

Limited Review Report

Review Report to the Board of Directors,
Sobha Developers Limited

1. We have reviewed the unaudited financial results for the quarter ended December 31, 2010 included in the accompanying statement of unaudited financial results of Sobha Developers Limited ('the Company') being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Company's management and have not been reviewed by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our opinion, we draw attention to certain transactions entered by the Company for purchase of material and services in the prior years from private limited companies/ firms, covered under section 297 of the Companies Act, 1956 ('the Act'), which require prior approval of the Central Government under Section 297(1) of the Act. In this regard, the Company has filed an application for compounding and obtaining approval from the Company Law Board under Section 621A of the Act. The Company is confident of obtaining the approvals, and pending obtaining such approvals, no adjustments have been made to the financial results.



S.R. BATLIBOI & ASSOCIATES

Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the unaudited financial results for the quarter ended December 31, 2010 included in the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" [notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. Batliboi & Associates

For S.R. BATLIBOI & ASSOCIATES

Firm registration number: 101049W

Chartered Accountants

Sunil Bhumralkar

per Sunil Bhumralkar
Partner

Membership No.: 35141



Bengaluru, India
January 24, 2011

SOBHA DEVELOPERS LIMITED

Regd. Office: E-106, Sunrise Chambers, 22, Ulsoor Road, Bangalore - 560 042

Unaudited financial results for the quarter ended on December 31, 2010

(Rs. in million)

	Particulars	Quarter ended 31. 12. 2010 [Unaudited]	Quarter ended 31. 12. 2009 [Unaudited]	Nine months ended on 31. 12. 2010 [Unaudited]	Nine months ended on 31. 12. 2009 [Unaudited]	Previous accounting year ended 31. 03. 2010 [Audited]
1	Net sales/Income from operations	3,629	3,070	11,042	7,077	11,072
2	Share of profits in a partnership firm ['Subsidiary']	-	23	75	55	68
3	Total operating income (1+2)	3,629	3,093	11,117	7,132	11,140
4	Expenditure					
	(a) (Increase)/decrease in stock in trade and work in progress	220	572	328	331	306
	(b) Land purchase cost	406	202	1,528	332	1,464
	(c) Consumption of materials and construction cost	1,525	1,173	4,757	3,451	4,726
	(d) Employee cost	244	191	767	543	768
	(e) Depreciation / amortisation	73	82	209	246	323
	(f) Other expenditure	414	346	1,349	976	1,503
	Total	2,882	2,566	8,938	5,879	9,090
5	Profit from operations before other income, interest and exceptional items (3-4)	747	527	2,179	1,253	2,050
6	Other income	17	9	32	23	45
7	Profit before interest and exceptional items (5+6)	764	536	2,211	1,276	2,095
8	Interest (net)	97	111	311	449	492
9	Profit after interest but before exceptional items (7-8)	667	425	1,900	827	1,603
10	Exceptional items	-	-	-	-	-
11	Profit from ordinary activities before tax (9+10)	667	425	1,900	827	1,603
12	Tax expenses					
	- Current tax	172	68	492	131	261
	- Deferred tax charge/ (credit)	5	(3)	(18)	(13)	(21)
	- Fringe benefits tax	-	-	-	-	-
	- MAT credit utilisation/ (entitlement)	-	(48)	4	(101)	(4)
13	Net profit from ordinary activities after tax (11-12)	490	408	1,422	810	1,367
14	Extraordinary items (net of tax expenses)	-	-	-	-	-
15	Net profit for the period (13-14)	490	408	1,422	810	1,367
16	Paid-up equity share capital (Face value per share - Rs.10)	981	981	981	981	981
17	Reserves excluding revaluation reserves as per balance sheet					16,104
18	Earnings Per Share (EPS) - (Rs.)					
	a) Basic and diluted EPS before extraordinary items	5.00	4.16	14.50	9.04	14.91
	b) Basic and diluted EPS after extraordinary items	5.00	4.16	14.50	9.04	14.91
19	Public shareholding					
	- Number of equity shares			38,687,488	34,642,488	38,642,488
	- Percentage of shareholding			39.45%	35.33%	39.41%
20	Promoters and promoter group shareholding					
	a) Pledged/encumbered					
	- Number of shares			10,700,000	10,700,000	10,700,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)			18.02%	16.87%	18.01%
	- Percentage of shares (as a % of the total share capital of the company)			10.91%	10.91%	10.91%
	b) Non-encumbered					
	- Number of shares			48,676,380	52,721,380	48,721,380
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)			81.98%	83.13%	81.99%
	- Percentage of shares (as a % of the total share capital of the Company)			49.64%	53.76%	49.68%

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Notes :

- (1) There were no complaints pending to be resolved/ replied 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.
- (2) 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'.
- (3) The figures of the previous year/ periods have been regrouped/ reclassified, wherever necessary.

Bengaluru, India
January 24, 2011

For and on behalf of the
Board of Directors


J. C. Sharma
Managing Director

