

SOBHA

Date: November 26, 2024

The Deputy Manager Department of Corporate Services BSE Limited PJ Towers, Dalal Street Mumbai – 400 001 Scrip Code: 532784 & 890205	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 & SOBHAPP
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Dear Sirs/Madam(s),

Sub:- Unaudited financial results for the quarter and half year ended September 30, 2024, in machine readable form.

With reference to intimation dated November 14, 2024 and NSE circular dated September 07, 2022 vide circular no. NSE/CML/2022/39, Please find enclosed the approved unaudited financial results for the quarter and half year ended September 30, 2024, in machine readable form.

We request you to take the same on record.

Thanking you.

Yours sincerely,

FOR SOBHA LIMITED

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

SOBHA LIMITED

REGD & CORPORATE OFFICE: 'SOBHA', SARJAPUR – MARATHALLI OUTER RING ROAD, BELLANDUR POST,
BANGALORE – 560103, INDIA

CIN: L45201KA1995PLC018475 | TEL.: +91 80-49320000 | E-mail investors@sobha.com www.sobha.com

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
5th Floor, No.65/2, Block "A",
Bagmane Tridib, Bagmane
Tech Park, C V Raman Nagar,
Bengaluru
560093

T +91 80 4243 0700
F +91 80 4126 1228

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of Sobha Limited 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 2024 and the year to date results for the period 01 April 2024 to 30 September 2024, 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 report of the other auditor of the partnership firm referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Chartered Accountants

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

Walker Chandiook & 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 5 to the accompanying Statement that explains that during the previous years, the Company had entered into a joint development agreement ('JDA') in which the counter party, i.e. land owners had obtained a license for setting up a residential township on land parcels. The license is based on the Bilateral Agreement which was entered into between the land owners and District Town and Country Planner (DTCP), Haryana and is governed under the development policy of Haryana Development and Regulation of Urban Areas Act, 1975 (HDRUAA).

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

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

Our conclusion is not modified in respect of this matter.

6. We draw attention to Note 8 of the accompanying Statement regarding the search operation carried out by the Income Tax Department ('the department') at various business premises of the Company and certain other group companies during March 2023. During the previous year, the Company had received demand orders from the department for AY 2016-17 and AY 2022-23, in respect of disallowances of certain expenses and addition of certain incomes, against which during the previous quarter, the Company has filed an appeal before the Hon'ble Commissioner of Income Tax (Appeals), Bengaluru. Given the uncertainty and pending outcome of the legal proceedings, the Company, considering all available records and facts known to it including the independent legal review and opinion from external legal counsels obtained by it, has determined that no adjustments are required to the Statement in respect of the aforesaid demand orders.

Our conclusion is not modified in respect of this matter.

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7. The Statement includes the Company's share of net profit after tax of ₹ 4.01 million and ₹ 14.80 million and total comprehensive income of ₹ 4.01 million and ₹ 14.80 million for the quarter and six-month period ended on 30 September 2024 in respect of one partnership firm, whose interim financial information have not been reviewed by us. This interim financial information has been reviewed by other 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 this matter with respect to our reliance on the work done by and the report of other auditor.

For Walker Chandniok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

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Manish Agrawal

Partner

Membership No. 507000

UDIN: 24507000BKDHSA2438

Bengaluru

14 November 2024

SOBHA LIMITED						
Corporate Identity Number (CIN) : L45201KA1995P1C018475						
Registered Office: 'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru - 560 103						
Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com						
Website: www.sobha.com						
Statement of standalone unaudited financial results for the quarter and half year ended 30 September 2024						
(₹ in millions)						
Particulars	3 months ended 30.09.2024 [Unaudited]	Preceding 3 months ended 30.06.2024 [Unaudited]	Corresponding 3 months ended 30.09.2023 [Unaudited]	Year to date figures for current period ended 30.09.2024 [Unaudited]	Year to date figures for previous period ended 30.09.2023 [Unaudited]	Year ended 31.03.2024 [Audited]
1 Income						
(a) Revenue from operations	9,121.71	6,332.33	7,438.10	15,454.04	16,328.27	30,919.48
(b) Other income	347.97	323.73	350.73	671.70	689.44	1,306.97
Total income	9,469.68	6,656.06	7,788.83	16,125.74	17,017.71	32,226.45
2 Expenses						
(a) Land (including development rights) and related cost	3,717.24	10,378.75	750.86	14,096.00	1,005.98	2,325.52
(b) Cost of materials consumed	595.26	602.69	782.24	1,198.95	1,512.08	2,890.49
(c) Purchase of project materials	3,295.98	2,451.47	2,461.79	5,748.45	5,054.36	9,856.90
(d) Changes in inventories of building materials, land stock (including development rights), work in progress and finished goods	(3,570.78)	(11,909.12)	(1,967.47)	(15,579.90)	(1,007.44)	(4,680.34)
(e) Sub-contractor cost	2,321.14	2,283.04	2,392.11	4,604.18	4,301.32	9,198.16
(f) Employee benefits expense	995.85	929.58	908.17	1,925.43	1,704.22	3,526.20
(g) Finance costs	480.22	525.11	622.71	1,005.33	1,218.20	2,399.10
(h) Depreciation and amortisation expense	218.65	193.81	183.10	412.46	356.17	741.83
(i) Other expenses	1,155.40	1,070.93	1,426.60	2,226.33	2,522.41	5,284.95
Total expenses	9,110.96	6,526.27	7,560.11	15,637.23	16,667.30	31,542.81
3 Profit before tax (1-2)	358.72	129.79	228.72	488.51	350.41	683.64
4 Tax expense						
(a) Current tax	139.08	44.24	255.48	580.42	344.12	1,176.95
(b) Tax adjustments relating to earlier year			11.87		11.87	11.87
(c) Deferred tax credit	(36.36)	(401.93)	(186.49)	(438.29)	(233.67)	(970.87)
Total tax expense	102.72	39.41	80.86	142.13	122.32	217.95
5 Profit for the period/year (3-4)	256.00	90.38	147.86	346.38	228.09	465.69
6 Other comprehensive income						
Items that will not be reclassified to profit or loss						
Re-measurement (losses) / gains on defined benefit plan	(34.38)	4.35	(24.65)	(30.03)	(21.06)	(16.79)
Income tax relating to above	8.65	(1.09)	6.20	7.56	5.30	4.23
Total other comprehensive (loss) / income, net of tax	(25.73)	3.26	(18.45)	(22.47)	(15.76)	(12.56)
7 Total comprehensive income for the period/year (5+6)	230.27	93.64	129.41	323.91	212.33	453.13
8 Paid-up equity share capital (Face value per share - ₹ 10)	1,009.00	948.46	948.46	1,009.00	948.46	948.46
9 Other equity						22,630.81
10 Earnings per share (EPS) - (in ₹)						
Basic EPS (not annualised for the quarters)	2.55	0.95	1.56	3.55	2.41	4.91
Diluted EPS (not annualised for the quarters)	2.54	0.95	1.56	3.54	2.41	4.91



