SOBHA

PASSION AT WORK

Date: July 15, 2024

To	To
The Deputy Manager	The Manager
Department of Corporate Services,	National Stock Exchange of India Limited
BSE Limited	Exchange Plaza, Plot No. C/1, G Block,
Floor 25, P.J Towers,	Bandra Kurla Complex, Bandra East,
Dalal Street, Mumbai – 400 001	Mumbai – 400 051
Scrip Code: 532784	**Scrip Code: SOBHA**

Dear Sir / Madam,

Sub: Annual Report of the Company for the Financial Year 2023-24 under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Pursuant to Regulation 34 of the Listing Regulations, enclosed herewith is the Annual Report of the Company along with the Notice and the Explanatory Statement of the 29th Annual General Meeting scheduled to be held on Wednesday, August 07, 2024, at 3:00 p.m. (IST) through Video Conference/Other Audio-Visual Means (VC/OAVM).

The Annual Report for the Financial Year 2023-24 is being sent through electronic mode to the Members and is also available on the website of the Company at www.sobha.com

Kindly take the aforesaid information on your record.

Thanking you.

Yours sincerely,

FOR SOBHA LIMITED

BIJAN KUMAR DASH
Digitally signed by BIJAN KUMAR DASH
Date: 2024.07.15 20:04:35 +05'30'

Bijan Kumar Dash
Company Secretary and Compliance Officer
Membership No.: ACS17222

SOBHA

PASSION AT WORK

PREPARING FOR SCALE

ANNUAL REPORT 2024

From humble beginnings, our journey untold,
A saga of quality, a legacy bold.

Passion at work, our guiding light,
Transforming quality, in our sight.

World-class and on-time, our hallmark tale,
SOBHA strides, preparing for scale.

Expanding horizons, reaching new shores,
We venture forth, where opportunity roars.

For we know, in the journey we trail,
Success is also measured by the hearts we avail.

A commitment to give, a commitment to prevail,
SOBHA stands tall, preparing for scale.

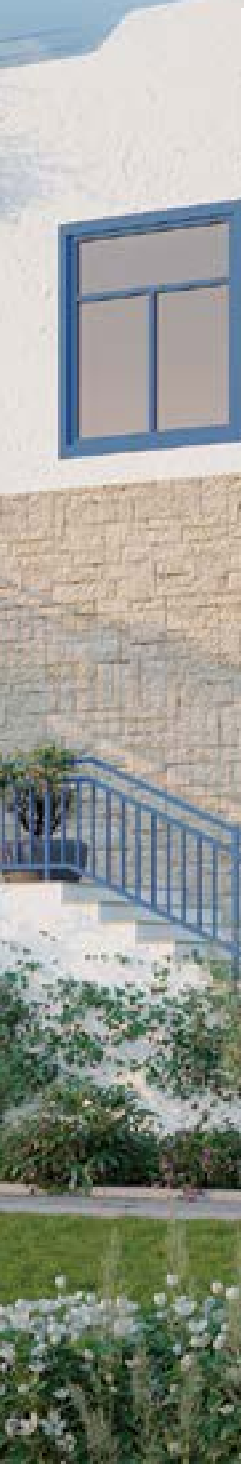
Contents

DISCLAIMER

In this Annual Report, some of the information disclosed may appear forward-looking in nature. This report and other statements—written and oral—that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.


SOBHA Ridge-Whispering Hill, Thiruvananthapuram (Artist's Impression)

SOBHA Neopolis, Bengaluru (Artist's Impression)



Preparing for Scale

A Legacy of Quality, A Vision for Tomorrow

At SOBHA, the past year has been a testament to our commitment to continuous improvement, focusing on efficiency, and unwavering dedication to excellence. As a trusted name in Indian real estate, we have consistently delivered high-quality projects on time and with transparency. This dedication has been the cornerstone of our success, earning us a position as one of the most admired real estate brands in the country.

The Indian residential real estate sector witnessed a remarkable boom in FY 2023-24, defying global economic headwinds. Sales surged to a decadal high, with nearly 5 lakh units sold – a 30% increase year-on-year. This growth was fuelled by a confluence of factors: supportive policy reforms, rising disposable income, and a shift in consumer preferences towards larger homes with better amenities. Upgraded infrastructure in major cities further opened new doors for development. This surge in demand, coupled with limited inventory, has also led to a rise in property prices. The pandemic played a crucial role in this shift, with homeownership now viewed as a primary need rather than just an investment.

The market remains robust, with homebuyers valuing quality and timely delivery – hallmarks that SOBHA has consistently delivered.

Our self-reliant business model lies at the heart of this success. We ensure control over every stage, from the initial design to the final, high-quality structure. Our in-house teams are constantly innovating to meet the evolving needs of our discerning customers. This commitment to staying ahead of the curve has enabled us to establish a strong presence in 27 cities across India, with a footprint that continues to expand strategically.

As we solidify our presence and reputation, we remain grounded in our values and purpose. Through initiatives like the SOBHA Academy and our CSR efforts, we invest in the future, nurturing talent, and making a positive societal impact. Our focus on quality, timely delivery, and sustainability underscores our commitment to creating lasting value for our customers, stakeholders, and the communities we serve. This commitment will hold us in good stead as we enter a period of anticipated multi-year growth in the Indian housing market. With India's urban population projected to reach 600 million by 2030, substantial long-term housing demand is inevitable.

Looking ahead, SOBHA is strategically positioned to capitalise on emerging opportunities and challenges as we prepare for scale. Our relentless commitment to excellence, coupled with our robust operational model and steadfast dedication to customer satisfaction, will continue to propel us forward.

As we embark on the next phase of our journey, we remain resolute in our pursuit of excellence, innovation, and sustainable growth, all in preparation for scale.

The SOBHA Advantage

SOBHA stands as the most esteemed and dependable real estate brand in the country today, a testament to the visionary leadership of Mr. PNC Menon, who founded the company in 1995 in Bengaluru. Mr. Menon's legacy of constructing palaces for royalty in the Middle East laid the foundation for his vision to transform the way people perceive 'Quality'.

Guided by five core values - International Quality, Passion, Reliability, Transparency, and Integrity - SOBHA's ethos revolves around these principles, serving as its moral compass. The company's unwavering focus on quality, timely delivery, customer centricity, transparency, robust engineering, in-house research, and uncompromising business ethics has propelled its growth from a regional entity to a national real estate powerhouse.

Presently, SOBHA has a presence in the residential segment across 12 cities. Overall, the company's footprint extends to 27 cities in 14 states across India. While residential real estate development remains the primary focus, SOBHA has diversified into related businesses, including commercial real estate development, contracting services for both institutional and commercial clients, and manufacturing of building materials. The company also has diversified into the retail business with spring mattresses under the brand name 'SOBHA Restoplus' and 'metercube', a one-stop destination for modern lifestyle furniture and home décor.

Central to our commitment to delivering high-quality homes on time and with transparency is our unique backward integration model, the subject of a Harvard Case Study. This model enables unparalleled control over every facet of the construction process, from design conception to final execution.

The foundation of this approach lies in SOBHA's in-house expertise. A dedicated Design and Architecture team crafts functionally efficient and aesthetically pleasing spaces, prioritising sustainability, and environmental friendliness. SOBHA's skilled workforce meticulously translates these designs into reality, further bolstered by a team of landscaping professionals who create vibrant outdoor spaces.

Substantial investments have been made in developing internal expertise and competencies across critical construction activities. The company's Environmental and Engineering department ensures optimal value engineering and environmental considerations throughout the development process. SOBHA's in-house MEP (mechanical, electrical, and plumbing) division possesses expertise across all facets of building services, providing turnkey solutions and specialised consulting services.

Finally, SOBHA's manufacturing facilities, encompassing concrete products, glazing and metal works, and interiors, provide a reliable source of high-quality materials, further solidifying our commitment to quality and control. The company conforms to international certifications and standards.

Complementing this set-up is our vast and strong workforce, embodying the spirit of 'Passion at work' that permeates through every Sobhaite across all locations and operations. We place a lot of emphasis on human resource development, of which skill enhancement and advancement are paramount. All our technicians and project staff undergo mandatory and rigorous training at SOBHA Academy, Bengaluru. The academy trains craftsmen, engineers, and supervisors in different modules. Continuous training is imparted on-site to ensure knowledge building, skill upgrading, and high-quality execution.

