

S. JANARDHAN & ASSOCIATES

CHARTERED ACCOUNTANTS

VIJAY BHATIA, B.com., F.C.A.,
BALAKRISHNA S.BHAT, B.com., F.C.A.,
B. ANAND, B.Sc., F.C.A.,



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INDEPENDENT AUDITOR'S REPORT

To the members of SOBHA DEVELOPERS (PUNE) LIMITED

Report on the Standalone Financial Statements

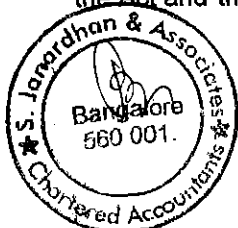
We have audited the accompanying standalone financial statements of Sobha Developers (Pune) Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountant Of India. Those Standards and pronouncement require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, theaforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2015 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigations which will have an impact on its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.Janardhan and Associates

Chartered Accountants

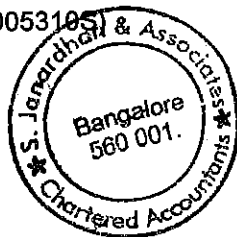
(Firm's Registration No. 0053105)



(B.Anand)

(Partner)

(Membership No. 29146)



Bangalore

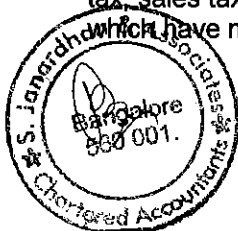
11th May 2015

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's report to the members of Sobha Developers (Pune) Limited ('the Company') on the standalone financial statements for the year ended on 31st March 2015.

We report that:

- i) (a) The company has no fixed assets and hence provisions of this para are not applicable to the Company.
- ii) (a) In our opinion and according to the information and explanations given to us, the management has conducted the physical verification of inventory at reasonable intervals during the year under review.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) According to the information and explanations given to us, we are of the opinion that the Company is maintaining proper records of inventory and no material discrepancies were noticed on their physical verification.
- iii) The Company had not granted any loan secured or unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence the provisions of clause (iii) (a) and (b) of the said Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, with regard to the purchase of inventory and for the sale of goods and services. The Company had no fixed assets during the year. We have not observed any major weakness in the internal control system during the course of the audit.
- v) The Company has not accepted any deposits from the public.
- vi) We have broadly reviewed the books of account maintained by the company, pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 related to the construction of buildings/ structures and other related activities, and are of the opinion that prima-facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, excise duty, wealth-tax, service tax, customs duty, excise duty, Value added tax, cess and other material statutory dues have been regularly deposited during the year by the company with appropriate authorities.
According to the information and explanations given to us no undisputed amount payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2015 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.



- (c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a bank. There are no debenture holders during the year nor any dues to any financial institutions.
- x) In our opinion and according to the information explanations given to us by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For S.Janardhan and Associates

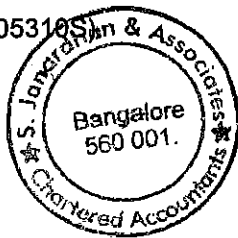
Chartered Accountants

(Firm's Registration No. 005310S)

(B.Anand)

(Partner)

(Membership No. 29146)



Bangalore

11th May 2015

SOBHA DEVELOPERS (PUNE) LIMITED

(Formerly Known as Sobha Developers(Pune) Private Limited
 "Sobha", Sarjapur-Marathahalli Outer Ring Road(ORR)
 Devarabisanahalli, Bellandur Post, Bangalore - 560103
 CIN - U45202KA2007PLC041761

