SOBHA

PASSION AT WORK

May 23, 2016

The Manager – Listing
BSE Limited
(BSE: 532784) 022 22723121

The Manager – Listing
National Stock Exchange of India Limited. 022 26598237
(NSE: SOBHA)

Dear Sirs,

Sub: Submission of copy of board resolution passed by the Board of Directors of the Company for buyback of equity shares of the Company pursuant to Regulation 5A of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998

This is in furtherance to our intimation dated May 19, 2016 wherein we informed you that the Board of Directors of the Company approved the proposal to buyback equity shares of the Company on a proportionate basis through the tender offer process pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("**Buyback Regulations**").

In this regard, please find attached herewith certified copy of extracts of resolutions passed by the Board of Directors of the Company on May 19, 2016 in connection with the buyback.

This is for your information and record.

Thanking you,

FOR SOBHA LIMITED

KISHORE KAYARAT
COMPANY SECRETARY AND COMPLIANCE OFFICER

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EXTRACTS FROM THE RESOLUTIONS PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF SOBHA LIMITED HELD ON THURSDAY THE 19th DAY OF MAY 2016 AT THE REGISTERED AND CORPORATE OFFICE SITUATED AT 'SOBHA', SARJAPUR - MARATHAHALLI OUTER RING ROAD (ORR), DEVARABISANAHALLI, BELLANDUR (POST), BANGALORE - 560 103 WHICH COMMENCED AT 1.00 PM AND CONCLUDED AT 5:30 PM

"RESOLVED THAT pursuant to the provisions of Article 66 of the Articles of Association of the Company and the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the "**Companies Act**"), the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the "**Buyback Regulations**"), including any amendments, statutory modifications or re-enactments for the time being in force, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buyback by the Company of up to 2,275,000 fully paid-up equity shares of Rs. 10 (Rupees Ten Only) each of the Company ("**Equity Shares**") representing up to 2.32% of the total paid-up Equity Share capital of the Company at a price of Rs. 330 (Rupees Three Hundred and Thirty only) per Equity Share ("**Buyback Price**") payable in cash for an aggregate amount of up to Rs. 750,750,000 (Rupees Seventy Five Crores Seven Lakhs and Fifty Thousand) ("**Buyback Size**"), which is 3.08% of the fully paid-up Equity Share capital and free reserves as per the latest audited balance sheet of the Company for the financial year ended March 31, 2016 on a proportionate basis through the "**tender offer**" route as prescribed under the Buyback Regulations, to all of the shareholders who hold Equity Shares as of a record date to be subsequently determined by the Buyback Committee (as defined below) ("**Buyback**"). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, advisors fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

RESOLVED FURTHER THAT all of the shareholders of the Company who hold Equity Shares as of a record date to be subsequently determined by the Buyback Committee (as defined below) will be eligible to participate in the Buyback including promoters and promoter group of the Company (including members thereof) who hold Equity Shares as of a record date to be subsequently determined by the Buyback Committee (as defined below), persons in control (including such persons acting in concert) who hold Equity Shares as of a record date to be subsequently determined by the Buyback Committee (as defined below).

RESOLVED FURTHER THAT the Buyback shall have reservation for small shareholders in accordance with the provisions of the Buyback Regulations.

RESOLVED FURTHER THAT the Company shall implement the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("**Listing Regulations**").

RESOLVED FURTHER THAT the amount required by the Company for the Buyback is intended to be met out of accumulated internal accruals and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

RESOLVED FURTHER THAT in terms of Regulation 19(3) of the Buyback Regulations, Mr. Kishore Kayarat, Company Secretary and Compliance Officer, be and is hereby appointed as the Compliance Officer for the Buyback and Link Intime India Private Limited, Registrar and Transfer Agent, is appointed as the Investor Service Centre.

RESOLVED FURTHER THAT draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit and other documents, placed before the meeting be and is hereby approved and Mr. J.C. Sharma, Vice-Chairman and Managing Director, and Mr. P Ramakrishnan, Deputy Managing Director, be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies and the Securities and Exchange Board of India in accordance with applicable law.

RESOLVED FURTHER THAT the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

a) that immediately following the date of this Board meeting is convened, there will be no grounds on which the Company could be found unable to pay its debts;
b) that as regards its prospects for the year immediately following that date that, having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
c) that in forming their opinion for the above purposes, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act (including prospective and contingent liabilities).

RESOLVED FURTHER THAT the Board hereby confirms that:

a) the Company shall not issue any Equity Shares or specified securities including by way of bonus till the date of closure of the Buyback;
b) the Company shall not raise further capital for a period of one year from the closure of the Buyback, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;
c) the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;



d) the Company shall not buyback its Equity Shares from any person through negotiated deal whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
e) there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of any term loans to any financial institution or banks;
f) that the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act
g) the maximum number of Equity Shares proposed to be purchased under the Buyback 2,275,000 Equity Shares, do not exceed 10% of the total number of Equity Shares in the paid-up Equity Share capital as per the latest audited financial statements as on March 31, 2016;
h) the Company shall not make any offer of buyback within a period of one year reckoned from the date of closure of the Buyback;
i) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date; and
j) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buyback.

RESOLVED FURTHER THAT that a committee (the "**Buyback Committee**") be constituted comprising of Mr. P Ramakrishnan, Deputy Managing Director and Mr. Subhash Mohan Bhat, Chief Financial Officer, be constituted for the purposes of the Buyback to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its shareholders in connection with the Buyback."

-// CERTIFIED TRUE COPY //-

FOR SOBHA LIMITED

Sobha Limited * Bangalore *

KISHORE KAYARAT
COMPANY SECRETARY AND COMPLIANCE OFFICER