This comprehensive approach – a blend of visionary leadership, core values, a diversified portfolio, a commitment to backward integration, and investment in our people – positions SOBHA for exceptional growth in the years to come. As we prepare for scale, these very elements will serve as the foundation for a thriving future.

Creating Benchmarks

136.25
Mn sft completed

546
Developments

7
Mn sft annual delivery run rate in the past 3 years

38.37
Mn sft under development

27
Cities and 14 states across India

25+
Acres manufacturing facilities

3,800+
Professionals

10,900+
Technicians

As of March 31, 2024

Crafting Masterpieces

SOBHA Rajvilas, Bengaluru

Real Estate

SOBHA is constantly setting benchmarks and delivering exceptional international quality across its entire portfolio. The company maintains the industry's highest standards by focusing on exceeding customer expectations and achieving excellence in design, construction, and delivery. Complete control over product quality and timely delivery is exerted through SOBHA's backward integration model, which involves continuously developing all the necessary skill sets in-house.

Its real estate vertical encompasses both residential and commercial developments. Having completed 206 developments totalling 77.10 million square feet as of March 31, 2024, it has established a significant presence in 12 cities, including Bengaluru, Mysuru, Gurugram, Chennai, Coimbatore, Thrissur, Kochi, Kozhikode, Thiruvananthapuram, Hyderabad, Pune, and Gandhinagar. In the residential sector, SOBHA offers a diverse range of options, including luxury and super luxury apartments, villas, row houses, townships, and plotted developments. SOBHA's commercial developments include SOBHA City Mall, Thrissur and 1 SOBHA, Bengaluru, with a total leasable area of 0.55 million square feet.

The in-house team of passionate professionals brings ingenuity to processes, placing equal emphasis on incorporating environmentally friendly measures while ensuring continuous improvement and innovation in projects.

Contractual

SOBHA Contractual Division specialises in crafting a diverse portfolio of structures for prestigious corporate clients. Their expertise involves office spaces, convention centres, multiplex theatres, hostels, hotels, and more. From project conception to execution, the division delivers comprehensive services, drawing on a skillful blend of architectural design, engineering proficiency, and construction management.

SOBHA Contractual Division caters to a wide range of clients across various industries, addressing their most demanding requirements. An impressive client portfolio includes esteemed names like Infosys, the Taj Group, Dell, LuLu, Biocon, HP, Bosch, Syngene, and others. The division provides integrated solutions that emphasise efficiency, cost optimisation, and robust quality control processes. Each project is meticulously tailored to meet the unique needs of the client.

As of March 31, 2024, SOBHA Contractual Division has successfully completed a staggering 340 projects, encompassing over 59.15 million square feet across 26 cities in India. This past year, the team further solidified their reputation for excellence by delivering a 42-storey student residence and a 2-storey dining hall for Azim Premji University in Bengaluru. This impressive feat, constructed within 42 months, boasts a total built-up area of 6.6 lakh square feet.

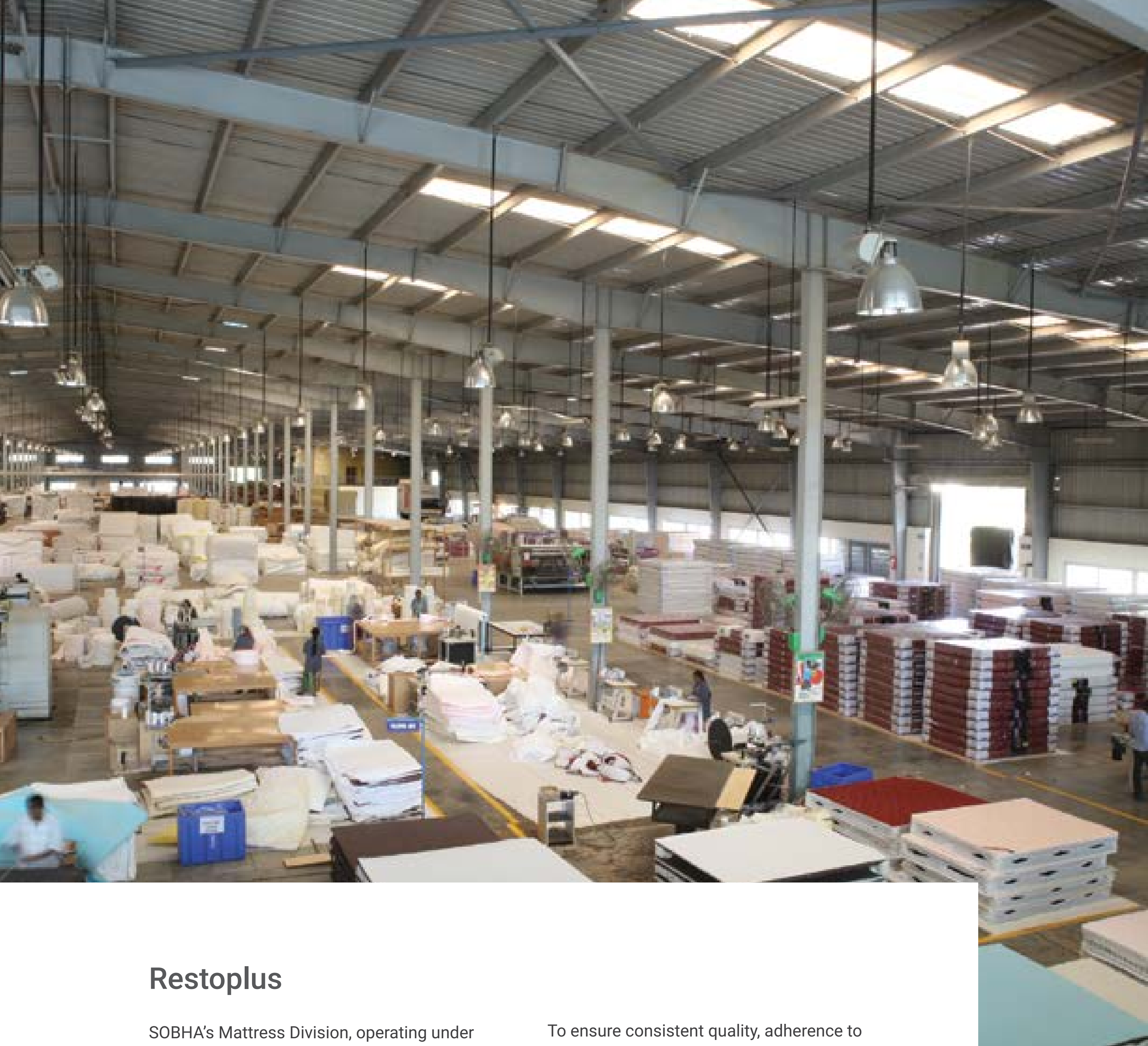
The SOBHA Contractual Division also made a significant mark in the construction industry by completing the world's largest thin shell RC structure at the JSVK Convention Center in Bengaluru, with a shell area of 1.16 lakh square feet. Additionally, the Science Exhibition Building adjacent to the Convention Center is shaped as a spherical dome with an area of 0.45 lakh square feet.

World's largest thin shell RC structure (JSVK Convention Center, Bengaluru)

Gearing Up for Growth

metercube

Operating under the brand name metercube, the retail business vertical adds a new dimension to SOBHA's extensive offerings. Catering to customers in search of diverse home furniture and furnishing products, metercube provides access through both physical stores and online platforms. Providing a holistic solution, the brand offers flexibility in furnishing and decorating homes elegantly with a diverse array of choices. A comprehensive range of interior packages is available, from partially furnished setups with kitchen and wardrobe fittings to fully furnished living spaces and bedrooms. Customers can immerse themselves fully in the metercube experience at the flagship store located in Bengaluru's 1 SOBHA Mall. Customers can seamlessly transform their living spaces into sanctuaries of comfort and style, with metercube offering suitable options to satisfy every taste and preference.



Restoplus

SOBHA's Mattress Division, operating under the name 'Restoplus', has been offering comfortable and durable mattress options since its launch in 2007.

With over 36 mattress combinations available, the product range offers a variety of designs and features, including pocketed, bonnell, rebonded, foam, rolled, coir, and pure latex mattresses. Each mattress is meticulously crafted with high-quality materials sourced from reputable suppliers. The mattresses range in price from ₹10,000 to ₹4 lakhs for customised orders.

