SOBHA

PASSION AT WORK

October 13, 2011

The Deputy Manager Department of Corporate Services, The Bombay Stock Exchange Limited Floor 25, P.J Towers, Dalal Street, Mumbai – 400 001 **Scrip Code: 532784**	The Manager National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 **Scrip Code: SOBHA**

Dear Sir / Madam

Sub: Purchase of entire equity interest in Sobha Developers (Pune) Limited from Pan Atlantic Investments Limited by the Company.

The Company had earlier entered into a joint venture agreement with Pan Atlantic Investments Limited, a Limited Liability Company registered in Dubai for the purpose of construction and development of residential townships in India. Sobha Developers (Pune) Private Limited, a company incorporated under the Companies Act, 1956, was identified as a Special Purpose Vehicle (SPV) for the aforesaid purpose. The SPV Company is presently executing a residential project, **"Sobha Forest View"** situated at Hosahalli Village, Ganigarapalya Dhakale, Uttarahalli Hobli, Bangalore South Taluk, Bangalore.

Pan Atlantic Investments Limited holding 81 % of the paid-up capital in the SPV initially had expressed its desire to exit the investment. After negotiations, the Company had agreed to buy the investment in accordance with the Foreign Direct Investment (FDI) Guidelines, Consolidated FDI Policy, FEMA (Transfer or issue of security by a person resident outside India) Regulations, 2000, and other applicable rules and guidelines.

In terms of the Exit Agreement, the Company has completed the purchase of the entire equity interest in Sobha Developers (Pune) Private Limited from Pan Atlantic Investments Limited. Consequent to this, Sobha Developers (Pune) Private Limited will become a wholly owned subsidiary of the Company within the meaning of Section 4 of the Companies Act, 1956.

We request you to kindly take the aforesaid information on record for the purpose of dissemination through your website.

FOR SOBHA DEVELOPERS LIMITED

KISHORE KAYARAT
COMPANY SECRETARY & COMPLIANCE OFFICER