



Press Release
For immediate publication

SOBHA's reaction on RBI's efforts to ease financial stress

Bengaluru, April 17, 2020: Mr. J.C. Sharma, Vice Chairman & Managing Director, SOBHA Limited said, "The Government had announced several measures in March this year to ease the financial stress in the wake of COVID-19. Today, these steps have been further supplemented by the RBI's announcements to slash the reverse repo rate by 25 bps and the Targeted Long-Term Repo Operations (TLTRO) 2.0 worth Rs. 50,000 crores to the NBFCs, MFIs and HFCs. We are delighted and welcome these efforts to boost liquidity further and ease financial stress. These instrumental steps are timely and very assuring.

We believe that the reduction of the reverse repo rate to 3.75% from the recent 4% will make lending attractive for financial institutions, which will hugely benefit homebuyers and the real estate sector.

Further, we believe that Rs. 50,000 crores of infusion into the financial system will ease liquidity issues faced by the NBFCs and the MFIs which will result in more funding to the corporate sectors. More importantly, the loans given by the NBFCs to real estate sector will avail similar benefits as given by commercial banks. This was a required step towards both the NBFC and the real estate sector.

Additionally, the RBI has provided for one year of project completion extension on asset classification for NBFC loans to the CRE segment, which is laudable keeping the lockdown and migrant labour workforce issues in mind.

The focused measures to keep credit flowing into critical areas of the economy will help revive the economy. The fact that the projected India's GDP growth of 1.9% by IMF is highest in G20, shows the country's resilience in challenging times. We believe India will make a turnaround in times to come."

About SOBHA Limited:

Founded in 1995, SOBHA Limited is one of the fastest growing and foremost backward integrated real estate players in the country. It means that 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. The Company's residential projects include presidential apartments, villas, row houses, super luxury & luxury apartments, plotted developments and aspirational homes. In all its residential projects, the company lays strong emphasis on environmental management, water harvesting and highest safety standards. On the contractual projects 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. For more information on SOBHA Limited, please visit: www.sobha.com



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