



Date: February 07, 2024

To The Deputy Manager Department of Corporate Services BSE Limited PJ Towers, Dalal Street Mumbai – 400 001 Scrip Code: 532784	To The Manager The National Stock Exchange of India Limited Exchange Plaza, Plot No C/1, G Block Bandra Kurla Complex Mumbai – 400 051 Scrip Code: SOBHA
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Dear Sir / Madam,

Sub: Unaudited Financial Results for the quarter and nine-month period ended December 31, 2023:

Please find enclosed, the Unaudited financial results of the Company for the quarter and nine-month period ended December 31, 2023, which has been approved and taken on record by the Board of Directors of the Company at their Meeting held today, Wednesday, February 07, 2024.

The Limited Review Report on the said financial statement is also attached herewith.

The meeting of the Board of Directors for considering and approving Unaudited Financial Results for the quarter and nine-month period ended December 31, 2023, commenced at **02:25** p.m., and concluded at **04:30** p.m.

Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

Yours sincerely,

FOR SOBHA LIMITED

Bijan Kumar Dash
Company Secretary & Compliance Officer
ACS No. 17222



SOBHA LIMITED

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Sobha Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Sobha Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture (refer Annexure 1 for the list of subsidiaries, associate and joint venture included in the Statement) for the quarter ended 31 December 2023 and the consolidated year to date results for the period 01 April 2023 to 31 December 2023, being submitted by the Holding Company 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of 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 the Standards on Auditing specified under Section 143(10) of the Act, 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 SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon 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 Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 6 to the accompanying Statement, that explains that during the previous years, the Holding Company had entered into a joint development agreement ('JDA') in which the counter party, i.e., land owners had obtained a license for setting up a residential township on land parcels. The license is based on the Bilateral Agreement which was entered into between the land owners and District Town and Country Planner (DTCP), Haryana and is governed under the development policy of Haryana Development and Regulation of Urban Areas Act, 1975 (HDRUAA).

In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('AA-PML'), alleging certain irregularities in the manner of allotment and pricing of certain plots under this project by the Holding Company, with respect to the terms and conditions of the license and HDRUAA regulations and also non-payment of concerned charges pursuant to the change in beneficial interest, resulting in provisional attachment under the Prevention of Money Laundering Act, 2002 ('PMLA') of land parcels with value of ₹ 2,016.05 million held by Technobuild Developers Private Limited (TDPL) over which the Holding Company has absolute rights through a Memorandum of Understanding entered with TDPL as explained in the said note.

During the quarter ended 30 June 2023, AA-PML has passed an order confirming the provisional attachment of aforesaid land parcels. Further, during the previous quarter ended 30 September 2023, the Holding Company has duly filed an appeal before The Appellate Tribunal against the AA-PML order under Section 26 of the PMLA. The management, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement. Pending outcome of the ongoing regulatory proceedings including the duration of such proceedings and recoverability of land advance given against such provisionally attached ₹ 2,016.05 million land parcels is presently uncertain.

Our conclusion is not modified in respect of this matter.

6. We draw attention to Note 9 to the accompanying Statement, regarding the search operation carried out by the Income Tax Department at various business premises of the Holding Company and certain other group companies during March 2023. As the Holding Company and certain other group companies have not received any communication on the findings of the investigation by the Income Tax department till date, the impact of this matter on the consolidated financial results for the quarter and the period ended 31 December 2023 and the adjustments (if any) required to the accompanying Statement, is presently not ascertainable.

Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial results of 18 subsidiaries included in the Statement, whose financial information reflect total revenues of ₹ 178.04 million and ₹ 770.97 million, total net profit after tax of ₹ 4.10 million and ₹ 103.42 million, total comprehensive income of ₹ 4.10 million and ₹ 103.42 million, for the quarter and year-to-date period ended on 31 December 2023, respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.



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8. The Statement also includes the Group's share of net loss after tax of ₹ (0.03) million and ₹ (0.03) million, and total comprehensive loss of ₹ (0.03) million and ₹ (0.03) million for the quarter and year-to-date period ended on 31 December 2023 respectively, in respect of 1 associate and 1 joint venture, based on their interim financial information, which have not been reviewed by their auditors, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these associate and joint venture, are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Manish Agrawal