SOBHA LIMITED Corporate Identity Number (CIN) : L45201KA1995PLC018475 Registered Office: 'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru - 560 103 Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com Website: www.sobha.com
Statement of standalone unaudited financial results for the quarter and half year ended 30 September 2024

Statement of Standalone Assets and Liabilities

Particulars	(₹ in millions)	
	As at 30.09.2024 [Unaudited]	As at 31.03.2024 [Audited]
A. Assets		
(1) Non-current assets		
Property, plant and equipment	3,075.64	2,838.54
Investment property	2,687.70	2,725.20
Intangible asset under development	-	54.36
Other intangible assets	50.35	-
Right of use assets	171.18	205.29
Financial assets		
(i) Investments	4,395.43	4,675.06
(ii) Trade receivables	527.70	393.45
(iii) Loans	230.02	230.02
(iv) Other financial assets	345.29	896.63
Income tax assets (net)	307.02	307.02
Deferred tax asset (net)	1,559.75	1,113.90
Other non-current assets	11,600.80	10,772.72
	24,950.88	24,212.19
(2) Current assets		
Inventories	104,187.65	88,485.10
Financial assets		
(i) Trade receivables	2,537.71	1,975.94
(ii) Cash and cash equivalents	3,204.78	1,046.30
(iii) Bank balance other than (ii) above	9,145.72	5,501.73
(iv) Loans	1,626.96	983.66
(v) Other financial assets	4,343.96	4,175.38
Other current assets	6,915.67	5,485.74
	131,962.45	107,654.85
Total assets	156,913.33	131,867.04
B. Equity and liabilities		
(1) Equity		
Equity share capital	1,009.00	948.46
Other equity	32,515.75	22,630.81
Total equity	33,524.75	23,579.27
(2) Liabilities		
(a) Non-current liabilities		
Financial liabilities		
(i) Borrowings	7,930.72	6,716.09
(ii) Lease liabilities	191.91	213.44
(iii) Other financial liabilities	848.11	-
Provisions	268.60	245.54
	9,239.34	7,175.07
(b) Current liabilities		
Financial liabilities		
(i) Borrowings	6,781.73	11,870.51
(ii) Lease liabilities	48.59	48.80
(iii) Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,914.03	6,133.05
(iv) Other financial liabilities	5,868.64	5,670.92
Other current liabilities	94,729.55	76,578.62
Provisions	267.40	223.12
Current tax liabilities (net)	539.30	587.68
	114,149.24	101,112.70
Total liabilities (a+b)	123,388.58	108,287.77
Total equity and liabilities	156,913.33	131,867.04



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Statement of standalone unaudited financial results for the quarter and half year ended 30 September 2024

Standalone Statement of Cash flows

(₹ in millions)

Particulars	Year to date figures for current period ended 30.09.2024 [Unaudited]	Year to date figures for previous period ended 30.09.2023 [Unaudited]
A. Cash flows from operating activities		
Profit before tax	488.51	350.41
Adjustments to reconcile profit before tax to net cash flows from operating activities		
Depreciation and amortization	412.46	356.17
(Loss) / gain on sale of property, plant and equipment	(0.53)	1.29
Finance costs (including fair value change in financial instruments)	1,005.33	1,218.20
Finance income (including fair value change in financial instruments)	(457.11)	(435.09)
Share of profit from partnership firm	(14.80)	(32.17)
Impairment of property, plant and equipment	4.31	-
Allowance for credit losses	64.14	24.05
Provision for land advances	50.00	-
Liabilities written back	(21.74)	(70.17)
Other advances written off	-	12.50
Operating profit before working capital changes	1,540.57	1,425.19
Working capital adjustments		
Changes in trade receivables	(759.61)	285.82
Changes in inventories	(15,799.53)	(2,217.19)
Changes in other current and non-current financial assets	479.58	1,012.90
Changes in other current and non-current assets	(2,037.38)	(920.57)
Changes in trade payables	(197.28)	332.47
Changes in provisions	37.31	8.39
Changes in other current and non-current financial liabilities	1,045.83	(199.72)
Changes in other current liabilities	18,150.93	4,323.32
Cash generated from operating activities	2,460.42	4,050.61
Income tax paid (net of refund)	(628.80)	(225.97)
Net cash flows from operating activities (A)	1,831.62	3,824.64
B. Cash flow from investing activities		
Purchase of property, plant and equipment, investment property and intangible assets	(582.80)	(482.53)
Proceeds from sale of property, plant and equipment and investment property	7.80	3.17
Loans given to subsidiaries	(726.98)	(197.53)
Loans repaid by subsidiaries	146.88	-
Contribution to Partnership firm and LLP (net)	291.30	(36.46)
Investments in fixed deposits (net)	(3,920.49)	(3,114.47)
Interest income	297.09	122.64
Net cash flows used in investing activities (B)	(4,487.20)	(3,705.18)
C. Cash flow from financing activities		
Proceeds from issue of equity share capital	60.54	-
Net proceeds from right issue (security premium)	9,835.92	-
Repayments of current borrowings (net)	(2,108.21)	(1,510.37)
Proceeds from non-current borrowings	4,831.05	3,250.00
Repayment of non-current borrowings	(6,596.99)	(1,735.32)
Repayment of principal portion of lease liabilities	(24.55)	(17.95)
Repayment of interest portion of lease liabilities	(12.74)	(11.74)
Interest paid	(895.59)	(1,028.03)
Dividend paid on equity shares	(275.37)	(284.54)
Net cash flows from / (used in) financing activities (C)	4,814.06	(1,337.95)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	2,158.48	(1,218.49)
Cash and cash equivalents at the beginning of the period	1,046.30	2,723.51
Cash and cash equivalents at the end of the period	3,204.78	1,505.02
Less: Book overdraft from scheduled banks	(640.93)	(997.33)
Net Cash and cash equivalents at the end of the period	2,563.85	507.69