BALANCE SHEET AS AT MARCH 31ST 2015

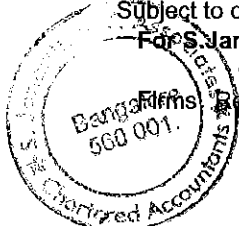
PARTICULARS	Notes No.	[In Rupees] As at 31-Mar-15	[In Rupees] As at 31-Mar-14
EQUITIES AND LIABILITIES:			
SHAREHOLDERS' FUNDS			
(a) Share Capital	2.1	526,320	526,320
(b) Reserves and surplus	2.2	1,976,179,322	1,664,937,838
		1,976,705,642	1,665,464,158
NON-CURRENT LIABILITIES			
(a) Long Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
		-	-
CURRENT LIABILITIES			
(a) Short Term Borrowings	2.3	390,012,231	734,893,103
(b) Trade Payables		-	-
(c) Other Current Liabilities	2.4	469,482,467	388,243,743
		859,494,698	1,123,136,846
TOTAL		2,836,200,340	2,788,601,004
ASSETS			
NON-CURRENT ASSETS			
(a) Fixed assets:			
Tangible Assets		-	-
Intangible Assets		-	-
Capital Work in Progress		-	-
		-	-
(b) Non-Current Investments	2.5	4,657,948	3,175,766
(c) Deferred Tax Asset (Net)		-	-
(d) Long Term Loans and Advances	2.6	5,000	5,000
(e) Other Non-Current Assets	2.7	39,524,388	36,550,241
		44,187,336	39,731,007
CURRENT ASSETS			
(a) Inventories	2.8	976,365,682	614,567,050
(b) Trade Receivables		-	-
(c) Cash and Bank Balance	2.9	5,255,585	30,198,401
(d) Short Term Loans and Advances	2.10	1,795,686,013	1,999,928,228
(e) Other Current Assets	2.11	14,705,724	104,176,318
		2,792,013,004	2,748,869,997
TOTAL		2,836,200,340	2,788,601,004
Significant Accounting Policies and notes	1 & 2		

Note referred above form integral part of the financial statements

For and on behalf of the Board of Directors of
Sobha Developers (Pune) Limited


Kayara Chandrashekar Gowda
 Director
 DIN :06852235


M Radhakrishnan
 Director
 DIN: 02226337

Subject to our Report of even date
For S. Janardhan & Associates
 Chartered Accountants
 Registration No.005310S

B. Anand
 Partner
 Member Ship No.29146

Date :11th May, 2015
 Place : Bengaluru

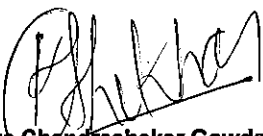
SOBHA DEVELOPERS (PUNE) LIMITED
(Formerly Known as Sobha Developers(Pune) Private Limited
"Sobha", Sarjapur-Marathahalli Outer Ring Road(ORR)
Devarabisanahalli, Bellandur Post, Bangalore - 560103

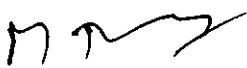
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31ST 2015

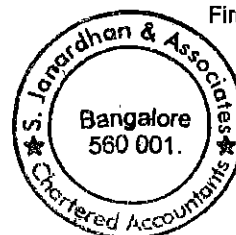
PARTICULARS	Notes No.	[In Rupees] For the year ended 31-Mar-15	[In Rupees] For the year ended 31-Mar-14
INCOME			
Income from Operations	2.12	1,32,45,89,096	2,65,25,36,511
Other Income	2.13	48,63,137	59,21,928
Total		1,32,94,52,233	2,65,84,58,439
EXPENSES			
Changes in Inventories of Stock in Trade	2.14	(36,17,98,632)	41,15,72,799
Operating Expenses	2.15	1,10,80,46,188	1,18,50,96,209
Finance Cost	2.16	7,72,13,862	13,55,79,772
Other Expenses	2.17	1,27,02,331	4,22,52,067
Total		83,61,63,749	1,77,45,00,847
Profit before tax		49,32,88,484	88,39,57,592
TAX EXPENSES			
Current Tax		16,81,85,165	30,39,35,000
Deferred Tax		-	-
Tax relating to prior years		-	-
Total		16,81,85,165	30,39,35,000
Profit after tax		32,51,03,319	58,00,22,592
Basic & Diluted Earning per Share (Equity Shares of par value of Rs. 1/- each)		617.69	1,102.03
No of shares used in computing earning per share		5,26,320	5,26,320
Significant Accounting Policies and notes	1 & 2		

