



Date: November 14, 2022

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|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Dear Sir / Madam,

Sub: Outcome of Board Meeting held on November 14, 2022.

This is to inform that the Board of the Directors at their meeting held today, i.e. Monday, November 14, 2022, took on record the Unaudited Financial Results for the quarter and half year ended September 30, 2022.

In this connection, please find enclosed herewith:

1. Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2022 along with the Limited Review Report.
2. Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2022 along with the Limited Review Report.

The Board Meeting commenced at 3:40 P.M. and concluded at 10:55 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



VIGNESHWAR G BHAT
COMPANY SECRETARY AND COMPLIANCE OFFICER
MEMBERSHIP NO.: 16651

SOBHA LIMITED

REGD & CORPORATE OFFICE : 'SOBHA', SARJAPUR - MARATHAHALLI OUTER RING ROAD, BELLANDUR POST, BANGALORE - 560103, INDIA
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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 30 September 2022 and the consolidated year to date results for the period 01 April 2022 to 30 September 2022, 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

Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

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 3 of the Statement that explains that the Holding Company had entered into a joint development agreement (JDA) in earlier years 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, various concerned authorities are in process of conducting inquiries to assess if there were any irregularities in respect of the manner of allotment and pricing of certain plots under this project by the Company, in relation to the terms and conditions of the license and/or HDRUAA regulations, and whether the applicable charges under the HDRUAA were paid by the Holding Company pursuant to the change in beneficial interest pertaining to aforesaid land parcels. 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 30 September 2022 or for earlier periods.

Our conclusion is not modified in respect of this matter.

6. We draw attention to Note 4 of the accompanying standalone financial results, which describes the restatements made to the comparative financial information for the quarter ended 30 June 2022, quarter and six-months period ended 30 September 2021, as at and for the year ended 31 March 2022 and as at 1 April 2021, in accordance with the principles of Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, for correction of certain identified material prior period errors, which are further described in the aforesaid note.

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 assets of ₹ 9,515 million as at 30 September 2022, and total revenues of ₹ 639 million and ₹ 380 million, total net profit after tax of ₹ 177 million and ₹ 115 million, total comprehensive income of ₹ 177 million and ₹ 115 million, for the quarter and six-month period ended on 30 September 2022, respectively, and cash flows (net) of ₹ 27 million for the period ended 30 September 2022, 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.



Walker Chandiook & Co LLP

8. The Statement includes the Group's share of net profit after tax of ₹ 0.55 million and ₹ 0.55 million, and total comprehensive income of ₹ 0.55 million and ₹ 0.55 million for the quarter and six-month period ended on 30 September 2022 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.

9. The review of unaudited consolidated quarterly financial results for the period ended 30 June 2022, included in the Statement was carried out and reported by B S R & Co. LLP, who has expressed unmodified conclusion vide their review report dated 09 August 2022, whose review report has been furnished to us by the management and which has been relied upon by us for the purpose of our review of the Statement.

Our conclusion is not modified in respect of this matter.


10. The review of unaudited consolidated quarterly and six-month period financial results for the period ended 30 September 2021 and audit of consolidated financial results for the year ended 31 March 2022 included in the Statement was carried out and reported by B S R & Co. LLP, who have expressed unmodified conclusion vide their review report dated 08 November 2021 and unmodified opinion vide their audit report dated 20 May 2022, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement.

Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Manish Agrawal

Partner

Membership No. 507000

UDIN: 22507000 BDCVAD6570



Bengaluru

14 November 2022

Annexure 1

List of subsidiaries, associates 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 |



Statement of consolidated unaudited financial results for the quarter and six months ended 30 September 2022

| (₹ in millions) | | | | | | | |
|-----------------|-------------------------------------------------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------|
| | Particulars | 3 months ended 30.09.2022 [Unaudited] | 3 months ended 30.06.2022* [Unaudited] | Corresponding 3 months ended 30.09.2021* [Unaudited] | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for previous period ended 30.09.2021* [Unaudited] | Previous year ended 31.03.2022* [Audited] |
| 1 | Income | | | | | | |
| | (a) Revenue from operations | 6,673 | 5,646 | 7,799 | 12,319 | 12,914 | 26,201 |
| | (b) Other income | 102 | 50 | (122) | 152 | (84) | 617 |
| | (c) Finance income | 131 | 67 | 127 | 198 | 216 | 300 |
| | Total income | 6,906 | 5,763 | 7,804 | 12,669 | 13,046 | 27,118 |
| 2 | Expenses | | | | | | |
| | (a) Land purchase cost | 3,431 | 321 | 565 | 3,752 | 567 | 1,960 |
| | (b) Cost of raw materials and components consumed | 901 | 656 | 453 | 1,557 | 826 | 1,982 |
| | (c) Purchase of project materials | 2,964 | 927 | 1,439 | 3,891 | 1,855 | 5,195 |
| | (d) Change in inventories | (5,813) | (323) | 176 | (6,136) | 115 | (1,424) |
| | (e) Subcontractor and other charges | 2,147 | 1,689 | 1,800 | 3,836 | 2,928 | 6,414 |
| | (f) Employee benefits expense | 765 | 644 | 622 | 1,409 | 1,139 | 2,295 |
| | (g) Depreciation and amortization expense | 179 | 147 | 170 | 326 | 344 | 688 |
| | (h) Finance costs | 632 | 614 | 789 | 1,246 | 2,606 | 4,035 |
| | (i) Other expenses | 1,356 | 1,004 | 954 | 2,360 | 1,688 | 3,755 |
| | Total expenses | 6,562 | 5,679 | 6,968 | 12,241 | 12,068 | 24,900 |
| 3 | Profit before tax (1-2) | 344 | 84 | 836 | 428 | 978 | 2,219 |
| 4 | Tax expense | | | | | | |
| | (a) Current tax | 310 | 76 | 112 | 386 | 137 | 611 |
| | (b) Deferred tax charge / (credit) | (158) | (37) | 93 | (195) | 104 | (61) |
| | Total tax expense | 152 | 39 | 205 | 191 | 241 | 550 |
| 5 | Profit for the period (3-4) | 192 | 45 | 631 | 237 | 736 | 1,668 |
| 6 | Other comprehensive income | | | | | | |
| | Items that will not be reclassified to profit or loss in subsequent periods: | | | | | | |
| | Re-measurement (losses) / gains on defined benefit plan (net of tax expenses) | (33) | 8 | (29) | (25) | (23) | (9) |
| | Total other comprehensive income, net of tax | (33) | 8 | (29) | (25) | (23) | (9) |
| 7 | Total comprehensive income for the period (5+6) | 159 | 53 | 602 | 212 | 713 | 1,659 |
| | Profit attributable to: | | | | | | |
| | Owners | 192 | 45 | 631 | 237 | 736 | 1,668 |
| | Non-controlling interests | - | - | - | - | - | - |
| | Other comprehensive income attributable to: | | | | | | |
| | Owners | (33) | 8 | (29) | (25) | (23) | (9) |
| | Non-controlling interests | - | - | - | - | - | - |
| | Total comprehensive income attributable to: | | | | | | |
| | Owners | 159 | 53 | 602 | 212 | 713 | 1,659 |
| | Non-controlling interests | - | - | - | - | - | - |
| 8 | Paid-up equity share capital (Face value per share - ₹ 10) | 948 | 948 | 948 | 948 | 948 | 948 |
| 9 | Reserves excluding revaluation reverses | | | | | | 23,222 |
| 10 | Earnings per share (EPS) - (in ₹) | | | | | | |
| | Basic and diluted EPS (not annualised for the quarters) | 2.03 | 0.47 | 6.65 | 2.50 | 7.76 | 17.59 |