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Statement of standalone unaudited financial results for the quarter and half year ended 30 September 2024

Notes:

- (1) The standalone unaudited financial results for the quarter and half year ended 30 September 2024 have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (The Act) read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These standalone unaudited financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 14 November 2024.
- (2) The Statutory auditors of the Company have carried out limited review as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 of the standalone unaudited financial results for the quarter and half year ended 30 September 2024 and have issued an unmodified review report.
- (3) The aforesaid standalone unaudited financial results are available on the Company's website www.sobha.com and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).
- (4) **Standalone segment wise revenue, results, segment assets and liabilities**
Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz., Real estate and Contractual and Manufacturing business. Details of standalone segment-wise revenue, results, assets and liabilities is given below:

Particulars	(₹ in millions)					
	3 months ended 30.09.2024 [Unaudited]	Preceding 3 months ended 30.09.2024 [Unaudited]	Corresponding 3 months ended 30.09.2023 [Unaudited]	Year to date figures for current period ended 30.09.2024 [Unaudited]	Year to date figures for previous period ended 30.09.2023 [Unaudited]	Year ended 31.03.2024 [Audited]
(I) Segment revenue						
Real estate	7,535.11	4,518.36	5,333.84	12,053.47	12,473.70	23,504.30
Contractual and manufacturing	1,876.63	2,211.44	2,479.93	4,088.07	4,529.68	8,800.89
Total	9,411.74	6,729.80	7,813.77	16,141.54	17,003.38	32,305.19
Less: Inter segment revenues	(290.03)	(397.47)	(375.67)	(687.50)	(675.11)	(1,385.71)
Net revenue from operations	9,121.71	6,332.33	7,438.10	15,454.04	16,328.27	30,919.48
(II) Segment results						
Real estate	836.18	559.41	937.38	1,395.59	1,979.82	3,990.74
Contractual and manufacturing	8.86	263.37	337.10	272.23	427.84	757.14
Profit before other adjustments	845.04	822.78	1,264.48	1,667.82	2,407.66	4,757.88
Less: Finance costs	(480.22)	(525.11)	(622.71)	(1,005.33)	(1,218.20)	(2,399.10)
Less: Other unallocable expenditure	(287.54)	(373.25)	(662.44)	(660.78)	(1,216.04)	(2,648.70)
Add: Share of profit in a subsidiary partnership firm	4.01	10.79	15.89	14.80	32.17	43.40
Add: Unallocable finance and other income	277.43	194.57	233.50	472.00	344.82	930.16
Profit before tax	358.72	129.79	228.72	488.51	350.41	683.64
(III) Segment assets (#)						
Real estate	125,190.35	120,709.07	103,687.34	125,190.35	103,687.34	108,030.86
Contractual and manufacturing	9,115.41	8,522.64	8,469.13	9,115.41	8,469.13	8,078.19
Unallocated assets	22,607.57	17,275.96	13,730.96	22,607.57	13,730.96	15,757.99
Total assets	156,913.33	146,507.67	125,887.43	156,913.33	125,887.43	131,867.04
(IV) Segment liabilities (#)						
Real estate	101,765.62	97,449.57	75,182.95	101,765.62	75,182.95	82,396.35
Contractual and manufacturing	2,968.73	2,022.41	6,311.00	2,968.73	5,311.00	6,124.60
Unallocated liabilities	18,654.23	23,362.79	21,055.01	18,654.23	21,055.01	19,766.82
Total liabilities	123,388.58	122,834.77	102,548.96	123,388.58	102,548.96	108,287.77

(#) Capital employed = Segment assets - Segment liabilities

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

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

The Management, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement and has not identified any adverse material impact to the standalone unaudited financial results as at 30 September 2024 or for earlier periods including the recoverability of land advance given against such provisionally attached ₹ 2,016.05 million land parcels held by TDPL.

- (6) In earlier years, one of the customers of Sobha Assets Private Limited (SAPL), a wholly owned subsidiary of the Company has terminated a project development contract entered by it and demanded compensation of ₹ 2,956.13 million in addition to forfeiture of ₹ 227.32 million performance guarantee and ₹ 25.00 million of deposits alleging that SAPL has not commenced the contract work. The carrying value of aforesaid project related assets/receivables as at 30 September 2024 in the book of the Company and SAPL is ₹ 24.10 million and ₹ 330.00 million respectively. SAPL has filed arbitration petition before the arbitrator challenging the termination and its grounds, against the customer towards business loss and other receivables. The Company based on its overall assessment and independent legal opinion, believes that the aforesaid termination is illegal and will not have any adverse impact to the standalone unaudited financial results and accordingly no provision has been made.
- (7) In earlier years, the Company, during the process of renewal of fire clearances for one of the project, procured by an entrusted person, found the fire NOC and fire clearances submitted to local municipal body to be defective. On becoming aware of this fact, the Company had immediately taken remedial steps and obtained renewed fire NOC and fire clearances, which were then resubmitted with the local municipal body for regularization. However, the local municipal body had passed an order dated 21 January 2023 revoking/cancelling the modified sanction plan (Plan) and occupancy certificate (OC) for the project, based on a complaint being filed upon by one of the unit holders of such project. The Company had immediately filed an appeal with Karnataka Appellate Tribunal (KAT) challenging the above order, and KAT had passed an interim order dated 1 February 2023 granting stay of revocation/cancellation of Plan and OC.