Note referred above form integral part of the financial statements

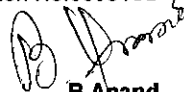
For and on behalf of the Board of Directors of
Sobha Developers (Pune) Limited


Kayara Chandrashekar Gowda
Director
DIN :06852235


M Radhakrishnan
Director
DIN: 02226337



Subject to our Report of even date
For S.Janardhan & Associates
Chartered Accountants
Firms' Registration No.005310S


B. Anand
Partner
Member Ship No.29146

Date :11th May, 2015
Place : Bengaluru

1 SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31ST 2015

1.1 Method of Accounting

The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

1.2 Recognition of income from land and construction activity:

Income from Land and Construction of each Real Estate Development Project is recognized:

(a) On the basis of "Percentage Completion Method"

(1) The percentage completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs.

(2) When the stage of completion of each project reaches a significant level, which is estimated to be at least 25% of the total estimated construction cost of the project, and

(b) On entering into agreement with customers and

(c) On collection of the amount from the customer in equal or excess of 10% of the total sale value.

1.3 Inventory:

Direct expenses like site labour cost, materials used for project construction, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance and construction overheads are taken as the contract cost of the respective project.

Direct Interest cost is treated as a part of land cost/contract cost of the respective project.

Work-in-progress – Real Estate Projects: Represents the cost incurred in respect of unsold area of the Real Estate Development Projects and cost incurred on projects where the revenue is yet to be recognized.

1.4 Operating Cycle :

The financial statements are prepared as per the Schedule III notified under the Companies Act, 2013 and the statements are prepared based on the operating cycle of the firm. The firm has estimated the operating cycle period as four years for completion of the projects, on the basis of the past experience of the group.

1.5 Provisions :

Provision is made for all known obligations existing as on the balance sheet date based on the best estimates, which are reviewed and adjusted at each balance sheet date.

1.6 Deferred Tax:

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.7 Retirement Benefit:

The Company has not employed any employees during the year and hence disclosures relating to employees benefit are not applicable.

1.8 Treatment of Contingent Liabilities:

Contingent Liabilities not provided for are reflected in Notes on Accounts.

1.9 Borrowing Costs:

Borrowing costs are recognized as an expenses in the year in which they are incurred except which are directly attributable to acquisition/construction of fixed assets, till the time such assets are ready for use, allocated to the inventories, in which case the borrowing costs are capitalized/inventorized as part of the cost of assets/inventory.

1.10 General :

Accounting policies not specifically referred to above are consistent with the Generally Accepted Accounting



2. NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31ST 2015

2.1 SHARE CAPITAL

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised:		
Equity Share of Rs. 1/- par value 8,00,000 (8,00,000) Equity Shares	800,000	800,000
Issued, Subscribed and Paid up:		
Equity Share of Rs. 1/- par value 5,26,320(5,26,320) Equity shares fully paid up	526,320	526,320

The Company has only one class of Shares referred to as Equity Shares having a par value of Rs.1/-. Each shareholder of equity shares is entitled to one vote per share.

The Company has not declared any dividend during the year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The details of shareholder holding more than 5% shares is set out below:

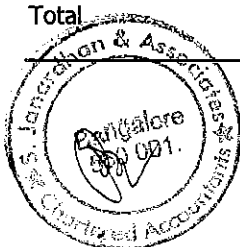
Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	No of Shares	% held	No of Shares	% held
Sobha Limited (Formerly Known as Sobha Developers Limited)	526320	100.00%	526320	100.00%

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2015 and March 31, 2014 is set out below:

Particulars	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Amount	No of Shares	Amount
No. of shares at the beginning	526,320	526,320	526,320	526,320
Add: Shares issued during the year	-	-	-	-
No. of shares at the end	526,320	526,320	526,320	526,320

2.2 RESERVES AND SURPLUS

Particulars	As at March 31, 2015	As at March 31, 2014
Share Premium Account		
Opening Balance	883,921,405	883,921,405
Add: Transferred during the current year	-	-
Closing Balance	883,921,405	883,921,405
Surplus/(Deficit) in the Profit and Loss statement		
Opening Balance	781,016,433	200,993,841
Add: Profit/(Loss) for the year	325,103,319	580,022,592
Appropriation of CSR Expenditure net of tax	(13,861,835)	-
Net Surplus/(Deficit)	1,092,257,917	781,016,433
Total	1,976,179,322	1,664,937,838



