SOBHA LIMITED

Registered Office: 'SOBHA', Sarjapur - Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bangalore, Karnataka - 560103
Corporate Identification Number (CIN): L45201KA1995PLC018475
Phone: 080-4932 0000; Fax: 080-4932 0444; Email:investors@sobha.com; Website: www.sobha.com;
Company Secretary and Compliance Officer: Mr. Vighneshwar G. Bhat

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF SOBHA LIMITED FOR THE BUY-BACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY BACK OF SECURITIES) REGULATIONS, 1998, AS AMENDED.

This public announcement ("**Public Announcement**") is being made in relation to the Buy-back (as defined hereinafter) of Equity Shares (as defined hereinafter) of Sobha Limited through the tender offer process, pursuant to Regulation 8(1) and other applicable provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, for the time being in force including any statutory modifications and amendments from time to time ("**SEBI Buy-back Regulations**") and contains the disclosures as specified in Part A of Schedule II to the SEBI Buy-back Regulations.

OFFER FOR BUY-BACK OF UP TO 14,58,823 (FOURTEEN LAKH FIFTY EIGHT THOUSAND EIGHT HUNDRED TWENTY THREE) FULLY PAID UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹ 10 (RUPEES TEN) EACH ("**EQUITY SHARES**") AT A PRICE OF ₹ 425 (RUPEES FOUR HUNDRED TWENTY FIVE ONLY) PER EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS.

1. DETAILS OF THE BUY-BACK OFFER AND OFFER PRICE

1.1 The board of directors of Sobha Limited (the "**Company**") (the board of directors of the Company hereinafter referred to as the "**Board**" or "**Board of Directors**" and unless repugnant to the context or meaning thereof, be deemed to include a duly authorized ("**Buy-back Committee**"), at their meeting held on August 4, 2017 (the "**Board Meeting**"), pursuant to the provisions of Article 66 of Articles of Association of the Company, Section 68, 69 and 70 of the Companies Act, 2013, as amended (the "**Companies Act**") and the applicable rules thereunder, and in compliance the SEBI Buy-back Regulations and subject to such other approvals, permissions and sanctions and filings as may be necessary, by the Securities and Exchange Board of India ("**SEBI**"), Registrar of Companies, Karnataka (the "**ROC**"), Stock Exchanges (as defined hereinafter) where the Equity Shares of the Company are listed, and/or other statutory, regulatory or governmental authorities, institutions or bodies, as may be applicable (the "**Appropriate Authorities**") 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, approved the buy-back by the Company of up to 14,58,823 (Fourteen Lakh Fifty Eight Thousand Eight Hundred Twenty Three) fully paid-up Equity Shares representing up to 2.47% of the total paid-up Equity Share capital and free reserves of the Company at a price of ₹ 425 (Rupees Four Hundred Twenty Five only) per Equity Share ("**Buy-back Price**") payable in cash for an aggregate amount not exceeding ₹ 62 Crore ("**Buy-back Size**"), on a proportionate basis through the "tender offer" route as prescribed under the SEBI Buy-back Regulations from the shareholders/beneficial owners of Equity Shares as on the Record Date (hereinafter defined), ("**Buy-back**"). As required under the SEBI Buy-back Regulations, Equity Shares to be bought back are divided into two categories: (i) reserved category for Small Shareholders (as defined hereinafter); and (ii) general category for all other shareholders. Please refer to Paragraph 7 of this Public Announcement for further details.

1.2 The Buy-back Size is up to 2.47% of the fully paid-up Equity Share capital and free reserves as per the latest audited balance sheet for the financial year ended March 31, 2017 (as approved by the Board) and is within the statutory limit of 10% of the fully paid-up Equity Share capital and free reserves for the financial year ended March 31, 2017 (the latest audited balance sheet of the Company). The maximum number of Equity Shares proposed to be bought back represents up to 1.5% of the total number of Equity Shares in the paid-up share capital of the Company.

1.3 The Buy-back Size does not include any other expenses incurred or to be incurred for the Buy-back like filing fees payable to the SEBI, Stock Exchanges fees, advisors fees, public announcement publication expenses, printing and dispatch expenses, transaction cost viz. brokerage, applicable taxes such as securities transaction tax, stamp duty, etc., and any other incidental and related expenses.