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



SOBHA LIMITED

Corporate Identity Number (CIN) : L45201KA1995PLC018475

Registered Office: 'SOBHA', Sarjapur - Marathahalli Outer Ring Road (ORR), Devarabasanahalli, Bellandur Post, Bengaluru - 560 103

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

Website: www.sobha.com

Statement of standalone unaudited financial results for the quarter and half year ended 30 September 2024

- (8) The Income Tax Department ("the Department") conducted a Search under Section 132 of the Income Tax Act ("IT Act") ("the Search") on the Company and certain group companies during March 2023. The Company and certain group companies at the time of search and subsequently has co-operated with the department and responded to the necessary clarifications, data and details as sought by the Department. The Company has received notices under Section 142(1) of the IT Act for the Assessment Years (AY) 2015-16, AY 2017-18, AY 2018-19, AY 2019-20, AY 2020-21, AY 2021-22 and AY 2023-24, calling for information which the management has provided to the Department.

Additionally, during the year ended 31 March 2024, the Company has received demand orders for AY 2016-17 under Section 147 read with Section 143(3) and Section 148B of the IT Act, dated 29 March 2024 raising a demand of ₹131.23 million (subsequently reduced to Nil vide rectification order under Section 154 of the IT Act, dated 14 May 2024 on account of adjustment of credit under Section 115JAA of the IT Act of tax paid in earlier years) and AY 2022-23 under Section 143(3) of the IT Act, dated 30 March 2024 raising a demand of ₹326.83 million (subsequently reduced to ₹320.70 million vide rectification order u/s 154 of the IT Act dated 25 July 2024), by disallowing certain expenses and adding certain incomes during such periods, against which the Company has filed an appeal on 29 April 2024 before the Hon'ble Commissioner of Income Tax (Appeals), Bengaluru ("CIT appeals").

While the uncertainty exists regarding the outcomes of the legal proceedings, the Management of the Company has evaluated the demand orders after considering all available records and facts known to it and based on an independent legal review and opinion from external legal counsils and believes that the Company can succeed in the appeals filed against the aforesaid demand orders and accordingly has not identified any adjustments to the current or prior period Standalone Financial Statements / standalone unaudited financial results.

- (9) During the quarter, the Company had issued 12,107,981 equity shares of face value of ₹ 10/- each on right basis ("Rights Equity Shares"). In accordance with the terms of issue, the Board of Directors had made first call of ₹ 825.50 per Rights Equity Share (including a premium of ₹ 820.50 per share) in July 2024 and consideration was duly received from the concerned allottees on application and accordingly, shares were allotted. As at September 2024, the second and final call of ₹ 825.50 per Rights Equity Share (including a premium of ₹ 820.50 per share) in not yet made.
- (10) During the quarter, the Company had experienced an information security breach incident involving a ransomware attack. The management has immediately initiated comprehensive containment and remediation efforts to address the incident. Subsequently, the affected systems were restored. Basis independent assessment of a cyber expert, this incident has not resulted in any data loss and accordingly the management believe that there are no material impact on the standalone financial results of the Company.
- (11) During the quarter ended 30 September 2024, Sobha Developers (Pune) Limited ("SDPL"), a wholly owned subsidiary of the Company acquired 100% equity shares of BNB Builders Private Limited (BBPL) on 24 July 2024. With the acquisition of the said equity shares, BBPL has become a wholly owned subsidiary of SDPL and a step-down subsidiary of the Company.
- (12) During the quarter ended 30 September 2024, the Company has paid the final dividend of ₹ 3 per equity share amounting to ₹ 284.54 million for the year ended 31 March 2024, which was approved by the Board of Directors in their meeting dated 17 May 2024.
- (13) The Standalone Statement of Cash flow has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS.7) - Statement of Cash Flow.
- (14) Previous period's / year's figures have been regrouped or reclassified wherever necessary to conform with the current period figures. The impact of such reclassification / regrouping is not material to the standalone unaudited financial results.

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

Bengaluru
14 November 2024

Jagadish Nangineni
Managing Director



Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
5th Floor, No.65/2, Block "A",
Bagmane Tridib, Bagmane
Tech Park, C V Raman Nagar,
Bengaluru
560093

T +91 80 4243 0700
F +91 80 4126 1228

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of Sobha Limited 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') and its joint venture (refer Annexure 1 for the list of subsidiaries and joint venture included in the Statement) for the quarter ended 30 September 2024 and the consolidated year to date results for the period 01 April 2024 to 30 September 2024, 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 Chandiook & 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

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4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 6 to the accompanying Statement that explains that during the previous years, the Holding Company had entered into a joint development agreement ('JDA') in which the counter party, i.e. land owners had obtained a license for setting up a residential township on land parcels. The license is based on the Bilateral Agreement which was entered into between the land owners and District Town and Country Planner (DTCP), Haryana and is governed under the development policy of Haryana Development and Regulation of Urban Areas Act, 1975 (HDRUAA).

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

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

Our conclusion is not modified in respect of this matter.

6. We draw attention to Note 9 of the accompanying Statement regarding the search operation carried out by the Income Tax Department ('the department') at various business premises of the Holding Company and certain other group companies during March 2023. During the previous year, the Holding Company had received demand orders from the department for AY 2016-17 and AY 2022-23, in respect of disallowances of certain expenses and addition of certain incomes, against which during the previous quarter, the Holding Company has filed an appeal before the Hon'ble Commissioner of Income Tax (Appeals), Bengaluru. Given the uncertainty and pending outcome of the legal proceedings, the Holding Company, considering all available records and facts known to it including the independent legal review and opinion from external legal counsels obtained by it, has determined that no adjustments are required to the Statement in respect of the aforesaid demand orders.