2.3 SHORT-TERM BORROWINGS

Particulars	As at March 31, 2015	As at March 31, 2014
Term Loan from ICICI Bank Ltd (Secured - Ref notes no.2.27)	390,012,231	734,893,103
Total	390,012,231	734,893,103

2.4 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2015	As at March 31, 2014
Advances received from customers	413,070,290	349,942,638
Withholding tax payable	365,550	592,793
Other liabilities	13,729,753	4,461,031
Interest accrued and not due to bank	11,491,891	13,797,203
Income Tax payable (net)	30,824,983	19,450,078
Total	469,482,467	388,243,743

2.5 NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2015	As at March 31, 2014
Investment in Partnership Firm - Sobha City- Capital Account	10,000	10,000
Investment in Partnership Firm - Sobha City- Current Account	4,647,948	3,165,766
Total	4,657,948	3,175,766

2.6 LONG TERM LOANS AND ADVANCES -(Unsecured, considered good)

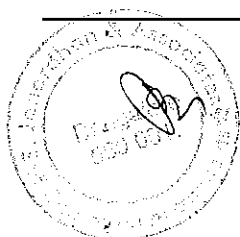
Particulars	As at March 31, 2015	As at March 31, 2014
Deposits with statutory agencies	5,000	5,000
Total	5,000	5,000

2.7 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2015	As at March 31, 2014
Interest receivable from a bank on the deposits with maturity period of more than twelve months	5,399,388	2,425,241
Non-current bank balances - Ref note 2.9	34,125,000	34,125,000
Total	39,524,388	36,550,241

2.8 INVENTORIES

Particulars	As at March 31, 2015	As at March 31, 2014
Work-in-Progress	922,974,536	563,764,598
Land Stock	53,391,146	50,802,452
Total	976,365,682	614,567,050



2.9 CASH AND BANK BALANCES

Particulars	As at March 31, 2015	As at March 31, 2014
Cash on hand	105,802	105,842
Balances with Banks on current and escrow accounts	5,149,783	30,092,559
Total	5,255,585	30,198,401
Deposit with banks with maturity of more than 12 months	34,125,000	34,125,000
Total	34,125,000	34,125,000
Less: amount shown under other non-current assets - Ref note 2.7	34,125,000	34,125,000
Total	-	-
Net Total	5,255,585	30,198,401

2.10 SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2015	As at March 31, 2014
Advance paid for land - Holding Company	1,672,803,469	1,672,803,469
Advances paid to Holding Company, for supply of goods and rendering of services	119,350,943	321,844,784
Balances with statutory/government authorities	3,515,361	5,271,975
Other advances	16,240	8,000
Total	1,795,686,013	1,999,928,228

2.11 OTHER CURRENT ASSETS

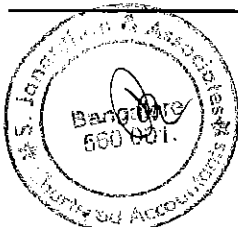
Particulars	As at March 31, 2015	As at March 31, 2014
Unbilled Revenue	14,705,724	104,176,318
Total	14,705,724	104,176,318

2.12 INCOME FROM OPERATION

Particulars	for the year ended March 31, 2015	for the year ended March 31, 2014
Income from Development and construction operations	1,322,358,420	2,651,618,101
Other Operational Income	2,230,676	918,410
Total	1,324,589,096	2,652,536,511

2.13 OTHER INCOME

Particulars	for the year ended March 31, 2015	for the year ended March 31, 2014
Interest received on Deposits with Bank	3,304,607	4,038,112
Share of Profit from Partnership Firm - Sobha city	1,482,182	1,844,816
Miscellaneous Income	76,348	39,000
Total	4,863,137	5,921,928