* refer note 4



Nagadish



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

Consolidated Balance sheet

(₹ in millions)

| | Particulars | As at 30.09.2022 [Unaudited] | As at 31.03.2022* [Audited] | As at 31.03.2021* [Audited] |
|----------|----------------------------------------------------------------------------------------|------------------------------------|--------------------------------|--------------------------------|
| A | Assets | | | |
| 1 | Non- current assets | | | |
| | Property, plant and equipment | 4,135 | 4,198 | 4,580 |
| | Right of use assets | 134 | 153 | 189 |
| | Investment property | 3,875 | 3,875 | 3,864 |
| | Investment property under construction | 68 | 65 | 701 |
| | Intangible asset under development | 12 | - | - |
| | Goodwill | 222 | 222 | 222 |
| | Other intangible assets | 3 | 5 | 10 |
| | Financial assets | | | |
| | Investments | 1,149 | 1,149 | 1,143 |
| | Trade receivables | 680 | 655 | 521 |
| | Other non-current financial assets | 1,423 | 1,292 | 1,267 |
| | Current tax assets (net) | 120 | 116 | 97 |
| | Deferred tax assets (net) | 28 | 19 | 19 |
| | Other non-current assets | 3,678 | 3,702 | 4,543 |
| | | 15,527 | 15,452 | 17,156 |
| 2 | Current assets | | | |
| | Inventories | 73,106 | 76,827 | 75,359 |
| | Financial assets | | | |
| | Trade receivables | 1,860 | 3,505 | 1,937 |
| | Cash and cash equivalents | 3,283 | 1,391 | 1,637 |
| | Bank balance other than cash and cash equivalents | 423 | 392 | 404 |
| | Other current financial assets | 5,194 | 5,199 | 5,922 |
| | Other current assets | 11,692 | 12,070 | 12,426 |
| | | 95,558 | 99,385 | 97,685 |
| | Total assets | 111,085 | 114,837 | 114,841 |
| B | Equity and liabilities | | | |
| 1 | Equity | | | |
| | Equity share capital | 948 | 948 | 948 |
| | Other equity | 23,456 | 23,222 | 21,956 |
| | Total equity | 24,404 | 24,170 | 22,904 |
| 2 | Non-current liabilities | | | |
| | Financial liabilities | | | |
| | Borrowings | 3,797 | 3,648 | 3,505 |
| | Lease liabilities | 197 | 180 | 218 |
| | Other non-current financial liabilities | - | - | - |
| | Long-term provisions | 201 | 175 | 151 |
| | Deferred tax liabilities (net) | (486) | (170) | (133) |
| | | 3,709 | 3,833 | 3,741 |
| 3 | Current liabilities | | | |
| | Financial liabilities | | | |
| | Borrowings | 18,304 | 21,389 | 26,816 |
| | Lease liabilities | 39 | 73 | 63 |
| | Trade payables | - | - | - |
| | Total outstanding dues of micro enterprises and small enterprises; and | - | - | - |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 6,469 | 4,284 | 4,987 |
| | Other current financial liabilities | 6,406 | 6,116 | 6,394 |
| | Other current liabilities | 51,352 | 54,614 | 49,711 |
| | Provisions | 185 | 155 | 139 |
| | Current tax liabilities (net) | 217 | 203 | 87 |
| | | 82,972 | 86,834 | 88,196 |
| | Total liabilities | 86,681 | 90,667 | 91,937 |
| | Total equity and liabilities | 111,085 | 114,837 | 114,841 |