To ensure consistent quality, adherence to a rigorous process is maintained, beginning with testing incoming materials and continuing through the final inspection of finished products. Additionally, both materials and finished products undergo periodic testing in the 'Sleep Laboratory' to maintain SOBHA's high standards.

At the forefront of sleep technology, the mattress manufacturing facility utilises cutting-edge processes and specialised European equipment. This relentless focus on quality and innovation guarantees a perfect night's sleep for every customer.

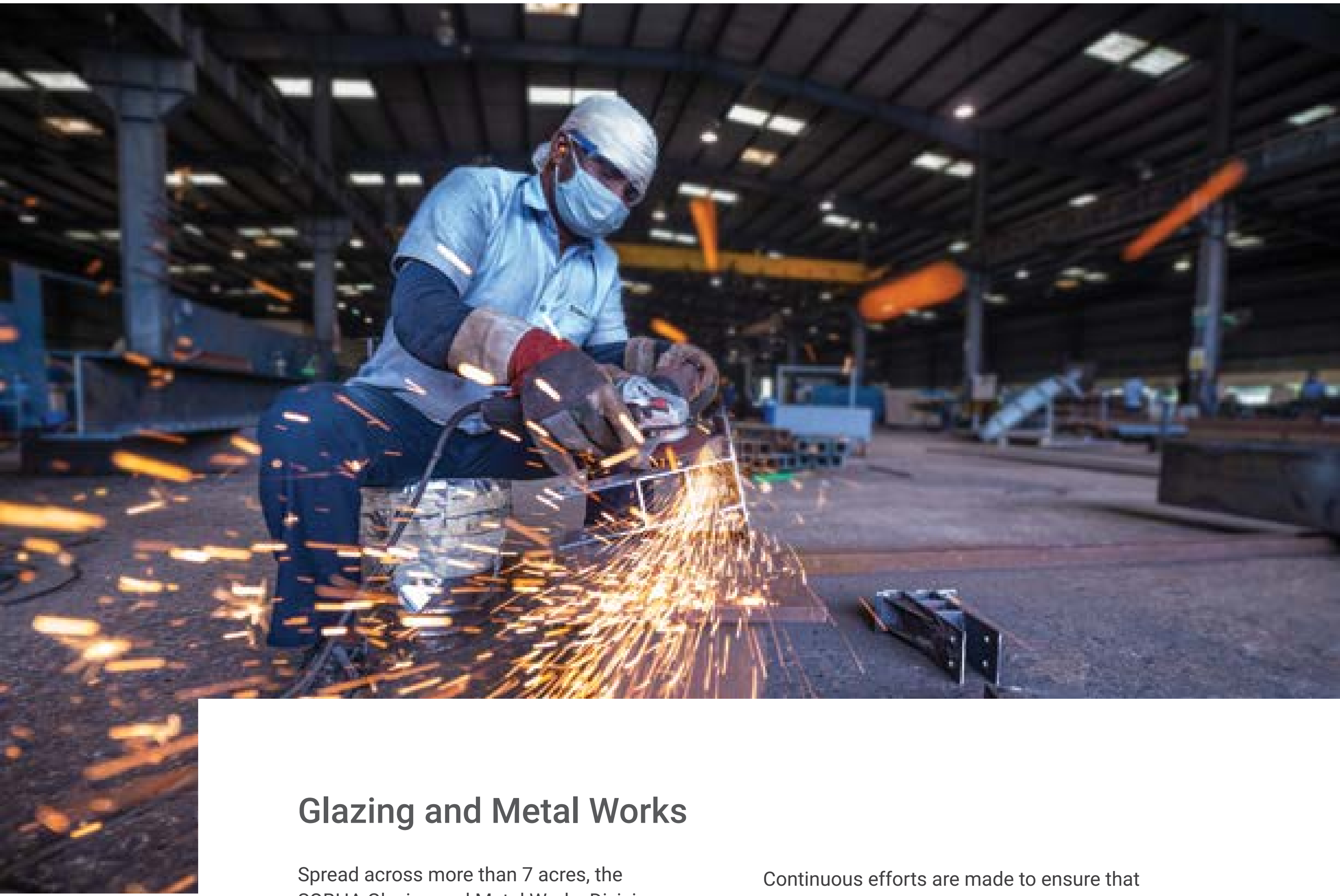
Robust Capabilities

Concrete Products

The Concrete Products Division of SOBHA operates as an advanced automated facility, incorporating a remote controlling system and employing skilled technicians proficient in the latest technologies and machinery imported from Germany (Masa Plant) and England. With best-in-class processes and input materials, the division produces a wide array of quality products. In addition to its existing facility in Bengaluru, spread across approximately 8 acres, SOBHA has expanded its footprint with another Concrete Products Division in Gurugram.

This division specialises in manufacturing ready-to-use products, including pavers, kerb stones, water drainage channels, paving slabs, and related landscape materials. All raw materials are exclusively sourced from trusted and reputable partners, undergoing rigorous testing in a well-equipped laboratory to ensure they adhere to the highest quality standards. With a production capacity of around 16 million blocks per annum or around 8 million units of landscaping products, the division is dedicated to innovation and quality, thereby setting new industry benchmarks.

By leveraging advanced technology and implementing stringent quality control measures, the concrete products division not only produces durable and long-lasting products but also ensures they are visually appealing, meeting and exceeding customer expectations.



Glazing and Metal Works

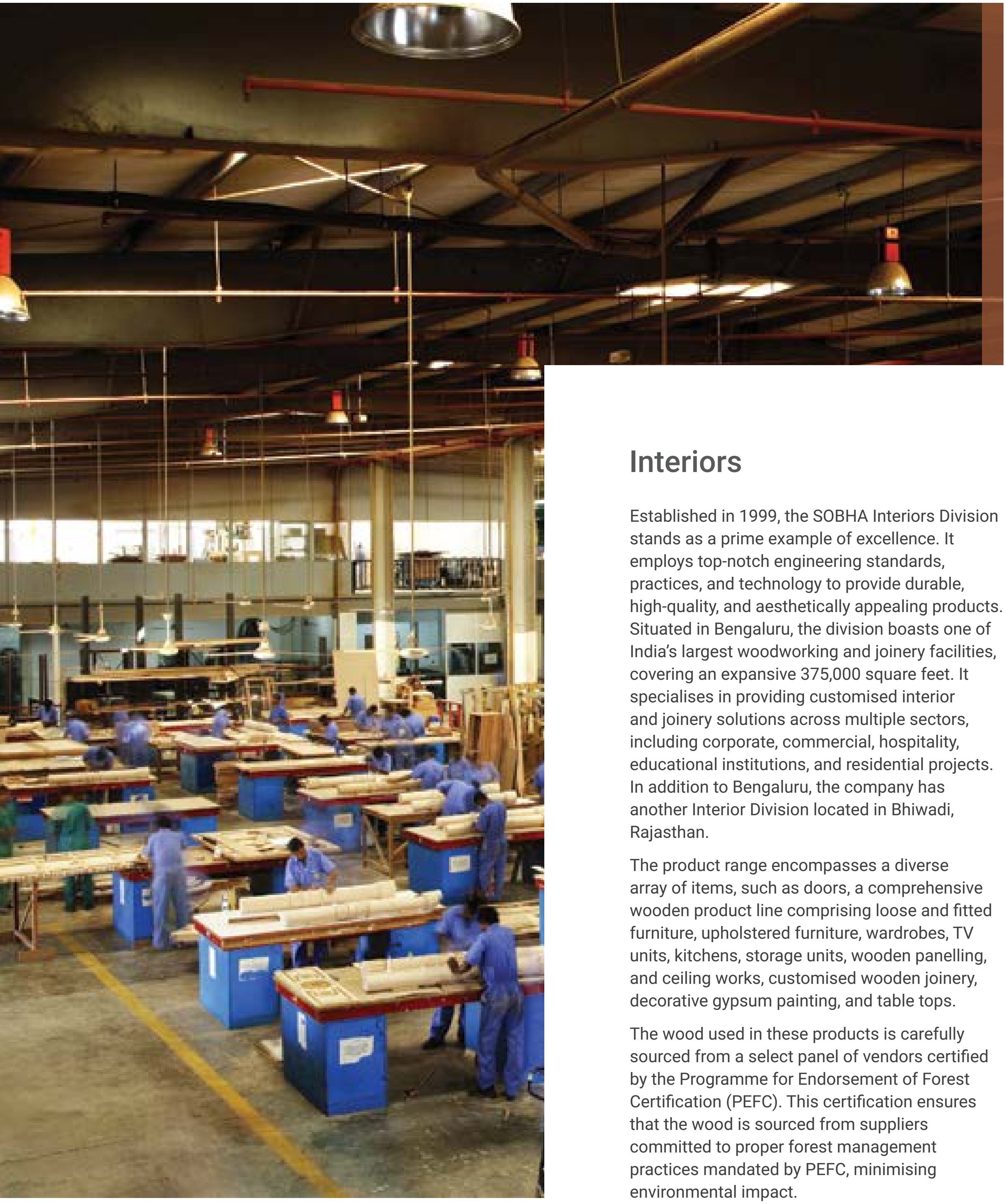
Spread across more than 7 acres, the SOBHA Glazing and Metal Works Division in Bengaluru stands as one of the largest factories of its kind in India. With a future expansion capability of up to 0.12 million square feet, the division's facilities are poised for significant growth. In addition to its Bengaluru unit, SOBHA has established two Glazing and Metal Works Divisions, located in Chennai and Sonipat, further expanding its reach and capabilities.