1.4 The Equity Shares are listed on the National Stock Exchange of India Limited (the "**NSE**") and the BSE Limited (the "**BSE**") (hereinafter together referred to as the "**Stock Exchanges**"). In this regard, the Company will request BSE to provide the Acquisition Window (as defined hereinafter). For the purpose of this Buy-back, BSE would be the designated stock exchange.

1.5 The Equity Shares of the Company are proposed to be bought back at a price of ₹ 425 (Rupees Four Hundred Twenty Five only) per Equity Share *viz.,* the Buy-back Price. The Buy-back Price has been arrived at after considering various factors including, but not limited to, the trends in the volume weighted average market prices of the Equity Shares on the Stock Exchanges where the Equity Shares are listed, the net worth of the Company, the price earnings ratio, the impact of the Buy-back on other financial parameters and the possible impact of the Buy-back on the earnings per share.

1.6 The Buy-back Price represents:

(a) a premium of 8.49% and 5.83% over the volume weighted average market price of the Equity Shares on the NSE and BSE for the 3 months preceding July 31, 2017, which is the date of intimation to the Stock Exchanges of the Board Meeting to consider the proposal of the Buy-back ("**Intimation Date**"); and,

(b) a premium of 5.77% and 5.32% over the volume weighted average market price of the Equity Shares on the NSE and BSE for the 2 weeks preceding the Intimation Date. The closing market price of the Equity Shares as on the Intimation Date was ₹ 398 on the BSE and ₹ 399.30 on the NSE, respectively.

1.7 The Buy-back will be undertaken on a proportionate basis from the shareholders/beneficial owners of the Equity Shares of the Company as on record date of August 28, 2017 ("**Record Date**") ("**Eligible Shareholders**") through the tender offer process prescribed under Regulation 4(1)(a) of the SEBI Buy-back Regulations. Additionally, the Buy-back shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI in the circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016. The Buy-back is subject to other approvals, permissions and exemptions as may be required from time to time from any statutory, Appropriate Authority, and/or regulatory authority including SEBI and the Stock Exchanges.

1.8 The Buy-back of Equity Shares may be subject to taxation in India and in the country of residence of the Eligible Shareholders. In due course, the Eligible Shareholders will receive a letter of offer ("**Letter of Offer**"), which will contain a more detailed note on taxation. However, in view of the particularised nature of tax consequences, Eligible Shareholders should consult their tax advisors for the applicable tax provisions and the appropriate course of action that they should take.

1.9 The ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up capital and free reserves after the Buy-back.

1.10 A copy of this Public Announcement is available on the Company's website (www.sobha.com) and is expected to be made available on the website of the SEBI (www.sebi.gov.in) and on the websites of Stock Exchanges (i.e., www.bseindia.com and www.nseindia.com) during the period of the Buy-back.

2. NECESSITY OF THE BUY-BACK

2.1 The Board of Directors is of the view that the proposed Buy-back will help the Company achieve the following objectives:

(a) Optimize returns to shareholders;

(b) Enhance overall shareholders value; and,

(c) Optimize the capital structure.

2.2 The above objectives will be achieved by returning part of surplus cash back to shareholders/beneficial owners holding Equity Shares as on the Record Date of the Company through the Buy-back. This may lead to reduction in outstanding Equity Shares, improvement in earnings per share ("**EPS**") and enhanced return on invested capital. The Buy-back will not in any manner impair the ability of the Company to pursue the growth opportunities or meet its cash requirements for business operations.

2.3 The Buy-back is being undertaken for the following reasons:

(i) The Buy-back is being undertaken, inter alia, for helping the Company to return surplus cash to the Eligible Shareholder broadly in proportion to their shareholding, thereby, enhancing the overall return to the shareholders. The Buy-back may also help in improvement on return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value.

