

May 10, 2011

To,

The Bombay Stock Exchange Limited,  
Dept. of Corporate Services,  
Floor 25, P.J Towers,  
Dalal Street, Mumbai – 400 001

The National Stock Exchange of India Limited,  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra East,  
Mumbai – 400 051

**Scrip Code: 532784**

**Scrip Code: SOBHA**

Dear Sir/ Madam,

**Sub: Outcome of Board Meeting held on May 10, 2011**

This is to inform that the Board of Directors of the Company at their meeting held on May 10, 2011 at the Corporate Office of the Company situated at Neeladri Plaza, Raja Rammohan Roy Road, Richmond Circle, Bangalore have:

1. Approved the audited results for the financial year ended 31<sup>st</sup> March 2011.
2. Recommended dividend at the rate of 30 % (Rupees Three per equity share of Rs. 10/- each).
3. Fixed the annual date of Book Closure and the record date for the purpose of payment of Dividend, if approved by the shareholders on June 25, 2011.
4. Scheduled the Annual General Meeting of the Company on Thursday, June 30, 2011 at Sobha Academy, Sobha Suburbia, 107/108, Behind Jakkur Flying Club, Jakkur Bangalore – 560 064 at 10.00 AM

In this connection, please find enclosed herewith the Financial Advertisement in terms of Clause 41 of the Listing Agreement and also the Press Release which the Company intends to disseminate through the media.

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

Thanking you.

Yours sincerely,

**For Sobha Developers Limited**

  
**Kishore Kayarat**  
**Company Secretary and Compliance Officer**

SOBHA DEVELOPERS LTD.

**Audited financial results for the year ended on March 31, 2011**

(Rs. in million)

	Particulars	Year ended 31.03.2011 [Audited]	Previous accounting year ended 31.03.2010 [Audited]
1	Net sales/Income from operations	14,484	11,072
2	Share of profits in a partnership firm ['Subsidiary']	77	68
3	<b>Total operating income (1+2)</b>	<b>14,561</b>	<b>11,140</b>
4	Expenditure		
	(a) (Increase)/decrease in stock in trade and work in progress	467	306
	(b) Land cost	1,713	1,464
	(c) Consumption of materials and construction cost	6,428	4,726
	(d) Employee cost	1,035	768
	(e) Depreciation / amortization	278	323
	(f) Other expenditure	1,857	1,503
	<b>Total</b>	<b>11,778</b>	<b>9,090</b>
5	Profit from operations before other income, interest and exceptional items (3-4)	2,783	2,050
6	Other income	66	45
7	Profit before interest and exceptional items (5+6)	2,849	2,095
8	Interest (net)	413	492
9	Profit after interest but before exceptional items (7-8)	2,436	1,603
10	Exceptional items	-	-
11	Profit from ordinary activities before tax (9+10)	2,436	1,603
12	Tax expenses		
	- Current tax	630	261
	- Deferred tax	(22)	(21)
	- Fringe benefits tax	-	-
	- MAT credit utilisation/(entitlement)	4	(4)
13	<b>Net profit from ordinary activities after tax (11-12)</b>	<b>1,824</b>	<b>1,367</b>
14	Extraordinary items (net of tax expenses)	-	-
15	Net profit for the period (13-14)	1,824	1,367
16	Paid-up equity share capital (Face value per share - Rs.10)	981	981
17	Reserves excluding revaluation reserves as per balance sheet	17,585	16,104
18	Earnings Per Share (EPS) - (Rs.)		
	a) Basic and diluted EPS before extraordinary items	18.61	14.91
	b) Basic and diluted EPS after extraordinary items	18.61	14.91
19	Public shareholding		
	- Number of equity shares	38,687,488	38,642,488
	- Percentage of shareholding	39.45%	39.41%
20	Promoters and promoter group shareholding		
	a) Pledged/encumbered		
	- Number of shares	10,700,000	10,700,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	18.02%	18.01%
	- Percentage of shares (as a % of the total share capital of the company)	10.91%	10.91%
	b) Non-encumbered		
	- Number of shares	48,676,380	48,721,380
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	81.98%	81.99%
	- Percentage of shares (as a % of the total share capital of the Company)	49.64%	49.68%

