) Increase/decrease in inventories	234	(473)	(1,865)	(239)	(2,899)	(3,164)
	(e) Subcontractor and other charges	1,132	657	2,475	1,789	4,722	8,833
	(f) Employee benefits expense	458	304	636	762	1,282	2,464
	(g) Depreciation and amortization	183	177	166	360	329	674
	(h) Finance cost**	1,236	1,753	1,644	2,989	3,355	6,732
	(i) Other expenses	654	507	939	1,251	1,925	3,800
	Total expenses	5,220	3,519	7,277	8,739	17,731	33,895
3	Profit before tax (1-2)	247	72	948	319	2,370	4,410
4	Tax expense						
	(a) Current tax	(19)	112	33	93	141	444
	(b) Deferred tax (credit) / charge	100	(113)	226	(13)	629	1,072
	Total tax expense	81	(1)	259	80	770	1,516
5	Profit for the period (3-4)	166	73	689	239	1,600	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)	8	-	(2)	8	1	5
	Total other comprehensive income	8	-	(2)	8	1	5
7	Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)] (5+6)	174	73	687	247	1,601	2,899
8	Paid-up equity share capital (Face value per share - ₹ 10)	948	948	948	948	948	948
9	Other equity	21,508	21,998	20,627	21,508	20,627	21,924
10	Earnings Per Share (EPS) - (in ₹) Basic and diluted EPS (not annualised for the quarters)	1.75	0.77	7.26	2.52	16.87	30.52

** Includes notional interest accrued on advance from customers as per Ind AS 115 amounting to ₹ 413 million, ₹ 930 million, ₹ 906 million for the three months ended 30 September 2020, 30 June 2020, 30 September 2019 and ₹ 1,343 million, ₹ 1,798 million, and ₹ 3,558 million for the half year ended 30 September 2020, 30 September 2019, and year ended 31 March 2020 respectively

Notes :

(1) The standalone balance sheet is as below:

		(₹ in million)	
	Particulars	As at 30.09.2020 [Unaudited]	As at 31.03.2020 [Audited]
A	Assets		
1	Non-current assets		
	Property, plant and equipment	2,813	2,842
	Right of use assets	104	128
	Investment property	1,618	-
	Investment property under construction	-	2,323
	Intangible assets	1	1
	Financial assets		
	Investments	3,648	3,674
	Trade receivables	295	141
	Other non-current financial assets	193	249
	Other non-current assets	5,270	5,283
		13,942	14,611
2	Current assets		
	Inventories	64,403	64,235
	Financial assets		
	Trade receivables	2,359	3,522
	Cash and cash equivalents	748	597
	Bank balance other than cash and cash equivalents	275	207
	Other current financial assets	8,484	8,487
	Other current assets	14,620	13,742
		90,889	90,790
	Total assets	104,831	105,431
B	Equity and liabilities		
1	Equity		
	Equity share capital	948	948
	Other equity	21,508	21,924
	Total equity	22,456	22,872
2	Non-current liabilities		
	Financial liabilities		
	Borrowings	2,925	1,575
	Lease liabilities	38	61
	Long-term provisions	155	145
	Deferred tax liabilities (net)	260	264
		3,368	2,045
3	Current liabilities		
	Financial liabilities		
	Borrowings	27,063	28,345
	Lease liabilities	74	74
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises; and		
	Total outstanding dues of creditors other than micro enterprises and small enterprises	7,158	9,597
	Other current financial liabilities	4,823	4,287
	Other current liabilities	19,507	37,791
	Provisions	142	151
	Current tax liabilities (net)	240	269
		79,007	80,514
	Total liabilities	82,375	82,559
	Total equity and liabilities	104,831	105,431