Equipped with state-of-the-art machinery, including CNC profile cutting machines, TIG welding machines, ACP routing machines, and milling machines, the facility produces a wide range of top-notch products, including aluminium doors, windows, structural glazing, MS and SS metal fabrications, aluminium composite panels, SS cladding, architectural metal works, and pre-engineered buildings.

Continuous efforts are made to ensure that all manufacturing processes meet the highest quality benchmarks. The Bengaluru division contributes to a greener environment by utilising a 225 kW rooftop solar panel system.

This commitment to sustainability not only reduces environmental impact but also reflects the company's dedication to responsible practices.

SOBHA's Glazing and Metal Works Division is committed to innovation and excellence, continuously striving to exceed customer expectations. With a strong emphasis on quality and sustainability, the division remains at the forefront of the industry, setting new standards and delivering superior products and services to clients across the region.



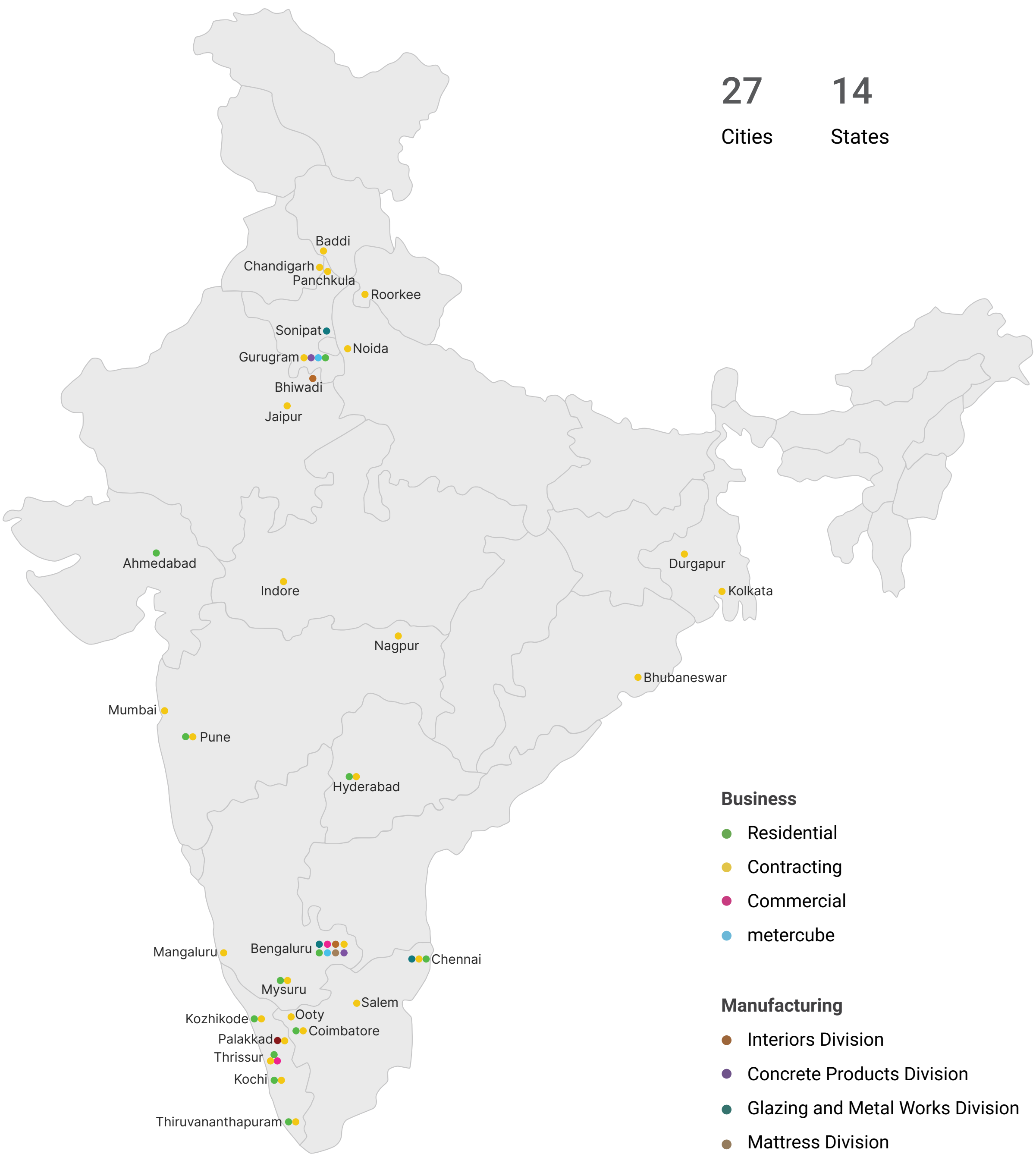
Interiors

Established in 1999, the SOBHA Interiors Division stands as a prime example of excellence. It employs top-notch engineering standards, practices, and technology to provide durable, high-quality, and aesthetically appealing products. Situated in Bengaluru, the division boasts one of India's largest woodworking and joinery facilities, covering an expansive 375,000 square feet. It specialises in providing customised interior and joinery solutions across multiple sectors, including corporate, commercial, hospitality, educational institutions, and residential projects. In addition to Bengaluru, the company has another Interior Division located in Bhiwadi, Rajasthan.

The product range encompasses a diverse array of items, such as doors, a comprehensive wooden product line comprising loose and fitted furniture, upholstered furniture, wardrobes, TV units, kitchens, storage units, wooden panelling, and ceiling works, customised wooden joinery, decorative gypsum painting, and table tops.

The wood used in these products is carefully sourced from a select panel of vendors certified by the Programme for Endorsement of Forest Certification (PEFC). This certification ensures that the wood is sourced from suppliers committed to proper forest management practices mandated by PEFC, minimising environmental impact.

Expanding India’s Skyline



27 Cities

14 States

Business

- Residential
- Contracting
- Commercial
- metercube

Manufacturing

- Interiors Division
- Concrete Products Division
- Glazing and Metal Works Division
- Mattress Division

- SOBHA CSR

India map not to scale. For reference only. Presence as of March 31, 2024

Breaking Records, Delivering Value

FY 2023-24 marked a significant milestone for SOBHA, driven by the company's strong fundamentals. The company attained its highest-ever annual sales value, surpassing ₹66.44 billion, and recorded its highest-ever new area sales, exceeding 6 million square feet. This remarkable feat underscores the company's strong performance and expanding market footprint, laying a solid foundation for substantial expansion in the years ahead.

This remarkable sales growth is accompanied by a strategic focus on project launches. We successfully launched six new residential projects, adding over 7 million square feet to our development portfolio in FY 2024 compared to 3.96 million square feet in the previous year. These launches were further bolstered by the successful completion of sales in marquee projects like SOBHA Dream Acres, Bengaluru, and SOBHA City, Gurugram. Additionally, strong momentum in GIFT City, Gandhinagar, led to the complete sale of inventory in our two projects during the fiscal year.

