

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.,



Apt. No. 103 & 106
Embassy Centre
No. 11, Crescent Road
Bangalore - 560 001

Phone : 22265438, 22260055

22202709

E-mail : ca.sjassociates@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE PARTNERS OF SOBHA CITY

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, 2026, 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, 2026, its profit including other comprehensive income and its cash flows for the year ended on that date.

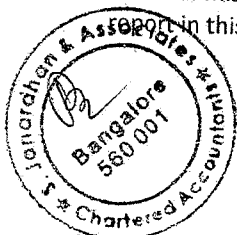
Basis for Opinion

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.

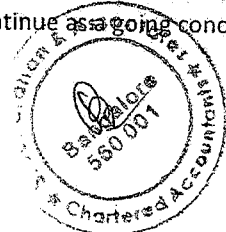
In preparing the Standalone Ind AS financial statements, partners are responsible for assessing the Firm's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate 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.



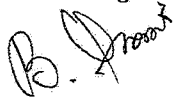
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

We report that:

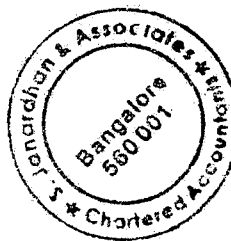
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Firm so far as it appears from our examination of those 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:
 - i. The Firm has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements.
 - ii. 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: 26029146DIFVTQ3553

Place: Bengaluru
Date: 29 April 2026



Sobha City
REG NO: 709/2007-08
Balance sheet as at March 31, 2026

	Notes	As at 31-Mar-26 ₹ million	As at 31-Mar-25 ₹ million
Assets			
Non- current assets			
Investment property	4	1,681.689	1,722.975
Financial assets			
Investments	5	0.600	0.600
Other non-current financial assets	9	10.850	10.705
Current tax assets (net)		144.585	125.322
		1,837.724	1,859.602
Current assets			
Inventories	6	1,711.543	1,685.592
Financial assets			
Trade receivables	7	73.612	71.078
Cash and cash equivalents	8	114.003	61.079
Other current financial assets	9	104.695	105.755
Other current assets	10	83.670	37.032
		2,087.523	1,960.536
Total assets		3,925.247	3,820.138
Equity and liabilities			
Equity			
Partners capital	11	400.000	400.000
Partners Current account and Other equity	12	1,723.382	1,338.407
Total equity		2,123.382	1,738.407
Non-current liabilities			
Financial liabilities			
Borrowings	13	217.670	337.393
Deferred tax liabilities (net)		190.621	164.265
		408.291	501.658
Current liabilities			
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		11.583	15.748
Other current financial liabilities	15	228.339	217.098
Other current liabilities	16	1,153.652	1,347.227
		1,393.574	1,580.073
Total liabilities		1,801.865	2,081.731
Total equity and liabilities		3,925.247	3,820.138

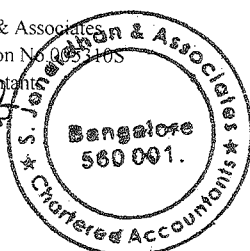
Summary of significant accounting policies

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. 0053105
Chartered Accountants

B. Anand
Partner
Membership No. 29146



For and on behalf of the Management Committee of
Sobha City

For Sobha Limited

Authorised Signatory
Jagadish Nangineni
Managing Director

Place: Bengaluru, India
Date: 29-04-2026

For Sobha Developers
(Pune) Limited

Authorised Signatory
M Radhakrishnan
Director

Place: Bengaluru, India
Date: 29-04-2026

JOIN: 26029146DIFVTQ 3553

Sobha City

REG NO: 709/2007-08

Statement of profit and loss for the year ended March 31, 2026

	Notes	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Revenue from operations	17	865.048	370.696
Other income	18	-	0.001
Finance income	19	0.952	1.862
Total income		866.000	372.559
Expenses			
(Increase)/ decrease in inventories of land stock and work-in-progress	20	(25.951)	(280.220)
Subcontractor and other charges		543.530	276.557
Depreciation and amortization	4	41.464	42.875
Other expenses	21	209.778	230.863
Finance cost	22	31.766	66.561
Total expenses		800.587	336.636
Profit/(Loss) before tax		65.413	35.923
Tax expenses			
Current tax		-	11.006
Deferred tax charge/ (credit)		26.356	14.880
Income tax expense		26.356	25.886
Profit/(Loss) for the year		39.057	10.037
Total comprehensive income for the year attributable to partners of the firm		39.057	10.037
Total comprehensive income for the period attributable to :			
Partners of the Firm		39.057	10.037
		39.057	10.037