* refer note 4



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

Website: www.sobha.com

Consolidated statement of cash flows

(₹ in millions)

| Particulars | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for the previous period ended 30.09.2021* [Unaudited] |
|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Cash flows from operating activities | | |
| Profit before tax | 428 | 978 |
| Adjustments to reconcile profit before tax to net cash flows from operating activities | | |
| Depreciation and amortization expense | 274 | 314 |
| Depreciation of investment properties | 52 | 71 |
| Finance income (including fair value change in financial instruments) | (198) | (189) |
| Finance costs (including fair value change in financial instruments) | 1,246 | 3,704 |
| Allowance for credit loss | 318 | 3 |
| Working capital adjustments: | | |
| Changes in trade receivables | 1,603 | (2,259) |
| Changes in inventories | 1,074 | (4,470) |
| Changes in other financial assets | (2,294) | 818 |
| Changes in other assets | 2,754 | (269) |
| Changes in trade payables and other financial liabilities | 487 | 3,936 |
| Changes in provisions | 56 | 49 |
| Changes in other non-financial liabilities | 1,045 | (72) |
| Cash generated from operating activities | 6,845 | 2,614 |
| Income tax paid (net of refund) | (376) | (218) |
| Net cash flows from operating activities | 6,469 | 2,396 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (153) | (136) |
| Purchase of investment property under construction | - | (13) |
| Purchase of intangible assets | - | 1 |
| Proceeds from sale of property, plant and equipment | 4 | 22 |
| Investment in Mutual funds | (1) | - |
| Investments in fixed deposits (net) | (78) | (288) |
| Interest received | 14 | 18 |
| Net cash flows (used in) investing activities | (214) | (396) |
| Cash flows from financing activities | | |
| Proceeds from long-term borrowings | 1,275 | - |
| Repayment of long-term borrowings | (725) | (248) |
| Proceeds from short-term borrowings | 3,205 | 7,048 |
| Repayment of short-term borrowings | (6,556) | (8,433) |
| Lease payments | (18) | (19) |
| Interest paid | (1,259) | (1,463) |
| Dividend paid on equity shares | (285) | (333) |
| Net cash flows (used in) financing activities | (4,363) | (3,448) |
| Net increase/ (decrease) in cash and cash equivalents | 1,892 | (839) |
| Cash and cash equivalents at the beginning of the period | 1,391 | 1,637 |
| Cash and cash equivalents at the end of the period | 3,283 | 798 |

* refer note 4



Jagadish



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Notes

(1) 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:

| (₹ in millions) | | | | | | | |
|-----------------|----------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------------------|
| | Particulars | 3 months ended 30.09.2022 [Unaudited] | 3 months ended 30.06.2022* [Unaudited] | Corresponding 3 months ended 30.09.2021* [Unaudited] | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for previous period ended 30.09.2021* [Unaudited] | Previous year ended 31.03.2022* [Audited] |
| I | Segment revenue | | | | | | |
| | Real estate | 4,441 | 4,561 | 6,214 | 9,002 | 9,862 | 19,106 |
| | Contractual and manufacturing | 2,690 | 1,425 | 1,801 | 4,115 | 3,408 | 7,887 |
| | Total | 7,131 | 5,986 | 8,015 | 13,117 | 13,270 | 26,993 |
| | Less: Inter segment revenues | (459) | (340) | (216) | (798) | (356) | (792) |
| | Net revenue from operations | 6,673 | 5,646 | 7,799 | 12,319 | 12,914 | 26,201 |
| II | Segment results | | | | | | |
| | Real estate | 1,017 | 1,262 | 2,232 | 2,279 | 4,204 | 7,422 |
| | Contractual and manufacturing | 331 | 1 | 98 | 332 | 519 | 850 |
| | Profit before other adjustments | 1,348 | 1,262 | 2,330 | 2,610 | 4,723 | 8,272 |
| | Less: Finance cost | (632) | (614) | (789) | (1,246) | (2,606) | (4,035) |
| | Less: Other unallocable expenditure | (488) | (615) | (745) | (1,103) | (1,227) | (2,601) |
| | Add: Finance and other income | 116 | 51 | 40 | 166 | 88 | 583 |
| | Profit before tax | 344 | 84 | 836 | 428 | 978 | 2,219 |
| III | Segment assets # | | | | | | |
| | Real estate | 88,008 | 93,042 | 87,740 | 88,008 | 90,449 | 93,061 |
| | Contractual and manufacturing | 7,710 | 7,610 | 17,514 | 7,710 | 17,514 | 9,818 |
| | Unallocated assets | 15,367 | 13,324 | 6,881 | 15,367 | 6,881 | 12,175 |
| | Total assets | 111,085 | 113,976 | 112,135 | 111,085 | 114,844 | 115,054 |
| IV | Segment liabilities # | | | | | | |
| | Real estate | 54,374 | 59,771 | 51,559 | 54,374 | 51,559 | 57,233 |
| | Contractual and manufacturing | 2,816 | 3,058 | 5,208 | 2,816 | 5,208 | 4,386 |
| | Unallocated liabilities | 29,491 | 26,944 | 30,955 | 29,491 | 30,955 | 29,242 |
| | Total liabilities | 86,681 | 89,772 | 87,722 | 86,681 | 87,722 | 90,861 |

* refer note 4

Capital employed = Segment assets - Segment liabilities



Nagadish



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

(₹ in millions)

| Particulars | 3 months ended 30.09.2022 [Unaudited] | 3 months ended 30.06.2022* [Unaudited] | Corresponding 3 months ended 30.09.2021* [Unaudited] | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for previous period ended 30.09.2021* [Unaudited] | Previous year ended 31.03.2022* [Audited] |
|-----------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------|
| Total income | 6,694 | 5,849 | 7,779 | 12,543 | 12,223 | 26,210 |
| Profit before tax | 250 | 20 | 799 | 270 | 1,021 | 2,141 |
| Profit for the period | 138 | 8 | 589 | 146 | 767 | 1,588 |

* refer note 4

- (3) 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 concerned authorities are examining if there were 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 (HDRUA), 1975 and the bilateral agreement between the land owners and Directorate of Town and Country Planning, Haryana (DTCP).

