



PASSION AT WORK



BUILDING ON  
THE FOUNDATIONS OF SYNERGY.

ANNUAL REPORT 2014

# SOBHA

Founded in 1995, SOBHA is today a ₹ 23 billion real estate Company headquartered in Bangalore. We are primarily focused on real estate and contractual projects. In 2006, SOBHA went public, an event that created history when the issue got oversubscribed a record 126 times.

We are one of the largest and perhaps the only backward integrated real estate Company in India. Our backward integration processes include an interiors division, a glazing and metal works factory, a concrete products division. We have an in-house training centre, SOBHA Academy which is equipped with state-of-the-art facilities. The Company has been recognised with the ISO 9001, ISO 14001 and OHSAS 18001 certifications for its quality, safety and environment management systems. Under its CSR programme - 'Graamasobha', the Company is focused on improving education, health, employment, water, sanitation and housing needs besides various other social empowerment measures.

Our superior execution capability is our core strength. Since inception, SOBHA has completed 92 real estate projects and 247 contractual projects covering about 62.93 million square feet of area. The Company currently has 48 ongoing residential projects aggregating to 30.61 million square feet of developable area and 21.98 million square feet of saleable area, and 31 ongoing contractual projects aggregating to 9.67 million square feet under various stages of construction. SOBHA has a footprint in 24 cities and 13 states across India. The Company has a real estate presence in nine Indian cities, viz. Bangalore, Gurgaon, Chennai, Pune, Coimbatore, Thrissur, Calicut, Cochin and Mysore.

## Our Company at a glance in 2014



### SOBHA Real Estate

SOBHA remains one of the most respected and trusted Real Estate brands in India. Our residential projects include luxury and super luxury apartments, villas, row houses, presidential apartments and plotted development. Our in-house expertise in design and engineering enables us to deliver the best-in-class projects that are in synergy with the environment. The projects are replete with world-class amenities and have a strong emphasis on environmental management, rain-water harvesting and high safety standards.

SOBHA has forayed into the commercial space segment at an accelerated pace. Work is already underway on two commercial projects.

Designed to showcase architectural expertise, our structures blend functional design with innovation, are aesthetically appealing and in line with the high engineering standards that we pioneer.

SOBHA's philosophy is to constantly strive towards enhancing customer value by delivering high-quality products at the best price. We are committed to transforming the way real estate operates in the country. In an industry where outsourcing was more of a norm than exception, we have managed to create a unique brand that inspires trust amongst our customers and stakeholders with our emphasis on quality, transparency as well as our full-fledged backward integrated operations.



## **SOBHA Developers Ltd.**

### **SOBHA Contractual**

Established in 1999, SOBHA's contracts vertical is committed to delivering end to end services – right from conceptualisation of the job to its successful completion. SOBHA's Contracts vertical has developed numerous state-of-the-art facilities for corporate entities including offices, convention centres, software development blocks, multiplex theatre, hostel facilities, hotels, guest houses, food courts, restaurants, research centres, club houses and factory buildings. Our emphasis on world class quality and passion for perfection has attracted contractual orders from various prestigious institutions across India.

The Contracts business at SOBHA boasts of an expansive portfolio of 278 projects covering 43.33 million square feet of area in 24 cities across India.

Our Contracts business services include Design & Architecture, Civil – Structural & Finishes, MEP – Mechanical, Electrical & Plumbing, Interiors, Aluminium and Glazing and Landscape. MEP is a strategic business unit of our contracts division with the in-house capability to design and build electrical, plumbing, HVAC, fire fighting and low voltage services for residential, commercial, office and industrial projects.

With in-house expertise and infrastructure for design and manufacturing of interiors and furnishing works, metal and glazing products, we provide an unmatched combination of quality combined with the right knowledge, skill, experience and keen customer orientation to all our clients.

### **SOBHA Manufacturing**

The backward integration model is one of our key competitive strengths. This means that we have all the competencies and in-house resources required to deliver a project.

SOBHA's backward integration model includes an interiors division with one of India's largest woodworking factories, a glazing and metal works factory and a concrete products factory. We have also diversified into the retail business with ergonomic spring mattresses under the brand name 'SOBHA Restoplus'. SOBHA's manufacturing facilities spread across a total built-up area of over 600,000 square feet are comparable to the best in the world in terms of design and execution capabilities.

Investment in technology and state-of-the-art manufacturing units have enabled us to have complete control on the quality of the end product. We ensure that only the best quality materials are used in building our homes. It also reduces our external dependency on input materials, thereby ensuring prompt delivery of all our projects. We are singularly focused on providing superior products thus establishing our brand in the Indian Construction Industry.

With an empowered execution capacity, we are adept at scaling up all our operations to create value for our stakeholders.

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SOBHA is one of the leading real estate development Companies in India. Our backward integrated structure has enabled the highly successful completion of luxurious and sophisticated residential and mixed use developments such as the exemplary SOBHA City, Thrissur.