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Notes :

(1) Statement of assets and liabilities

(Rs. in million)


Particulars	As at 31.03.2011 [Audited]	As at 31.03.2010 [Audited]
Shareholders' funds		
(a) Capital	981	981
(b) Reserves and surplus	17,585	16,104
Loan funds	12,110	14,540
<b>Total</b>	<b>30,676</b>	<b>31,625</b>
Fixed assets (net)	2,041	2,061
Investments	516	429
Deferred tax asset (net)	74	52
Current Assets, loans and advances		
(a) Inventories	9,726	10,174
(b) Sundry debtors	3,914	4,166
(c) Cash and bank balances	275	800
(d) Loans and advances	21,517	20,093
Less : Current liabilities and provisions		
(a) Liabilities	6,455	5,613
(b) Provisions	932	537
<b>Total</b>	<b>30,676</b>	<b>31,625</b>

- (2) There were no complaints from investors outstanding at the beginning of the quarter. The Company has not received any complaints from investors during the quarter. There were no complaints pending to be resolved/ replied at the end of the quarter.
- (3) As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided under Accounting Standard 17 'Segment Reporting'.
- (4) The figures of consolidated financial results are as follow:

Particulars	Year ended on 31.03.2011 [Audited]	Previous accounting year ended on 31.03.2010 [Audited]
Net sales/Income from operations	14,739	11,299
Profit after tax	1,846	1,383
Profit after tax, minority interest and share of profit/ loss of associate	1,813	1,341
Basic and diluted EPS (in Rs.)	18.49	14.63

- (5) The Board of Directors of the Company have recommended a dividend of Rs.3 per equity share of Rs.10 each for the year ended March 31, 2011.
- (6) This statement has been reviewed by the Audit Committee and taken on record at the meeting of the Board of Directors of the Company held on May 10, 2011.
- (7) The figures of the previous year have been regrouped/ reclassified, wherever necessary.

For and on behalf of the  
Board of Directors

  
J. C. Sharma  
Managing Director

Bengaluru, India  
May 10, 2011



**Press Release  
For immediate publication**

**SOBHA DEVELOPERS LTD. ANNOUNCES FINANCIAL RESULTS FOR Q4 and FY 2010 –11**

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## **Sobha registers Highest ever Turnover in 2010-11**

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### **Highlights for FY 2010-11:**

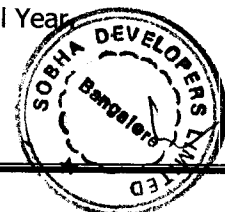
- **Highest ever Revenue of Rs. 14,643 Millions, up 31% from FY 2009-10**
- **PBT at Rs. 2,436 Million, Up 52% from FY 2009-10**
- **PAT at Rs. 1,825 Million, Up 34% from FY 2009-10**
- **Sales Volume of 2.78 Million sq. ft., Up 33% from FY 2009-10**
- **Recommends a dividend of Rs.3 per share**

**Bangalore, 10 May, 2011:** Sobha Developers Limited, one of India's leading Real Estate Company known for its quality, delivery and customer orientation, today declared its Audited Financial results for the year ended March 31, 2011 and for the 4<sup>th</sup> quarter ended March 2011, at its Board meeting held in Bangalore.

### **Financial Performance:**

For the FY 2010-11, the Company registered a turnover of Rs.14,643 Million compared to Rs.11,193 Million in 2009-10, up 31%. The Profit before tax stood at Rs. 2,436 Million compared to Rs.1,603 Million in FY 2009-10, up 52%. The Profit after tax stood at Rs. 1,825 Million compared to Rs.1,367 Million in 2009-10, up 34%.

For the 4<sup>th</sup> Quarter ended March 31, 2011, the Company clocked a turnover of Rs.3,491 Million, Profit before tax of Rs.535 Million and Profit after tax of Rs.402 Million. A significant point to note here is that there was no monetization of any land / development rights in Q4 of FY 2010-11 as against Rs.1240 Million in Q4 of FY 2009-10. As such the company showed a growth of 30% on Real Estate operation and 36% on contracting activity with reference to the corresponding quarter in the last Financial Year.