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

Particulars	₹ in million	
	Year to date figures for current period ended 30.09.2020 [Unaudited]	Year to date figures for the period ended 30.09.2019 [Unaudited]
Cash flows from operating activities		
Profit before tax	319	2,370
Adjustments to reconcile profit before tax to net cash flows from operating activities		
Depreciation and amortization expense	311	329
Depreciation of investment properties	49	-
(Gain)/ loss on sale of property, plant and equipment	-	(3)
Finance income (including fair value change in financial instruments)	(111)	(239)
Finance costs (including fair value change in financial instruments)	2,903	3,345
Share of (profit)/ loss from investment in partnership firm	38	(9)
Working capital adjustments:		
(Increase)/ decrease in trade receivables	1,101	(99)
(Increase)/ decrease in inventories	1,364	(4,640)
(Increase)/ decrease in other financial assets	55	(1,702)
(Increase)/ decrease in other assets	(191)	3,854
Increase/ (decrease) in trade payables and other financial liabilities	(2,307)	(711)
Increase/ (decrease) in provisions	1	21
(Decrease)/ increase in other non-financial liabilities	372	(4,772)
Cash generated from operating activities	3,904	(2,256)
Income tax paid (net of refund)	(123)	(342)
Net cash flows (used in) / from operating activities	3,781	(2,598)
Cash flows from investing activities		
Purchase of property, plant and equipment	(275)	(289)
Transfer / (Purchase) of investment property under construction	1,667	(432)
Proceeds from sale of property, plant and equipment	-	2
Purchase of investment properties	(1,667)	-
Loan to subsidiaries	(20)	-
Proceeds from / (contribution to) partnership current account	65	285
(Investments in)/ redemption of bank deposits - net	(5)	(38)
Interest received	111	239
Net cash flows from / (used in) investing activities	(124)	(233)
Cash flows from financing activities		
Repayment of long-term borrowings	(40)	(1,012)
Proceeds from short-term borrowings	5,508	12,206
Repayment of short-term borrowings	(7,436)	(7,036)
Lease payments	(23)	(39)
Finance cost paid	(850)	(1,655)
Dividends paid on equity shares	(665)	(664)
Tax on dividend paid	-	(136)
Net cash flows generated used in financing activities	(3,506)	1,664
Net increase/ (decrease) in cash and cash equivalents	151	(1,167)
Cash and cash equivalents at the beginning of the period	597	1,605
Cash and cash equivalents at the end of the period	748	438

(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 is given below:

Particulars	₹ in million					
	3 months ended 30.09.2020 [Unaudited]	Preceding 3 months ended 30.06.2020 [Unaudited]	Corresponding 3 months ended 30.09.2019 [Unaudited]	Year to date figures for current period ended 30.09.2020 [Unaudited]	Year to date figures for the period ended 30.09.2019 [Unaudited]	Previous year ended 31.03.2020 [Audited]
I Segment revenue						
Real estate	3,320	2,204	4,183	5,524	12,500	22,312
Contractual and manufacturing	2,125	1,439	4,157	3,564	7,841	16,415
Total	5,445	3,643	8,340	9,088	20,341	38,727
Less: Inter segment revenues	(215)	(146)	(317)	(361)	(608)	(1,169)
Less: Other operating income - share of profits in a subsidiary partnership firm	-	-	1	-	9	-
Net revenue from operations	5,230	3,497	8,024	8,727	19,742	37,558
II Segment results						
Real estate	865	733	2,201	1,598	5,352	6,224
Contractual and manufacturing	403	299	762	702	1,297	2,956
Profit before other adjustments	1,268	1,032	2,963	2,300	6,649	9,190
Less: Finance cost**	(823)	(823)	(1,644)	(1,646)	(3,355)	(3,174)
Less: Other unallocable expenditure	(435)	(231)	(573)	(666)	(1,292)	(2,353)
Add: Share of (loss) / profit in a subsidiary partnership firm	(26)	(12)	1	(38)	9	17
Add: Finance and other income	263	106	201	369	359	730
Profit before tax	247	72	948	319	2,370	4,410
III Segment assets #						
Real estate	88,245	88,992	90,017	88,245	90,017	90,033
Contractual and manufacturing	9,756	9,275	8,819	9,756	8,819	8,072
Unallocated assets	6,830	6,779	7,568	6,830	7,568	7,326
Total assets	104,831	105,046	106,404	104,831	106,404	105,431
IV Segment liabilities #						
Real estate	46,601	45,476	49,171	46,601	49,171	45,790
Contractual and manufacturing	4,475	6,174	5,125	4,475	5,125	5,205
Unallocated liabilities	31,299	30,449	30,533	31,299	30,533	31,564
Total liabilities	82,375	82,099	84,829	82,375	84,829	82,559

Capital employed = Segment assets - Segment liabilities

** Excludes notional interest accrued on advance from customers as per Ind AS 115 amounting to ₹ 413 million, ₹ 930 million, ₹ 906 million for the three months ended 30 September 2020, 30 June 2020, 30 September 2019 and ₹ 1,343 million, ₹ 1,798 million, and ₹ 3,558 million for the half year ended 30 September 2020, 30 September 2019, and year ended 31 March 2020 respectively.

(4) The unaudited standalone financial results for the quarter and half year ended 30 September 2020 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on 7 November 2020. The figures for the quarter and half year ended 30 September 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 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.

(5) On 11 March 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic. The Company resumed its operations post lockdown in May 2020, however, the pandemic has impacted the Company's operations. Though the Company's business is increasing, it has considered the impact in its financial results for the quarter and half year ended, including its assessment of recoverable value of its assets based on internal and external information available. The Company continues to monitor the situation.

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

Bengaluru, India
7 November 2020

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

J. C. Sharma
Vice Chairman and Managing Director