Highest-ever
annual sales value

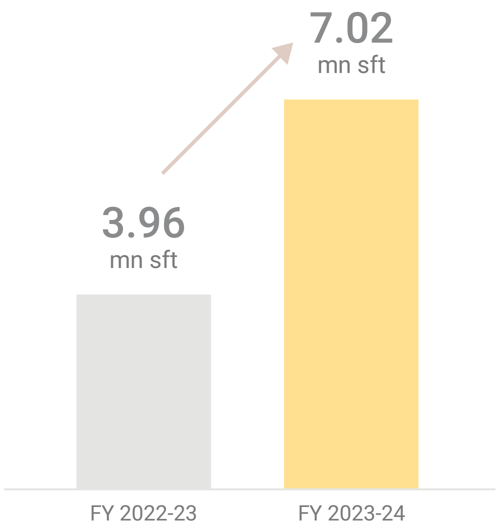
₹66.44

billion

Highest-ever
new area sales

6.08

million square feet



New launch area

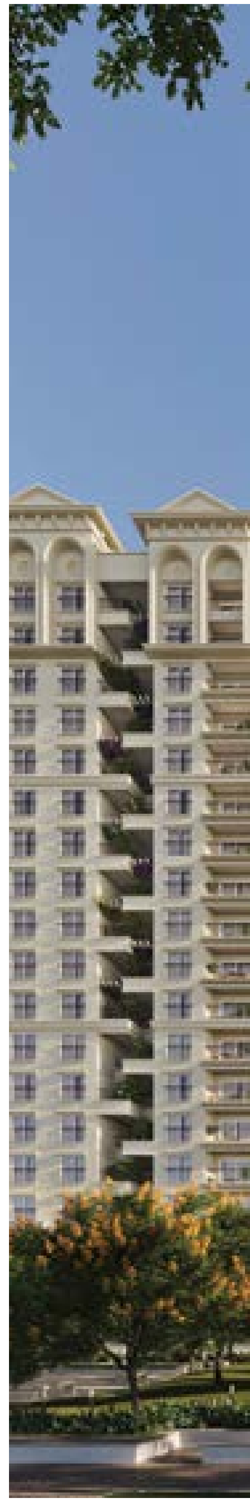
Bengaluru emerged as the top performer, contributing a substantial 66% to the overall sales value, fuelled by the strong performance of SOBHA Neopolis, launched in Q3-FY24. Kerala contributed 14% of the sales value, registering a growth of 24.4% over the previous quarter and 75.3% over the same period in the previous fiscal year. This growth was backed by steady demand in the region and new inventory releases in Marina One, Kochi, and SOBHA Metropolis, Thrissur.

During FY 2024, a total developable area of 8.25 million square feet was completed across both real estate and contractual businesses, bringing the company's cumulative project completion to an impressive 136.25 million square feet since

Net debt has decreased for

14

consecutive quarters



its inception. Focusing specifically on real estate, SOBHA achieved a completion rate of 4.40 million square feet of saleable area, maintaining a consistent delivery run rate of 7 million square feet over the past three years.

Debt management reflects another area of significant achievement. The company has successfully reduced its net debt for fourteen consecutive quarters, relying on internal accruals to achieve this impressive feat.

Consistent delivery run rate of

7

million square feet (developable area) over the past three years

SOBHA Neopolis, Bengaluru (Artist's Impression)

It also recorded its highest-ever collections in FY24, with an increase of 9.7% from FY23, standing at ₹57.96 billion. Revenue recognition was supported by the handover of 3.22 million square feet, and the delivery of 4.40 million square feet.

Homebuyers are increasingly favouring larger residences that provide a better living experience. This trend is reflected in the strong sales of luxury homes. Luxury homes between ₹2-3 crores now constitute a significant 30% of our sales, with homes exceeding ₹3 crores achieving impressive growth, capturing a noteworthy 28% share. It's notable that these figures are now closely aligned. Meanwhile, homes priced between ₹1-2 crore and those priced under ₹1 crore together still hold a combined 42% share of sales.

SOBHA is fuelling its future growth with a massive development pipeline exceeding 17.6 million square feet. This includes 18 new residential projects offering 16.85 million square feet of living space across 8 cities. Additionally, 3 upcoming commercial projects in 2 cities will add another 0.82 million square feet. These forthcoming projects represent opportunities at various stages of development, ranging from initial concept design to securing necessary approvals.

By delivering strong financial results, achieving significant sales milestones, and maintaining a healthy project pipeline, SOBHA has demonstrated its readiness for ongoing growth and expansion. The company's performance in FY 2023-24 underscores its dedication to scaling operations while prioritising project completion, financial prudence, and market adaptability.

Operational Excellence, Scalable Growth

To enhance efficiency and scalability, we have focused on optimising our internal processes.

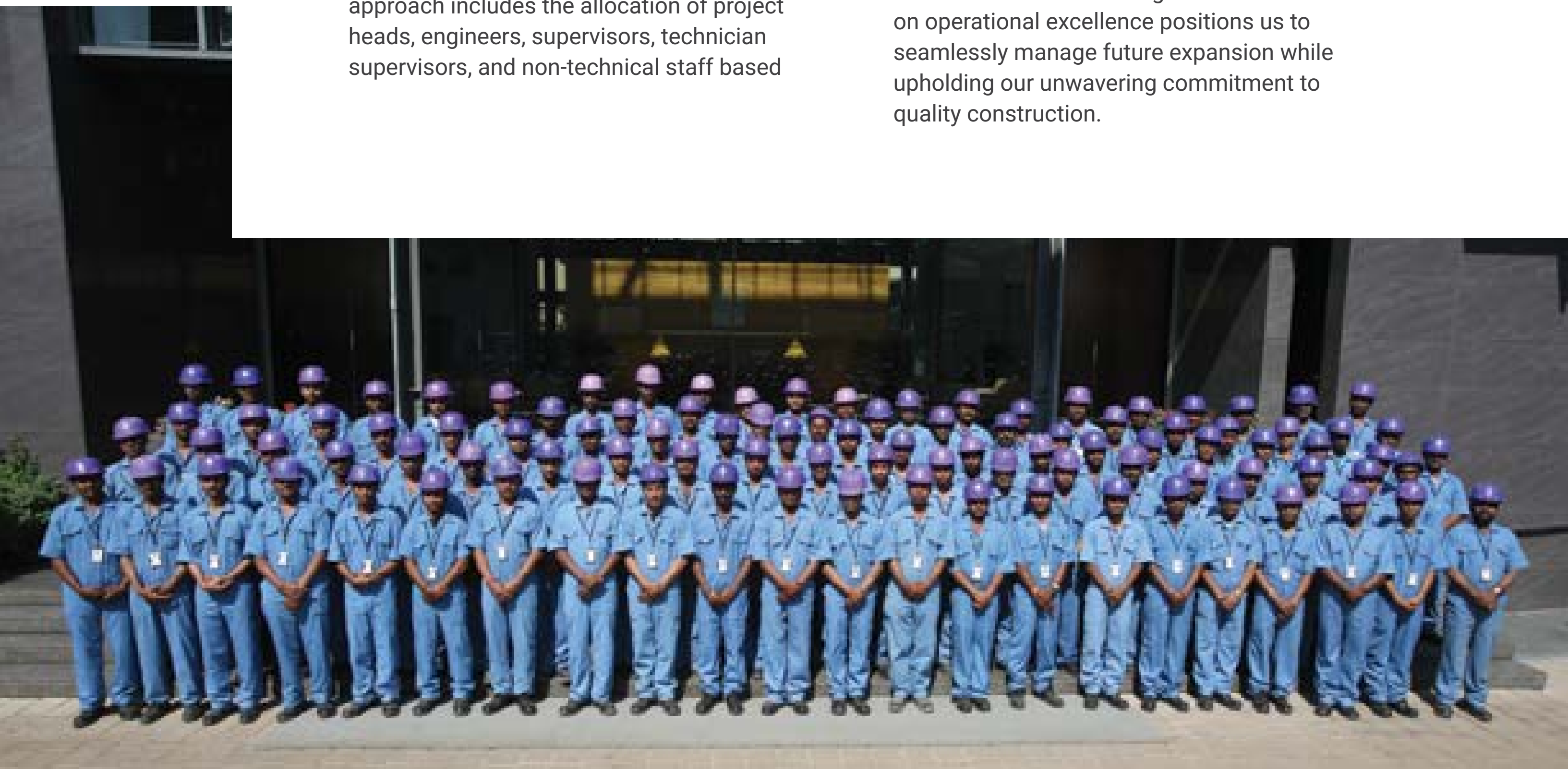
SOBHA's commitment to responsible growth extends beyond workforce development and encompasses a strategic approach to optimising internal processes. These initiatives are designed to streamline operations and ensure seamless scalability as the company expands its footprint.