(ii) The Buy-back being implemented through the tender offer process as prescribed under the SEBI Buy-back Regulations, would involve allocation of such number of Equity Shares to the Eligible Shareholders (including the "small shareholders" as defined under Regulation 2(1)(la) of the SEBI Buy-back Regulations and such Eligible Shareholders are hereinafter referred to as the "**Small Shareholders**") as per the entitlement or 15% of the number of Equity Shares to be bought back, whichever is higher which will be reserved for the Small Shareholders. The reservation for Small Shareholders would benefit a large number of public shareholders.

(iii) The Buy-back would help in improving financial ratios like earnings per share and return on equity, by reducing the equity base of the Company; and,

(iv) The Buy-back gives an option to the Eligible Shareholders to either choose to participate in the Buy-back and receive cash in lieu of their Equity Shares which are accepted under the Buy-back or choose not to participate in the Buy-back and get a resultant increase in their percentage shareholding in the Company post the Buy-back, without additional investment.

(v) After considering the above mentioned factors and benefits to the shareholders, the Board of Directors decided to recommend the Buy-back.

3. DETAILS OF PROMOTER'S SHAREHOLDING AND INTENTION TO PARTICIPATE IN THE BUY-BACK

3.1 Except as stated below, none of the (i) promoters; (ii) members of the promoter group (iii) directors of the promoter, promoter group entities (where such promoter or member of the promoter group is a company); and (iv) persons who are in control of the Company, hold any Equity Shares as on the date of the Board Resolution (i.e., August 4, 2017).

3.2 The shareholding of the promoters of the Company (the "**Promoter**") and promoter group and persons in control of the Company as on the date of the Board Meeting (i.e. August 4, 2017) is given below:

Sr. No.	Name of Promoter/promoter group/ persons in control	Number of Equity Shares	% of Equity Shares
1.	Mr. P.N.C. Menon	1,22,23,903	12.69
2.	Mrs. Sobha Menon	3,63,46,551	37.74
3.	Mr. P.N.C. Menon jointly with Mrs. Sobha Menon	53,60,896	5.57
4.	Mr. Ravi P.N.C. Menon	32,950	0.03
5.	Mr. P. N. Haridas	45,000	0.05
6.	Mrs. Sudha Menon	30	0.00
Total		**5,40,09,330**	**56.08**

3.3 The Company does not have any Promoters which are companies or corporate entities.

3.4 Except as mentioned below, the persons mentioned in Paragraph 3.2 above have not purchased or sold any Equity Shares of the Company during a period of twelve months preceding the date of the Board Meeting (i.e. August 4, 2017).

Mrs. Sobha Menon has sold 40,00,000 Equity Shares on April 07, 2017 through open market at ₹ 414.89 (average price) (₹ 415 (maximum price) and ₹ 410 (minimum price)) per Equity Share. Consequently, her shareholding has reduced from 4,03,46,551 Equity Shares to 3,63,46,551 Equity Shares.

3.5 In terms of the SEBI Buy-back Regulations, under the tender offer route, the Promoters and promoter group of the Company have the option to participate in the Buy-back. In this regard, the Promoters have expressed their intention vide their letters dated August 04,2017, to participate in the Buy-back and offer up to an aggregate maximum number of 4,40,09,300 Equity Shares.

3.6 Please see below the maximum number of Equity Shares to be tendered by each of the Promoters in the Buy-back:

Sr. No.	Name of the Promoter	Maximum Number of Equity Shares proposed to be tendered
1	Mr. P.N.C. Menon	22,23,903
2	Mrs. Sobha Menon	3,63,46,551
3	Mr. P.N.C. Menon jointly with Mrs. Sobha Menon	53,60,896
4	Mr. Ravi P.N.C. Menon	32,950
5	Mr. P. N. Haridas	45,000
Total		**4,40,09,300**

3.7 Details of the date and price of acquisition of the Equity Shares that the Promoters intend to tender are set-out below:

(i) P.N.C. Menon

Date of Transaction	Nature of Transaction	Number of Equity Shares acquired/ (sold)	Face Value (₹)	Issue/ Acquisition Price (₹)	Consideration (Cash, other than cash etc.)
August 07, 1995	Subscription to MOA	10	10	10	Cash
February 11, 1998	Further Allotment	11,74,729	10	10	Cash
December 22,1998	Further Allotment	8,55,000	10	10	Cash
March 25, 1999	Further Allotment	10,00,000	10	10	Cash
July 11, 2002	Further Allotment	24,96,445	10	10	Cash
March 29, 2006	Off market Transfer	(10)	10	10	Cash
March 29, 2006	Off market Transfer	(15,000)	10	10	Cash
March 29, 2006	Off market Transfer	(15,000)	10	10	Cash
June 28, 2006	Bonus	1,09,92,348	10	-	-
February 08, 2010	Market Sale	(40,00,000)	10	250 (Average Price)	Cash
July 22, 2016	Buyback	(2,64,619)	10	330	Cash
Total		1,22,23,903*			

**Out of the total number of 1,22,23,903 Equity Shares, Mr. P.N.C. Menon has pledged 10,000,000 Equity Shares*

(ii) Sobha Menon

Date of Transaction	Nature of Transaction	Number of Equity Shares acquired/ (sold)	Face Value (₹)	Issue/ Acquisition Price (₹)	Consideration (Cash, other than cash etc.)
August 07, 1995	Subscription to MOA	10	10	100	Cash
October 16, 1998	Further Allotment	19,34,823	10	10	Cash
March 25, 1998	Further Allotment	20,00,000	10	10	Cash
July 11, 2002	Further Allotment	98,47,984	10	10	Cash
March 29, 2006	Off market Transfer	(5)	10	10	Cash
March 29, 2006	Off market Transfer	(5)	10	10	Cash
June 28, 2006	Bonus	2,75,65,614	10	-	-
July 22, 2016	Buyback	(10,01,870)	10	330	Cash
April 07, 2017	Open market	(40,00,000)	10	414.89	Cash
Total		3,63,46,551			

(iii) P.N.C. Menon jointly with Sobha Menon

Date of Transaction	Nature of Transaction	Number of Equity Shares acquired/ (sold)	Face Value (₹)	Issue/ Acquisition Price (₹)	Consideration (Cash, other than cash etc.)
July 11, 2002	Further Allotment	18,31,469	10	10	Cash
June 28, 2006	Bonus	36,62,938	10	-	-
July 22, 2016	Buyback	(1,33,511)	10	330	Cash
Total		53,60,896			

(iv) Ravi P.N.C. Menon

Date of Transaction	Nature of Transaction	Number of Equity Shares acquired/ (sold)	Face Value (₹)	Issue/ Acquisition Price (₹)	Consideration (Cash, other than cash etc.)
May 25, 2012	Market Purchase	32,950	10	306.42	Cash
Total		32,950			

(v) P. N. Haridas

Date of Transaction	Nature of Transaction	Number of Equity Shares acquired/ (sold)	Face Value (₹)	Issue/ Acquisition Price (₹)	Consideration (Cash, other than cash etc.)
March 29, 2006	Off market Transfer	15,000	10	10	Cash
June 28, 2006	Bonus	30,000	10	-	-
Total		45,000			

3.8 As of the date hereof, none of the directors or key managerial personnel of the Company hold any Equity Shares in the Company except for the following:

Sr. No.	Name of director/ key managerial personnel	Number of Equity Shares	% of Equity Shares
1.	Mr. Ravi P.N.C. Menon, Chairman	32,950	0.03
2.	Mr. J. C. Sharma, Vice Chairman and Managing Director	40,015	0.04
3.	Dr. S. K. Gupta, Non-Executive Independent Director	1,335	0.00
4.	Mr. R. V. S. Rao, Non-Executive Independent Director	15,000	0.01
5.	Mr. Anup Shah, Non-Executive Independent Director	4,300	0.00
6.	Mr. Subhash Mohan Bhat, Chief Financial Officer	130	0.00
Total		93,730	0.08

3.9 Except as mentioned below, the persons mentioned in Paragraph 3.8 above have not purchased or sold any Equity Shares of the Company during a period of twelve months preceding the date of the Board Meeting (i.e. August 4, 2017).

