

# 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

#### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the accompanying Standalone Ind AS financial statements of Sobha City ("the firm"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information 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 Firm as at March 31, 2023, its profit including other comprehensive income and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

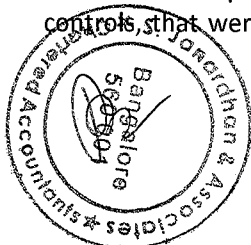
#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibility of Management for the Standalone Ind AS Financial Statements

The partners of the Firm are responsible for preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Firm in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS). This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Firm 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 the 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, partners are responsible for assessing the Firm's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the firm or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

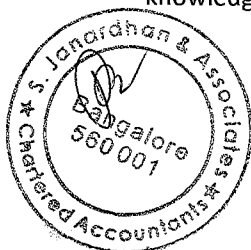
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. We are also responsible for expressing our opinion on whether the Firm has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Firm's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Firm to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Report on Other Legal and Regulatory Requirements**


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;

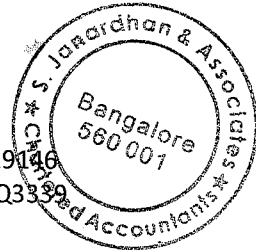


- (b) In our opinion, proper books of account as required by law have been kept by the Firm so far as it appears from our examination of those books;
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards, pronouncements issued by the Institute of Chartered Accountants of India;
- (e) With respect to the other matters to be included in the Auditor's Report, in our opinion and to the best of our information and according to the explanations given to us:
- The Firm has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements.
  - The Firm did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

For S Janardhan and Associates  
Chartered Accountants  
ICAI Firm Registration Number: 005310S



B Anand  
Partner  
Membership Number: 029146  
UDIN: 23029146BGWCWQ3339



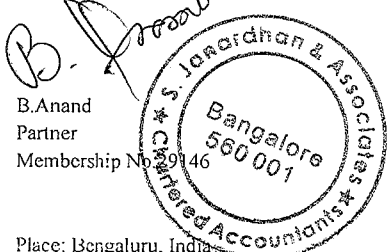
Place: Bengaluru  
Date: 17<sup>th</sup> May 2023

	Notes	As at 31-Mar-23 ₹ million	As at 31-Mar-22 ₹ million
<b>Assets</b>			
<b>Non-current assets</b>			
Investment property	4	1,808.488	1,851.476
Financial assets			
Investments	5	0.600	0.600
Other non-current financial assets	9	8.730	8.730
Current tax assets (net)		114.161	95.785
		<b>1,931.979</b>	<b>1,956.591</b>
<b>Current assets</b>			
Inventories	6	1,266.470	1,198.282
Financial assets			
Trade receivables	7	36.298	100.985
Cash and cash equivalents	8	19.944	23.905
Other current financial assets	9	40.059	40.059
Other current assets	10	25.597	24.283
		<b>1,388.368</b>	<b>1,387.514</b>
<b>Total assets</b>		<b>3,320.347</b>	<b>3,344.105</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Partners capital	11	400.000	400.000
Partners Current account and Other equity	12	1,377.726	1,246.828
<b>Total equity</b>		<b>1,777.726</b>	<b>1,646.828</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	13	548.467	641.133
Deferred tax liabilities (net)		125.819	116.157
		<b>674.286</b>	<b>757.290</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	14		
- Total outstanding dues of micro-enterprises and small enterprises; and			
- Total outstanding dues of creditors other than micro enterprises and small enterprises		22.003	32.556
Other current financial liabilities	15	231.793	228.576
Other current liabilities	16	614.539	678.855
		<b>868.335</b>	<b>939.987</b>
<b>Total liabilities</b>		<b>1,542.621</b>	<b>1,697.277</b>
<b>Total equity and liabilities</b>		<b>3,320.347</b>	<b>3,344.105</b>

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

For S.Janardhan & Associates  
Firms' Registration No.005310S  
Chartered Accountants



B. Anand  
Partner  
Membership No. 39146

Place: Bengaluru, India  
Date: 17/05/2023

For and on behalf of the Management Committee of  
Sobha City

Jagadish  
For Sobha Limited

Authorised Signatory  
Jagadish Nangineni  
Managing Director

Place: Bengaluru, India

Date: 17/05/2023

M  
For Sobha Developers  
Pune Limited

Authorised Signatory  
M Radhakrishnan  
Director

UDIN: 23029146B4WCWQ3339

Sobha City

REG NO: 709/2007-08

Statement of profit and loss for the year ended March 31, 2023

	Notes	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Revenue from operations	17	349.293	228.327
Other income	18	0.311	-
Finance income	19	0.467	0.576
<b>Total income</b>		<b>350.071</b>	<b>228.903</b>
<b>Expenses</b>			
(Increase)/ decrease in inventories of land stock and work-in-progress	20	(68.188)	(51.864)
Subcontractor and other charges		53.168	24.864
Depreciation and amortization	4	42.988	43.736
Other expenses	21	229.290	140.460
Finance cost	22	64.365	87.839
<b>Total expenses</b>		<b>321.623</b>	<b>245.035</b>
<b>Profit/(Loss) before tax</b>		<b>28.448</b>	<b>(16.132)</b>
Tax expenses			
Current tax		-	-
Deferred tax charge/ (credit)		9.661	(10.325)
<b>Income tax expense</b>		<b>9.661</b>	<b>(10.325)</b>
<b>Profit/(Loss) for the year</b>		<b>18.787</b>	<b>(5.807)</b>
<b>Total comprehensive income for the year attributable to partners of the firm</b>		<b>18.787</b>	<b>(5.807)</b>
<b>Total comprehensive income for the period attributable to :</b>			
Partners of the Firm		18.787	(5.807)
		<b>18.787</b>	<b>(5.807)</b>

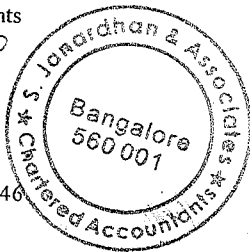
Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