2.14 CHANGES IN INVENTORIES OF STOCK IN TRADE

Particulars	for the year ended March 31, 2015	for the year ended March 31, 2014
Opening Stock		
Work-in-Progress	563,764,598	280,511,958
Land Stock	50,802,452	745,627,891
	<u>614,567,050</u>	<u>1,026,139,849</u>
Less: Closing Stock		
Work-in-Progress	922,974,536	563,764,598
Land Stock	53,391,146	50,802,452
	<u>976,365,682</u>	<u>614,567,050</u>
Changes in Inventories of Stock in Trade	(361,798,632)	411,572,799

2.15 OPERATING EXPENSES

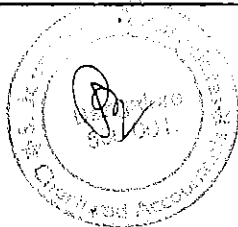
Particulars	for the year ended March 31, 2015	for the year ended March 31, 2014
Subcontracting expenses	1,108,046,188	1,185,096,209
Total	<u>1,108,046,188</u>	<u>1,185,096,209</u>

2.16 FINANCE COST

Particulars	for the year ended March 31, 2015	for the year ended March 31, 2014
Bank Charges	22,231	53,220
Interest	75,679,862	135,526,552
Interest on Statutory Dues	1,511,769	-
Total	<u>77,213,862</u>	<u>135,579,772</u>

2.17 OTHER EXPENSES

Particulars	for the year ended March 31, 2015	for the year ended March 31, 2014
Rates & Taxes	28,760	87,817
Donation	-	4,400,000
Professional and Consultancy Expenses	128,250	124,000
Sales Commission	12,507,275	37,608,600
Miscellaneous Expenses	3,046	1,650
Auditors' Remuneration		
-Statutory Audit	35,000	30,000
Total	<u>12,702,331</u>	<u>42,252,067</u>



2.18 Fixed Assets:

The Company has no fixed assets during the accounting period.

2.19 The statements have been prepared for the accounting period April 1, 2014 to March 31, 2015.

2.20 Balances due with Group Companies are subject to reconciliation.

2.21 The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

2.22 Impairment of Assets:

Pursuant to Accounting Standard (AS28) – Impairment of Assets issued by the Institute of Chartered Accountants of India, the Firm assessed its fixed assets for impairment as at March 31, 2015 and concluded that there has been no significant impaired fixed asset that needs to be recognized in the books of account.

2.23 Preliminary expenses will be written off over a period of 5 years after the company commences its business.

2.24 There is no expenditure or earnings in Foreign exchange during the period.

2.25 Deferred Tax:

Deferred tax has not been recognized in the books of accounts as a matter of prudence.

2.26 There are no contingent liabilities during the accounting period, except for the second charge on the receivable of the project, Sobha Forest View, as a security to the facility extended by ICICI Bank Limited to a other related party.

2.27 The Company has availed a Term Loan from M/s ICICI Bank Ltd and such loan is secured against equitable mortgage of property wherein the Sobha Forest View is being constructed, along with the proposed building thereon and receivables, cashflows, revenues (Including booking amounts) arising out of or in connection with Sobha Forest View Project. The term loan facility to be repayable in Monthly Installments starting from July 2014 to February 2016 as per the schedule agreed to and carries interest rate in the range of 12.5% to 15%, which is subject to change as per the banking norms. Sobha Limited has given corporate guarantee to the bank, for the facility provided.

2.28 There are no dues to any party covered under Micro, Small and medium Enterprises Development Act, 2006, and hence information required under the said Act has not been furnished.

2.29 The Company is not a manufacturing Concern and hence the information as required to be given under para 5(viii)(c) of general instructions for preparation of Statement of Profit and Loss as per Schedule III to the Companies Act 2013 is not furnished.

2.30 The Company is mainly engaged in the business of Real Estate Development and construction of properties and projects and therefore segment reporting as required under Accounting Standard AS 17 is not applicable.

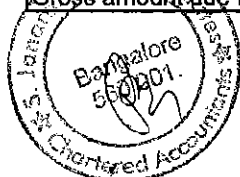
2.31 In the opinion of Board of Directors, all current and non-current assets and Loans and advances have at least the value as stated in the balance sheet, if realized in the normal course of business.