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.0053108
Chartered Accountants

B. Anand
Partner
Membership No.29146



For and on behalf of the Management Committee of
Sobha City

For Sobha Limited
Jagadish
Authorised Signatory
Jagadish Nangineni
Managing Director

For Sobha Developers
(Pune) Limited
Authorised Signatory
M Radhakrishnan
Director

Place: Bengaluru, India
Date:29.04.2026

Place: Bengaluru, India
Date:29.04.2026

UDIN: 26029146 DIFVTA3553

Sobha City

REG NO: 709/2007-08

Statement of Cash Flows for the year ended March 31, 2026

	Notes	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Operating activities			
Profit/(Loss) before tax		65.413	35.923
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation of Investment property, plant and equipment		41.464	42.875
Finance income (including fair value change in financial instruments)		(0.952)	(1.862)
Finance costs (including fair value change in financial instruments)		31.704	66.483
<i>Working capital adjustments:</i>			
(Increase)/ decrease in trade receivables		(2.535)	(21.034)
(Increase)/ decrease in inventories		(25.951)	(280.220)
(Increase)/ decrease in other financial and non-financial assets		(45.723)	(38.150)
Increase/ (decrease) in trade payables and other financial liabilities		8.153	(26.944)
Increase/ (decrease) in other non-financial liabilities		(193.575)	633.730
		(122.002)	410.801
Income tax paid (net of refund)		(19.263)	(5.050)
Net cash flows from/ (used in) operating activities (A)		(141.265)	405.752
Investing activities			
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)		(0.178)	(0.345)
Interest received		0.952	1.862
Net cash flows from/ (used in) investing activities (B)		0.774	1.517
Financing activities			
Proceeds from long-term borrowings(net)		(119.723)	(110.007)
Contribution to Partner's current account		345.918	(203.489)
Interest paid (gross)		(32.780)	(67.614)
Net cash flows from/ (used in) financing activities (C)		193.415	(381.110)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		52.924	26.159
Cash and cash equivalents at the beginning of the year	8	61.079	34.920
Cash and cash equivalents at the end of the year	8	114.003	61.079

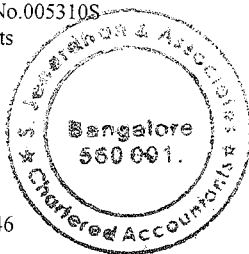
Summary of significant accounting policies

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 Radhakrishnan

For Sobha Developers (Pune)
Limited
Authorised Signatory
M Radhakrishnan
Director

Place: Bengaluru, India
Date:29-04-2026

Place: Bengaluru, India
Date:29-04-2026

UDAN: 26029146 DIFVTA3553

Sobha City

REG NO: 709/2007-08

Statement of Changes in Equity of the partners for the year ended March 31, 2026

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

₹ million

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

₹ million

	Reserves and Surplus		Total
	Retained Earnings	Other Reserves - Partners Current account	
Balance at the beginning of the current reporting period	-	1,338.407	1,338.407
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	-	39.057	39.057
Additional contribution to Partner's current account	-	345.918	345.918
Balance at the end of the current reporting period	-	1,723.382	1,723.382

(2) Previous reporting period

₹ million

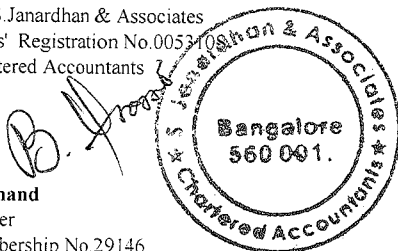
	Reserves and Surplus		Total
	Securities Premium	Other Reserves - Partners Current account	
Balance at the beginning of the previous reporting period	-	1,531.859	1,531.859
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-
Total Comprehensive Income for the previous year	-	-	-
Dividends	-	-	-
Share of profit	-	10.037	10.037
Additional contribution to Partner's current account	-	(203.489)	(203.489)
Balance at the end of the previous reporting period	-	1,338.407	1,338.407

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.0053408
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