For S.Janardhan & Associates  
Firms' Registration No.005310S  
Chartered Accountants

B.Anand  
Partner  
Membership No.29140



For and on behalf of the Management Committee of  
Sobha City

Jagadish  
For Sobha Limited  
Authorised Signatory  
Jagadish Nangineni  
Managing Director

M+  
For Sobha Developers  
Pune Limited  
Authorised Signatory  
M Radhakrishnan  
Director

Place: Bengaluru, India

Date: 17/05/2023

Place: Bengaluru, India

Date: 17/05/2023

UDIN:- 23029146BGWCLWQ3339

Sobha City  
REG NO: 709/2007-08  
Statement of Cash Flows for the year ended March 31, 2023

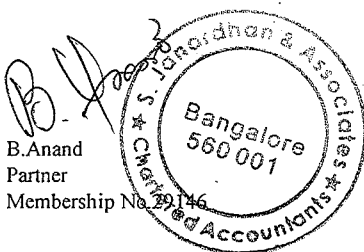
	Notes	31-Mar-23 ₹ million	31-Mar-22 ₹ million
<b>Operating activities</b>			
Profit/(Loss) before tax		28.448	(16.132)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation of Investment property, plant and equipment		42.988	43.736
Finance income (including fair value change in financial instruments)		(0.467)	(0.576)
Finance costs (including fair value change in financial instruments)		64.299	87.797
Allowance for credit loss		58.266	28.053
Liabilities/ provisions no longer required written back		(0.311)	-
<i>Working capital adjustments:</i>			
(Increase)/ decrease in trade receivables		6.421	13.857
(Increase)/ decrease in inventories		(68.188)	(51.863)
(Increase)/ decrease in other financial and non-financial assets		(1.313)	(13.926)
Increase/ (decrease) in trade payables and other financial liabilities		(11.942)	(25.998)
Increase/ (decrease) in other non-financial liabilities		(64.316)	(11.997)
		53.885	52.951
Income tax paid (net of refund)		(18.376)	(10.505)
<b>Net cash flows from/ (used in) operating activities (A)</b>		<b>35.509</b>	<b>42.446</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)		-	-
Interest received		0.467	0.576
<b>Net cash flows from/ (used in) investing activities (B)</b>		<b>0.467</b>	<b>0.576</b>
<b>Financing activities</b>			
Proceeds from long-term borrowings(net)		(92.666)	(84.604)
Contribution to Partner's current account		112.111	422.375
Proceeds from short-term borrowings		-	(292.322)
Interest paid (gross)		(59.382)	(92.928)
<b>Net cash flows from/ (used in) financing activities (C)</b>		<b>(39.937)</b>	<b>(47.479)</b>
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		(3.961)	(4.457)
Cash and cash equivalents at the beginning of the year	8	23.905	28.362
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>19.944</b>	<b>23.905</b>

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

For S.Janardhan & Associates  
Firms' Registration No.005310S  
Chartered Accountants



B.Anand  
Partner  
Membership No. 29146

Place: Bengaluru, India

Date: 17/05/2023

For and on behalf of the Management Committee of  
Sobha City

*Jagadish*  
For Sobha Limited  
Authorised Signatory  
Jagadish Nangineni  
Managing Director

*M*  
For Sobha Developers  
Pune Limited  
Authorised Signatory  
M Radhakrishnan  
Director

Place: Bengaluru, India

Date: 17/05/2023

UDIN: 23029146B6WCVQ3339

**A. Partners Capital**

(1) Current reporting period

₹ million

Balance at the beginning of the current reporting period	Changes in Equity of Partners due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity of Partners during the current year	
Capital Amount				Amount
400.000	-	-	-	400.000

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity of Partners due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity of Partners during the previous year	
Capital Amount				Amount
400.000	-	-	-	400.000

**B. Other Equity**

(1) Current reporting period

	Reserves and Surplus		Total
	Retained Earnings	Other Reserves - Partners Current account	
Balance at the beginning of the current reporting period	-	1,246.828	1,246.828
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-
Total Comprehensive Income for the current year	-	-	-
Dividends	-	-	-
Share of profit	-	18.787	18.787
Additional contribution to Partner's current account	-	112.111	112.111
Balance at the end of the current reporting period	-	1,377.726	1,377.726

(2) Previous reporting period

	Reserves and Surplus		Total
	Securities Premium	Other Reserves - Partners Current account	
Balance at the beginning of the previous reporting period	-	830.260	830.260
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-
Total Comprehensive Income for the previous year	-	-	-
Dividends	-	-	-
Share of profit	-	(5.807)	(5.807)
Additional contribution to Partner's current account	-	422.375	422.375
Balance at the end of the previous reporting period	-	1,246.828	1,246.828

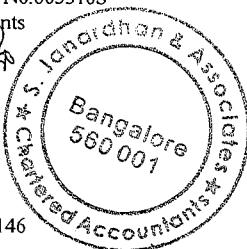
Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

For S.Janardhan & Associates  
Firms' Registration No.005310S  
Chartered Accountants

B. Anand  
Partner  
Membership No.29146



For and on behalf of the Management Committee of  
Sobha City

Jagadish  
For Sobha Limited  
Authorised Signatory  
Jagadish Nangineni  
Managing Director

M +  
For Sobha Developers  
Pune Limited  
Authorised Signatory  
M Radhakrishnan  
Director

Place: Bengaluru, India

Date: 17/05/2023

Place: Bengaluru, India

Date: 17/05/2023

UDIN: 03029146BGWCWQ3339

**b) Property, plant and equipment**

Property, plant & equipment are stated at their cost of acquisition/construction, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Firm depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is derecognised.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

**c) Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

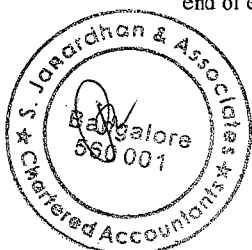
The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Firm depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Though the Firm measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

**d) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software and intellectual property rights are amortized on a straight line basis over a period of 3 years, which is estimated to be the useful life of the asset and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.