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We trust that our people's knowledge, talent and dedication are our most valuable assets and vital to what we have accomplished so far. Our processes exemplify our best attributes every day, including an unwavering commitment to clients, fellow employees, local communities and the environment. Our penchant for going into details and achieving perfection in all that we do has resulted in the creation of superior quality products. We believe that our fabulous products, supported by timely delivery and exemplary customer relationship management will aid in continuous and sustained growth of the Company. The realisation of our growth strategy depends on many things, but most of all having the true amalgamation of a unique philosophy aligned with our core values.



## People

At SOBHA, we undertake every initiative with a clear vision to transform the way people perceive quality and at the core of this mission is our immensely talented pool of human resources. An integral cog in the corporate structure, our people are the strong foundations on which we have built our growth stories.

### **Our Teamwork | Creating Value**

From strategic staffing to recruit & retain the right talent, to training & mentoring processes that are designed to accelerate professional development, every Sobhaite goes through a deliberate evolution that enhances their competence in delivering impeccable quality.

All employees, irrespective of their grade or seniority, are trained at the SOBHA Academy on both technical and behavioural skills. Our technical skills training enables new recruits to upgrade themselves to SOBHA standards and our veterans stay abreast of the international quality standards that we pioneer. Behavioural training programs equip our employees with the soft skills that distinguish them from their peers in the industry.

### **Our Collaboration | Propelling Growth**

There is a reason why SOBHA has one of the largest talent pools in the Indian real estate industry, both in terms of quality as well as sheer numbers. Where the natural instinct of most

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players is to scrimp on manpower costs or try and outsource the same, we invest in optimising our in-house potential with a synergistic workforce of over 10,000 committed individuals, who help maintain our immaculate quality benchmarks.



Execution is one of the specific areas of focus at SOBHA with a separate project head and project team for fixed slabs of delivery, even if it is within a single project. This modular method of planning, allocating and managing technical staff has been a vital factor in the timely delivery of premier quality products to our customers.

The ripple effect of any pioneer initiative is seldom limited to the confines of an organisation but eventually goes on to benefit the entire industry and the society that it operates in. SOBHA's rating and hands-on training of technicians has been such a movement. Over a span of three years, a SOBHA technician undergoes regular

As an organisation that thrives on the synergy it generates, we also ensure that the passion for performance in our employees are rewarded, nurtured and cosseted.

upgradation and training, both on the job as well as at our academy, eventually achieving a SOBHA AAA rating, which is at par with international quality standards. This initiative, which has transformed the competency of close to 3000 individuals, is changing the perception about Indian technicians within and outside the country.

#### **Our Passion | Achieving Excellence**

Excellence at SOBHA is not a one time act but a conscious routine with systematic progress. Every project site, for example, has a unique concept of 'Reverse Training' every single day for a minimum of 15 minutes. This exercise amalgamates 'refresher training' & 'train-the-trainer' concepts to reinforce the international quality standards SOBHA pioneers in project execution.

As an organisation that thrives on the synergy it generates, we also ensure that the passion for performance in our employees are rewarded, nurtured and cosseted. From incentives & employee benefit schemes, to individual career development reviews, we devote significant attention to the personal and professional growth of our most valuable resources.







## Process

### **Belief in the vision | Trust in the process**

As a forward thinking, progressive organisation, we hold our robust process framework at the crux of our business strategy. Over the years, our processes have evolved from being a fundamental mechanism to deliver exemplary products to a culture that is ingrained in every activity undertaken within the Company. The right processes enable our people to perform effectively and achieve greater efficiencies.

We were one of the first Indian real estate companies to be ISO 9001:1994 certified for meeting the quality management requirements of the standard. We are today an ISO 9001:2008 certified organisation with an ISO 14001:2004 and OHSAS 18001:2007 certification as well for our Environmental, Health and Safety standards.

### **Ideating Originality | The Evolution of Innovation**

We have constantly acknowledged the power of simple thought and innovation has been a direct derivative of the continuous process improvements within our Company. Ideas are fostered and developed through a systematic process of collection, evaluation and presentation to eventually become a part of the organisation's process, technology and strategy. 'Genesis', a bi-annual ideation event gives every member of the SOBHA family an opportunity to showcase their ideas and play an essential role in furthering the tradition of innovation in the Company.

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Our CRM process and Customer Care Cell (CCC) are prime examples of the outcome of a seamless innovative culture. First of its kind in the Indian real estate industry, they offer an entirely new facet to our customers' experience by offering them steadfast support through the entire life cycle of their home buying process and beyond.



#### **Consistent conformance to quality**

Exacting conformance to quality processes is a consistent routine in the organisation. Each stage of our project execution is defined and documented to ensure consistency and scalability. Proprietary and state-of-the-art tools augment our competent Quality, Safety and Technology team's efforts to guarantee the best quality products to our customers. Safe working conditions at all project sites are not just envisioned, but also materialised through rigorous implementation of our EHS processes.