MA

For Sobha Developers
(Pune) Limited
Authorised Signatory
M Radhakrishnan
Director

Place: Bengaluru, India
Date:29.04.2026

Place: Bengaluru, India
Date:29.04.2026

WDIN: 260291460IFV7Q3553

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 -

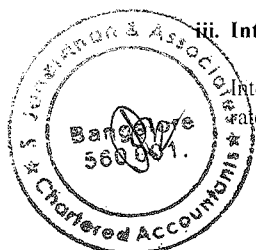
- a) on transfer of legal title of the residential or commercial unit to the customer; or
- b) on transfer of physical possession of the residential or commercial unit to the customer and collection of complete

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.



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.

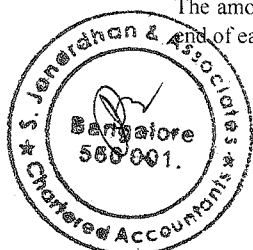
The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Firm depreciates them separately based on their specific useful lives. 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)
Property, plant and equipment	
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
Investment property	
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

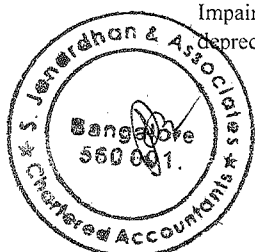
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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.

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:

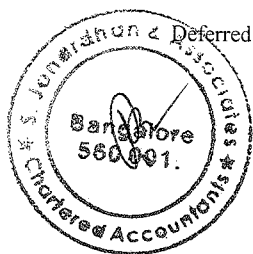
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting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

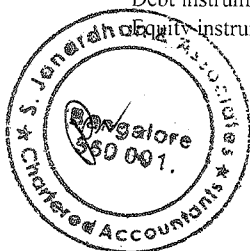
Initial recognition and measurement

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.

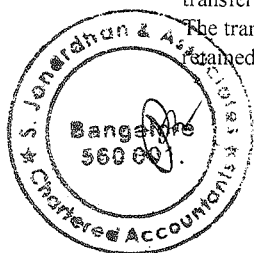
Derecognition

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 retained.



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

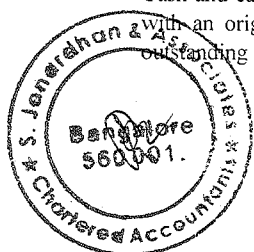
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such 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.

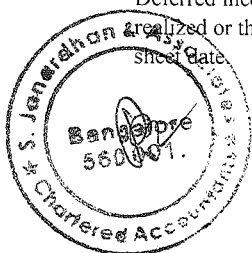
Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax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



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

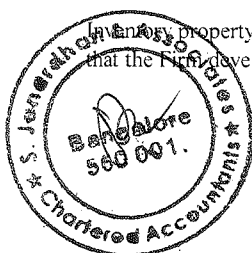
The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accounting disclosures, and the disclosure of contingent 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.



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 2024	132.471	1,780.804	116.956	36.051	47.492	2,113.774
Additions	-	-	-	-	0.345	0.345
Disposals	-	-	-	-	-	-
At 31 March 2025	132.471	1,780.804	116.956	36.051	47.837	2,114.119
Additions	-	-	-	-	0.178	0.178
Disposals	-	-	-	-	-	-
At 31 March 2026	132.471	1,780.804	116.956	36.051	48.015	2,114.297
Depreciation and impairment						
At 1 April 2024	-	228.008	60.003	23.501	36.757	348.269
Charge for the year	-	28.119	7.387	3.402	3.967	42.875
Disposals	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
At 31 March 2025	-	256.127	67.390	26.903	40.724	391.144
Charge for the year	-	28.196	7.407	2.802	3.059	41.464
Disposals	-	-	-	-	-	-
At 31 March 2026	-	284.323	74.797	29.705	43.783	432.608
Net Book value						
At 31 March 2026	132.471	1,496.481	42.159	6.346	4.232	1,681.689
At 31 March 2025	132.471	1,524.677	49.566	9.148	7.113	1,722.975

Information regarding income and expenditure of investment property

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Rental income derived from investment property (including fair value of rent)	344.800	362.886
Direct operating expenses (including repairs and maintenance) generating rental income	(165.060)	(175.617)
Profit arising from investment property before depreciation and indirect expenses	179.740	187.269
Less:- Depreciation	38.309	39.780
Profit arising from investment properties before indirect expenses	141.431	147.489

The fair value of investment property is ₹234.31 million (March 31, 2025 - ₹ 3,202.7 million). These valuations are based on valuations performed by an independent valuer.