Our conclusion is not modified in respect of this matter.

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7. We did not review the interim financial results of 20 subsidiaries included in the Statement, whose financial information reflect total assets of ₹ 13,096.23 million as at 30 September 2024, total revenues of ₹ 174.60 million and ₹ 491.45 million, total net loss after tax of ₹ 22.38 million and ₹ 52.80 million, total comprehensive loss of ₹ 22.38 million and ₹ 52.80 million, for the quarter and six-month period ended on 30 September 2024, respectively, and cash flows (net) of ₹ (34.09) million for the period ended 30 September 2024, 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 Holding Company's 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.

8. The Statement also includes the Group's share of net loss after tax of ₹ (0.00)* million and ₹ (0.00)* million, and total comprehensive loss of ₹ (0.00)* million and ₹ (0.00)* million for the quarter and six-month period ended on 30 September 2024 respectively, in respect of 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 this joint venture, is based solely on such unreviewed interim financial information. According to the information and explanations given to us by the Holding Company's management, this interim financial information is not material to the Group.

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

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

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KUMAR MANISH KUMAR
AGRAWAL AGRAWAL
Date: 2024.11.14
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Manish Agrawal

Partner

Membership No. 507000

UDIN: 24507000BKDHSC4978

Bengaluru

14 November 2024

**Rounded off to 0.00"*

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Annexure 1

List of entities subsidiaries 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	CVS Tech Park Private Limited	Subsidiary
9	Vayaloor Properties Private Limited	Step-down subsidiary
10	Vayaloor Builders Private Limited	Step-down subsidiary
11	Vayaloor Developers Private Limited	Step-down subsidiary
12	Vayaloor Real Estate Private Limited	Step-down subsidiary
13	Vayaloor Realtors Private Limited	Step-down subsidiary
14	Valasai Vettikadu Realtors Private Limited	Step-down subsidiary
15	Sobha Contracting Private Limited	Step-down subsidiary
16	Kilai Builders Private Limited	Step-down subsidiary
17	Kuthavakkam Builders Private Limited	Step-down subsidiary
18	Kuthavakkam Realtors Private Limited	Step-down subsidiary
19	Sobha Interiors Private Limited	Step-down subsidiary
20	BNB Builders Private Limited	Step-down subsidiary (w.e.f 24 July 2024)
21	Kondhwa Projects LLP	Joint Venture

SOBHA LIMITED							
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Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com							
Website: www.sobha.com							
Statement of consolidated unaudited financial results for the quarter and half year ended 30 September 2024							
(₹ in millions)							
	Particulars	3 months ended 30.09.2024 [Unaudited]	Preceding 3 months ended 30.06.2024 [Unaudited]	Corresponding 3 months ended 30.09.2023 [Unaudited]	Year to date figures for current period ended 30.09.2024 [Unaudited]	Year to date figures for previous period ended 30.09.2023 [Unaudited]	Year ended 31.03.2024 [Audited]
1	Income						
	(a) Revenue from operations	9,335.89	6,403.95	7,412.38	15,739.84	16,491.51	30,969.46
	(b) Other income	317.03	294.60	324.02	611.53	627.33	1,209.36
	Total income	9,652.92	6,698.55	7,736.40	16,351.47	17,128.84	32,178.82
2	Expenses						
	(a) Land (including development rights) and related cost	3,750.93	10,501.43	769.26	14,252.36	1,079.18	2,236.52
	(b) Cost of materials consumed	596.26	602.69	782.24	1,198.95	1,512.08	2,890.49
	(c) Purchase of project materials	3,317.65	2,465.34	2,477.57	5,782.99	5,079.97	9,907.75
	(d) Changes in inventories of building materials, land stock (including development rights), work in progress and finished goods	(3,916.43)	(12,066.75)	(2,169.59)	(15,983.18)	(1,231.76)	(5,216.51)
	(e) Sub-contractor cost	2,471.79	2,259.37	2,409.24	4,731.16	4,302.35	9,230.17
	(f) Employee benefits expense	995.85	929.58	908.17	1,925.43	1,704.32	3,526.30
	(g) Finance costs	493.71	539.20	638.69	1,032.91	1,250.12	2,455.06
	(h) Depreciation and amortisation expense	232.18	203.59	193.11	435.77	375.88	782.21
	(i) Other expenses	1,348.69	1,153.14	1,481.02	2,501.83	2,637.14	5,624.51
	Total expenses	9,290.53	6,587.59	7,489.71	15,878.22	16,709.28	31,436.50
3	Profit before tax and share of loss in joint venture (1-2)	362.29	110.96	246.69	473.25	419.56	742.32
4	Share of loss in joint venture *	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.05)
5	Profit before tax (3+4)	362.29	110.96	246.69	473.25	419.56	742.27
6	Tax expense						
	(a) Current tax	162.19	442.07	258.07	604.26	372.82	1,245.40
	(b) Tax adjustments relating to earlier year	-	-	11.87	-	11.87	11.87
	(c) Deferred tax credit	(60.79)	(391.57)	(172.71)	(452.46)	(235.13)	(1,006.13)
	Total tax expense	101.40	50.40	97.23	151.80	149.56	251.14
7	Profit for the period/year (5-6)	260.89	60.56	149.46	321.45	270.00	491.13
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Re-measurement (losses) / gains on defined benefit plan	(34.38)	4.35	(24.65)	(30.03)	(21.06)	(16.79)
	Income tax relating to above	8.55	(1.09)	6.20	7.56	5.30	4.23
	Total other comprehensive (loss) / income, net of tax	(25.73)	3.26	(18.45)	(22.47)	(15.76)	(12.56)
9	Total comprehensive income for the period / year (7+8)	235.16	63.82	131.01	298.98	254.24	478.57
	Profit attributable to:						
	Owners of the Holding Company	260.89	60.56	149.46	321.45	270.00	491.13
	Non-controlling interests	-	-	-	-	-	-
	Other comprehensive income / (loss) attributable to:						
	Owners of the Holding Company	(25.73)	3.26	(18.45)	(22.47)	(15.76)	(12.56)
	Non-controlling interests	-	-	-	-	-	-
	Total comprehensive income attributable to:						
	Owners of the Holding Company	235.16	63.82	131.01	298.98	254.24	478.57
	Non-controlling interests	-	-	-	-	-	-
10	Paid-up equity share capital (Face value per share - ₹ 10)	1,009.00	948.46	948.46	1,009.00	948.46	948.46
11	Other equity						24,192.28
12	Earnings per share (EPS) - (in ₹)						
	Basic EPS (Not annualised for the quarters)	2.60	0.64	1.58	3.30	2.85	5.18
	Diluted EPS (Not annualised for the quarters)	2.59	0.64	1.58	3.29	2.85	5.18