To enhance operational effectiveness, we have implemented an internal restructuring focused on two core areas: project execution and new launches. This ensures dedicated resources and focused expertise are directed at each crucial stage of our development process.

We have established the 'The Delivery Model' concept for project execution, which outlines the composition of teams for different construction areas. This structured approach includes the allocation of project heads, engineers, supervisors, technician supervisors, and non-technical staff based on the size of the construction area, ensuring efficient project management and execution.

The SOBHA Technology Manual serves as another key element in ensuring consistency and adherence to quality standards across projects. This comprehensive document outlines procedures, methodologies for quality inspections, proper tool and equipment usage, laboratory testing requirements, and detailed checklists for 72 critical activities and 1456 specific checkpoints. Strict adherence to these meticulously designed guidelines ensures precise execution and compliance with detailed drawings. Regular, multi-stage inspections throughout the construction process further guarantee the achievement of our renowned quality standards.

By streamlining processes, optimising resource allocation, and prioritising speed to market, SOBHA is laying the groundwork for efficient and scalable growth. This focus on operational excellence positions us to seamlessly manage future expansion while upholding our unwavering commitment to quality construction.



Strong Partnerships, Shared Success

At SOBHA, our success is built on the foundation of strong relationships with our stakeholders. We believe in clear communication, transparency, and fostering a collaborative environment with every group that contributes to our journey.

Central to our stakeholder engagement strategy is our unwavering commitment to customer satisfaction. We have established a robust Customer Relationship Management (CRM) department to address their queries, ensure a smooth purchase process, and most importantly, guarantee their satisfaction. Additionally, we have designed an online portal for customers to share their feedback and stay updated on project progress. By ensuring open channels, we aim to exceed expectations in product quality, timely delivery, and privacy maintenance.

We cultivate strong, ongoing relationships with our vendor and contractor network, emphasising trust and mutual respect, open communication, and problem-solving, ultimately leading to shared success. For investors and shareholders, we maintain multiple channels for clear and timely communication on SOBHA's performance.

Our employees are a critical stakeholder group. We foster a culture of continuous learning and professional growth. A dedicated intranet platform, a quarterly company magazine, and regular updates keep them informed about important announcements and foster a sense of pride in being part of the SOBHA team.

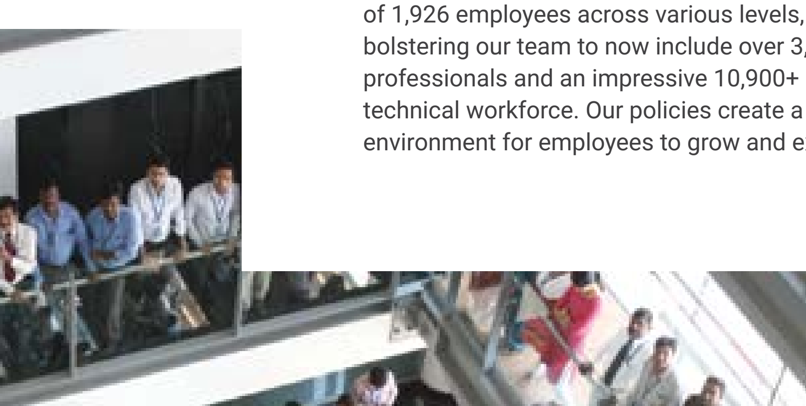
Finally, we recognise the importance of the communities in which we operate. Our commitment to social responsibility through CSR initiatives ensures we give back and contribute to their well-being.

SOBHA's stakeholder management approach is guided by dedication to fostering enduring partnerships and shared prosperity, while upholding the highest standards of corporate governance and transparency.

Nurturing Talent, Empowering Excellence

At SOBHA, we maintain a central focus on developing a workforce capable of scaling alongside our growth trajectory. We prioritise identifying the right talent, empowering them, and providing training to exhibit the finest workmanship in crafting best-in-class products. With a workforce comprising individuals from diverse backgrounds and experiences, we take pride in executing most of our work in-house, fostering a culture of indigenously driven excellence.

In FY24, we welcomed a new workforce of 1,926 employees across various levels, bolstering our team to now include over 3,800 professionals and an impressive 10,900+ technical workforce. Our policies create a environment for employees to grow and excel.



Investment in training and development lies at the heart of our workforce strategy. The establishment of SOBHA Academy, Bengaluru, has been instrumental in shaping the skills of our workforce for tomorrow. This state-of-the-art facility, spread over 1.8 acres, is equipped with modern classrooms and a dedicated learning centre, and empowers individuals with the technical skills and behavioural competencies needed to excel in their respective roles. The academy offers a comprehensive curriculum encompassing 28 key construction activities, ensuring engineers, supervisors, and technicians are thoroughly equipped to deliver projects that meet international standards.

In addition to formal training, a combination of in-house and external workshops, along with on-site training sessions, provides ongoing opportunities for skill development and professional advancement. Our in-house technicians undergo rigorous training at SOBHA Academy, mastering crucial skills in areas like waterproofing, tiling, and electrical work. Similarly, long-term subcontractors receive training to ensure their work aligns perfectly with SOBHA's stringent quality standards.

We prioritise the well-being of our construction workforce, recognising them as the backbone of our operations. Secure, well-equipped labour colonies with sewage treatment plants (STPs), waste management facilities, and regular medical camps ensure a healthy and dignified living environment.

This holistic approach to talent acquisition, development, and engagement ensures that SOBHA possesses a workforce equipped to navigate future growth while upholding the company's core values of quality, innovation, and ethical practices. This investment in our people not only fosters a culture of respect but also lays the foundation for shared success.


Landscaping at SOBHA HRC Pristine, Bengaluru

Building Green, Building Better

As SOBHA continues its growth path, a core focus remains on building communities that prioritise the well-being of residents and the planet. Sustainability is woven into the fabric of every project, from design conception to ongoing operations.

SOBHA City, Thrissur – India's first operational Net Water Positive (Platinum) project – exemplifies this commitment. This groundbreaking development achieves 100% freshwater self-sufficiency through rainwater harvesting, significantly reducing reliance on external water sources and minimising environmental impact.

Beyond rainwater harvesting, SOBHA champions a suite of eco-friendly practices. We have a dedicated environmental department that ensures all projects comply with the latest regulations and environmental standards. This commitment extends to waste management, with large projects employing Sewage Treatment Plants (STPs) and Organic Waste Converter (OWC) systems. Treated wastewater and composted organic waste significantly reduce freshwater requirements and promote resource conservation.

A commitment to continuous monitoring further strengthens SOBHA's environmental stewardship. Regular audits at project sites and employee training programs ensure consistent adherence to regulations. Our dedication to sustainability is further evidenced by our certifications for ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), and ISO 45001:2018 (Occupational Health and Safety Management).

Collaboration across stakeholders is key to achieving optimal environmental outcomes. Our environmental engineering team collaborates closely with IGBC-accredited officials to ensure projects meet the latest sustainability benchmarks. This collaborative approach ensures the integration of environmentally friendly practices throughout all stages of project development and execution.

By prioritising sustainability throughout the development process, SOBHA is laying the foundation for thriving communities that contribute positively to the environment. This commitment reflects not only our environmental responsibility but also our long-term vision for the future.

Awards and Recognitions

Corporate

One of India's Top Builders 2023

18th Construction World Architect and Builder (CWAB) Awards

Real Estate Company of the Year—South

13th Construction Week India Awards

Best Residential Project – Developer (National)

The Economic Times Real Estate Awards 2024 (National Edition)

Health, Safety, and Environment

Longest Accident Free Period and Best First Aid Arrangements

Haryana State Safety, Health and Welfare Awards 2024

Safety Award for New Civil Construction Projects for Marina One, Kochi

National Safety Council – Kerala Chapter (2023)

Certificate of Appreciation for Marina One, Kochi

National Safety Council of India Safety Awards 2023

Projects

Best Architectural Plan of the Year for SOBHA Gardenia, Chennai

Real Estate Infrastructure Summit and Awards 2023

Ultra Luxury-lifestyle Project of the Year for SOBHA Waterfront, Hyderabad

Realty+ Excellence Awards 2024

Corporate Social Responsibility

The CSR Company of the Year

21st Construction World Global Awards 2023

Recognised among the Top 3 CSR initiatives in India

The CSR Journal Excellence Awards 2023

CSR Excellence Award 2023

15th Realty+ Excellence Awards 2023–South

SOBHA Elysia, GIFT City, Gandhinagar (Artist's Impression)

Graamasobha: A Model for Social Development

The CSR initiatives managed by SOBHA through the Sri Kurumba Educational and Charitable Trust exemplify the core principle of 'The Joy of Giving Back'. With an emphasis on compassionate social development, our focus is on making sustainable and impactful contributions to society's most vulnerable populations. Our efforts aim to empower the underprivileged through a range of programs, fostering dignity and self-reliance while positively impacting numerous lives. In 2006, the 'Graamasobha' initiative was launched, benefiting three grama panchayats: Vadakkenchery, Kizhakkenchery, and Kannambra in Kerala's Palakkad district.