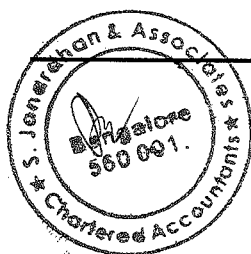


5 Investments

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Non-current investments:		
Investments carried at cost		
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity shares		
<i>Investment in subsidiaries</i>		
9,999 (Previous year - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Builders Private Limited.	0.100	0.100
9,999 (Previous year - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Developers Private Limited.	0.100	0.100
9,999 (Previous year - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Properties Private Limited.	0.100	0.100
9,999 (Previous year - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Realtors Private Limited.	0.100	0.100
9,999 (Previous year - 9,999) Class A equity shares of ₹10 each fully paid-up in Vayaloor Real Estate Private Limited.	0.100	0.100
9,999 (Previous year - 9,999) Class A equity shares of ₹10 each fully paid-up in Valasai Vettikadu Realtors Private Limited.	0.100	0.100
Total investments carried at cost	0.600	0.600
Total investments	0.600	0.600
Details of investments in partnership firms		
<i>Investment in Sobha City</i>		
Name of Partner	Share of partner in profits (%)	
	31-Mar-26	31-Mar-25
Sobha Limited	99%	99%
Sobha Developers (Pune) Limited	1%	1%
Total capital of the firm (₹ million)	400	400

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

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Land stock	411.386	411.386
Work-in-progress	1,300.157	1,274.206
	1,711.543	1,685.592



7 Trade receivables

	Current		Non-current	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	₹ million	₹ million	₹ million	₹ million
Trade receivables	159.931	157.397	-	-
Less Allowance for credit Loss	(86.319)	(86.319)	-	-
Total Trade receivables	73.612	71.078	-	-

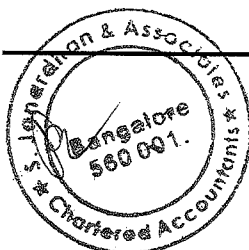
for trade receivables ageing schedule, refer to note 42

8 Cash and cash equivalents

	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	₹ million	₹ million	₹ million	₹ million
Balances with banks:				
– On current accounts	113.866	60.914	-	-
Cash on hand	0.137	0.165	-	-
	114.003	61.079	-	-
	114.003	61.079	-	-

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

	31-Mar-26	31-Mar-25
	₹ million	₹ million
Balances with banks:		
– On current accounts	113.866	60.914
Cash on hand	0.137	0.165
	114.003	61.079

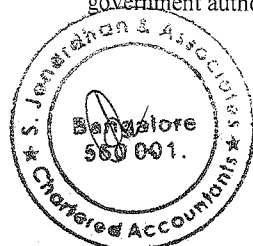


9 Other financial assets

	31-Mar-26 ₹ million	31-Mar-25 ₹ million	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Security deposit				
<i>Unsecured, considered good</i>				
Security deposit - Others	8.400	8.400	10.850	10.705
	8.400	8.400	10.850	10.705
Others				
Unbilled revenue	96.295	97.355	-	-
	104.695	105.755	10.850	10.705

10 Other assets

	Current		Non-current	
	31-Mar-26 ₹ million	31-Mar-25 ₹ million	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Advances recoverable in cash or kind				
Unsecured considered good	1.086	1.483	-	-
Others				
Prepaid expenses	1.107	2.000	-	-
Balances with statutory/ government authorities	81.477	33.549	-	-
	83.670	37.032	-	-



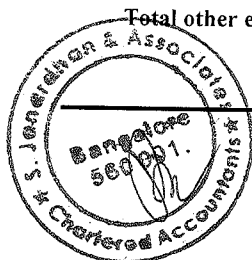
11 Partners Capital

	31-Mar-26	31-Mar-25
	₹ million	₹ 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-26	31-Mar-25
Sobha Limited	99	99
Sobha Developers (Pune) Limited	1	1