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



Statement of consolidated unaudited financial results for the quarter and half year ended 30 September 2024

Statement of Consolidated Assets and Liabilities

Particulars	(₹ in millions)	
	As at 30.09.2024 [Unaudited]	As at 31.03.2024 [Audited]
A. Assets		
(1) Non-current assets		
Property, plant and equipment	4,886.44	4,652.74
Investment property	4,265.75	4,433.13
Investment property under construction	76.29	67.89
Intangible asset under development	-	54.36
Goodwill	171.67	171.67
Other intangible assets	52.22	2.39
Right of use assets	104.68	135.29
Investments accounted for using the equity method	1,146.20	1,149.33
Financial assets		
(i) Trade receivables	527.70	393.45
(ii) Other financial assets	356.15	907.48
Income tax assets (net)	140.95	521.73
Deferred tax asset (net)	1,715.40	1,256.31
Other non-current assets	11,499.72	10,781.67
	25,043.17	24,537.44
(2) Current assets		
Inventories	110,137.15	93,764.13
Financial assets		
(i) Trade receivables	2,256.89	1,645.25
(ii) Cash and cash equivalents	3,263.42	1,137.31
(iii) Bank balance other than (ii) above	9,733.56	5,995.64
(iv) Other financial assets	4,334.07	4,161.42
Other current assets	7,512.80	6,123.72
	137,237.89	112,427.47
Total assets	162,281.06	136,964.91
B. Equity and liabilities		
(1) Equity		
Equity share capital	1,009.00	948.46
Other equity	34,052.30	24,192.28
Equity attributable to owners of the Company	35,061.30	25,140.74
Non-controlling interest	-	-
Total equity	35,061.30	25,140.74
(2) Liabilities		
(a) Non-current liabilities		
Financial liabilities		
(i) Borrowings	8,324.28	7,153.49
(ii) Lease liabilities	191.91	213.44
(iii) Other financial liabilities	848.11	-
Provisions	358.60	245.54
Deferred tax liabilities (net)	148.46	149.39
	9,781.36	7,771.86
(b) Current liabilities		
Financial liabilities		
(i) Borrowings	6,887.17	11,971.50
(ii) Lease liabilities	48.59	48.50
(iii) Trade payables		
(A) Total outstanding dues of micro enterprises and small enterprises; and	5,947.65	6,155.47
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,143.59	6,001.84
(iv) Other financial liabilities	97,911.72	78,984.68
Other current liabilities	267.40	223.12
Provisions	232.28	656.80
Current tax liabilities (net)	117,438.40	104,052.31
	127,219.76	111,824.17
Total liabilities (a+b)	162,281.06	136,964.91
Total equity and liabilities	162,281.06	136,964.91



SOBHA LIMITED Corporate Identity Number (CIN) : L45201KA1995PLC018475 Registered Office: 'SOBHA', Sarjapur - Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru- 560 103 Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com Website: www.sobha.com
Statement of consolidated unaudited financial results for the quarter and half year ended 30 September 2024

Consolidated Statement of Cash flows

(₹ in millions)

Particulars	Year to date figures for current period ended 30.09.2024 [Unaudited]	Year to date figures for previous period ended 30.09.2023 [Unaudited]
A. Cash flows from operating activities		
Profit before tax	473.25	419.56
Adjustments to reconcile profit before tax to net cash flows from operating activities		
Depreciation and amortization	435.77	375.88
(Loss) / gain on sale of property, plant and equipment	(0.61)	1.29
Finance costs (including fair value change in financial instruments)	1,032.91	1,250.12
Finance income (including fair value change in financial instruments)	(402.42)	(414.39)
Impairment of property, plant and equipment	4.31	-
Allowance for credit losses	64.14	24.05
Provision for land advances	60.00	-
Other advances written off	-	12.50
Liabilities written back	(21.92)	(70.71)
Operating profit before working capital changes	1,645.43	1,598.30
Working capital adjustments		
Changes in trade receivables	(810.05)	(10.19)
Changes in inventories	(16,470.01)	(2,441.51)
Changes in other current and non-current financial assets	475.50	1,004.91
Changes in other current and non-current assets	(2,167.13)	(977.24)
Changes in trade payables	(195.90)	339.59
Changes in provisions	37.31	8.40
Changes in other current and non-current financial liabilities	985.75	(184.15)
Changes in other current liabilities	18,927.04	4,673.78
Cash generated from operating activities	2,427.94	4,011.99
Income tax paid (net of refund)	(638.00)	(252.34)
Net cash flows from operating activities (A)	1,789.94	3,759.65
B. Cash flow from investing activities		
Purchase of property, plant and equipment, investment property and intangible assets	(582.81)	(496.39)
Proceeds from sale of property, plant and equipment and investment property	10.70	3.17
Investments in fixed deposits (net)	(4,134.79)	(3,187.60)
Interest income	305.60	101.94
Net cash flows used in investing activities (B)	(4,401.30)	(3,578.88)
C. Cash flow from financing activities		
Proceeds from issue of equity share capital	60.54	-
Net proceeds from right issue (security premium)	9,836.41	-
Repayments of current borrowings (net)	(2,108.21)	(1,510.37)
Proceeds from non-current borrowings	4,831.05	3,250.00
Repayment of non-current borrowings	(6,646.48)	(1,780.58)
Repayment of principal portion of lease liabilities	(24.55)	(18.05)
Repayment of interest portion of lease liabilities	(12.74)	(11.74)
Interest paid	(923.18)	(1,059.96)
Dividend paid on equity shares	(275.27)	(284.54)
Net cash flows from / (used in) financing activities (C)	4,737.47	(1,415.24)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	2,126.11	(1,234.47)
Cash and cash equivalents at the beginning of the period	1,137.31	2,793.86
Cash and cash equivalents at the end of the period	3,263.42	1,559.39
Less: Book overdraft from scheduled banks	(640.93)	(997.33)
Net Cash and cash equivalents at the end of the period	2,622.49	562.06