Mr. J. C. Sharma, Vice Chairman and Managing Director has sold 50,000 Equity Shares on April 5, 2017 through open market at ₹ 411.80 per Equity Share. Consequently, his shareholding has reduced from 90,015 Equity Shares to 40,015 Equity Shares.

4. NO DEFAULTS

The Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder or repayment of term loans or interest payment thereon to any financial institution or bank.

5. CONFIRMATION BY THE BOARD OF DIRECTORS

The Board has confirmed that it has made full enquiry into the affairs and prospects of the Company and has formed the opinion that:

(i) Immediately following the date of convening of the Board Meeting (August 4, 2017) at which the Buy-back of the Equity Shares has been approved, there will be no grounds on which the Company could be found unable to pay its debts;

(ii) As regards the Company's prospects for the year immediately following the date of the Board Meeting, having regard to the Board's intentions with respect to the management of the Company's business during the year following the date of the Board Meeting and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during the year following the date of the Board Meeting, 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 the date following the date of the Board Meeting; and,

(iii) 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).

6. AUDITOR'S CERTIFICATE

The text of the report dated August 4, 2017 received from M/s. S R Batliboi & Associates LLP, the statutory auditor of the Company, for the relevant financial period, addressed to the Board of Directors of the Company is reproduced below.

Quote

Independent Auditor's Report on buy back of shares pursuant to the requirement of Schedule II to the Securities and Exchange Board of India (Buy-back of Securities) (Amendment) Regulations, 1998, as amended

To

The Board of Directors
Sobha Limited
'Sobha', Sarjapur - Marathahalli Outer Ring Road,
Devarabisanahalli, Bellandur Post
Bangalore - 560103

1. This Report is issued in accordance with the terms of our service scope letter dated February 15, 2016 and master engagement agreement dated July 17, 2015 with Sobha Limited.

2. In connection with the proposal of Sobha Limited ("the Company"), and as approved by its Board of Directors at its meeting held on August 4, 2017 ("Board Meeting"), to buy-back its Equity Shares and in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 ("the Act") as amended, we have been engaged by the Company to perform a reasonable assurance engagement on the reporting criteria, specified in paragraph 5 of this report.

Board of Directors Responsibility for the Statement

3. The preparation of the Statement of determination of permissible capital payment towards buy-back of Equity Shares ("the Statement"), as set out in Annexure A hereto, initialed by us for identification purpose only is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting.

Auditor's Responsibility

5. Pursuant to the requirements of the Regulations, it is our responsibility to provide reasonable assurance on the following "Reporting Criteria":

(i) Whether the amount of capital payment for the Buy-back is within the permissible limit and computed in accordance with the provisions of Section 68 of the Act;

(ii) Whether the Board of Directors has formed their opinion, as specified in Clause (x) of Part A of Schedule II of the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of the Board Meeting;

(iii) Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

6. The standalone financial statements for the year ended March 31, 2017 had been audited by us on which we had issued an unmodified audit opinion vide our report dated May 16, 2017. Our audits of these standalone financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the review to obtain moderate assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mention in paragraph 5 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:

i) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements for the year ended March 31, 2017.

ii) Examined authorization for buy-back from the Articles of Association of the Company;

iii) Examined that the amount of capital payment for the buy-back as detailed in Annexure A is within permissible limit computed in accordance with Section 68 of the Act;

iv) Examined that the ratio of debt owned by the Company is not more than twice the paid up Equity Share capital and its free reserve after such buy-back;

v) Examined that all Equity Shares for buy-back are fully paid-up;

vi) Examined resolutions passed in the meetings of the Board of Directors;

vii) Examined Director's declarations for the purpose of buy-back and solvency of the Company;

viii) Obtained necessary representations from the management of the Company.