**e) Depreciation on property, plant and equipment and Investment property**

Depreciation is calculated on straight line basis using the following useful lives prescribed under Schedule II, except where specified.

Particulars	Useful lives estimated by the management (in years)
<b>Property, plant and equipment</b>	
Buildings - other than factory buildings	60
Plant and machinery	
i. General plant and machinery	15
ii. Plant and machinery - Civil construction	12
iii. Plant and Machinery - Electrical installations	10
Furniture and fixtures	10
Motor vehicles	8
Computers	
i. Computer equipment	3
ii. Servers and network equipment	6
Office equipments	5
<b>Investment property</b>	
Buildings - other than factory buildings	60
Plant and machinery	
i. General plant and machinery	15
ii. Plant and machinery - Civil construction	12
iii. Plant and Machinery - Electrical installations	10
Computer equipment	3
Furniture and fixtures	10

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**f) Impairment of non financial assets**

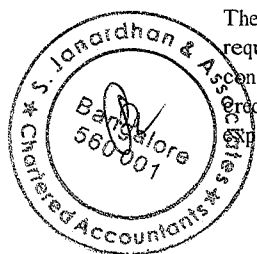
The Firm assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Firm estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**g) Impairment of financial assets**

The Firm assesses at each date of balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Firm recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.



Sobha City

REG NO: 709/2007-08

Notes to the financial statements for the year ended March 31, 2023

**h) Current versus non-current classification**

The Firm presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

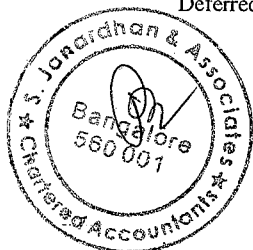
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Firm classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The real estate development projects undertaken by the Firm generally run over a period ranging upto 5 years. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of upto 5 years. Borrowings in connection with such projects are classified as short-term (i.e. current) since they are payable over the term of the respective projects.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realised / are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



**i) Fair value measurement**

The Firm measures financial instruments, such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Firm.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Firm uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Firm determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**j) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

*Financial assets*

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Firm commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)



**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Firm. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Firm may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Firm has not designated any debt instrument as at FVTPL.

**Equity investments in subsidiaries and joint ventures**

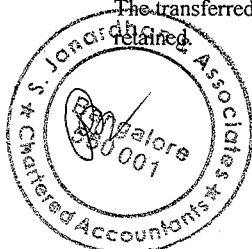
The Firm has availed the option available in Ind AS 27 to carry its investment in subsidiaries and joint ventures at cost. Impairment recognized, if any, is reduced from the carrying value.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Firm of similar financial assets) is primarily derecognised when:

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ The Firm has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Firm has transferred substantially all the risks and rewards of the asset, or (b) the Firm has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Firm has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Firm continues to recognise the transferred asset to the extent of the Firm's continuing involvement. In that case, the Firm also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Firm has



Sobha City

REG NO: 709/2007-08

Notes to the financial statements for the year ended March 31, 2023

## 1 Corporate Information

Sobha City a registered Partnership Firm('Firm') was incorporated on June 11, 2007. The Firm is primarily engaged in procurement, sale and development of lands into a residential, commercial complex and plotted development.

The Firm is domiciled in India and registered under the provisions of the Indian Partnership Act. The registered office is located at Bengaluru, Karnataka and having a branch at Thrissur, Kerala.

## 2 Significant accounting policies

### 2.1 Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in INR, and all values are rounded to nearest millions, except when otherwise indicated.

### 2.2 Summary of significant accounting policies

#### a) Revenue recognition

##### i. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Firm expects to be entitled in exchange for those goods or services. The Firm has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, credits, concessions and incentives, if any, as specified in the contract with the customer. The Firm presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Firm considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Firm considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

##### Recognition of revenue from real estate developments

Revenue from real estate development of residential unit is recognised at the point in time, when the control of the asset is transferred to the customer, which generally coincides with either of the two conditions as stated below -

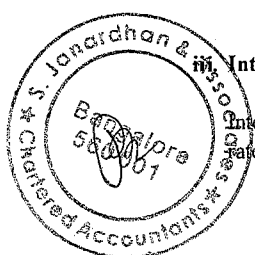
- a) on transfer of legal title of the residential or commercial unit to the customer; or
- b) on transfer of physical possession of the residential or commercial unit to the customer and collection of complete

##### ii. Rental income from operating leases

Rental income receivable under operating leases (excluding variable rental income) is recognized in the income statement on a straight-line basis over the term of the lease including lease income on fair value of refundable security deposits. Rental income under operating leases having variable rental income is recognized as per the terms of the contract.

##### iii. Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.



*Financial liabilities*

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

The Firm's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

**Loans and borrowings**

This is the category most relevant to the Firm. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Firm prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Firm are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**k) Borrowing costs**

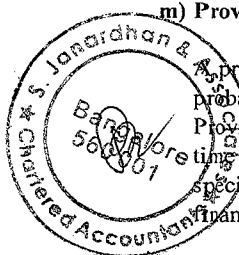
Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

**l) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Firm's cash management.

**m) Provisions**

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.



**n) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Firm or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Firm does not recognize a contingent liability but discloses its existence in the financial statements.

**o) Taxes**

*Current income tax*

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

*Deferred income tax*

Deferred income tax is recognised using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

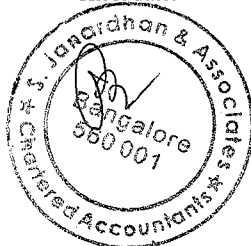
Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are recognised for all taxable temporary differences, except:

> In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.



**p) Inventories**

*Related to real estate activity*

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

- i. Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.
- ii. Finished goods - Flats: Valued at lower of cost and net realisable value.
- iii. Finished goods - Plots: Valued at lower of cost and net realisable value.
- iv. Building materials purchased, not identified with any specific project are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.
- v. Land inventory: Valued at lower of cost and net realisable value.