As part of the inquiry, the Company and its officers have been asked to provide contracts, documents and justification in respect of this transaction by the various concerned authorities and the proceedings on this matter are in progress. The Company and its officers have been responding to the queries raised / documents sought from time to time.

The Company, 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 financial results as at 30 September 2022 or for earlier periods.

The Auditors have given explanation of matter in this respect as part of emphasis of matter paragraph in the review report.

- (4) The financial information for the previous reporting periods were restated for correction of certain items in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors which are described in more detailed as below:

(i) Sobha Limited ('the Company') and the subsidiaries ('the Group') had accrued for notional interest on advance from customers involving sale of real estate unit and had capitalised such interest to project cost. However, the Company received such consideration in accordance with the terms of the contract in proportion to the completion of such real estate project and accordingly does not involve any significant financing element.

(ii) The Group has restated the accounting for revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights acquired under Joint Development Arrangement (JDAs) [not being jointly controlled operations] on gross basis in accordance with guidance on 'non-cash consideration' under Ind AS 115, Revenue from Contract with Customer

(iii) The Group has restated the capitalisation of borrowing cost on lands and land advances wherein no significant development activity had commenced and projects wherein substantially all activities necessary for their sale had been completed to capitalise appropriate borrowing cost and other directly attributable project cost to projects under construction in accordance with relevant Ind AS.

(iv) rectification of certain other items pertaining to (a) accounting of construction contracts, other operating income and expense (b) Right of use asset (c) discounting of retention money and (d) reclassification of borrowings. Consequential impact of deferred tax has been recorded on these adjustments.

The effect of restatement on consolidated financial statement line items for the previous years is as follows:

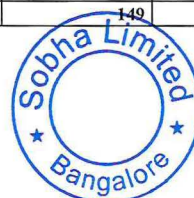
Impact on Statement of financial results

(₹ in millions)

| Particulars | Note | 3 months ended | | Year to date for previous period ended | Previous Year ended |
|-------------------------------------------------------------|------------------------|---------------------------|---------------------------|----------------------------------------------|-------------------------|
| | | 30.06.2022 (unaudited) | 30.09.2021 (unaudited) | 30.09.2021 (unaudited) | 31.03.2022 (audited) |
| Revenue from operations | (ii), (i) | (170) | (392) | (400) | (1,108) |
| Other income | | - | (154) | (154) | 64 |
| Finance income | (iv) | (19) | 27 | 27 | (54) |
| Total income | | (188) | (519) | (527) | (1,099) |
| Changes in inventories | (iii), (ii), (i) | 1,228 | 323 | 323 | 1,729 |
| Employee benefits expense | (iv) | 59 | - | - | - |
| Depreciation and amortisation expense | (iv) | (12) | (9) | (9) | (33) |
| Finance expenses | (i), (iii) | (1,283) | (1,075) | (1,098) | (3,462) |
| Other expenses | (iv) | (49) | 55 | 55 | 31 |
| Total expenses | | (57) | (707) | (730) | (1,735) |
| Profit before tax | (i), (ii), (iii), (iv) | (131) | 188 | 203 | 637 |
| Total tax expense | | (40) | 39 | 57 | 137 |
| Total comprehensive income for the period before OCI | | (90) | 149 | 146 | 499 |



Nagadish



Impact on Consolidated Balance sheet

| | | (₹ in millions) | |
|----------------------------------------------------------------------------------------|------------------|-----------------------------------|-----------------------------------|
| Particulars | Note | As at 31.03.2022* [Audited] | As at 01.04.2021* [Audited] |
| Property, plant and equipment | (iv) | 118 | 165 |
| Right of use assets | (iv) | 30 | 32 |
| Trade receivables | (iv) | 91 | 97 |
| Other non-current financial assets | (iv) | (169) | (151) |
| Other non-current assets | (i), (iii) | (639) | (658) |
| Inventories | (i), (ii), (iii) | 2,790 | 4,249 |
| Other current financial assets | (iii) | 314 | 204 |
| Other current assets | (ii) | (1,547) | (1,397) |
| Other equity | (i), (ii), (iv) | (913) | (1,373) |
| Borrowings | (iv) | (3,629) | - |
| Lease liabilities | (iv) | 140 | 150 |
| Deferred tax liabilities (net) | (iv) | (321) | (475) |
| Financial liabilities | (iv) | 4,065 | 421 |
| Borrowings | (iv) | 4,052 | 420 |
| Lease liabilities | (iv) | 12 | 1 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | (iv) | (2,274) | (2,331) |
| Other current financial liabilities | (iv) | (240) | (169) |
| Other current liabilities | (iv) | 4,359 | 6,653 |

Restatement in the earning per share

| Particulars | 3 months ended 30.09.2022 [Unaudited] | 3 months ended 30.06.2022* [Unaudited] | Corresponding 3 months ended 30.09.2021* [Unaudited] | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for previous period ended 30.09.2021* [Unaudited] | Previous year ended 31.03.2022* [Audited] |
|--------------------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------|
| Earning per equity share (face value Rs.10 Each) | | | | | | |
| Earnings per share (EPS) - (in ₹) -Reported | 2.03 | 1.44 | 4.99 | 2.50 | 6.23 | 12.32 |
| Earnings per share (EPS) - (in ₹) -Refer Note 4 | 2.03 | 0.47 | 6.65 | 2.50 | 7.76 | 17.59 |