12 Partners Current Account and Other equity

	31-Mar-26	31-Mar-25
	₹ million	₹ million
Partners Current account : Sobha Limited		
Balance at the beginning of the year	1,321.082	1,515.429
Share of Profit transferred during the year	38.666	9.937
Transfers during the year	347.700	(204.284)
Closing balance	1,707.448	1,321.082
Partners Current account : Sobha Developers Pune Limited		
Balance at the beginning of the year	17.325	16.430
Share of Profit transferred during the year	0.391	0.100
Transfers during the year	(1.782)	0.795
Closing balance	15.934	17.325
Total other equity	1,723.382	1,338.407



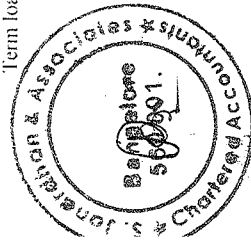
13 Borrowings

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Non-current Borrowings		
Secured loans		
Term loans from bank	337,393	447,393
Less : Amount disclosed under the head "Other current financial liabilities" (refer note 15)	119,723	110,000
Net Amount	217,670	337,393
Total non-current Borrowings	217,670	337,393

Non-current Borrowings

(i) Secured loans

Particulars	Amount outstanding (₹ million)	Effective Interest rate	Security details	Repayment terms
	31-Mar-26	31-Mar-25		
Term loan from bank	216,448	300,176	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
Term loan from bank	120,945	147,217	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.



14 Trade payables

	31-Mar-26	31-Mar-25
	₹ million	₹ million
Trade payables		
- 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	11.583	15.748
	11.583	15.748

-Trade payables of related parties are disclosed in the note 27

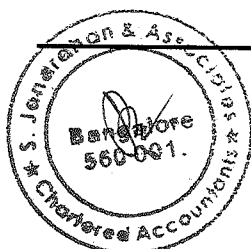
-for trade payables ageing schedule, refer to note 43

15 Other financial liabilities

	31-Mar-26	31-Mar-25
	₹ million	₹ million
Current		
Current maturities of long-term borrowings (refer note 13)	119.723	110.000
Interest accrued but not due on borrowings	2.078	3.154
Lease deposit	90.912	89.304
Others		
Non-trade payable	1.578	0.556
Security deposit towards maintenance services	14.048	7.074
Payable to related parties (refer note 27)	-	7.010
Total current other financial liabilities	228.339	217.098
Total other financial liabilities	228.339	217.098

16 Other liabilities

	31-Mar-26	31-Mar-25
	₹ million	₹ million
Advance from customers	1,118.478	1,315.823
Withholding taxes payable	0.205	3.681
Others	34.969	27.723
Total Other liabilities	1,153.652	1,347.227



17 Revenue from operations

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Revenue from operations		
Sale of products/ finished goods		
Income from property development	514.522	0.622
Other operating revenue		
Income from maintenance services	135.097	136.127
Income from Rental services	209.702	226.759
Others	5.727	7.188
Total	865.048	370.696

18 Other income

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Sundry balances write back	-	0.001
	-	0.001

19 Finance income

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Interest income on		
Others	0.952	0.181
Income tax refund	-	1.681
	0.952	1.862

20 (Increase)/ decrease in inventories

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Inventories at the end of the year		
Land stock	411.386	411.386
Work-in-progress	1,300.157	1,274.206
	1,711.543	1,685.592
Inventories at the beginning of the year		
Land stock	411.386	411.386
Work-in-progress	1,274.206	993.986
	1,685.592	1,405.372
	1,685.592	1,405.372
(Increase)/ decrease	(25.951)	(280.220)



21 Other expenses

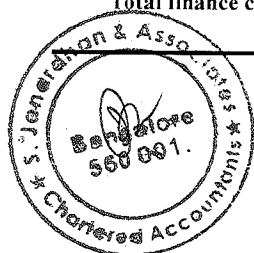
	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Power and fuel	83.092	82.802
Rates and taxes	3.735	3.438
Insurance	1.308	1.692
Property maintenance expenses	55.499	68.687
Advertising and sales promotion consultancy fees	8.116	13.049
Donation	10.000	35.000
Travelling and conveyance	0.055	0.068
Communication costs	0.216	0.094
Printing and stationery	0.211	0.238
Legal and professional fees	13.273	10.944
Payment to auditor (Refer details below)	0.360	1.710
Settlement compensation	20.000	-
Miscellaneous expenses	13.913	13.141
	209.778	230.863