2.32 Interest amounting to Rs.7,56,79,862/- has been included in the project cost.

2.33 The provision of Gratuity and other related acts are not applicable and hence no such provisions are made.

2.34 The disclosure in respect of projects wherever the contract revenue has been recognized, cost incurred and other details as required under AS-7 on Construction Contracts are given under:

Particulars	31-Mar-15	31-Mar-14
Contract Revenue recognized as revenue in the period	1,322,358,420	2,651,618,101
Contract Cost incurred and recognized Profits (less recognized Losses) upto the reporting date	6,600,143,610	4,977,486,560
Advances received	6,298,369,738	4,749,302,007
Gross amount due from customers for contract work	14,705,724	104,176,318



2.35 Earnings per Share:

a) Basic Earnings per share is calculated by dividing the net profit attributable to the ordinary Shareholders by the weighted average number of ordinary shares outstanding during the year.

b) The following reflects the income and share data used in the computation of Basic Earnings per share.

Particulars	31-Mar-15	31-Mar-14
	Rs.	Rs.
Amount used as the numerator		
Net Profit attributable to the ordinary Shareholders for Basic Earnings per Share	325,103,319	580,022,592
No of Ordinary Shares used as denominator		
Weighted average number of ordinary shares in issue applicable to Basic earnings per Share	526,320	526,320

2.36 The related parties and transactions with them during the year as identified by the management are given under:

a) List of Related Companies

Holding Company

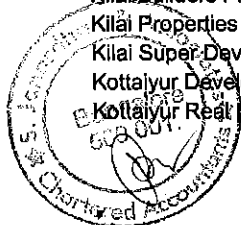
Sobha Limited

(formerly known as Sobha Developers Limited)

Name of the Other Related Parties

Allapuzha Fine Real Estate Private Limited
 Aluva Realtors Private Limited
 Annalakshmi Land Developers Private Limited
 Bikasa Properties Private Limited
 Bikasa Realestates Private Limited
 Bikasa Realtors Private Limited
 Chennai Supercity Developers Private Limited
 Chikmangaloor Builders Private Limited
 Chikmangaloor Developers Private Limited
 Chikmangaloor Properties Private Limited
 Chikmangaloor Realtors Private Limited
 Cochin Cyber City Private Limited
 Cochin Cyber Estates Private Limited
 Cochin Cyber Golden Properties Private Limited
 Cochin Cyber Value Added Properties Private Limited
 Cochin Realtors Private Limited
 Daram Cyber Builders Private Limited
 Daram Cyber Developers Private Limited
 Daram Cyber Properties Private Limited
 Daram Lands Real Estate Private Limited
 Greater Cochin Cybercity Private Limited
 Greater Cochin Developers Private Limited
 Greater Cochin Properties Private Limited
 Greater Cochin Realtors Private Limited
 Hbr Consultants Private Limited
 Hill And Menon Securities Private Limited
 Ilupur Builders Private Limited
 Ilupur Developers Private Limited
 Ilupur Properties Private Limited
 Ilupur Real Estate Private Limited
 Ilupur Realtors Private Limited
 Indeset Electromechanical Private Limited
 Indeset Steel Private Limited
 Kaloor Realtors Private Limited
 Kaveripuram Developers Private Limited
 Kilal Builders Private Limited
 Kilal Properties Private Limited
 Kilal Super Developers Private Limited
 Kottaiyur Developers Private Limited
 Kottaiyur Real Estates Private Limited