**q) Leases**

**Where the Firm is lessor**

Leases in which the Firm does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease, unless the lease agreement explicitly states that increase is on account of inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

**3 Significant accounting estimates and assumptions**

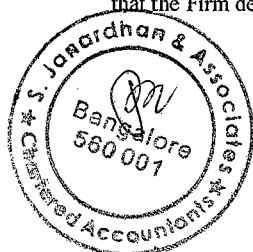
The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accounting disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**i) Classification of property**

The Firm determines whether a property is classified as investment property or inventory property:

Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Firm, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory property comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Firm develops and intends to sell before or on completion of construction.





Sobha City

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Notes to the financial statements for the year ended March 31, 2023

**a) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Firm based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Firm. Such changes are reflected in the assumptions when they occur.

**i) Revenue recognition**

-Determination of performance obligations and timing of revenue recognition on revenue from real estate development (Refer

**ii) Estimation of net realisable value for inventory property**

Inventory property is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Firm, based on comparable transactions identified by the Firm for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

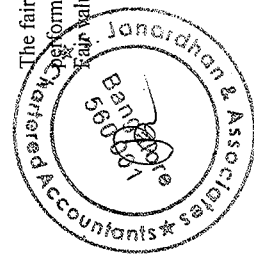


## 4 Investment Property

	Other assets forming part of Building					₹ million
	Freehold land	Other buildings	Plant and machinery	Furniture and fixtures	Equipments	Total
Cost or valuation						
At 1 April 2021	132.471	1,780.804	116.956	36.051	47.492	2,113.774
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 March 2022	132.471	1,780.804	116.956	36.051	47.492	2,113.774
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 March 2023	132.471	1,780.804	116.956	36.051	47.492	2,113.774
Depreciation and impairment						
At 1 April 2021	-	143.420	37.782	13.222	24.138	218.562
Charge for the year	-	28.196	7.407	3.428	4.705	43.736
Disposals	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
At 31 March 2022	-	171.616	45.189	16.650	28.843	262.298
Charge for the year	-	28.196	7.407	3.428	3.957	42.988
Disposals	-	-	-	-	-	-
At 31 March 2023	-	199.812	52.596	20.078	32.800	305.286
Net Book value						
At 31 March 2023	132.471	1,580.992	64.360	15.973	14.692	1,808.488
At 31 March 2022	132.471	1,609.188	71.767	19.401	18.649	1,851.476
At 1 April 2021	132.471	1,780.804	116.956	36.051	47.492	2,113.774
Information regarding income and expenditure of investment property						
			31-Mar-23 ₹ million	31-Mar-22 ₹ million		
Rental income derived from investment property						
Direct operating expenses (including repairs and maintenance) generating rental income			332.060 (160.032)	195.337 (102.568)		
Profit arising from investment property before depreciation and indirect expenses			172.028	92.769		
Less:- Depreciation			39.907	40.655		
Profit arising from investment properties before indirect expenses			132.121	52.114		

The fair value of investment property is ₹ 3,176 million (March 31, 2022 - ₹ 3,114 million). These valuations are based on valuations performed by an independent valuer.

Fair value hierarchy for investment properties have been provided in Note 45(b)

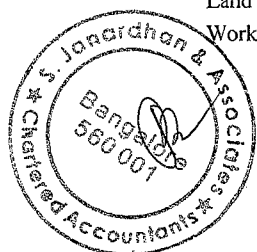


## 5 Investments

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
<b>Non-current investments:</b>		
<b>Investments carried at cost</b>		
<b>Trade investments (valued at cost unless stated otherwise)</b>		
<b>Unquoted equity shares</b>		
<i>Investment in subsidiaries</i>		
9,999 (March 31, 2022 - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Builders Private Limited.	0.100	0.100
9,999 (March 31, 2022 - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Developers Private Limited.	0.100	0.100
9,999 (March 31, 2022 - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Properties Private Limited.	0.100	0.100
9,999 (March 31, 2022 - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Realtors Private Limited.	0.100	0.100
9,999 (March 31, 2022 - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Real Estate Private Limited.	0.100	0.100
9,999 (March 31, 2022 - 9,999) Class A equity shares of ₹10 each fully paid-up in Valasai Vettikadu Realtors Private Limited.	0.100	0.100
<b>Total investments carried at cost</b>	<b>0.600</b>	<b>0.600</b>
<b>Total investments</b>	<b>0.600</b>	<b>0.600</b>
<b>Details of investments in partnership firms</b>		
<i>Investment in Sobha City</i>		
<b>Name of Partner</b>	<b>Share of partner in profits (%)</b>	
	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Sobha Limited	99%	99%
Sobha Developers (Pune) Limited	1%	1%
<b>Total capital of the firm (₹ million)</b>	<b>400</b>	<b>400</b>

## 6 Inventories (valued at lower of cost and net realizable value)

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Land stock	569.975	569.975
Work-in-progress	696.495	628.307
	<b>1,266.470</b>	<b>1,198.282</b>



## 7 Trade receivables

	31-Mar-23	Current 31-Mar-22	31-Mar-23	Non-current 31-Mar-22
	₹ million	₹ million	₹ million	₹ million
Trade receivables	122.617	129.038		
Less Allowance for credit Loss	(86.319)	(28.053)		
<b>Total Trade receivables</b>	<b>36.298</b>	<b>100.985</b>	<b>-</b>	<b>-</b>

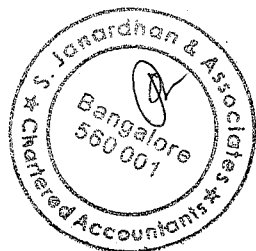
for trade receivables ageing schedule, refer to note 42