Payment to auditor

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
As auditor:		
Audit fee	0.060	0.060
In other capacity:		
Taxation matters	0.100	1.550
Other services	0.200	0.100
	0.360	1.710

22 Finance costs

	31-Mar-26 ₹ million	31-Mar-25 ₹ million
Interest		
- On borrowings	31.550	45.737
- Others	0.154	20.746
Bank charges	0.062	0.078
	31.766	66.561
Total finance costs	31.766	66.561



Sobha City**Notes to the financial statements for the year ended March 31, 2026**

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

24 **Commitments and contingencies**

a. Leases

Assets given on operating lease: Firm as a Lessor

The Company has entered into operating lease agreements with its lessees. Total lease rental income recognized in the statement of profit and loss for the year is ₹209.702 million (31 March 2025: ₹226.759 million)

The future minimum lease receivables under operating leases in aggregate are as follows:

Particulars	31-Mar-26 ₹ million	31-Mar-25 ₹ million
FY 2025-26	-	186.582
FY 2026-27	151.068	166.775
FY 2027-28	140.254	155.710
FY 2028-29	117.020	119.409
FY 2029-30	100.687	75.274
FY 2030-31	99.202	-
More than 5 years	453.023	455.560
Total	1061.254	1159.310

b. Contingent Liability:

i) Tax Disputes

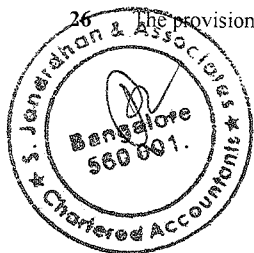
Particulars	31-Mar-26	31-Mar-25
	₹ million	
Service tax matters in dispute	175.914	175.914
Value added tax matters in dispute	85.263	85.263
Income tax matters in dispute	34.924	34.924
Goods and service tax matters in dispute	87.293	87.293

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



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

a) List of Related Parties

Partner:

Sobha Limited
Sobha Developers (Pune) Limited

Direct Subsidiaries of Sobha City

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

Direct Subsidiaries of Sobha Limited

Sobha Tambaram Developers Limited
Sobha Nandambakkam Developers Limited
Sobha Highrise Ventures Private Limited
Sobha City
Sobha Assets Private Limited
C V S Tech Park Private Limited
Sobha Construction Products Private Limited
Sobha Developers (Pune) Limited

Direct Subsidiaries of Sobha Developers (Pune) Limited

Kilai Builders Private Limited
Kuthavakkam Builders Private Limited
Kuthavakkam Realtors Private Limited
Sobha Interiors Private Limited
Sobha Commercial Private Limited- wef-24.07.2024
(formerly known as BNB Builders Private Limited)

Direct Subsidiaries of Sobha Highrise Ventures Private Limited

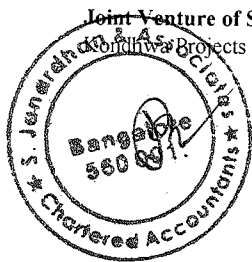
Sobha Contracting Private Limited

Joint Venture of Sobha Limited

Sobha Projects LLP

Associate of Sobha Highrise Ventures Private Limited

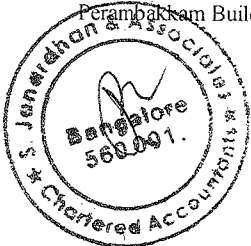
Constronet Robotics Private Limited wef 17.10.2025