Perambakkam Properties Private Limited
 Pillaipakkam Properties Private Limited
 Pillaipakkam Builders Private Limited
 PNC Lighting Solutions Private Limited
 PNC Technologies Private Limited
 Punkunnam Builders And Developers Private Limited
 Puzhakkal Developers Private Limited
 Red Lotus Facility Services Private Limited
 Red Lotus Metal Works Facilities And Services Private Limited
 Red Lotus Realtors Private Limited
 Royal Interiors Private Limited
 Rusoh Fine Builders Private Limited
 Rusoh Home Developers Private Limited
 Rusoh Marina Properties Private Limited
 Rusoh Modern Builders Private Limited
 Rusoh Modern Developers Private Limited
 Rusoh Modern Properties Private Limited
 S.B.G Housing Private Limited
 Santhavellur Builders Private Limited
 Santhavellur Developers Private Limited
 Santhavellur Realtors Private Limited
 Sengadu Builders Private Limited
 Sengadu Developers Private Limited
 Sengadu Properties Private Limited
 Sengadu Realestates Private Limited
 Sengadu Realtors Private Limited
 Sobha Academy Private Limited
 Sobha Assets Private Limited
 Sobha Aviation And Engineering Services Private Limited
 Sobha Contracting Private Limited
 Sobha Electro Mechanical Private Limited
 Sobha Glazing And Metal Works Private Limited
 Sobha Highrise Ventures Private Limited
 Sobha Hitechcity Developers Private Limited
 Sobha Innercity Technopolis Private Limited
 Sobha Interiors Private Limited
 Sobha Jewellery Private Limited
 Sobha Mapletree Developers Private Limited
 Sobha Projects And Trade Private Limited
 Sobha Puravankara Aviation Private Limited



Kottaiyur Realtors Private Limited
 Kuthavakkam Builders Private Limited
 Kuthavakkam Developers Private Limited
 Kuthavakkam Properties Private Limited
 Kuthavakkam Realtors Private Limited
 Lotus Manpower Consultants Services Private Limited
 Mamballi Builders Private Limited
 Mannur Builders Private Limited
 Mannur Properties Private Limited
 Mannur Real Estate Private Limited
 Mapedu Builders Private Limited
 Mapedu Real Estates Private Limited
 Mapedu Realtors Private Limited
 Marina Realtors Private Limited
 Sobha Tambaram Developers Limited (formerly known as Megatech Software Private Limited)
 Moolamcode Traders Private Limited
 Nasarapet Developers Private Limited
 Nasarapet Properties Private Limited
 Nasarapet Realtors Private Limited
 Navabhusan Properties And Developers Private Limited
 Objective Systems Integrators India Private Limited
 Oman Builders Private Limited
 Padma Lochana Enterprises Private Limited
 Palani Properties Private Limited
 Pallavur Projects Private Limited
 Paramakudi Properties Private Limited
 Perambakkam Builders Private Limited


Sobha Renaissance Information Technology Private Limited
 Sobha Space Private Limited
 Sobha Technocity Private Limited
 Sri Durga Devi Property Management Private Limited
 Sri Kanakadurga Property Developers Private Limited
 Sri Parvathy Land Developers Private Limited
 Sunbeam Projects Private Limited
 Technobuild Developers Private Limited
 Thakazhi Developers Private Limited
 Thakazhi Realtors Private Limited
 Thiruchour Builders Private Limited
 Thiruchour Developers Private Limited
 Tirur Cyber Real Estates Private Limited
 Valasai Vettikadu Builders Private Limited
 Sobha Nandambakkam Developers Limited (formerly known as Tirur Cybercity Developers Private Limited)
 Valasai Vettikadu Properties Private Limited
 Valasai Vettikadu Real Estate Private Limited
 Valasai Vettikadu Realtors Private Limited
 Vayaloor Builders Private Limited
 Vayaloor Developers Private Limited
 Vayaloor Properties Private Limited
 Vayaloor Real Estate Private Limited
 Vayaloor Realtors Private Limited
 Sri Kurumba Trust
 Sobha City
 Lotus Manpower Services
 PNC Switchgears Private Limited


b) Transactions with Related Parties

Nature of transaction	Description of relationship	Name of the Related party	(In Rupees.) 31-Mar-15	(In Rupees.) 31-Mar-14
Balance Receivable	Holding Company	Sobha Limited	1,792,154,412	1,994,648,253
Purchase of goods and services		Sobha Limited	11,158,596,088	1,221,203,600
CSR Expenditure - Donation	Other Related Party	Sri Kurumba Trust	16,700,000	4,400,000
Share of Income		Sobha City	1,482,182	1,844,816
Investment		Sobha City	10,000	10,000
Balance Receivable-Current Account		Sobha City	4,657,948	3,175,766
Guarantees Received	Holding Company	Sobha Limited	390,012,231	734,893,103
Security offered for loan availed	Other Related Party	Sobha Purvankara Aviation Private Limited	391,041,000	616,567,050