## 8 Cash and cash equivalents

	31-Mar-23	Current 31-Mar-22	31-Mar-23	Non-current 31-Mar-22
	₹ million	₹ million	₹ million	₹ million
<b>Balances with banks:</b>				
– On current accounts	19.841	23.816		
Cash on hand	0.103	0.089		
	<b>19.944</b>	<b>23.905</b>		<b>-</b>
	<b>19.944</b>	<b>23.905</b>		<b>-</b>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31-Mar-23	31-Mar-22
	₹ million	₹ million
<b>Balances with banks:</b>		
– On current accounts	19.841	23.816
Cash on hand	0.103	0.089
	<b>19.944</b>	<b>23.905</b>



## 9 Other financial assets

	31-Mar-23	Current 31-Mar-22	31-Mar-23	Non-current 31-Mar-22
	₹ million	₹ million	₹ million	₹ million
<b>Security deposit</b>				
<i>Unsecured, considered good -</i>				
Security deposit - Others	8.400	8.400	8.730	8.730
	8.400	8.400	8.730	8.730
<b>Others</b>				
Unbilled revenue	31.659	31.659	-	-
	40.059	40.059	8.730	8.730

## 10 Other assets

	31-Mar-23	Current 31-Mar-22	31-Mar-23	Non-current 31-Mar-22
	₹ million	₹ million	₹ million	₹ million
<b>Advances recoverable in cash or kind</b>				
Unsecured considered good	0.976	0.442	-	-
<b>Others</b>				
Prepaid expenses	1.772	2.275	-	-
Balances with statutory/ government authorities	22.849	21.566	-	-
	25.597	24.283	-	-



**11 Partners Capital**

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Sobha Limited	399.990	399.990
Sobha Developers (Pune) Limited	0.010	0.010
Total capital	400.000	400.000

Name of Partner	Share of partner in profits (%)	
	31-Mar-23	31-Mar-22
Sobha Limited	99	99
Sobha Developers (Pune) Limited	1	1

**12 Partners Current Account and Other equity**

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
<b>Partners Current account : Sobha Limited</b>		
Balance at the beginning of the year	1,239.895	823.269
Share of Profit transferred during the year	18.599	(5.749)
Transfers during the year	103.086	422.375
<b>Closing balance</b>	<b>1,361.580</b>	<b>1,239.895</b>
<b>Partners Current account : Sobha Developers Pune Limited</b>		
Balance at the beginning of the year	6.933	6.991
Share of Profit transferred during the year	0.188	(0.058)
Transfers during the year	9.025	-
<b>Closing balance</b>	<b>16.146</b>	<b>6.933</b>
<b>Total other equity</b>	<b>1,377.726</b>	<b>1,246.828</b>



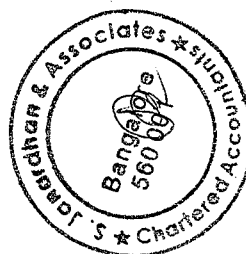
13 Borrowings

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
<b>Non-current Borrowings</b>		
Secured loans		
Term loans from bank	641.133	725.744
Less : Amount disclosed under the head "other current financial liabilities" (refer note 15)	92.666	84.611
Net Amount	548.467	641.133
<b>Total non-current Borrowings</b>	<b>548.467</b>	<b>641.133</b>

Non-current Borrowings

(i) Secured loans

Particulars	Amount outstanding (₹ million)	Effective Interest rate	Security details	Repayment terms
	31-Mar-23	31-Mar-22		
Term loan from bank	447.792	512.732	7%-9%	Secured by equitable mortgage of certain land of the group companies and Firm's Commercial Land and Building, equipments, plant and machinery and its receivables. Corporate Guarantee of group Companies
				Repayable in 126 Monthly installments of multiple payment pattern starting from 15th January,2018
Term loan from bank	193.341	213.012	7%-9%	Secured by equitable mortgage of certain land of the group companies and Firm's Commercial Land and Building, equipments, plant and machinery and its receivables. Corporate Guarantee of group Companies.
				Repayable in 126 Monthly installments of multiple payment pattern starting from 12th January,2020



## 14 Trade payables

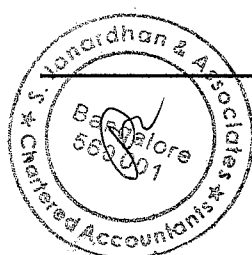
	31-Mar-23	31-Mar-22
	₹ million	₹ million
<b>Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises (refer note 25 for details of dues to micro and small enterprises)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	22.003	32.556
	<b>22.003</b>	<b>32.556</b>
-Trade payables of related parties are disclosed in the note 27		
-for trade payables ageing schedule, refer to note 43		

## 15 Other financial liabilities

	31-Mar-23	31-Mar-22
	₹ million	₹ million
<b>Current</b>		
Current maturities of long-term borrowings (refer note 13)	92.666	84.611
Interest accrued but not due on borrowings	4.917	-
Deferred lease rental	18.706	18.706
Lease deposit	61.796	59.638
Others		
Non-trade payable	0.504	-
Security deposit towards maintenance services	46.194	58.611
Payable to related parties (refer note 27)	7.010	7.010
<b>Total current other financial liabilities</b>	<b>231.793</b>	<b>228.576</b>
<b>Total other financial liabilities</b>	<b>231.793</b>	<b>228.576</b>

## 16 Other liabilities

	31-Mar-23	31-Mar-22
	₹ million	₹ million
Advance from customers	593.402	657.566
Withholding taxes payable	1.331	0.989
Others	19.806	20.300
<b>Total Other liabilities</b>	<b>614.539</b>	<b>678.855</b>





## 17 Revenue from operations

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
<b>Revenue from operations</b>		
Sale of products/ finished goods		
Income from property development	1.790	1.968
Other operating revenue		
Income from maintenance services	120.039	99.625
Income from Rental services	219.741	124.136
Others	7.723	2.598
<b>Total</b>	<b>349.293</b>	<b>228.327</b>

## 18 Other income

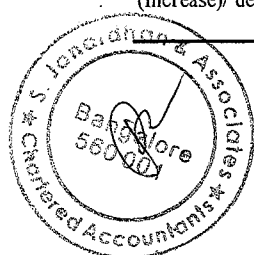
	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Sundry balances write back	0.311	-
	<b>0.311</b>	<b>-</b>