Broadly, the focus areas include education, healthcare, support for the aged and needy, and women empowerment, all of which are central to the Trust's commitment to social responsibility. It also implements various green initiatives to minimise its environmental impact and promote sustainability and a healthier ecosystem. Some of the key initiatives include:

SOBHA Hermitage stands out as a model facility for elderly care, offering top-notch amenities and catering to senior residents. Additionally, it operates a hostel for girls affiliated with The SOBHA Academy.

Established in 2006 at Panniyankara, SOBHA Health Care provides free medical services, including medical camps and home care, to underprivileged families. With a staff of two full-time doctors and two visiting doctors, the centre serves the medical needs of 4,500 households and has attended to 250,000 patients to date.

The SOBHA Academy, a prestigious CBSE school founded in 2007 in Panniyankara, offers free education to around 1200 underprivileged students. Complimentary services such as transportation, meals, uniforms, and school supplies are also provided, positively impacting 1400 families.

SOBHA Icon, established in 2013 at Moolamcode, offers tuition-free education to 250 students in grades 11 and 12, following the Kerala State Syllabus. To date, 950 students have benefitted from this initiative.

The SOBHA Community Home Project aims to construct 1,000 homes for deserving families in Kizhakkenchery Panchayat. By the conclusion of the fiscal year 2023-24, 100 homes have been successfully built and allocated to families chosen through transparent selection process.

The SOBHA Young Mothers Rehabilitation Program, started in 2006, offers free accommodations to young widows and their children, ensuring their safety, security, and overall well-being. They receive secure housing, employment opportunities at the SOBHA Academy, and educational support for their children.

Launched in 2007, SOBHA's Rural Women Empowerment Initiative has provided ongoing support to widows. The initiative currently empowers 50 women with a monthly pension of ₹5,000 and clothing, alleviating their financial burdens and enhancing their quality of life.

The SOBHA Dowry-free Social Wedding initiative, launched in 2003, supports weddings by providing necessary resources to newly married couples. Through this program, 684 marriages have been successfully conducted.

Preparing for Scale

A Year of Achievements. A Foundation for Sustainable Growth.

Dear shareholders and friends of SOBHA,

In 2023, amidst a challenging global economic landscape, India emerged as the world's fastest-growing major economy. Despite facing challenges such as geopolitical unrest and persistently high inflation, timely interventions by the Government maintained economic stability. India experienced exceptional growth, becoming the fastest-growing nation globally and surging ahead in the real estate sector, positioning itself as the 5th largest economy and set to become the 3rd by 2030.

Fuelled by a robust domestic economy, positive consumer sentiment, and a notable shift in consumer preferences, India's residential real estate sector witnessed significant growth in FY 2023-24. This growth was driven by genuine homebuyers across all segments, highlighting renewed demand and encouraging institutional investment in the sector.

In FY24, SOBHA achieved its best-ever performance, exceeding all previous records across all sales parameters - Sales area, Sales value, and Average realization. With a record annual sales value of ₹66.44 billion, supported by new area sales of 6.08 million square feet and an average price realization of ₹10,922 per square foot, SOBHA's performance underscored its strong brand value and stakeholder trust. SOBHA's share of total sales value also crossed ₹5,000 crore for the first time.

Exceptional customer satisfaction remains at the heart of everything we do. This philosophy is reflected in our robust financial performance, strong sales figures, and successful project completions. We maintained our momentum in terms of construction, completing 4.40 million square feet. We completed our first development in GIFT City, taking SOBHA's footprint of real estate projects to 10 cities. More than one-fourth of our pre-sales for FY24 were driven by repurchases and referrals, a powerful testament to the loyalty our brand inspires.

As a leading real estate developer, SOBHA's vision for 'Preparing for Scale' transcends mere expansion. It involves more than just building a great product or growing bigger; it's about building a great system for replicating success and growing smarter. Our unique backward integration model exemplifies our innovative spirit, ensuring complete control over production processes and consistent delivery of exceptional quality. By prioritising operational excellence and strategic expansion, we are well-positioned to cater to a broader customer base across 12 major cities in India.

Our long-term strategy for sustainable growth revolves around strategic land acquisition, financial prudence, operational efficiency, and uncompromising quality. This approach enables us to meet the growing demand for exceptional living spaces and maintain our reputation for excellence.

Our commitment extends beyond building meticulously crafted world-class properties. We are proud to be one of India's most trusted and respected real estate brands, evidenced not only by our sales figures, but also by the significant value creation witnessed in our projects. SOBHA Dream Acres, Bengaluru, for example, appreciated over 100% during its lifetime, highlighting our ability to deliver exceptional returns for customers and investors. Similarly, SOBHA City, Gurugram demonstrated a remarkable 78.6% price appreciation, further solidifying our brand recognition and customer trust in key markets.

This focus on quality and customer satisfaction aligns perfectly with the current market trends. Capitalising on the revival of the IT/ITeS sector and expansion of global firms, tech cities like Pune, Chennai, Bengaluru, and Hyderabad are experiencing a surge in customer demand. Limited supply and record sales further solidify these markets as key growth centres. This allies perfectly with SOBHA's established presence in these strategic locations. Additionally, Gurugram emerged as a market leader in both sales and capital appreciation, showcasing the overall strength of the Indian real estate market. Our robust future pipeline ensures we are well-positioned to capitalise on these thriving markets.

The pandemic significantly impacted real estate trends. While rising construction costs and supply chain disruptions posed challenges, the demand for spacious homes with enhanced amenities soared. SOBHA has nimbly adapted to these evolving trends. Recognising the preferences of new-age homebuyers, SOBHA goes beyond mere square footage. We understand that affordability is no longer the sole deciding factor. This is also evident from the fact that 58% of our sales value came from homes priced ₹2 crore and above. Today's discerning customer seeks a holistic living experience, prioritising health and safety, community living, sustainability, and smart home integration. Our offerings cater to these progressive needs, ranging from premium limited villas to large-scale mixed-use developments, all characterised by our hallmark exceptional design, quality, and timely delivery.

At SOBHA, we are deeply committed to building a sustainable future. This means taking environmental responsibility and social well-being seriously. We integrate green building practices, energy-efficient designs, and environmentally responsible construction techniques to create eco-friendly homes. But our commitment extends beyond just the buildings themselves. We foster positive social change through impactful CSR initiatives that empower communities and promote environmental well-being. A recent example of this dedication is the SOBHA Community Home Project, which aims to construct 1,000 homes for deserving families in Palakkad, Kerala. We are proud to announce that in this fiscal year alone, we have already delivered 100 homes to families in need. By prioritising sustainability and creating liveable communities, we at SOBHA are laying the foundation for a future where people and the environment thrive together.

Looking ahead, experts predict continued growth in FY 2024-25, driven by India's urban population and sustained demand for quality housing. We are equipped to navigate the dynamic real estate landscape by leveraging strategic partnerships, managing our debt portfolio effectively, developing innovative product offerings, and prioritising a customer-centric approach. With a healthy pipeline of 17.67 million square feet, SOBHA is poised for disproportionately large growth opportunities. Together, as we continue our journey of not just anticipating the future, but actively shaping it, we thank you for your continued trust and support.

Ravi PNC Menon
Chairman, Sobha Ltd.