Name of the Other Related Parties

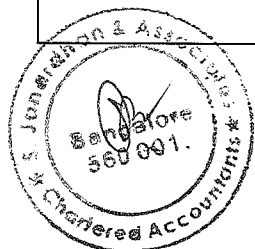
Technobuild Developers Private Limited
Allapuzha Fine Real Estates Private Limited
Aluva Realtors Private Limited
Bikasa Properties Private Limited
Bikasa Realestates Private Limited
Bikasa Realtors Private Limited
Chennai Supercity Developers Private Limited
Chikmangaloor Builders Private Limited
Chikmangaloor Developers Private Limited
Chikmangaloor Properties Private Limited
Chikmangaloor Realtors Private Limited
Cochin Cyber City Private Limited
Cochin Cyber Estates Private Limited
Cochin Cyber Golden Properties Private Limited
Cochin Cyber Value Added Properties Private Limited
Cochin Realtors Private Limited
Daram Cyber Builders Private Limited
Daram Cyber Developers Private Limited
Daram Cyber Properties Private Limited
Daram Lands Real Estate Private Limited
Greater Cochin Cybercity Private Limited
Greater Cochin Developers Private Limited
Greater Cochin Properties Private Limited
Greater Cochin Realtors Private Limited
Ilupur Builders Private Limited
Ilupur Developers Private Limited
Ilupur Properties Private Limited
Ilupur Real Estate Private Limited
Ilupur Realtors Private Limited
Kaloore Realtors Private Limited
Kaveripuram Developers 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 Developers Private Limited
Kuthavakkam Properties Private Limited
Mamballi Builders Private Limited
Mannur Builders Private Limited
Mannur Properties Private Limited
Mannur Real Estates Private Limited
Mapedu Builders Private Limited
Mapedu Real Estates Private Limited
Mapedu Realtors Private Limited
Marina Realtors Private Limited
Moolamcode Traders Private Limited
Nasarapet Developers Private Limited
Nasarapet Properties Private Limited
Nasarapet Realtors Private Limited
Navabhusan Properties and Developers Private Limited
Padma Lochana Enterprises Private Limited
Palani Properties Private Limited
Pallavur Projects Private Limited
Paramakudi Properties Private Limited
Perambakkam Builders Private Limited

Perambakkam Properties Private Limited
Pillaipakkam Properties Private Limited
Pillaipakkam Builders Private Limited
Red Lotus Realtors 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
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
Sri Durga Devi Property Management Private Limited
Sri Kanakadurga Property Developers Private Limited
Sri Parvathy Land Developers Private Limited
Sunbeam Projects Private Limited
Thakazhi Developers Private Limited
Thakazhi Realtors Private Limited
Thiruchour Builders Private Limited
Thiruchour Developers Private Limited
Tirur Cyber Real Estates Private Limited
Valasai Vettikadu Builders Private Limited
Valasai Vettikadu Properties Private Limited
Valasai Vettikadu Real Estate Private Limited
SBG Housing Private Limited
Puzhakkal Developers Private Limited
HBR Consultants Private Limited
Hill And Menon Securities Private Limited
Indeset Electromechanical Private Limited
Lotus Manpower Consultants Services Pvt Ltd
Lotus Manpower Services
Oman Builders Private Limited
Red Lotus Facility Services Private Limited
Red Lotus Metal Works Facilities And Services Pvt Ltd
Royal Interiors Private Limited
Sobha Academy Private Limited
Sobha Electro Mechanical Private Limited
Sobha Glazing And Metal Works Private Limited
Sobha Innercity Technopolis Private Limited
Sobha Projects And Trade Private Limited
Sobha Puravankara Aviation Private Limited
Sobha Space Private Limited
Sobha Technocity Private Limited
Sri Kurumba Educational and Charitable Trust
Eclat Interiors Private Limited
PNC Switchgears Private Limited
Lambruk Developers LLP
Sobha - Latinem Properties Private Limited
Eunomia Developers LLP

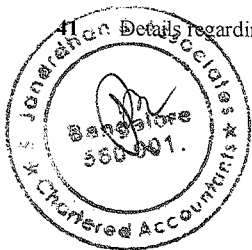


b) Transactions with Related Parties

Nature of transaction	Description of relationship	Name of the Related party	31-Mar-26	31-Mar-25
			₹ million	₹ million
Rent and Maintenance charges Received	Partner	Sobha Limited	2.351	1.338
Purchase of goods and services			553.072	290.105
Donation	Other Related Parties	Sri Kurumba Educational and Charitable Trust	10.000	35.000
Balance Payable	Other related party	Sobha Projects and Trade Private Limited	-	7.010
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	347.700	(204.284)
Share of Profit	Partner	Sobha Limited	38.666	9.937
		Sobha Developers(Pune) Limited	0.391	0.100
Current account Balance Payable	Partner	Sobha Limited	1,707.448	1,321.082
		Sobha Developers(Pune) Limited	15.934	17.325
Security provided by	Partner	Sobha Limited	990.000	990.000
		Sobha Developers(Pune) Limited		
	Subsidiaries	Vayaloor Builders Private Limited		
		Vayaloor Developers Private Limited		
Guarantees received	Partner	Sobha Limited	8.775	8.775
Guarantees Given by	Partner	Sobha Limited	990.000	990.000
		Sobha Developers(Pune) Limited		
	Subsidiaries	Vayaloor Builders Private Limited	-	
		Vayaloor Developers Private Limited		