SOBHA LIMITED Corporate Identity Number (CIN) : L49201KA1995PLC018475 Registered Office: 'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru- 560 103 Ph: +91-80-49320000 Fax: +91-80-49320444 Email: investors@sobha.com Website: www.sobha.com
Statement of consolidated unaudited financial results for the quarter and half year ended 30 September 2024

Notes:

- The consolidated unaudited financial results of Sobha Limited (the Holding Company) and its subsidiaries (the Holding Company, along with its subsidiaries referred to as 'the Group') and its joint venture for the quarter half year ended 30 September 2024 have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ('The Act') read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated unaudited financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 14 November 2024.
- The Statutory auditors of the Holding Company have carried out limited review as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 of the consolidated unaudited financial results for the quarter and half year ended 30 September 2024 and have issued an unmodified review report.
- The aforesaid consolidated unaudited financial results are available on the Holding Company's website www.sobha.com and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).
- Consolidated segment wise revenue, results, segment assets and liabilities**
Based on the "management approach" as defined in Ind AS 103 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz., Real estate and Contractual and Manufacturing business. Details of consolidated segment-wise revenue, results, assets and liabilities is given below:

Particulars	(₹ in millions)					
	3 months ended 30.09.2024 [Unaudited]	Preceding 3 months ended 30.06.2024 [Unaudited]	Corresponding 3 months ended 30.09.2023 [Unaudited]	Year to date figures for current period ended 30.09.2024 [Unaudited]	Year to date figures for previous period ended 30.09.2023 [Unaudited]	Year ended 31.03.2024 [Audited]
(I) Segment revenue						
Real estate	7,813.51	4,750.81	5,436.47	12,564.32	12,846.48	24,128.33
Contractual and manufacturing	1,812.41	2,050.61	2,351.58	3,863.02	4,320.14	8,216.84
Total	9,625.92	6,801.42	7,788.05	16,427.34	17,166.62	32,355.17
Less: Inter segment revenues	(290.03)	(397.47)	(375.67)	(687.50)	(675.11)	(1,385.71)
Net revenue from operations	9,335.89	6,403.95	7,412.38	15,739.84	16,491.51	30,969.46
(II) Segment results						
Real estate	841.35	580.63	1,012.32	1,421.98	2,251.33	4,257.43
Contractual and manufacturing	5.65	266.54	357.96	272.19	400.43	712.65
Profit before other adjustments	847.00	847.17	1,370.28	1,694.17	2,651.76	4,970.08
Less: Finance costs	(493.71)	(539.20)	(638.69)	(1,032.91)	(1,250.12)	(2,455.06)
Less: Other unallocable expenditure	(287.54)	(373.24)	(707.58)	(660.78)	(1,306.96)	(2,948.70)
Add: Unallocable finance and other income	296.54	176.23	222.68	472.77	324.88	875.95
Profit before tax	362.29	110.96	246.69	473.25	419.56	742.27
(III) Segment assets (#)						
Real estate	131,015.20	131,252.08	108,588.58	131,015.20	108,588.58	112,986.25
Contractual and manufacturing	8,965.35	8,030.97	8,341.92	8,965.35	8,341.92	8,036.50
Unallocated assets	22,300.52	12,574.02	13,922.52	22,300.52	13,922.52	15,942.16
Total assets	162,281.07	151,857.07	130,853.12	162,281.07	130,853.12	136,964.91
(IV) Segment liabilities (#)						
Real estate	106,141.36	103,688.78	78,505.14	106,141.36	78,505.14	85,792.81
Contractual and manufacturing	2,731.20	1,784.08	6,242.70	2,731.20	6,242.70	5,942.12
Unallocated liabilities	18,347.21	21,179.55	21,187.87	18,347.21	21,187.87	20,089.24
Total liabilities	127,219.77	126,652.52	105,936.71	127,219.77	105,936.71	111,824.17

(#) Capital employed = Segment assets - Segment liabilities

- The figures of standalone financial results are as follows:

Particulars	(₹ in millions)					
	3 months ended 30.09.2024 [Unaudited]	Preceding 3 months ended 30.06.2024 [Unaudited]	Corresponding 3 months ended 30.09.2023 [Unaudited]	Year to date figures for current period ended 30.09.2024 [Unaudited]	Year to date figures for previous period ended 30.09.2023 [Unaudited]	Year ended 31.03.2024 [Audited]
Total income	9,469.68	6,655.06	7,788.83	16,125.74	17,017.71	32,226.45
Profit before tax	358.72	129.79	228.72	488.51	350.41	683.64
Profit for the period/year	256.00	90.38	147.86	346.38	228.09	465.69

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

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

The Management, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement and has not identified any adverse material impact to the consolidated unaudited financial results as at 30 September 2024 or for earlier periods including the recoverability of land advance given against such provisionally attached ₹ 2,016.05 million land parcels held by TDPL.

- In earlier years, one of the customers of Sobha Assets Private Limited (SAPL), a wholly owned subsidiary of the Holding Company has terminated a project development contract entered by it and demanded compensation of ₹ 2,956.13 million in addition to forfeiture of ₹ 227.32 million performance guarantee and ₹ 26.00 million of deposits alleging that SAPL has not commenced the contract work. The carrying value of aforesaid project related assets/receivables as at 30 June 2024 is ₹ 354.10 million. SAPL has filed arbitration petition before the arbitrator challenging the termination and its grounds, against the customer towards business loss and other receivables. The Holding Company based on its overall assessment and independent legal opinion, believes that the aforesaid termination is illegal and will not have any adverse impact to the consolidated unaudited financial results and accordingly no provision has been made.