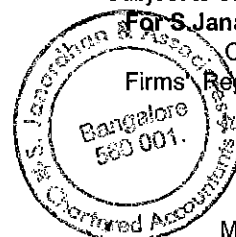
Signature to significant accounting policies and Notes to accounts

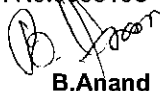
For and on behalf of the Board of Directors of
Sobha Developers (Pune) Limited


Kayara Chandrashekar Gowda
 Director
 DIN :06852235


M Radhakrishnan
 Director
 DIN: 02226337

Subject to our Report of even date
For S. Janardhan & Associates
 Chartered Accountants
 Firms Registration No.005310S




B. Anand
 Partner
 Member Ship No.29146


Date :11th May, 2015
 Place : Bengaluru

SOBHA DEVELOPERS (PUNE) LIMITED
Cash flow statement for the year ended 31 March 2015

Cash flow from operating activities	31 st March, 2105	31 st March, 2104
Profit before tax	49,32,88,484	88,39,57,592
Adjustment of items appropriated to retained earnings		
CSR expenditure - Donation	(1,67,00,000)	-
Non-cash adjustment to reconcile profit before tax to net cash flows		
Share of profit from investment in partnership firm	(14,82,182)	(18,44,816)
Interest expense	7,72,13,862	13,55,79,772
Interest income	(33,04,607)	(40,38,112)
Operating profit before working capital changes	54,90,15,557	1,01,36,54,436
Movements in working capital :		
Increase/ (decrease) in other current liabilities	7,21,69,132	(48,95,31,504)
Decrease / (increase) in inventories	(36,17,98,632)	41,15,72,799
Decrease / (increase) in other assets	8,94,70,593	(9,97,48,296)
Decrease / (increase) in loans and advances	20,42,42,215	28,86,55,803
Cash generated from / (used in) operations	55,30,98,865	1,12,46,03,238
Direct taxes paid (net of refunds)	(15,39,72,095)	(29,39,81,915)
Net cash flow from/ (used in) operating activities (A)	39,91,26,770	83,06,21,323
Cash flows from investing activities		
Investments in bank deposits (having original maturity of more than three months)	-	(2,06,25,000)
Redemption/ maturity of bank deposits (having original maturity of more than three months)	-	4,27,59,375
Interest received	3,30,460	58,13,829
Dividends received		
Net cash flow from/ (used in) investing activities (B)	3,30,460	2,79,48,204
Cash flows from financing activities		
Proceeds from short-term borrowings(net)	(34,48,80,872)	(74,51,06,897)
Interest paid (gross)	(7,95,19,174)	(13,15,91,335)
Net cash flow from/ (used in) in financing activities (C)	(42,44,00,046)	(87,66,98,232)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(2,49,42,816)	(1,81,28,705)
Cash and cash equivalents at the beginning of the year	3,01,98,401	4,83,27,106
Cash and cash equivalents at the end of the year	52,55,585	3,01,98,401
Components of cash and cash equivalents:		
Cash on hand	1,05,802	1,05,842
Cheques/ drafts on hand		
With banks- on current account	51,49,783	3,00,92,559
Total cash and cash equivalents (note 2.9)	52,55,585	3,01,98,401

Note referred above form integral part of the financial statements

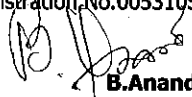
For and on behalf of the Board of Directors of
Sobha Developers (Pune) Limited


Kayara Chandrashekar Gowda
Director


M Radhakrishnan
Director



As per our Report of even date
For S. Janardhan & Associates
Chartered Accountants
Firms' Registration No. 005310S


B. Anand
Partner
Member Ship No. 29146

Date : 11th May, 2015
Place : Bengaluru