## 19 Finance income

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Interest income on		
Others	0.467	0.576
	<b>0.467</b>	<b>0.576</b>

## 20 (Increase)/ decrease in inventories

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
<b>Inventories at the end of the year</b>		
Land stock	569.975	569.975
Work-in-progress	696.495	628.307
	<b>1,266.470</b>	<b>1,198.282</b>
<b>Inventories at the beginning of the year</b>		
Land stock	569.975	569.975
Work-in-progress	628.307	576.443
	<b>1,198.282</b>	<b>1,146.418</b>
	<b>1,198.282</b>	<b>1,146.418</b>
<b>(Increase)/ decrease</b>	<b>(68.188)</b>	<b>(51.864)</b>



## 21 Other expenses

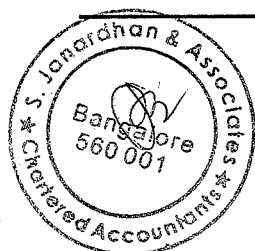
	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Power and fuel	71.623	46.391
Rates and taxes	5.732	4.399
Insurance	2.371	1.389
Property maintenance expenses	50.086	21.006
Advertising and sales promotion consultancy fees	4.431	2.175
Brokerage and discounts	0.623	1.822
Travelling and conveyance	0.078	0.053
Communication costs	0.156	0.138
Printing and stationery	0.258	0.125
Legal and professional fees	22.730	25.445
Payment to auditor (Refer details below)	0.530	0.110
Allowance for credit loss	58.267	28.053
Miscellaneous expenses	12.405	9.354
	<b>229.290</b>	<b>140.460</b>

## Payment to auditor

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
As auditor:		
Audit fee	0.060	0.060
In other capacity:		
Taxation matters	0.050	0.050
Other services	0.420	-
	<b>0.530</b>	<b>0.110</b>

## 22 Finance costs

	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Interest		
- On borrowings	64.299	79.564
- Others	0.001	8.233
Bank charges	0.065	0.042
	<b>64.365</b>	<b>87.839</b>
<b>Total finance costs</b>	<b>64.365</b>	<b>87.839</b>



**Sobha City**

Notes to the financial statements for the year ended March 31, 2023

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

24 **Commitments and contingencies**

**a. Leases**

**Operating lease commitments - Firm as lessor**

The Firm has entered into commercial property leases on its fixed assets. These operating leases have variable terms ranging from 12 months to 36 months upto eleven years. All leases include a clause to enable upward revision of the lease rental on periodical basis and includes variable rent determined based on percentage of sales of lessee.

The Firm has recognised ₹219.741 million (March 31, 2022 - ₹ 124.136 million) during the year towards lease rental income.

Minimum lease payments receivable in respect of these leases for non-cancellable period are as follows:

Particulars	31-Mar-23 ₹ million	31-Mar-22 ₹ million
Within one year	17.552	14.343
After one year but not more than five years	1.340	8.331
<b>Total</b>	<b>18.892</b>	<b>22.674</b>

**b. Contingent Liability:**

**i) Tax Disputes**

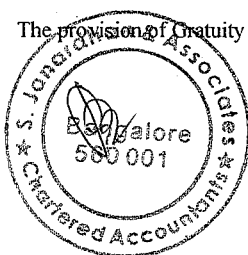
Particulars	31-Mar-23	31-Mar-22
	₹ million	
Service tax matters in dispute	147.287	147.287
Value added tax matters in dispute	181.745	181.745
Income tax matters in dispute	82.070	82.070

**ii) Other Disputes**

The Firm is subject to legal proceedings and claims, which have arisen in the ordinary course of business, the impact of which is not quantifiable. These cases are pending with various courts and are scheduled for hearings. After considering the circumstances and legal advice received, management believes that these cases will not adversely effect its financial statements.

25 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.

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



**a ) List of Related Parties**

**Partner:**

Sobha Limited  
Sobha Developers (Pune) Limited

**Subsidiaries:**

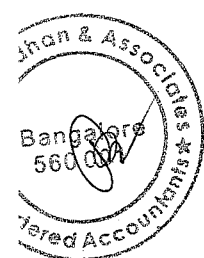
Valasai Vettikadu Realtors Private Limited  
Vayaloor Builders Private Limited  
Vayaloor Developers Private Limited  
Vayaloor Properties Private Limited  
Vayaloor Real Estate Private Limited  
Vayaloor Realtors Private Limited

**Other Related Parties :**

Allapuzha Fine Real Estate Private Limited  
Aluva Realtors Private Limited  
Annalakshmi Land Developers Private Limited - Upto 31-12-2021  
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  
Kaloore Realtors Private Limited  
Kaveripuram Developers Private Limited  
Kilai Builders Private Limited  
Kilai Properties Private Limited  
Kilai Super Developers Private Limited  
Kottaiyur Developers Private Limited  
Kottaiyur Real Estates 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  
Moolamcode Traders Private Limited  
Nasarapet Developers Private Limited  
Nasarapet Properties Private Limited  
Nasarapet Realtors Private Limited  
Navabhusan Properties And Developers Private Limited  
Oman Builders Private Limited  
Padma Lochana Enterprises Private Limited

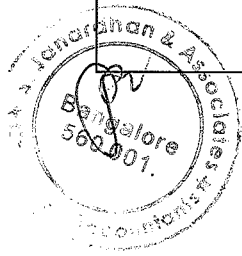
**Other Related Parties :**

Pallavur Projects Private Limited  
Paramakudi Properties Private Limited  
Perambakkam Builders Private Limited  
PNC Switchgears 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  
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  
Sobha Nadambakkam Developers Limited  
Thiruchour Developers Private Limited  
Tirur Cyber Real Estates Private Limited  
Thiruchour Builders Private Limited  
Valasai Vettikadu Builders Private Limited  
Valasai Vettikadu Properties Private Limited  
Valasai Vettikadu Real Estate Private Limited  
Sri Kurumba Educational and Charitable Trust  
Lotus Manpower Services