Partner

Membership No. 507000

UDIN: 24507000BKDHNF3938



Bengaluru

07 February 2024

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Annexure 1

List of subsidiaries, associate and joint venture included in the Statement

S. No.	Name of the Company/Entity	Relationship
1	Sobha City	Subsidiary
2	Sobha Highrise Ventures Private Limited	Subsidiary
3	Sobha Developers (Pune) Limited	Subsidiary
4	Sobha Assets Private Limited	Subsidiary
5	Sobha Tambaram Developers Limited	Subsidiary
6	Sobha Nandambakkam Developers Limited	Subsidiary
7	Sobha Construction Products Private Limited	Subsidiary
8	Vayaloor Properties Private Limited	Step-down subsidiary
9	Vayaloor Builders Private Limited	Step-down subsidiary
10	Vayaloor Developers Private Limited	Step-down subsidiary
11	Vayaloor Real Estate Private Limited	Step-down subsidiary
12	Vayaloor Realtors Private Limited	Step-down subsidiary
13	Valasai Vettikadu Realtors Private Limited	Step-down subsidiary
14	Sobha Contracting Private Limited	Step-down subsidiary
15	Kilai Builders Private Limited	Step-down subsidiary
16	Kuthavakkam Builders Private Limited	Step-down subsidiary
17	Kuthavakkam Realtors Private Limited	Step-down subsidiary
18	Sobha Interiors Private Limited	Step-down subsidiary
19	Kondhwa Projects LLP	Joint Venture
20	CVS Tech Park Private Limited	Associate



Chartered Accountants

SOBHA LIMITED Corporate Identity Number (CIN) : L45201KA1995PLC018475 Registered Office: 'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru- 560 103 Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com Website: www.sobha.com							
Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2023							
		(₹ in millions)					
	Particulars	3 months ended 31.12.2023 [Unaudited]	Preceding 3 months ended 30.09.2023 [Unaudited]	Corresponding 3 months ended 31.12.2022 [Unaudited]	Year to date figures for current period ended 31.12.2023 [Unaudited]	Year to date figures for previous period ended 31.12.2022 [Unaudited]	Previous year ended 31.03.2023 [Audited]
1	Income						
	(a) Revenue from operations	6,849.32	7,412.38	8,681.63	23,340.83	21,001.62	33,101.14
	(b) Other income	288.16	324.02	298.16	925.49	621.06	923.19
	Total income	7,137.48	7,736.40	8,979.79	24,266.32	21,622.68	34,024.33
2	Expenses						
	(a) Land purchase and related cost	249.46	769.26	5,317.85	1,328.64	6,063.88	10,528.43
	(b) Cost of materials consumed	737.93	782.24	974.07	2,250.01	2,531.33	3,659.79
	(c) Purchase of project materials	2,439.71	2,477.57	2,210.02	7,519.68	6,101.09	9,554.69
	(d) Changes in inventories of raw materials, land stock, work in progress and finished goods	(1,836.66)	(2,169.59)	(5,194.56)	(3,068.42)	(8,323.91)	(11,013.29)
	(e) Sub-contractor cost	2,446.48	2,409.24	2,404.02	6,748.83	6,239.76	8,291.69
	(f) Employee benefits expense	903.88	908.17	744.79	2,608.20	2,154.11	2,944.75
	(g) Finance costs	614.49	638.69	659.58	1,864.61	1,878.58	2,490.24
	(h) Depreciation and amortisation expense	201.27	193.11	174.94	577.15	499.60	678.37
	(i) Other expenses	1,167.26	1,481.02	1,337.79	3,804.40	3,698.06	5,439.91
	Total expenses	6,923.82	7,489.71	8,628.50	23,633.10	20,842.50	32,574.58
3	Profit before tax and share of (loss) in associate / joint venture (1-2)	213.66	246.69	351.29	633.22	780.18	1,449.75
4	Share of (loss) in associate / joint venture *	(0.03)	(0.00)	-	(0.03)	-	-
5	Profit before tax (3+4)	213.63	246.69	351.29	633.19	780.18	1,449.75
6	Tax expense						
	(a) Current tax	342.71	258.07	43.43	715.53	138.18	360.46
	(b) Tax adjustments relating to earlier year	-	11.87	-	11.87	-	-
	(b) Deferred tax (credit) / charge	(279.90)	(172.71)	(10.19)	(515.03)	85.93	47.24
	Total tax expense	62.81	97.23	33.24	212.37	224.11	407.70
7	Profit for the period/year (5-6)	150.82	149.46	318.05	420.82	556.07	1,042.05
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Re-measurement gains / (losses) on defined benefit plan	2.43	(24.65)	(0.35)	(18.63)	(33.41)	(53.36)
	Income tax relating to above	(0.61)	6.20	0.09	4.69	8.41	13.43
	Total other comprehensive income / (loss), net of tax	1.82	(18.45)	(0.26)	(13.94)	(25.00)	(39.93)
9	Total comprehensive income for the period / year (7+8)	152.64	131.01	317.79	406.88	531.07	1,002.12
	Profit attributable to:						
	Owners of the Holding Company	150.82	149.46	318.05	420.82	556.07	1,042.05
	Non-controlling interests	-	-	-	-	-	-
	Other comprehensive income / (loss) attributable to:						
	Owners of the Holding Company	1.82	(18.45)	(0.26)	(13.94)	(25.00)	(39.93)
	Non-controlling interests	-	-	-	-	-	-
	Total comprehensive income attributable to:						
	Owners of the Holding Company	152.64	131.01	317.79	406.88	531.07	1,002.12
	Non-controlling interests	-	-	-	-	-	-
10	Paid-up equity share capital (Face value per share - ₹ 10)	948.46	948.46	948.46	948.46	948.46	948.46
11	Other equity						23,998.25
12	Earnings per share (EPS) - (in ₹)						
	Basic and diluted EPS (not annualised, except for the year ended 31 March 2023)	1.59	1.58	3.35	4.44	5.86	10.99

* Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".



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Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2023

Notes:

- The consolidated unaudited financial results of Sobha Limited ('the Holding Company') and its subsidiaries (the Holding Company, along with its subsidiaries referred to as 'the Group') and its associate and joint venture for the quarter and nine months ended 31 December 2023 have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ('The Act') read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated unaudited financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 07 February 2024.
- The Statutory auditors of the Holding Company have carried out a limited review as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 of the above consolidated unaudited financial results for the quarter and nine months ended 31 December 2023 and have issued an unmodified review report.
- The aforesaid consolidated unaudited financial results are available on the Holding Company's website www.sobha.com and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).
- Consolidated segment wise revenue, results, segment assets and liabilities**
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	3 months ended 31.12.2023 [Unaudited]	Preceding 3 months ended 30.09.2023 [Unaudited]	Corresponding 3 months ended 31.12.2022 [Unaudited]	Year to date figures for current period ended 31.12.2023 [Unaudited]	Year to date figures for previous period ended 31.12.2022 [Unaudited]	Previous year ended 31.03.2023 [Audited]
(₹ in millions)						
(I) Segment revenue						
Real estate	5,211.74	5,436.47	6,773.58	18,058.22	15,776.57	25,372.14
Contractual and manufacturing	1,983.71	2,351.58	2,327.98	6,303.85	6,442.98	9,331.00
Total	7,195.45	7,788.05	9,101.56	24,362.07	22,219.55	34,703.14
Less: Inter segment revenues	(346.13)	(375.67)	(419.93)	(1,021.24)	(1,217.93)	(1,602.00)
Net revenue from operations	6,849.32	7,412.38	8,681.63	23,340.83	21,001.62	33,101.14
(II) Segment results						
Real estate	1,050.54	1,012.32	1,456.19	3,301.87	4,115.18	5,872.01
Contractual and manufacturing	67.38	357.96	(87.78)	467.81	34.08	(45.34)
Profit before other adjustments	1,117.92	1,370.28	1,368.41	3,769.68	4,149.26	5,826.67
Less: Finance costs	(614.49)	(638.69)	(659.98)	(1,864.61)	(1,878.98)	(2,490.24)
Less: Other unallocable expenditure	(591.83)	(707.58)	(603.93)	(1,898.79)	(1,875.89)	(2,527.68)
Add: Unallocable finance and other income	302.03	222.68	246.79	626.91	385.79	641.00
Profit before tax	213.63	246.69	351.29	633.19	780.18	1,449.75
(III) Segment assets (#)						
Real estate	109,956.92	108,588.68	98,565.14	109,956.92	98,565.14	104,150.24
Contractual and manufacturing	8,237.86	8,341.92	6,984.81	8,237.86	6,984.81	6,518.76
Unallocated assets	14,067.29	13,922.52	18,044.98	14,067.29	18,044.98	15,213.43
Total assets	132,262.07	130,853.12	123,594.93	132,262.07	123,594.93	125,882.43
(IV) Segment liabilities (#)						
Real estate	82,040.13	78,506.14	65,447.47	82,040.13	65,447.47	67,876.00
Contractual and manufacturing	6,144.00	6,242.70	6,529.76	6,144.00	6,529.76	6,239.00
Unallocated liabilities	19,008.14	21,187.87	27,143.09	19,008.14	27,143.09	26,820.72
Total liabilities	107,192.27	105,936.71	99,120.32	107,192.27	99,120.32	100,935.72

(#) Capital employed = Segment assets - Segment liabilities

- The figures of standalone financial results are as follow:

Particulars	3 months ended 31.12.2023 [Unaudited]	Preceding 3 months ended 30.09.2023 [Unaudited]	Corresponding 3 months ended 31.12.2022 [Unaudited]	Year to date figures for current period ended 31.12.2023 [Unaudited]	Year to date figures for previous period ended 31.12.2022 [Unaudited]	Previous year ended 31.03.2023 [Audited]
(₹ in millions)						
Total income	7,262.24	7,788.83	9,190.01	24,279.95	21,733.45	34,258.65
Profit before tax	242.18	228.72	421.49	592.59	690.46	1,317.10
Profit for the period/ year	177.81	147.86	366.08	405.90	512.37	952.89

- The Holding Company had entered into a Joint Development Arrangement with certain land owners in Gurugram, Haryana, in earlier years. In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('AA-PML'), alleging certain irregularities in respect of the manner of allotment and pricing of certain plots under this project or payment of applicable fees and charges by the Holding Company or the landowners, with respect to the terms and conditions mentioned in the development policy of Haryana Development and Regulation of Urban Areas Act (HDRUAA), 1975 and the bilateral agreement between the land owners and Directorate of Town and Country Planning, Haryana (DTCP) resulting in provisional attachment under the Prevention of Money Laundering Act, 2002 ('PMLA') of land parcels with value of ₹ 2,016.05 million, held by Technobuild Developers Private Limited (TDPL). The Holding Company has entered into a Memorandum of Understanding ('MoU') with TDPL for acquiring land parcels using advances extended by the Holding Company. As per the MoU, TDPL and its affiliates cannot transfer land parcels without prior approval of the Holding Company and the Holding Company has absolute rights over land parcels acquired by TDPL and its affiliates acquired from such advance given by the Holding Company.

During the previous year, the Holding Company was in receipt of Show Cause Notice (SCN) under the PMLA from AA-PML and the Holding Company had duly filed detailed responses to allegations made in SCN. During the quarter ended 30 June 2023, AA-PMLA has passed an order confirming the provisional attachment of the aforesaid land parcels. Further, during the previous quarter ended 30 September 2023, the Company has duly filed an appeal before The Appellate Tribunal against the AA-PML order under Section 26 of the PMLA.

The management, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement and has not identified any adverse material impact to the consolidated financial results as at 31 December 2023 or for earlier periods including the recoverability of land advance given against such provisionally attached ₹ 2,016.05 million land parcels held through TDPL.



<p align="center">SOBHA LIMITED Corporate Identity Number (CIN) : L45201KA1995PLC018475 Registered Office: 'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru- 560 103 Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com Website: www.sobha.com</p>
<p align="center">Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2023</p>