- (5) The unaudited consolidated financial results for the year ended 30 September 2022 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Group at its meeting held on 14 November 2022. The figures for the quarter ended 30 September 2022 was subject to 'Limited Review' by Statutory Auditors of the Company who have expressed an unqualified review conclusion. 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) In respect of matters relating to certain transactions entered into by the Company in earlier years, the Company had received a show cause notice (SCN) dated 24 September 2021 from Securities and Exchange Board of India (SEBI) for alleged violation of certain provisions of the SEBI Act, 1992 and Regulations issued by SEBI thereunder, thus, initiating adjudication proceedings. The Company, in consultation with its external legal counsel has responded to the charges made in the SCN challenging the factual allegations in the SCN and also filed a settlement application under the SEBI (Settlement Proceedings) Regulation, 2018, without admitting or denying the finding of fact and conclusions of law. Pursuant to the settlement hearing between the Company represented by its external legal counsel with SEBI, the Company has proposed for a settlement amount of Rs 29 million, vide letter dated 25 April 2022 to SEBI. SEBI, vide communication dated 4 July 2022, has asked that the settlement amount be paid by the current and ex-officers of the Company (other noticees) to whom the SCN was issued and not the Company, which has been duly paid by the other noticees on 30 July 2022. Pursuant to the order dated 22 August 2022, adjudication proceedings initiated against the noticees were disposed of.
- (7) Previous period's / year's figures have been regrouped or reclassified wherever necessary to conform with the current period figures.

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

Jagadish Nangineni
Managing Director



Bengaluru, India
14 November 2022



Walker Chandio & Co LLP

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Bengaluru - 560 093

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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 30 September 2022 and the year to date results for the period 01 April 2022 to 30 September 2022, 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.
4. Based on our review conducted as above and upon consideration of the review reports of the other auditors of the partnership firm referred to in paragraph 9 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.



Chartered Accountants

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

Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

5. We draw attention to Note 3 of the Statement that explains that the Company had entered into a joint development agreement (JDA) in earlier years 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, various concerned authorities are in process of conducting inquiries to assess if there were any irregularities in respect of the manner of allotment and pricing of certain plots under this project by the Company, in relation to the terms and conditions of the license and/or HDRUAA regulations, and whether the applicable charges under the HDRUAA were paid by the Company pursuant to the change in beneficial interest pertaining to aforesaid land parcels. 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 30 September 2022 or for earlier periods.

Our conclusion is not modified in respect of this matter.

6. We draw attention to Note 4 of the Statement, which describes the restatements made to the comparative financial information for the quarter ended 30 June 2022, quarter and six months period ended 30 September 2021, as at and for the year ended 31 March 2022 and as at 1 April 2021, in accordance with the principles of Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, for correction of certain identified material prior period errors, which are further described in the aforesaid note.

Our conclusion is not modified in respect of this matter.

7. The review of standalone unaudited quarterly financial results for the period ended 30 June 2022, included in the Statement was carried out and reported by B S R & Co. LLP who has expressed unmodified conclusion vide their review report dated 09 August 2022, whose review report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement.

Our conclusion is not modified in respect of this matter.

8. The review of standalone unaudited quarterly and year-to-date financial results for the period ended 30 September 2021 and audit of standalone financial results for the quarter and year ended 31 March 2022 included in the Statement was carried out and reported by B S R & Co. LLP who has expressed unmodified conclusion vide their review report dated 08 November 2021 and unmodified opinion vide their audit report dated 20 May 2022, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement.

Our conclusion is not modified in respect of this matter.



Walker Chandiook & Co LLP

9. The Statement also includes Company's share of net profit after tax of ₹ 12.41 million and ₹ 28.25 million and total comprehensive income of ₹ 12.41 million and ₹ 28.25 million for the quarter and year-to-date period ended on 30 September 2022 in respect of one partnership firm, whose interim financial information have not been reviewed by us. Such 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 Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

MA

Manish Agrawal

Partner

Membership No. 507000

UDIN: 22507000BDC 1LB7413



Bengaluru

14 November 2022

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

Standalone Balance sheet

(₹ in millions)

| Particulars | | As at 30.09.2022 [Unaudited] | As at 31.03.2022* [Audited] | As at 01.04.2021* [Audited] |
|----------------------------------------------------------------------------------------|--|------------------------------------|-----------------------------------|-----------------------------------|
| A Assets | | | | |
| 1 Non- current assets | | | | |
| Property, plant and equipment | | 2,374 | 2,433 | 2,813 |
| Right of use assets | | 204 | 229 | 278 |
| Investment property | | 2,103 | 2,081 | 2,027 |
| Investment property under construction | | - | - | 701 |
| Intangible asset under development | | 12 | - | - |
| Intangible assets | | 1 | 1 | 1 |
| Financial assets | | | | - |
| Investments | | 4,401 | 4,398 | 3,976 |
| Trade receivables | | 680 | 655 | 521 |
| Other non-current financial assets | | 1,511 | 1,372 | 1,263 |
| Other non-current assets | | 3,678 | 3,700 | 4,541 |
| Deferred tax assets (net) | | 602 | 248 | 216 |
| | | 15,566 | 15,117 | 16,337 |
| 2 Current assets | | | | |
| Inventories | | 68,869 | 73,142 | 71,764 |
| Financial assets | | | | |
| Trade receivables | | 2,120 | 3,502 | 1,935 |
| Cash and cash equivalents | | 3,212 | 1,346 | 1,573 |
| Bank balance other than cash and cash equivalents | | 400 | 384 | 393 |
| Other current financial assets | | 5,509 | 5,522 | 6,226 |
| Other current assets | | 11,783 | 12,160 | 12,405 |
| | | 91,893 | 96,056 | 94,296 |
| Total assets | | 107,459 | 111,173 | 110,633 |
| B Equity and liabilities | | | | |
| 1 Equity | | | | |
| Equity share capital | | 948 | 948 | 948 |
| Other equity | | 21,632 | 21,797 | 20,549 |
| Total equity | | 22,580 | 22,745 | 21,497 |
| 2 Non-current liabilities | | | | |
| Financial liabilities | | | | |
| Borrowings | | 3,201 | 3,007 | 2,768 |
| Lease liabilities | | 197 | 180 | 218 |
| Other non-current financial liabilities | | - | - | - |
| Long-term provisions | | 201 | 175 | 151 |
| Deferred tax liabilities (net) | | - | - | - |
| | | 3,599 | 3,362 | 3,137 |
| 3 Current liabilities | | | | |
| Financial liabilities | | | | |
| Borrowings | | 18,216 | 21,304 | 26,524 |
| Lease liabilities | | 39 | 73 | 63 |
| Trade payables | | | | |
| Total outstanding dues of micro enterprises and small enterprises; and | | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 6,658 | 4,424 | 5,009 |
| Other current financial liabilities | | 5,989 | 5,642 | 5,475 |
| Other current liabilities | | 49,976 | 53,265 | 48,702 |
| Provisions | | 185 | 155 | 139 |
| Current tax liabilities (net) | | 217 | 203 | 87 |
| | | 81,280 | 85,066 | 85,999 |
| Total liabilities | | 84,879 | 88,428 | 89,136 |
| Total equity and liabilities | | 107,459 | 111,173 | 110,633 |