Opinion

10. Based on our examination and procedures performed by us as mentioned above and the information and explanations given to us, in our opinion,

(i) We have inquired into the Company's state of affairs in relation to its audited standalone financial statements as at March 31, 2017, as approved by the Board of the Company on May 16, 2017;

(ii) The permissible capital payment towards buy-back of Equity Shares, as stated in Annexure A, is properly determined in accordance with Section 68 of the Act; and,

(iii) The Board of Directors, in their meeting held on August 4, 2017, have formed their opinion, as specified in Clause (x) Part A of Schedule II of the Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board Meeting and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely for the purpose of the buy-back and to enable them to include it (a) in the public announcement to be made to the Shareholders of the Company, (b) in the draft letter of offer and letter of offer to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies as required by the Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka
Partner
Membership No.: 209567

Place : Bengaluru
Date : August 4, 2017

Annexure A

Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68(2)(b) and (c) of the Companies Act, 2013

Particulars	Amount (₹ in million)
Total paid up Equity Share capital as at March 31, 2017 96,304,676 Equity Shares of ₹10 each, fully paid up	963.05
Free reserves as per audited standalone financial statements as at March 31, 2017 *:	
- Net surplus in the statement of profit and loss	11,127.17
- General Reserves	2,587.57
- Securities premium account	9,934.33
Total of paid up equity capital and free reserves as at March 31, 2017	**24,612.12**
Maximum amount permissible for the Buy-back i.e. 10% of total paid-up capital and free reserves pursuant to Section 68(2)(b) of the Act requiring Board resolution	2,461.21
Amount approved by the Board of Directors for buy-back in the meeting held on August 4, 2017	620

contd...

*Excludes Debenture Redemption Reserve balance of ₹ 428.68 million and Capital Redemption Reserve balance of ₹ 104.88 million, as the management is of the view that it is not a component of free reserves.

For Sobha Limited
Subhash Bhat
Chief Financial Officer

Place : Bengaluru
Date : August 4, 2017

Unquote

7. **RECORD DATE AND SHAREHOLDER'S ENTITLEMENT**

7.1 As required under the SEBI Buy-back Regulations, the Company has announced the Record Date (i.e. August 28, 2017) for the purpose of determining the entitlement and the names of the equity shareholders who will be eligible to participate in the Buy-back. The Equity Shares to be bought back, as part of the Buy-back is divided in to two categories:

(a) reserved category for Small Shareholders; and,

(b) the general category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.

7.2 In due course, Eligible Shareholders will receive a Letter of Offer along with a Tender/ Offer Form indicating the entitlement of the equity shareholder for participating in the Buy-back.

7.3 As defined in the SEBI Buy-back Regulations, a "Small Shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price on BSE or NSE (as applicable, contingent on highest trading volume in respect of Equity Shares as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lakhs only).

7.4 In accordance with Regulation 6 of the SEBI Buy-back Regulations, 15% of the number of Equity Shares which the Company proposes to buy-back or number of Equity Shares entitled as per the shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buy-back.

7.5 On the basis of the shareholding on Record Date the Company will determine the entitlement of each shareholder, including Small Shareholders, to tender their Equity Shares in the Buy-back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder on Record Date, and the ratio of the Buy-back applicable in the category to which such shareholder belongs. The final number of shares the Company will purchase from each Eligible Shareholder will be based on the total number of shares tendered. Accordingly, the Company may not purchase all of the shares tendered by an Eligible Shareholder.

7.6 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.

7.7 The Eligible Shareholders participation in the Buy-back will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of Equity Shares to be accepted under the Buy-back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-back, without additional investment. The Eligible Shareholders may also tender a part of their entitlement. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

7.8 The maximum tender under the Buy-back by any shareholders cannot exceed the number of Equity Shares held by the Eligible Shareholders as on the Record Date or 14,58,823 (Fourteen Lakh Fifty Eight Thousand Eight Hundred Twenty Three) Equity Shares whichever is lower.

7.9 The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buy-back Regulations.

7.10 Detailed instructions for participation in the Buy-back (tender of Equity Shares in the Buy-back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders.

8. **PROCESS AND METHODOLOGY FOR BUY-BACK**

8.1 The Buy-back is open to all Eligible Shareholders/ beneficial owners of the Company, holding Equity Shares either in physical and/ or electronic form on Record Date.

8.2 The Buy-back will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and following the procedure prescribed in the notice issued by BSE bearing reference number 20170210-23, dated February 10, 2017, and in accordance with the procedure prescribed in the Companies Act and the SEBI Buy-back Regulations, and as may be determined by the Board, or the buy-back committee (a committee constituted by the Board to exercise its powers in relation to the Buy-back, the "**Buy-back Committee**"), on such terms and conditions as may be permitted by law from time to time.