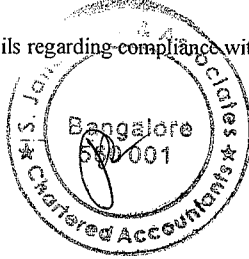


b) Transactions with Related Parties

Nature of transaction	Description of relationship	Name of the Related party	31-Mar-23	31-Mar-22
			₹ million	₹ million
Rent and Maintenance charges Received	Partner	Sobha Limited	1.605	1.288
Purchase of goods and services	Partner	Sobha Limited	61.131	34.438
Balance Payable	Other related party	Sobha Projects and Trade Private Limited	7.010	7.010
	Subsidiaries	Valasai Vettikadu Realtors Private Limited	1.355	1.366
		Vayaloor Builders Private Limited	3.115	3.127
		Vayaloor Developers Private Limited	3.063	3.074
		Vayaloor Properties Private Limited	1.887	1.898
		Vayaloor Real Estate Private Limited	3.142	3.153
		Vayaloor Realtors Private Limited	0.668	0.678
Investment in Equity Shares of Rs.10/-each	Subsidiaries	Valasai Vettikadu Realtors Private Limited	0.100	0.100
		Vayaloor Builders Private Limited	0.100	0.100
		Vayaloor Developers Private Limited	0.100	0.100
		Vayaloor Properties Private Limited	0.100	0.100
		Vayaloor Real Estate Private Limited	0.100	0.100
		Vayaloor Realtors Private Limited	0.100	0.100
Current Account amount Received(net)	Partner	Sobha Limited	103.086	422.375
Share of Profit	Partner	Sobha Limited	18.599	-
		Sobha Developers Pune Limited	0.188	-
Share of Loss	Partner	Sobha Limited	-	5.749
		Sobha Developers Pune Limited	-	0.058
Current account Balance Payable	Partner	Sobha Limited	1,361.580	1,239.895
		Sobha Developers Pune Limited	16.146	6.933
Guarantees Received	Partner	Sobha Limited	990.000	990.000
		Sobha Developers Pune Limited		
	Subsidiaries	Vayaloor Builders Private Limited		
		Vayaloor Developers Private Limited		
	Partner	Sobha Limited	8.775	8.775



28	Details relating to Title deeds of Immovable Property not held in name of the Company	Nil
29	Details relating to ageing of Capital Work-in-Progress	Nil
30	Details relating to ageing of Intangible assets under development	Nil
31	Details relating to loans or advances in the nature of loans to Promoters, Directors, KMP and related parties	Nil
32	Details relating to borrowings secured against current assets of the company	Nil
33	Details relating to Benami Property held by the Company	Nil
34	Details relating to utilization of borrowed funds and share premium	Nil
35	Details relating to declaration of the company as wilful defaulter by any bank or financial institution or other lender	Nil
36	Details relating to the nature of transaction carried out with the struck-off company	Nil
37	Details relating to the transactions under taken in Crypto or Virtual currency	Nil
38	Details relating to the undisclosed income reported	Nil
39	Details regarding compliance with number of layers of companies	Nil
40	Details regarding compliance with approved scheme of arrangements	Nil
41	Details regarding compliance with Corporate Social Responsibility	Nil



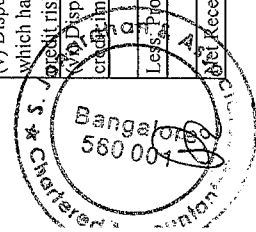
42 Trade Receivable ageing schedule (Gross receivable Amount)

₹ million

Particulars	Outstanding for following periods from due date of transaction (As on 31st March'23)					
	Not due for payment	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good (Gross)	-		33.460			0.028
(ii) Undisputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-			0.827	
(iii) Undisputed Trade Receivables – credit impaired (Gross)	-	-				
(iv) Disputed Trade Receivables–considered good (Gross)	-					
(v) Disputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-	2.048	0.021	3.146	83.087
(vi) Disputed Trade Receivables – credit impaired (Gross)	-	-	-	-	-	-
Less: Provision			0.065	0.021	3.146	83.087
Net Receivables	-	-	35.443	-	0.827	0.028
						36.298

₹ million

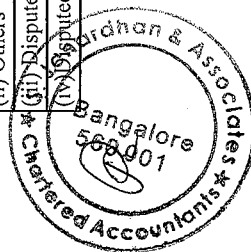
Particulars	Outstanding for following periods from due date of transaction (As on 31st March'22)					
	Not due for payment	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good (Gross)	-	30.940	1.081	2.300	2.401	2.372
(ii) Undisputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-			-	82.512
(iii) Undisputed Trade Receivables – credit impaired (Gross)	-	-				
(iv) Disputed Trade Receivables–considered good (Gross)	-	0.341	0.858	0.926	0.625	4.682
(v) Disputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired (Gross)	-	-	-	-	-	-
Less: Provision			-	-	-	28.053
Net Receivables	-	31.281	1.939	3.226	3.026	61.513
						100.985



43 Trade Payables ageing schedule

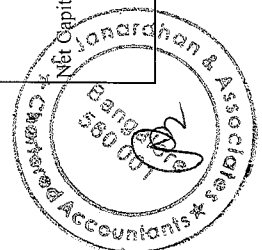
Particulars	Outstanding for following periods (As on 31st Mach, 23)					₹ million
	Not due	Over due				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	1.114	5.176	0.696	1.788	13.229	22.003
(iii) Disputed dues --- MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	Outstanding for following periods (As on 31st March, 22)					₹ million
	Not due	Over due				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	0	18,359	0,105	0,380	13,712	32,556
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-