* refer note 4



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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 six months ended 30 September 2022

(₹ in millions)

| | Particulars | 3 months ended 30.09.2022 [Unaudited] | 3 months ended 30.06.2022* [Unaudited] | Corresponding 3 months ended 30.09.2021* [Unaudited] | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for previous period ended 30.09.2021* [Unaudited] | Previous year ended 31.03.2022* [Audited] |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------------------|
| 1 | Income | | | | | | |
| | (a) Revenue from operations | 6,444 | 5,709 | 7,767 | 12,153 | 12,052 | 25,227 |
| | (b) Other income | 113 | 65 | (123) | 178 | (46) | 652 |
| | (c) Finance income | 137 | 75 | 135 | 212 | 217 | 331 |
| | Total income | 6,694 | 5,849 | 7,779 | 12,543 | 12,223 | 26,210 |
| 2 | Expenses | | | | | | |
| | (a) Land purchase cost | 3,423 | 292 | 564 | 3,715 | 566 | 1,959 |
| | (b) Cost of raw materials and components consumed | 901 | 656 | 453 | 1,557 | 826 | 1,982 |
| | (c) Purchase of project materials | 2,881 | 1,032 | 1,463 | 3,913 | 1,769 | 5,180 |
| | (d) Change in inventories | (5,764) | (127) | 239 | (5,891) | 506 | (852) |
| | (e) Subcontractor and other charges | 2,147 | 1,666 | 1,798 | 3,813 | 2,926 | 6,382 |
| | (f) Employee benefits expense | 765 | 644 | 622 | 1,409 | 1,139 | 2,295 |
| | (g) Depreciation and amortization expense | 172 | 129 | 159 | 301 | 315 | 631 |
| | (h) Finance costs | 613 | 590 | 759 | 1,203 | 1,501 | 2,901 |
| | (i) Other expenses | 1,306 | 947 | 923 | 2,253 | 1,653 | 3,591 |
| | Total expenses | 6,444 | 5,829 | 6,980 | 12,273 | 11,201 | 24,069 |
| 3 | Profit before tax (1-2) | 250 | 20 | 799 | 270 | 1,021 | 2,141 |
| 4 | Tax expense | | | | | | |
| | (a) Current tax | 272 | 55 | 104 | 327 | 126 | 581 |
| | (b) Deferred tax (credit) / charge | (160) | (43) | 105 | (203) | 128 | (28) |
| | Total tax expense | 112 | 12 | 209 | 124 | 254 | 553 |
| 5 | Profit for the period (3-4) | 138 | 8 | 589 | 146 | 767 | 1,588 |
| 6 | Other comprehensive income | | | | | | |
| | Items that will not be reclassified to profit or loss in subsequent periods: | | | | | | |
| | Re-measurement (losses) / gains on defined benefit plan (net of tax expenses) | (33) | 8 | (29) | (25) | (23) | (9) |
| | Total other comprehensive income | (33) | 8 | (29) | (25) | (23) | (9) |
| 7 | Total comprehensive income for the period [comprising profit for the period (after tax) and other comprehensive income (after tax)] (5+6) | 105 | 16 | 560 | 121 | 744 | 1,579 |
| 8 | Paid-up equity share capital (Face value per share - ₹ 10) | 948 | 948 | 948 | 948 | 948 | 948 |
| 9 | Reserves excluding revaluation reserves | | | | | | 21,797 |
| 10 | Earnings per share (EPS) - (in ₹) Basic and diluted EPS (not annualised for the quarters) | 1.46 | 0.09 | 6.22 | 1.54 | 8.09 | 16.75 |

* refer note 4



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

Website: www.sobha.com

Standalone statement of cash flow

(₹ in millions)