The Company in FY 2010-11 sold 2.78 Million sq. ft. which is higher than the volumes achieved during last Financial Year (2.08 million sq. ft.), a growth of 33%.

Based on the impressive performance the board has recommended a dividend of Rs.3/- per share.

Commenting on the results, **Mr. J C Sharma, Managing Director, Sobha Developers Limited**, said, "It is indeed gratifying to note that in spite of the prevailing challenging environment, Sobha Developers has demonstrated its pivotal position in the Real Estate Industry by registering record revenue arising out of its sales volume growth in both residential and contractual business and the product mix offered. What is also impressive is the sales realization which has moved above Rs.4,000/- per sq. ft. in FY 2010-11. The FY 2010-11 is the best ever performance year for the company."

The Company in FY 2010-11, completed and delivered 11 residential projects aggregating to 4.12 Million sq. ft. In addition, 11 new projects were launched, aggregating to 4.30 Million sq. ft. During the same time, the Company has completed 25 Contractual projects aggregating to 2.25 Million sq. ft.

Speaking about the contractual side of business, Mr. J C Sharma, said, "This is our other vertical, and we have done extremely well on this front too. First time during last two quarters, Sobha has bagged fresh contractual orders of about Rs.1,320 Million other than Infosys. Our list of prestigious clients includes ITC, Biocon, Institute of Public Enterprises (IPE), GMR, Robert Bosch, Hotel Leela Ventures and others. Infosys continues to be the biggest ongoing contractual client.

Speaking on operational performance, Mr. Sharma stated "The cash flow from operations in all the four quarters of FY 2010-11 remained positive. In FY 2010-11, we generated an overall operational cash flow of Rs.4,144 Million. As a result of positive cash flow, we have also been able to reduce our Debt by Rs.1,910 Million, higher than our net profit for the year."

"The Company's net Debt which was Rs.13,740 Million at the beginning of FY 2010-11 has been brought down to Rs.11,834 Million by the end of the same term. The Debt - Equity ratio now stands at 0.63, which we plan to bring down to 0.5 - 0.6 in 2011-12", added Mr. Sharma.

"We are indeed performing better and have created a strong foundation to capitalize on the impending growth, we see in the Industry in a year's time. Our net worth has doubled, cash flows are higher, execution capability has increased, and our Debt Equity ratio is much healthier" further stated Mr. Sharma.



**Growth Plans:**

With an impressive performance in the last fiscal, Sobha is quite confident about its future growth. Expressing his optimism, Mr. J C Sharma, said, "We had an emphatic come back in the last two fiscals and are now all geared up to give a fresh impetus to our growth plans. In the year 2011-12, we plan to launch about 11 Million sq. ft. In addition to launches in the four existing cities of our operations in Bangalore, Coimbatore, Thrissur and Pune, we plan to enter into three new territories of Mysore, NCR and Chennai. The land required for proposed launches has been fully paid up and the infrastructure needed for development is in place.

The Company is confident of doing better on all parameters in the present Financial Year, despite the current macro environment remaining difficult for the Industry.

**Impeccable Execution:**

As of 31 March 2011, in the past 16 years since its inception, Sobha has completed 71 residential projects and 191 contractual projects covering about 42.68 Million sq. ft. of area. The Company currently has 23 ongoing residential projects aggregating to 6.99 Million sq. ft., and 38 ongoing contractual projects aggregating to 7.42 Million sq. ft. under various stages of construction. Sobha has made a foot print in 20 cities and 12 states across India.

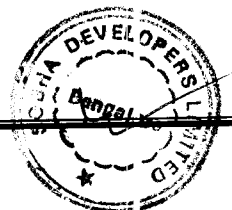
**New launches in FY 2010-11:**

In the FY 2010-11 Sobha Developers launched 11 new projects totaling 4.30 Million sq. ft. across geographies.