8.3 For implementation of the Buy-back, the Company has appointed ICICI Securities Limited as the registered broker to the Company (the "**Company Broker**") through whom the purchases and settlements on account of the Buy-back would be made by the Company. The contact details of the Company Broker are as follows:

ICICI SECURITIES LIMITED
ICICI Centre, H.T. Parekh Marg
Churchgate, Mumbai - 400 020
Maharashtra, India.
Tel.: +91 22 2288 2460
Fax: +91 22 2282 6580
Contact Person(s): Mr. Allwyn Cardoza/Mr. Mitesh Shah

8.4 The Company will request BSE to provide the separate acquisition window ("**Acquisition Window**") to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buy-back. The details of the platform will be specified by BSE from time to time. For the purpose of this Buy-back BSE would be the designated stock exchange.

8.5 At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company Broker. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock brokers ("**Shareholder Broker**") during normal trading hours of the secondary market. The Shareholder Broker can enter orders for demat Equity Shares as well as physical Equity Shares. In the tendering process, the Company Broker may also process the orders received from the Eligible Shareholders.

8.6 **Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form:**

(i) Eligible Shareholders who desire to tender their Equity Shares in the electronic form under Buy-back would have to do so through their respective Shareholder Broker by indicating to their concerned Shareholder Broker the details of Equity Shares they intend to tender under the Buy-back.

(ii) The Shareholder Broker would be required to place an order/ bid on behalf of the Eligible Shareholders who wish to tender demat Equity Shares in the Buy-back using the Acquisition Window of BSE. Before placing the bid, the Eligible Shareholders would be required to transfer the tendered demat Equity Shares to the special account of the Indian Clearing Corporation Limited ("**Clearing Corporation**"), by using the early pay-in mechanism as prescribed by the BSE or the Clearing Corporation, prior to placing the bid by the Shareholder Broker.

(iii) Modification/cancellation of orders will be allowed during the tendering period of the Buy-back.

(iv) The details of the Special Account of the clearing corporation shall be informed in the issue opening circular that will be issued by BSE and/or the Clearing Corporation.

(v) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders no later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

(vi) Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("**TRS**") generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.

8.7 **Procedure to be followed by Eligible Shareholders holding Equity Shares in the Physical form:**

(i) Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buy-back will be required to approach the Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include: (a) tender form duly signed (by all shareholders in case Equity Shares are held in joint names) in the same order in which they hold the Equity Shares; (b) original share certificate(s), (c) valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company, (d) self-attested copy of the Eligible Shareholder's PAN Card, (e) Form No. SH-4 duly filled and signed by the transferor, and (f) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of an Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

(ii) Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the shareholders holding physical Equity Shares and who wish to tender Equity Shares in the Buy-back, using the Acquisition Window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the Exchange Bidding System to the shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.

(iii) Any Shareholder Broker who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned in Paragraph 8.7 (i) above) along with TRS generated by the stock exchange bidding system upon placing of a bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-back (at the address mentioned in Paragraph 11 below) not later than 2 (two) days of bidding by the Shareholder Broker. The envelope should be super scribed as "**Sobha Limited Buyback Offer 2017**". One copy of the TRS will be retained by Registrar to the Buy-back and it will provide acknowledgement of the same to the Shareholder Broker.

(iv) Equity Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buy-back shall be subject to verification as per the SEBI Buy-back Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.

(v) Modification/cancellation of orders will be allowed during the tendering period of the Buy-back.

(vi) The cumulative quantity of Equity Shares tendered shall be made available on the website of the BSE, i.e. www.bseindia.com, throughout the trading session and will be updated at specific intervals during the tendering period.

9. **METHOD OF SETTLEMENT**

9.1 Upon finalization of the basis of acceptance as per SEBI Buy-back Regulations:

(i) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

(ii) The Company will transfer the funds pertaining to the Buy-back to the Clearing Corporation's bank account as per the prescribed schedule. The settlements of fund obligation for demat Equity Shares and physical Equity Shares shall be effected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For demat Equity Shares accepted under the Buy-back, such beneficial owners will receive funds payout in their bank account directly from the Clearing Corporation and in case of physical Equity Shares the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("**RBI**")/ bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.