| Particulars | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for the previous period ended 30.09.2021* [Unaudited] |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Cash flows from operating activities | | |
| Profit before tax | 270 | 1,021 |
| Adjustments to reconcile profit before tax to net cash flows from operating activities | | |
| Depreciation and amortization expense | 271 | 315 |
| Depreciation of investment properties | 30 | 49 |
| Finance income (including fair value change in financial instruments) | (212) | (204) |
| Finance costs (including fair value change in financial instruments) | 1,203 | 3,585 |
| Allowance for credit loss | 318 | 3 |
| Share of loss/ (profit) from investment in partnership firm | (28) | 18 |
| Working capital adjustments: | | |
| Decrease / (Increase) in trade receivables | 1,340 | (2,230) |
| Decrease / (Increase) in inventories | 1,438 | (4,358) |
| Decrease / (Increase) in other financial assets | (2,086) | 1,049 |
| Decrease / (Increase) in other assets | 2,586 | (90) |
| (Decrease) / Increase in trade payables and other financial liabilities | 464 | 4,606 |
| (Decrease) / Increase in provisions | 56 | 49 |
| (Decrease) / Increase in other non-financial liabilities | 1,106 | (754) |
| Cash generated from operating activities | 6,756 | 3,059 |
| Income tax paid (net of refund) | (314) | (193) |
| Net cash flows from operating activities | 6,442 | 2,866 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (61) | (109) |
| Transfer / (Purchase) of investment property under construction | (298) | (13) |
| Proceeds from sale of property, plant and equipment | 4 | 22 |
| Loan given to subsidiaries (net) | 1 | (203) |
| Contribution to partnership current account | (30) | (65) |
| Investments in fixed deposits (net) | (63) | (61) |
| Interest received | 17 | 34 |
| Net cash flows (used in) investing activities | (431) | (395) |
| Cash flows from financing activities | | |
| Proceeds from long-term borrowings | 566 | - |
| Repayment of long-term borrowings | (4,576) | (211) |
| Proceeds from short-term borrowings | 3,939 | 6,898 |
| Repayment of short-term borrowings | (2,663) | (8,261) |
| Lease payments | (18) | (19) |
| Interest paid | (1,109) | (1,372) |
| Dividend paid on equity shares | (285) | (333) |
| Net cash flows (used in) financing activities | (4,146) | (3,298) |
| Net increase/ (decrease) in cash and cash equivalents | 1,866 | (827) |
| Cash and cash equivalents at the beginning of the period | 1,346 | 1,573 |
| Cash and cash equivalents at the end of the period | 3,212 | 746 |
| Less: Book overdraft from scheduled banks | (711) | (586) |
| Cash and cash equivalents, net of book overdraft | 2,501 | 160 |



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SOBHA LIMITED

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Notes

Standalone segment wise revenue, results, segment assets and liabilities

- (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 millions)

| | Particulars | 3 months ended 30.09.2022 [Unaudited] | 3 months ended 30.06.2022* [Unaudited] | Corresponding 3 months ended 30.09.2021* [Unaudited] | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for previous period ended 30.09.2021* [Unaudited] | Previous year ended 31.03.2022* [Audited] |
|-----|----------------------------------------------------------------|---------------------------------------------|----------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------------------|
| I | Segment revenue | | | | | | |
| | Real estate | 4,076 | 4,312 | 6,044 | 8,388 | 8,912 | 17,810 |
| | Contractual and manufacturing | 2,828 | 1,735 | 1,881 | 4,563 | 3,496 | 8,209 |
| | Total | 6,904 | 6,047 | 7,925 | 12,951 | 12,408 | 26,019 |
| | Less: Inter segment revenues | (460) | (339) | (158) | (798) | (356) | (792) |
| | Net revenue from operations | 6,444 | 5,708 | 7,767 | 12,153 | 12,052 | 25,227 |
| II | Segment results | | | | | | |
| | Real estate | 935 | 1,117 | 2,216 | 2,052 | 3,091 | 5,896 |
| | Contractual and manufacturing | 340 | 33 | 44 | 373 | 473 | 770 |
| | Profit before other adjustments | 1,275 | 1,150 | 2,260 | 2,425 | 3,564 | 6,666 |
| | Less: Finance cost | (614) | (590) | (759) | (1,204) | (1,501) | (2,901) |
| | Less: Other unallocable expenditure | (545) | (613) | (743) | (1,158) | (1,228) | (2,602) |
| | Add: Share of (loss) / profit in a subsidiary partnership firm | 12 | 16 | (6) | 28 | (18) | (6) |
| | Add: Finance and other income | 120 | 58 | 47 | 178 | 204 | 983 |
| | Profit before tax | 248 | 21 | 799 | 269 | 1,021 | 2,141 |
| III | Segment assets # | | | | | | |
| | Real estate | 82,627 | 88,351 | 87,712 | 82,627 | 92,174 | 86,757 |
| | Contractual and manufacturing | 9,464 | 9,092 | 9,497 | 9,464 | 8,661 | 11,223 |
| | Unallocated assets | 15,369 | 12,422 | 10,091 | 15,369 | 10,091 | 12,436 |
| | Total assets | 107,460 | 109,866 | 107,300 | 107,460 | 110,926 | 110,416 |
| IV | Segment liabilities # | | | | | | |
| | Real estate | 51,875 | 54,660 | 48,948 | 51,875 | 48,948 | 55,100 |
| | Contractual and manufacturing | 3,514 | 3,825 | 5,349 | 3,514 | 5,349 | 2,433 |
| | Unallocated liabilities | 29,490 | 26,944 | 29,889 | 29,490 | 29,889 | 30,648 |
| | Total liabilities | 84,879 | 85,429 | 84,186 | 84,879 | 84,186 | 88,181 |

* refer note 4

Capital employed = Segment assets - Segment liabilities



Jagadish



Notes

- (2) The standalone financial results for the year ended 30 September 2022 has been reviewed by Statutory Auditors of the Company and they have issued an unmodified review report. The review report of the Statutory Auditors is being filed with Bombay Stock Exchange and National Stock Exchange and is also available on the Company's website www.sobha.com.
- The unaudited standalone financial results for the year ended 30 September 2022 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on 14 November 2022. The figures for the quarter was subject to 'Limited Review' by Statutory Auditors of the Company who have expressed an unqualified review conclusion. 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 reviewed standalone 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.
- (3) 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 various concerned authorities are examining if there were 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).

As part of the inquiry, the Company and its officers have been asked to provide contracts, documents and justification in respect of this transaction by the concerned authorities and the proceedings on this matter are in progress. The Company and its officers have been responding to the queries raised / documents sought from time to time.

The Company, 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 financial results as at 30 September 2022 or for earlier periods.

- (4) The financial information for the previous reporting periods were restated for correction of certain material prior period items in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors which are described in more detailed as below:

(i) The Company had accrued for notional interest on advance from customers involving sale of real estate unit and had capitalised such interest to project cost. However, the Company received such consideration in accordance with the terms of the contract in proportion to the completion of such real estate project and accordingly does not involve any significant financing element.