- (7) During the previous year, one of the customers of Sobha Assets Private Limited (SAPL), a wholly owned subsidiary of the Holding Company has terminated a project development contract entered by it and demanded compensation of ₹ 2,956.13 million in addition to forfeiture of ₹ 227.32 million performance guarantee and ₹ 26.00 million of deposits alleging that SAPL has not commenced the contract work. The carrying value of aforesaid project related assets/receivables as at 31 December 2023 is ₹ 354.10 million. SAPL has filed petition with the court of jurisdiction challenging the termination and its grounds, and also filed a counter claim from the customer towards business loss and other receivables. The Holding Company based on its overall assessment and independent legal opinion, believes that the aforesaid termination is illegal and will not have any adverse impact to the consolidated financial results and accordingly no provision has been made.
- (8) In earlier year, the Holding Company, during the process of renewal of fire clearances for one of the project, procured by an entrusted person, found the fire NOC and fire clearances submitted to local municipal body to be defective. On becoming aware of this fact, the Holding Company had immediately taken remedial steps and obtained renewed fire NOC and fire clearances, which were then resubmitted with the local municipal body for regularization. During the previous year, the local municipal body had passed an order dated 21 January 2023 revoking/cancelling the modified sanction plan ('Plan') and occupancy certificate ('OC') for the project, based on a complaint being filed upon by one of the unit holders of such project. The Holding Company had immediately filed an appeal with Karnataka Appellate Tribunal ('KAT') challenging the above order, and KAT had passed an interim order dated 1 February 2023 granting stay on cancellation of Plan and OC.
- During the previous quarter, the Chief Civil Metropolitan Magistrate ('CMM'), Bengaluru, has passed an order dated 19 September 2023 ('impugned order') to register a calendar case for the offences punishable under Indian Penal Code ('IPC') against the Holding Company and few employees of the Holding Company, based on a separate complaint filed with the CMM by the aforementioned unit holder. The Holding Company has filed a petition before Hon'ble High court of Karnataka praying for quashing of the complaint, the impugned order and the calendar case, wherein, the High court of Karnataka has passed an interim order dated 11 October 2023 staying the impugned order and the calendar case. The management, based on its overall assessment and independent legal opinion obtained, believes that allegations made by the unit holder are baseless, false and not sustainable and the impugned order suffers from arbitrariness and liable to be quashed under section 482 of the code of criminal procedure, 1973. Accordingly, the Group believes that outcome of the above proceedings will not result in any adverse impact on the consolidated financial results.
- (9) The Income Tax Department ('the Department') conducted a Search activity under Section 132 of the Income Tax Act ('the Search') at various premises of the Holding Company and certain group companies during March 2023. The Group has provided all the necessary support and cooperation to the Income-tax officials during the search and provided all the necessary information including documents and data sought by the Department. As on the date of issuance of these consolidated financial results, the Group has only received three notices u/s 148 requiring the management to re-file the Income Tax return for AY 2016-17, AY 2020-21 and AY 2021-22 over the period. The Holding Company has filed the returns for AY 16-17 and is in the process of filing the returns for the other two aforementioned assessment years.
- While the uncertainty exist regarding the outcomes of the proceedings by the Department, the Holding Company and certain group companies after considering all available records and facts known to it, has not identified any adjustments to the current or prior period consolidated financial results at this stage.
- (10) The Board of Directors, in their meeting held on 22 January 2024, have approved the issuance of equity shares of the Holding Company for an amount not exceeding ₹ 20,000 million by way of a rights issue to the eligible equity shareholders of the Holding Company as on the record date (to be determined and notified subsequently), in accordance with applicable laws, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI Listing Regulations, the Companies Act, 2013 and Rules made thereunder as amended from time to time, subject to such regulatory and statutory approvals, as may be required under the applicable laws.
- For the purposes of giving effect to the rights issue, the detailed terms in relation to the rights issue, including but not limited to the issue price, rights entitlement ratio, record date, timing and terms of payment will be determined and disclosed to the exchange in due course by the Board and/ or the Rights Issue Committee of the Board of Directors authorised in this regard.
- (11) Previous period's / year's figures have been regrouped or reclassified wherever necessary to conform with the current period figures. The impact of such reclassification / regrouping is not material to the consolidated financial results.

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

Jagadish
Jagadish Naagineni
Managing Director



Bengaluru
07 February 2024



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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Sobha Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Sobha Limited ('the Company') for the quarter ended 31 December 2023 and the year to date results for the period 01 April 2023 to 31 December 2023, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. The Statement, which is the responsibility of the Company's management and approved by the 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of 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 the Standards on Auditing specified under Section 143(10) of the Act, 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.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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4. Based on our review conducted as above and the consideration of the review reports of the other auditors of the partnership firm 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 Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 5 to the accompanying Statement that explains that during the previous years, the Company had entered into a joint development agreement (JDA) in which the counter party, i.e. land owners had obtained a license for setting up a residential township on land parcels. The license is based on the Bilateral Agreement which was entered into between the land owners and District Town and Country Planner (DTCP), Haryana and is governed under the development policy of Haryana Development and Regulation of Urban Areas Act, 1975 (HDRUAA).

In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('AA-PML'), alleging certain irregularities in the manner of allotment and pricing of certain plots under this project by the Company, with respect to the terms and conditions of the license and HDRUAA regulations and also non-payment of concerned charges pursuant to the change in beneficial interest, resulting in provisional attachment under the Prevention of Money Laundering Act, 2002 ('PMLA') of land parcels with value of ₹ 2,016.05 million held by Technobuild Developers Private Limited (TDPL) over which the Company has absolute rights through a Memorandum of Understanding entered with TDPL as explained in the said note.

During the quarter ended 30 June 2023, AA-PML has passed an order confirming the provisional attachment of aforesaid land parcels. Further, during the previous quarter ended 30 September 2023, the Company has duly filed an appeal before The Appellate Tribunal against the AA-PML order under Section 26 of the PMLA. The management, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement. Pending outcome of the ongoing regulatory proceedings including the duration of such proceedings and recoverability of land advance given against such provisionally attached ₹ 2,016.05 million land parcels is presently uncertain.

Our conclusion is not modified in respect of this matter.

6. We draw attention to Note 8 to the accompanying Statement, regarding the search operation carried out by the Income Tax Department at various business premises of the Company and certain other group companies during March 2023. As the Company and certain other group companies have not received any communication on the findings of the investigation by the Income Tax department till date, the impact of this matter on the standalone financial results for the quarter and period ended 31 December 2023 and the adjustments (if any) required to the accompanying Statement, is presently not ascertainable.

Our conclusion is not modified in respect of this matter.