SOBHA LIMITED

Corporate Identity Number (CIN) : L45201KA1995PLC018475

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

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Statement of consolidated unaudited financial results for the quarter and half year ended 30 September 2024

- (8) In earlier years, the Holding Company, during the process of renewal of fire clearances for one of the project, procured by an entrusted person, found the fire NOC and fire clearances submitted to local municipal body to be defective. On becoming aware of this fact, the Holding Company had immediately taken remedial steps and obtained renewed fire NOC and fire clearances, which were then resubmitted with the local municipal body for regularization. However, the local municipal body had passed an order dated 21 January 2023 revoking/cancelling the modified sanction plan ("Plan") and occupancy certificate ("OC") for the project, based on a complaint being filed upon by one of the unit holders of such project. The Holding Company had immediately filed an appeal with Karnataka Appellate Tribunal ("KAT") challenging the above order, and KAT had passed an interim order dated 1 February 2023 granting stay on cancellation of Plan and OC.

During the previous year, the Chief Metropolitan Magistrate ("CMM"), Bengaluru, has passed an order dated 19 September 2023 ("impugned order") to register a calendar case for the offences punishable under Indian Penal Code ("IPC") against the Holding Company and few employees of the Holding Company, based on a separate complaint filed with the CMM by the aforementioned unit holder. The Holding Company has filed a petition before Hon'ble High court of Karnataka praying for quashing of the complaint, the impugned order and the calendar case, wherein, the High court of Karnataka has passed an interim order dated 11 October 2023 staying the impugned order and the calendar case. The Management, based on its overall assessment and independent legal opinion obtained, believes that allegations made by the unit holder are baseless, false and not sustainable and the impugned order suffers from arbitrariness and liable to be quashed under section 492 of the code of criminal procedure, 1973. Accordingly, the Group believes that outcome of the above proceedings will not result in any adverse impact on the consolidated unaudited financial results.

- (9) The Income Tax Department ("the Department") conducted a Search under Section 132 of the Income Tax Act ("IT Act") ("the Search") on the Holding Company and certain group companies during March 2023. The Holding Company and certain group companies at the time of search and subsequently has co-operated with the department and responded to the necessary clarifications, data and details as sought by the Department. The Holding Company has received notices under Section 142(1) of the IT Act for the Assessment Years (AY) 2015-16, AY 2017-18, AY 2018-19, AY 2019-20, AY 2020-21, AY 2021-22 and AY 2023-24, calling for information which the management has provided to the Department.

Additionally, during the year ended 31 March 2024, the Holding Company has received demand orders for AY 2016-17 under Section 147 read with Section 143(3) and Section 148B of the IT Act, dated 29 March 2024 raising a demand of ₹131.23 million (subsequently reduced to Nil vide rectification order under Section 154 of the IT Act, dated 14 May 2024 on account of adjustment of credit under Section 115JAA of the IT Act of tax paid in earlier years) and AY 2022-23 under Section 143(3) of the IT Act, dated 30 March 2024 raising a demand of ₹326.83 million (subsequently reduced to ₹320.70 million via rectification order u/s 154 of the IT Act dated 25 July 2024), by disallowing certain expenses and adding certain incomes during such periods, against which the Holding Company has filed an appeal on 29 April 2024 before the Hon'ble Commissioner of Income Tax (Appeals), Bengaluru ("CIT appeals").

While the uncertainty exists regarding the outcomes of the legal proceedings, the Management of the Holding Company has evaluated the demand orders after considering all available records and facts known to it and based on an independent legal review and opinion from external legal counsils and believes that the Holding Company can succeed in the appeals filed against the aforesaid demand orders and accordingly has not identified any adjustments to the current or prior period Consolidated Financial Statements / consolidated unaudited financial results.

- (10) During the quarter, the Holding Company had issued 12,107,981 equity shares of face value of ₹ 10/- each on right basis ("Rights Equity Shares"). In accordance with the terms of issue, the Holding Company's Board of Directors had made first call of ₹ 825.30 per Rights Equity Share (including a premium of ₹ 820.50 per share) in July 2024 and consideration was duly received from the concerned allottees on application and accordingly, shares were allotted. As at September 2024, the second and final call of ₹ 825.50 per Rights Equity Share (including a premium of ₹ 820.50 per share) is not yet made.
- (11) During the quarter, the Group had experienced an information security breach incident involving a ransomware attack. The Holding Company's management has immediately initiated comprehensive containment and remediation efforts to address the incident. Subsequently, the affected systems were restored. Basis independent assessment of a cyber expert, this incident has not resulted in any data loss and accordingly the management believe that there is no material impact on the consolidated financial results of the Group.
- (12) During the quarter ended 30 September 2024, subsequent to 30 June 2024, Sobha Developers (Pune) Limited ("SDPL"), a wholly owned subsidiary of the Holding Company acquired 100% equity shares of BNB Builders Private Limited (BBPL) on 24 July 2024. With the acquisition of the said equity shares, BBPL has become a wholly owned subsidiary of SDPL and a step-down subsidiary of the Holding Company.
- (13) During the quarter ended 30 September 2024, the Holding Company has paid the final dividend of ₹ 3 per equity share amounting to ₹ 284.54 million for the year ended 31 March 2024, which was approved by the Board of Directors in their meeting dated 17 May 2024.
- (14) The Consolidated Statement of Cash flow has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS.7) - Statement of Cash Flow.
- (15) Previous periods / year's figures have been regrouped or reclassified wherever necessary to conform with the current period figures. The impact of such reclassification / regrouping is not material to the consolidated unaudited financial results.

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

Bengaluru
14 November 2024

Jagadish Nanginani
Managing Director