Particulars	Numerator consists off	Denominator consists off	Current year ratio	Previous year ratio	% of variance	Reasons for variance
<b>Liquidity Ratio:</b> Current ratio	Current Assets	Current Liabilities	1.60	1.48	8.32%	Nil
<b>Solvency Ratio:</b> Debt Equity ratio	Total Debt Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Partners Capital Debt service = Interest & Lease Payments + Principal Repayments	0.31	0.39	-20.75%	Nil
Debt Service Coverage ratio			1.25	0.32	284.17%	Decrease in borrowing and Increase in profit during the year
<b>Profitability Ratio:</b> Return on Capital	Net Profits after taxes	Average Partners capital				
Net Profit ratio	Net Profit	Net sales = Total sales (including rental receipts) - sales return	0.01	0.00	-399.69%	Earned profit during the year
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.05	-0.03	-311.47%	Earned profit during the year due to increase in sales
<b>Utilisation Ratio:</b> Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales (including rental receipts) - sales return	Average Trade Receivable	0.04	0.03	34.94%	Earned profit during the year
Inventory Turnover ratio	Cost of goods sold/services provided	Average Inventory	5.09	1.87	171.76%	Improved and timely collections from the debtors
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	Nil	Nil	Nil	Nil
Net Capital Turnover Ratio	Net sales = Total sales (including rental receipts) - sales return	Working capital = Current assets - Current liabilities	Nil	Nil	Nil	Nil
			0.67	0.51	31.65%	Decrease in other liabilities and increase in sales turnover



45 Fair value measurements

a) The carrying value of financial instruments by categories is as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Cost	Fair value through profit or loss	At Cost	Fair value through profit or loss
<b>Financial assets</b>				
Investments	0.600	-	0.600	-
Trade receivables	-	36,298	-	100,985
Cash and cash equivalents	-	19,944	-	23,905
Other financial asset	-	48,789	-	48,789
<b>Total</b>	<b>0.600</b>	<b>-</b>	<b>0.600</b>	<b>173,679</b>
<b>Financial liabilities</b>				
Borrowings	-	-	-	641,133
Trade payables	-	-	-	32,556
Other financial liabilities	-	-	-	228,576
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>902,265</b>

b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Firm's assets and liabilities

Particulars	As at March 31, 2023			As at March 31, 2022		
	Carrying amount	Level 1	Level 2	Level 3	Level 1	Level 2
Assets for which fair value are disclosed						
Investment properties	1,808,488	-	-	3,176,000	-	-
	1,808,488	-	-	3,176,000	-	-

Notes:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.  
Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.  
Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

Financial assets & liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



**46 Financial risk management objectives and policies**

The Firm's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Firm's operations to support its operations. The Firm's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Firm is exposed to market risk, credit risk and liquidity risk. The Firm's senior management oversees the management of these risks. The Management Committee reviews and agrees policies for managing each of these risks, which are summarised below.

**A Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include loans and borrowings.

The sensitivity analyses in the following section relate to the position as at March 31, 2023 and March 31, 2022.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2023 and March 31, 2022.

**a. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Firm's exposure to the risk of changes in market interest rates relates primarily to the Firm's short-term debt obligations with floating interest rates.

The Firm manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Firm does not enter into any interest rate swaps.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Firm's profit before tax is affected through the impact on floating rate borrowings, as follows:

		₹ million
	Increase/	Effect on profit before tax *
<b>31 March 2023</b>		
INR	+1%	5.933
INR	-1%	(5.933)
<b>31 March 2022</b>		
INR	+1%	6.806
INR	-1%	(6.806)

\* determined on gross basis i.e. with out considering inventorisation of such borrowing cost.

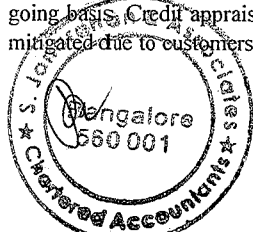
**B Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Firm is exposed to credit risk from its operating activities (primarily trade receivables) and investing activities (short term bank deposits).

**Trade receivables**

(a) Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Firm's credit risk in this respect.

(b) Receivables resulting from leasing of properties: Firm has established credit limits for customers and monitors their balances on an on-going basis. Credit appraisal is performed by the management before lease agreements are entered into with customers. The risk is also mitigated due to customers placing significant amount of security deposits for lease and fit-out rentals.



### Financial instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the firm's treasury department in accordance with the Firm's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Firm's Management Committee on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Firm's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2022 and 2021 is the carrying amounts.

At the balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the balance sheet.

### C Liquidity risk

The Firm's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Firm's financial liabilities based on contractual undiscounted payments.

						₹ million
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b>Year ended March 31, 2023</b>						
Borrowings	-			461.102	87.365	548.467
Other financial liabilities	53.708	27.237	70.346	80.502	-	231.793
Trade payables	22.003		-	-	-	22.003
	<b>75.711</b>	<b>27.237</b>	<b>70.346</b>	<b>541.604</b>	<b>87.365</b>	<b>802.263</b>
<b>Year ended March 31, 2022</b>						
Borrowings	-			423.463	217.670	641.133
Other financial liabilities	65.621	20.469	64.142	78.344	-	228.576
Trade payables	32.556		-	-	-	32.556
	<b>98.177</b>	<b>20.469</b>	<b>64.142</b>	<b>501.807</b>	<b>217.670</b>	<b>902.265</b>



**Sobha City**

**Notes to the financial statements for the year ended March 31, 2023**

**47 Prior year comparatives**

The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the current year's classification.

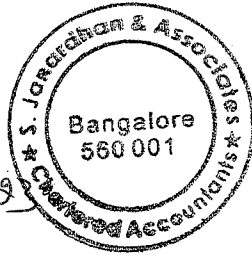
The accompanying notes are an integral part of the financial statements.  
As per our report of even date

For S.Janardhan & Associates  
Firms' Registration No.005310S  
Chartered Accountants

B.Anand  
Partner  
Membership No.29146

Place: Bengaluru, India

Date: 17/05/2023



For and on behalf of the Management Committee of  
Sobha City

Jagadish  
For Sobha Limited  
Authorised Signatory  
Jagadish Nangineni

Place: Bengaluru, India

Date: 17/05/2023

M  
For Sobha Developers Pune Limited  
Authorised Signatory  
M Radhakrishnan

UDIN :- 23029146BGWCN93339