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7. The Statement includes the Company's share of net profit after tax of ₹ 7.14 million and ₹ 39.31 million and total comprehensive income of ₹ 7.14 million and ₹ 39.31 million for the quarter and year-to-date period ended on 31 December 2023 in respect of one partnership firm, whose interim financial information have not been reviewed by us. This interim financial information has been reviewed by another auditor whose review report has been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of such partnership firm is based solely on the review report of such other auditor.

Our conclusion is not modified in respect of the above matter with respect to our reliance on the work done by and the report of other auditor.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Manish Agrawal

Partner

Membership No. 507000

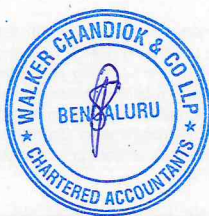
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Bengaluru

07 February 2024



SOBHA LIMITED Corporate Identity Number (CIN) : L45201KA1995PLC018475 Registered Office: 'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru - 560 103 Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com Website: www.sobha.com							
Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2023							
						(₹ in millions)	
	Particulars	3 months ended 31.12.2023 [Unaudited]	Preceding 3 months ended 30.09.2023 [Unaudited]	Corresponding 3 months ended 31.12.2022 [Unaudited]	Year to date figures for current period ended 31.12.2023 [Unaudited]	Year to date figures for previous period ended 31.12.2022 [Unaudited]	Previous year ended 31.03.2023 [Audited]
1	Income						
	(a) Revenue from operations	6,951.11	7,438.10	8,905.41	23,279.38	21,086.01	33,280.86
	(b) Other income	311.13	350.73	284.60	1,000.57	647.44	977.79
	Total income	7,262.24	7,788.83	9,190.01	24,279.95	21,733.45	34,258.65
2	Expenses						
	(a) Land purchase and related cost	154.11	750.86	5,581.12	1,160.09	6,290.94	10,493.24
	(b) Cost of materials consumed	737.93	782.24	974.07	2,250.01	2,531.33	3,659.79
	(c) Purchase of project materials	2,421.11	2,461.79	2,150.28	7,475.47	6,062.98	9,491.24
	(d) Changes in inventories of raw materials, land stock, work in progress and finished goods	(1,489.27)	(1,967.47)	(5,059.38)	(2,496.71)	(7,945.30)	(9,955.85)
	(e) Sub-contractor cost	2,413.23	2,392.11	2,364.51	6,714.55	6,177.88	8,100.68
	(f) Employee benefits expense	903.88	908.17	745.07	2,608.10	2,154.49	2,944.75
	(g) Finance costs	599.26	622.71	624.01	1,817.46	1,827.89	2,423.80
	(h) Depreciation and amortisation expense	190.97	183.10	168.87	547.14	469.86	638.71
	(i) Other expenses	1,088.84	1,426.60	1,219.97	3,611.25	3,472.92	5,145.19
	Total expenses	7,020.06	7,560.11	8,768.52	23,687.36	21,042.99	32,941.55
3	Profit before tax (1-2)	242.18	228.72	421.49	592.59	690.46	1,317.10
4	Tax expense						
	(a) Current tax	339.28	255.48	30.93	683.40	67.04	300.31
	(b) Tax adjustments relating to earlier year	-	11.87	-	11.87	-	-
	(c) Deferred tax (credit) / charge	(274.91)	(186.49)	24.48	(508.58)	111.05	63.90
	Total tax expense	64.37	80.86	55.41	186.69	178.09	364.21
5	Profit for the period/year (3-4)	177.81	147.86	366.08	405.90	512.37	952.89
6	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Re-measurement gains / (losses) on defined benefit plan	2.43	(24.65)	(0.35)	(18.63)	(33.41)	(53.36)
	Income tax relating to above	(0.61)	6.20	0.09	4.69	8.41	13.43
	Total other comprehensive income / (loss), net of tax	1.82	(18.45)	(0.26)	(13.94)	(25.00)	(39.93)
7	Total comprehensive income for the period/year (5+6)	179.63	129.41	365.82	391.96	487.37	912.96
8	Paid-up equity share capital (Face value per share - ₹ 10)	948.46	948.46	948.46	948.46	948.46	948.46
9	Other equity						22,462.22
10	Earnings per share (EPS) - (in ₹) Basic and diluted EPS (not annualised, except for the year ended 31 March 2023)	1.87	1.56	3.86	4.28	5.40	10.05



SOBHA LIMITED
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Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2023

Notes:

- The standalone unaudited financial results, for the quarter and nine months ended 31 December 2023 have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ('The Act') read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These standalone unaudited financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 07 February 2024.
- The Statutory auditors of the Company have carried out a limited review as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 of the above standalone unaudited financial results for the quarter and nine months ended 31 December 2023 and have issued an unmodified review report.
- The aforesaid standalone unaudited financial results are available on the Company's website www.sobha.com and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).
- Standalone segment wise revenue, results, segment assets and liabilities**
 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 millions)					
Particulars	3 months ended 31.12.2023 [Unaudited]	Preceding 3 months ended 30.09.2023 [Unaudited]	Corresponding 3 months ended 31.12.2022 [Unaudited]	Year to date figures for current period ended 31.12.2023 [Unaudited]	Year to date figures for previous period ended 31.12.2022 [Unaudited]	Previous year ended 31.03.2023 [Audited]
(I) Segment revenue						
Real estate	5,133.77	5,333.84	6,615.02	17,607.47	15,030.63	24,542.91
Contractual and manufacturing	2,163.47	2,479.93	2,709.91	6,693.15	7,272.91	10,339.95
Total	7,297.24	7,813.77	9,324.93	24,300.62	22,303.54	34,882.86
Less: Inter segment revenues	(346.13)	(375.67)	(419.52)	(1,021.24)	(1,217.53)	(1,602.00)
Net revenue from operations	6,951.11	7,438.10	8,905.41	23,279.38	21,086.01	33,280.86
(II) Segment results						
Real estate	1,115.32	937.38	1,387.21	3,095.14	3,790.65	5,441.85
Contractual and manufacturing	83.84	327.10	27.27	511.68	190.14	131.10
Profit before other adjustments	1,199.16	1,264.48	1,414.48	3,606.82	3,980.79	5,572.95
Less: Finance costs	(599.26)	(622.71)	(624.01)	(1,817.46)	(1,827.89)	(2,423.80)
Less: Other unallocable expenditure	(682.75)	(662.44)	(604.36)	(1,898.79)	(1,875.89)	(2,528.00)
Add: Share of profit / (loss) in a subsidiary partnership firm	7.14	15.89	(22.82)	39.31	5.13	19.06
Add: Unallocable finance and other income	317.89	233.50	258.20	662.71	408.32	676.89
Profit before tax	242.18	228.72	421.49	592.59	690.46	1,317.10
(III) Segment assets (#)						
Real estate	104,994.17	103,687.34	94,553.32	104,994.17	94,553.32	99,713.48
Contractual and manufacturing	8,345.04	8,469.13	6,985.03	8,345.04	6,985.03	6,518.76
Unallocated assets	13,891.23	13,730.96	18,045.12	13,891.23	18,045.12	15,087.42
Total assets	127,230.44	125,887.43	119,583.47	127,230.44	119,583.47	121,319.66
(IV) Segment liabilities (#)						
Real estate	78,628.43	75,182.95	62,926.14	78,628.43	62,926.14	64,975.03
Contractual and manufacturing	6,279.68	6,311.00	6,530.19	6,279.68	6,530.19	6,239.37
Unallocated liabilities	18,803.73	21,055.01	27,143.03	18,803.73	27,143.03	26,694.58
Total liabilities	103,711.84	102,548.96	96,599.36	103,711.84	96,599.36	97,908.98

(#) Capital employed = Segment assets - Segment liabilities

- The Company had entered into a Joint Development Arrangement with certain land owners in Gurugram, Haryana, in earlier years. In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('AA-PML'), alleging certain irregularities in respect of the manner of allotment and pricing of certain plots under this project or payment of applicable fees and charges by the Company or the landowners, with respect to the terms and conditions mentioned in the development policy of Haryana Development and Regulation of Urban Areas Act (HDRUAA), 1975 and the bilateral agreement between the land owners and Directorate of Town and Country Planning, Haryana (DTCP) resulting in provisional attachment under the Prevention of Money Laundering Act, 2002 ('PMLA') of land parcels with value of ₹ 2,016.05 million, held by Technobuild Developers Private Limited ('TDPL'). The Company has entered into a Memorandum of Understanding ('MoU') with TDPL for acquiring land parcels using advances extended by the Company. As per the MoU, TDPL and its affiliates cannot transfer land parcels without prior approval of the Company and the Company has absolute rights over land parcels acquired by TDPL and its affiliates acquired from such advance given by the Company.

During the previous year, the Company was in receipt of Show Cause Notice (SCN) under the PMLA from AA-PML and the Company had duly filed detailed responses to allegations made in SCN. During the quarter ended 30 June 2023, AA-PMLA has passed an order confirming the provisional attachment of the aforesaid land parcels. Further, during the previous quarter ended 30 September 2023, the Company has duly filed an appeal before The Appellate Tribunal against the AA-PML order under Section 26 of the PMLA.