(iii) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company (the "**Company Demat Escrow Account**") provided it is indicated by the Company Broker or it will be transferred by the Company Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.

(iv) The shareholders of the demat Equity Shares will have to ensure that they keep the depository participant ("**DP**") account active and unblocked to receive credit in case of return of demat Equity Shares, due to rejection or due to non-acceptance in the Buy-back.

(v) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholder would be returned to them by the Clearing Corporation to the Eligible Shareholder's DP account. If the securities transfer instruction is rejected in the depository system due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Eligible Shareholder. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buy-back. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted physical Equity Shares, in case the physical Equity Shares accepted by the Company are less than the physical Equity Shares tendered in the Buy-back by the Eligible Shareholders holding Equity Shares in physical form.

(vi) In case of certain shareholders viz, NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds pay-out would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, such shareholders details would be collected from the Registrar to Buy-back.

(vii) The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buy-back. The Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-back.

(viii) Eligible Shareholders who intend to participate in the Buy-back should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Shareholders for tendering Equity Shares in the Buy-back (secondary market transaction). The Buy-back consideration received by the selling shareholders from their respective Shareholder Broker, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company and Manager to the Buy-back accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Eligible Shareholder.

(ix) The Equity Shares lying to the credit of the Company Demat Escrow Account and the physical Equity Shares bought back and accepted will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-back Regulations.

9.2 The Equity Shares lying to the credit of the Company Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-back Regulations.

10. **COMPANY SECRETARY AND COMPLIANCE OFFICER**

Investors may contact the Company Secretary or the investor relations team of the Company for any clarifications or to address their grievances, if any, during office hours i.e. 10:00 a.m. to 3:00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Mr. Vighneshwar G. Bhat
Company Secretary and Compliance Officer,
Sobha Limited
'SOBHA'
Sarjapur - Marathahalli Outer Ring Road (ORR)
Devarabisanahalli, Bellandur Post
Bangalore, Karnataka, 560103.
Tel.: 080 4932 0000
Fax: 080 4932 0444
Email: investors@sobha.com
Website: www.sobha.com

11. **REGISTRAR TO THE BUY-BACK**

In case of any queries, shareholders may also contact the Registrar to the Buy-back, during office hours i.e. 10.00 a.m. to 3.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai, Maharashtra - 400083.
Tel.: +91 22 4918 6200
Fax: +91 22 4918 6195
Contact person: Mr. Sumeet Deshpande
Email: sobha.buyback2017@linkintime.co.in
Website: www.linkintime.co.in
SEBI Registration Number: INR000004058
Corporate Identity Number: U67190MH1999PTC118368

12. **MANAGER TO THE BUY-BACK**

ICICI SECURITIES LIMITED
ICICI Centre, H.T. Parekh Marg
Chruchgate, Mumbai - 400 020.
Maharashtra, India
Tel.: +91 022 2288 2460
Fax: +91 022 2282 6580
Contact Person: Mr. Arjun A Mehrotra/Mr. Anurag Byas
Email: sobha.buyback@icicisecurities.com
Website: www.icicisecurities.com
SEBI Registration Number: INM00001179
Corporate Identity Number: U67120MH1995PLC086241

13. **DIRECTOR'S RESPONSIBILITY**

As per Regulation 19(1) (a) of the SEBI Buy-back Regulations, the Board of Directors of the Company accepts full and final responsibility for the information contained in this Public Announcement and confirms that this Public Announcement contains true, factual and material information and does not contain any misleading information.

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

Sd/-	Sd/-	Sd/-
Ravi P.N.C.Menon	**J.C. Sharma**	**Vighneshwar G. Bhat**
Chairman	Vice Chairman and	Company Secretary and
Director Identification	Managing Director	Compliance Officer
Number: 02070036	Director Identification	Membership Number:
	Number: 01191608	A16651

Date : August 07, 2017
Place : Bangalore

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