**Projects launched in Bangalore:**

SOBHA DEW FLOWER is a residential development of 151 units comprising of 4BHK, 3BHK and duplex apartments that has been specially designed in the English style equipped with a host of fine recreational amenities at J.P. Nagar. It spreads across 7 acres of land and the built-up area ranges from 2399.65 sq. ft. - 3895.81 sq. ft.

SOBHA CLASSIC is a 3 BHK super-luxury residential apartment complex spread across 6.9 acres of land. It comprises of 3 Blocks and has a total of 243 units with built-up area ranging from 1752 sq. ft. - 2070 sq. ft. It is located in Sarjapur area and has a range of world-class amenities.



SOBHA FOREST VIEW bordering a dense forest in South Bangalore is a gated community sprawling over 13.28 acres of pristine environs and comprises of 3 elegantly crafted Blocks. The total of 492 apartments will have 100 Luxury units, 240 Super Luxury units and 152 super luxury-plus units with a built-up area ranging from 1500 sq. ft. - 2250 sq. ft.

**Projects launched in other cities:**

SOBHA IVORY is a 3 bedroom super luxury project spread across 3.8 acres with 80% open space at Kondhwa, **Pune**. It has 140 apartments with basement and ground covered car parking plus 11 floors. The built-up area ranges from 1459.32 sq. ft. - 1906.39 sq. ft. and offers appeasing and lush green surroundings to its customers.

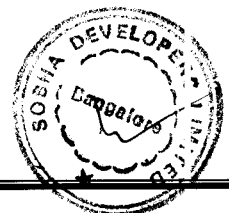
SOBHA SAPPHIRE at **Thrissur** is a 3 & 4 BHK super luxury apartments project spread over 2.9 acres overlooking a scenic 6.5 acre lake. It has 216 apartments divided into 3 towers with basement and ground covered car parking plus 26 floors. The built-up area ranges from 1716 sq. ft. to 3083 sq. ft.

SOBHA TURQUOISE is one of the most innovative Row Houses developments at the foothills of the majestic Western Ghats at **Coimbatore**. The project is spread over an area of 9.63 acres with more than 70% open space. It comprises of 95 exclusive 3 bed room Row Houses ranging from 1885 sq. ft. to 2102 sq. ft.

**Recognition & Awards:**

Sobha has also been recognized with the following Awards since January 2011:

- Lifetime Achiever's Award to Mr. PNC Menon for Outstanding Contribution to Real Estate Sector by Realty Plus
- Pathfinder's Award to Mr. J C Sharma for the most Enterprising CEO by Realty Plus
- CNBC AWAAZ- CRISIL- CREDAI Real Estate Awards 2010 for the project Sobha Daffodil under the category 'Best Residential property more than 5 lakh sq. ft.'
- Best Building Award under the Non-Residential Category for "Infosys Foodcourt-3 Project, Pune" by AESA (Architects, Engineers and Surveyors Association)
- Achievement Award for Best Project (Building) for "Infosys Global Education Center-II, Mysore" by Construction Industry Development Council (CIDC)
- Achievement Award for Social Responsibility by Construction Industry Development Council (CIDC)
- Best Use of Public Relations by Private Sector Entity – Corporate by Exchange4media
- PRCI Gold Awards for "House Journal" by Public Relations Council of India



**About Sobha Developers Ltd.:**

*Founded in 1995, Sobha Developers Ltd is one of the largest and the only backward integrated real estate player in the country. It means the company has all the key competencies and in-house resources to deliver a project from its conceptualization to completion.*

*Sobha is primarily focused on residential and contractual projects. Company's residential projects include presidential apartments, villas, row houses, super luxury apartments, luxury apartments, moderately priced apartments and plotted development. In all its residential projects Company lays strong emphasis on environment management, water harvesting and high safety standards.*

*On the contractual side, the Company has constructed a variety of structures for corporates including offices, convention centres, software development blocks, multiplex theatres, hostel facilities, guest houses, food courts, restaurants, research centres and club houses.*

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***For further information, please contact:***

**Sobha Developers Ltd.**

R. Raman

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