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



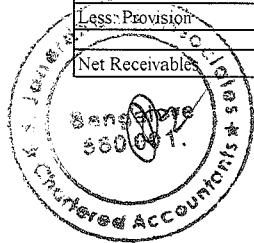
42 Trade Receivable ageing schedule (Gross receivable Amount)

₹ million

Particulars	Outstanding for following periods from due date of transaction (As on 31st March'26)						Total
	Not due for payment	Beyond due date of 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)	6.284	3.578	10.772	35.585	14.011	0.003	70.233
(ii) Undisputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-					-
(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)	-	-				89.698	89.698
(vi) Disputed Trade Receivables – credit impaired (Gross)	-	-	-	-	-	-	-
Less: Provision				-	-	86.319	86.319
Net Receivables	6.284	3.578	10.772	35.585	14.011	3.382	73.612

₹ million

Particulars	Outstanding for following periods from due date of transaction (As on 31st March'25)						
	Not due for payment	Beyond due date of payment					Total
		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)	-	52.236	14.786	0.313	0.361	0.003	67.699
(ii) Undisputed Trade Receivables – which have significant increase in credit risk (Gross)	-	-					-
(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)	-	-				89.698	89.698
(vi) Disputed Trade Receivables – credit impaired (Gross)	-	-	-	-	-	-	-
Less: Provision				-	-	86.319	86.319
Net Receivables	-	52.236	14.786	0.313	0.361	3.382	71.078



Sobha City

Notes to the financial statements for the year ended March 31, 2026

43 Trade Payables ageing schedule

₹ million

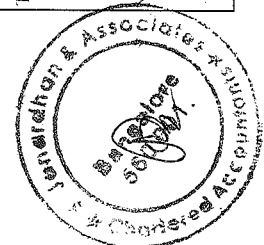
Particulars	Outstanding for following periods (As on 31st March, 26)					₹ million
	Not due	Over due				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	7.027	4.556	-	-	11.583
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

₹ million

Particulars	Outstanding for following periods (As on 31st March, 25)					Total
	Not due	Over due				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	13.953	1.485	0.138	0.172	15.748
(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 more than 25%
Liquidity Ratio:						
Current ratio	Current Assets	Current Liabilities	1.50	1.24	20.73%	Nil
Solvency Ratio:						
Debt Equity ratio	Total Debt	Partners Capital				Repayment of the Debt and increase in the partners current account
	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.10	0.19	-47.18%	
Debt Service Coverage ratio			0.79	0.67	17.28%	Nil
Profitability Ratio:						
Return on Capital	Net Profits after taxes	Average Partners capital	0.02	0.01	218.57%	Increase in profit earned during the year
Net Profit ratio	Net Profit	Net sales = Total sales (including rental receipts) - sales return	0.05	0.03	66.75%	Increase in profit earned and sales turnover during the year
Return on Capital Employed	Earnings . before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.04	0.04	5.06%	NIL
Utilisation Ratio:						
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales (including rental receipts)- sales return	Average Trade Receivable	11.96	6.12	95.38%	Increase in sales turnover during the year
Inventory Turnover ratio	Cost of goods sold/services provided	Average Inventory				
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
			1.25	0.97	27.94%	Increase in sales turnover and assets and decrease in liabilities during the year



Sobha City

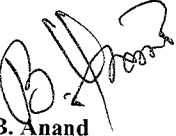
Notes to the financial statements for the year ended March 31, 2026

45 Prior year comparatives

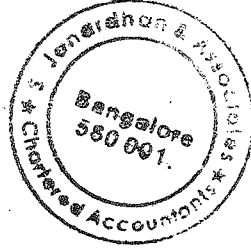
The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the current year's classification.

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:29-04-2026

For and on behalf of the Management Committee of
Sobha City



For Sobha Limited
Authorised Signatory
Jagadish Nangineni
Managing Director

Place: Bengaluru, India
Date:29-04-2026



For Sobha Developers
(Pune) Limited
Authorised Signatory
M Radhakrishnan
Director

LIDIN: 260 29146DIF-V7A 3553