The management, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement and has not identified any adverse material impact to the standalone financial results as at 31 December 2023 or for earlier periods including the recoverability of land advance given against such provisionally attached ₹ 2,016.05 million land parcels held through TDPL.



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Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2023

- (6) During the previous year, one of the customers of Sobha Assets Private Limited (SAPL), a wholly owned subsidiary of the Company has terminated a project development contract entered by it and demanded compensation of ₹ 2,956.13 million in addition to forfeiture of ₹ 227.32 million performance guarantee and ₹ 26.00 million of deposits alleging that SAPL has not commenced the contract work. The carrying value of aforesaid project related assets/receivables as at 31 December 2023 in the book of the Company and SAPL is ₹ 24.10 million and ₹ 330.00 million respectively. SAPL has filed petition with the court of jurisdiction challenging the termination and its grounds, and also filed a counter claim from the customer towards business loss and other receivables. The Company based on its overall assessment and independent legal opinion, believes that the aforesaid termination is illegal and will not have any adverse impact on the standalone financial results and accordingly no provision has been made.
- (7) In earlier year, the Company, during the process of renewal of fire clearances for one of the project, procured by an entrusted person, found the fire NOC and fire clearances submitted to local municipal body to be defective. On becoming aware of this fact, the Company had immediately taken remedial steps and obtained renewed fire NOC and fire clearances, which were then resubmitted with the local municipal body for regularization. During the previous year, the local municipal body had passed an order dated 21 January 2023 revoking/cancelling the modified sanction plan ('Plan') and occupancy certificate ('OC') for the project, based on a complaint being filed upon by one of the unit holders of such project. The Company had immediately filed an appeal with Karnataka Appellate Tribunal ('KAT') challenging the above order, and KAT had passed an interim order dated 1 February 2023 granting stay of revocation/cancellation of Plan and OC.

During the previous quarter, the Chief Civil Metropolitan Magistrate ('CMM'), Bengaluru, has passed an order dated 19 September 2023 ('impugned order') to register a calendar case for the offences punishable under Indian Penal Code ('IPC') against the Company and few employees of the Company, based on a separate complaint filed with the CMM by the aforementioned unit holder. The Company has filed a petition before Hon'ble High court of Karnataka praying for quashing of the complaint, the impugned order and the calendar case, wherein, the High court of Karnataka has passed an interim order dated 11 October 2023 staying the impugned order and the calendar case. The management, based on its overall assessment and independent legal opinion obtained, believes that allegations made by the unit holder are baseless, false and not sustainable and the impugned order suffers from arbitrariness and liable to be quashed under section 482 of the code of criminal procedure, 1973. Accordingly, the Company believes that outcome of the above proceedings will not result in any adverse impact on the standalone financial results.

- (8) The Income Tax Department ("the Department") conducted a Search activity under Section 132 of the Income Tax Act ("the Search") at various premises of the Company and certain group companies during March 2023. The Company has provided all the necessary support and cooperation to the Income-tax officials during the search and provided all the necessary information including documents and data sought by the Department. As on the date of issuance of these standalone financial results, the Company has only received three notices u/s 148 requiring the management to re-file the Income Tax return for AY 2016-17, AY 2020-21 and AY 2021-22 over the period. The Company has filed the returns for AY 16-17 and is in the process of filing the returns for the other two aforementioned assessment years.

While the uncertainty exist regarding the outcomes of the proceedings by the Department, the Company and certain group companies after considering all available records and facts known to it, has not identified any adjustments to the current or prior period standalone financial results at this stage.

- (9) The Board of Directors, in their meeting held on 22 January 2024, have approved the issuance of equity shares of the Company for an amount not exceeding ₹ 20,000 million by way of a rights issue to the eligible equity shareholders of the Company as on the record date (to be determined and notified subsequently), in accordance with applicable laws, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI Listing Regulations, the Companies Act, 2013 and Rules made thereunder as amended from time to time, subject to such regulatory and statutory approvals, as may be required under the applicable laws.

For the purposes of giving effect to the rights issue, the detailed terms in relation to the rights issue, including but not limited to the issue price, rights entitlement ratio, record date, timing and terms of payment will be determined and disclosed to the exchange in due course by the Board and/ or the Rights Issue Committee of the Board of Directors authorised in this regard.

- (10) Previous period's / year's figures have been regrouped or reclassified wherever necessary to conform with the current period figures. The impact of such reclassification / regrouping is not material to the standalone financial results.

Bengaluru
07 February 2024



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

Nagadish
Jagadish Nangineni
Managing Director