(ii) The Company has restated the accounting for revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights acquired under Joint Development Arrangement (JDAs) [not being jointly controlled operations] on gross basis in accordance with guidance on 'non-cash consideration' under Ind AS 115, Revenue from Contract with Customer

(iii) The Company has restated the capitalisation of borrowing cost on lands and land advances wherein no significant development activity had commenced and projects wherein substantially all activities necessary for their sale had been completed to capitalise appropriate borrowing cost and other directly attributable project cost to projects under construction.

(iv) rectification of certain other items pertaining to (a) accounting of construction contracts, other operating income and expense (b) Right of use asset (c) discounting of retention money and (d) reclassification of borrowings. Consequential impact of deferred tax has been recorded on these adjustments.

The effect of restatement on financial statement line items for the previous years is as follows:

Impact on Statement of financial results (₹ in millions)

| Particulars | Note | Quarter ended | | Six months ended | Year ended |
|-------------------------------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | | 30.06.2022 [Unaudited] | 30.09.2021 [Unaudited] | 30.09.2021 [Unaudited] | 31.03.2022 [Audited] |
| Revenue from operations | (ii), (i) | (163) | (388) | (1,219) | (1,914) |
| Other income | | - | (154) | (115) | 103 |
| Finance income | (iv) | (19) | 27 | 13 | (68) |
| Total income | | (182) | (515) | (1,321) | (1,879) |
| Changes in inventories | (iii), (ii), (i) | 1,228 | 323 | 488 | 1,894 |
| Employee benefits expense | (iv) | 59 | - | - | - |
| Depreciation and amortisation expense | (iv) | (12) | (9) | (18) | (49) |
| Finance expenses | (i), (iii) | (1,247) | (1,040) | (2,084) | (4,382) |
| Other expenses | (iv) | (49) | 55 | 67 | 43 |
| Total expenses | | (21) | (672) | (1,547) | (2,494) |
| Profit before tax | (i), (ii), (iii), (iv) | (160) | 157 | 226 | 615 |
| Total tax expense | | (40) | 39 | 57 | 155 |
| Total comprehensive income for the period before OCI | | (121) | 117 | 169 | 460 |



Nagadish



Impact on Balance sheet

(₹ in millions)

| Particulars | Note | As at 31.03.2022* [Audited] | As at 01.04.2021* [Audited] |
|----------------------------------------------------------------------------------------|------------------|-----------------------------------|-----------------------------------|
| Property, plant and equipment | (iv) | 118 | 165 |
| Right of use assets | (iv) | 30 | 32 |
| Investment property | (iv) | 198 | 335 |
| Trade receivables | (iv) | 91 | 97 |
| Other non-current financial assets | (iv) | (169) | (151) |
| Other non-current assets | (i), (iii) | (639) | (658) |
| Inventories | (i), (ii), (iii) | 2,790 | 4,249 |
| Other current financial assets | (iii) | 314 | 204 |
| Other current assets | (ii) | (1,547) | (1,397) |
| Other equity | (i), (ii), (iv) | (913) | (1,373) |
| Borrowings | (iv) | (3,629) | - |
| Lease liabilities | (iv) | 140 | 150 |
| Deferred tax liabilities (net) | (iv) | (321) | (475) |
| Borrowings | (iv) | 4,052 | 420 |
| Lease liabilities | (iv) | 12 | 1 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | (iv) | (2,274) | (2,331) |
| Other current financial liabilities | (iv) | (240) | (169) |
| Other current liabilities | (iv) | 4,359 | 6,653 |

Restatement in the earning per share

| Particulars | 3 months ended 30.09.2022 [Unaudited] | 3 months ended 30.06.2022* [Unaudited] | Corresponding 3 months ended 30.09.2021* [Unaudited] | Year to date figures for current period ended 30.09.2022 [Unaudited] | Year to date figures for previous period ended 30.09.2021* [Unaudited] | Previous year ended 31.03.2022* [Audited] |
|--------------------------------------------------|------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------------------|
| Earning per equity share (face value Rs.10 Each) | | | | | | |
| Earnings per share (EPS) - (in ₹) -Reported | 1.46 | 1.36 | 4.99 | 1.54 | 6.32 | 11.90 |
| Earnings per share (EPS) - (in ₹) -Restated | 1.46 | 0.09 | 6.22 | 1.54 | 8.09 | 16.75 |

- (5) In respect of matters relating to certain transactions entered into by the Company in earlier years, the Company had received a show cause notice (SCN) dated 24 September 2021 from Securities and Exchange Board of India (SEBI) for alleged violation of certain provisions of the SEBI Act, 1992 and Regulations issued by SEBI thereunder, thus, initiating adjudication proceedings. The Company, in consultation with its external legal counsel has responded to the charges made in the SCN challenging the factual allegations in the SCN and also filed a settlement application under the SEBI (Settlement Proceedings) Regulation, 2018, without admitting or denying the finding of fact and conclusions of law. Pursuant to the settlement hearing between the Company represented by its external legal counsel with SEBI, the Company has proposed for a settlement amount of Rs 29 million, vide letter dated 25 April 2022 to SEBI. SEBI, vide communication dated 4 July 2022, has asked that the settlement amount be paid by the current and ex-officers of the Company (other noticees) to whom the SCN was issued and not the Company, which has been duly paid by the other noticees on 30 July 2022. Pursuant to the order dated 22 August 2022, adjudication proceedings initiated against the noticees were disposed of.
- (6) Previous period's / year's figures have been regrouped or reclassified wherever necessary to conform with the current period figures.

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

Jagadish
Jagadish Nangineni
Managing Director



Bengaluru, India
14 November 2022