BOARD OF DIRECTORS

From left to right

MR. R V S RAO
Independent Director

MR. RAMAN MANGALORKAR
Independent Director

MR. RAVI PNC MENON
Chairman

MS. SRIVATHSALA K N
Independent Director

MR. ANUP S SHAH
Independent Director

MR. JAGADISH NANGINENI
Managing Director

MR. RAVI PNC MENON
CHAIRMAN

Mr. Ravi PNC Menon is the Non- Executive Non Independent Director and Chairman of the Company. He holds a degree in Bachelor of Science in Civil Engineering from Purdue University, USA. He has over 20 years of experience in the field of construction and real estate development. Till 31st March 2023, Mr Ravi PNC Menon was acting as the Executive Director of the Company. During his tenure as an Executive Director he was responsible for developing the strategic vision of the Company, establishing the organisations' goals and objectives and directing the Company towards their fulfilment. He played a pivotal role in the successful integration of pre-cast technology into our construction methodology. He plays an influential and prominent role in augmenting the product delivery levels of the Company, attaining of superior standards of quality, new product launches and customer relationship management.

As a Non-Executive Chairman he continues to support as a mentor and guides the Senior Management in the areas of business strategy, quality assurance, technology advancement, design and engineering, sales and marketing, product delivery, project execution, risk mitigation, process and information technology and customer satisfaction.

MR. JAGADISH NANGINENI
MANAGING DIRECTOR

Mr. Jagadish Nangineni is the Managing Director of the Company. He has over 22 years of experience in the field of real estate, technology, consulting and has been associated with SOBHA since November 2009. He is entrusted with the overall responsibility of managing the affairs of the Company and achieving the targets of the Company. He plays an instrumental role in leading the growth of the Company in all operational businesses and related functions. Mr. Jagadish Nangineni holds MBA degree from the Indian Institute of Management, Calcutta and has done Bachelor of Technology (B.Tech) in Civil Engineering from Indian Institute of Technology, Bombay.

MR. R V S RAO
INDEPENDENT DIRECTOR

Mr. R V S Rao is an Independent Director of the Company. He holds a bachelor's degree in commerce from the University of Mysore and a bachelor's degree in law from Bengaluru University. He is a fellow member of Indian Institute of Banking and Finance. He has over 52 years of experience in the areas of Banking and Finance. He has served on the Board of Directors of Housing Development Finance Corporation Limited. As a United States Agency for International Development (USAID) Consultant, he was the team leader that reviewed operations and made recommendations for the Housing Finance Company, Ghana, Africa. He also led the consultancy team, which advised the National Development Bank of Sri Lanka in establishing its mortgage finance business. He is an associate of the Indian Institute of Bankers and a life member of the All-India Management Association.

MR. ANUP S SHAH
INDEPENDENT DIRECTOR

Mr. Anup S Shah is an Independent Director of the Company. He holds a bachelor's degree in commerce from HR College, Mumbai and a degree in law from Government Law College, Mumbai. He has over 40 years of experience in the field of law, specifically real estate law. Since founding his own firm in 1993, he has advised developers, builders and foreign and domestic investors in structuring real estate transactions, leases, development agreements and joint ventures. He specialises in commercial and property documentation, corporate and commercial litigation, property related issues, land laws, arbitration and alternative dispute resolutions.

MS. SRIVATHSALA K N
INDEPENDENT DIRECTOR

Ms. Srivathsala K N is an Independent Director of the Company. She is an entrepreneur, strategic business advisor, financial planner, active angel investor, start-up expert and a mentor. She is the founder of four organisations - Fintrans Investment Advisors, Wintrans Consultancy, Eleasee and Vandyam Prasada Foods. She is a mentor at Prahlad Kakkar's Institute of Branding and Entrepreneurship and IIT Bombay and Kharagpur. She guides students on financial planning and entrepreneurship. Besides this, she has conducted several training and awareness programmes on entrepreneurship and financial literacy for corporates, public and students. Ms. Srivathsala K N is a certified financial planner and an accounting technician from the Institute of Chartered Accountant of India. She holds a master's degree in commerce from the Bengaluru University.

MR. RAMAN MANGALORKAR
INDEPENDENT DIRECTOR

Mr. Raman Mangalorkar is an Independent Director of the Company. He is an entrepreneur and currently running a health-tech startup in the life extension and age reversal space. He has worked as Chief Executive Officer (CEO) of Jubilant Agri and Consumer Products Limited and as the Managing Director of Highstreet Capital in the Private Equity space. He worked with A.T. Kearney as the Head of the Consumer and Retail Practice for Asia Pacific on a variety of projects around the world including in the USA, UK, Switzerland, Japan, Korea and South America. Before this, he focused on the Corporate Finance and Treasury functions with Federal Mogul in Detroit. Mr. Raman Mangalorkar has more than 31 years' experience of industry, consulting and private equity and worked across the globe on a wide range of strategic, operational and organization issues. His area of expertise includes formulating business strategies, transforming supply chains and managing large scale program implementations especially in the Retail and Consumer industries. Mr. Raman Mangalorkar completed his master's in business administration from Indiana University (Kelley School of Business) with specializations in Finance and MIS. He also has a master's in commerce from Bengaluru University.

CORPORATE INFORMATION

CHIEF FINANCIAL OFFICER

Mr. Yogesh Bansal

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Bijan Kumar Dash

STATUTORY AUDITORS

M/s. Walker Chandiok & Co LLP
Chartered Accountants
5th Floor, 65/2, Block A,Bagmane Tribid,
Bagmane Tech Park, C V Raman Nagar,
Bengaluru-560093.

BANKERS AND FINANCIAL INSTITUTIONS

Aditya Birla Finance Limited
Aditya Birla Housing Finance Limited
Axis Bank
Bandhan Bank
Bajaj Housing Finance Limited
Bank of Baroda
Bank of India
Canara Bank
Catholic Syrian Bank
DBS Bank India Limited
Deutsche Bank
HDFC Bank
HDFC Limited
ICICI Bank
IDBI Bank Limited
Indian Bank
IndusInd Bank Limited
Karnataka Bank
Karur Vysya Bank Limited
Kotak Mahindra Bank Limited
Kotak Mahindra Investments Limited
Punjab National Bank
RBL Bank Limited
South Indian Bank Limited
Standard Chartered Bank
State Bank of India
Union Bank of India

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Mr. Raman Mangalorkar (Chairman)
Mr. R V S Rao
Mr. Jagadish Nangineni
Ms. Srivathsala K N

STAKEHOLDERS RELATIONSHIP COMMITTEE

Ms. Srivathsala K N (Chairperson)
Mr. Ravi PNC Menon
Mr. Raman Mangalorkar
Mr. Jagadish Nangineni

NOMINATION, REMUNERATION AND GOVERNANCE COMMITTEE

Mr. Anup S Shah (Chairman)
Mr. R V S Rao
Mr. Ravi PNC Menon
Mr. Raman Mangalorkar

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Anup S Shah (Chairman)
Ms. Srivathsala K N
Mr. Jagadish Nangineni

RISK MANAGEMENT COMMITTEE

Mr. Anup S Shah (Chairman)
Mr. Ravi PNC Menon
Mr. Jagadish Nangineni
Mr. Yogesh Bansal

Note:
Share Transfer Committee dissolved with effect from February 07, 2024.

REGISTERED AND CORPORATE OFFICE

Sobha Limited 'SOBHA'
Sarjapur-Marathahalli Outer Ring Road (ORR),
Devarabisanahalli, Bellandur Post,
Bengaluru - 560 103.
Tel: +91 80 4932 0000
www.sobha.com
CIN: L45201KA1995PLC018475

DIRECTORS' REPORT

Dear Members,

The Board of Directors are pleased to present the 29th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2024.

FINANCIAL HIGHLIGHTS				(₹ In million)
Particulars	**Standalone**		**Consolidated**	
	2023-24	**2022-23**	**2023-24**	**2022-23**
Total Revenue	**32,226.45**	**34,258.65**	**32,178.82**	**34,024.33**
Operating Expenditure	28,401.88	29,879.04	28,199.23	29,405.97
Earnings before Interest, Depreciation and Amortisation	3,824.57	4379.61	3,979.57	4,618.36
Depreciation and Amortisation	741.83	638.71	782.21	678.37
Finance Cost	2,399.10	2,423.80	2455.06	2,490.24
Profit Before Tax	**683.64**	**1,317.10**	**742.27**	**1,449.75**
Tax Expenses	217.95	364.21	251.14	407.70
Profit after Tax	**465.69**	**952.89**	**491.13**	**1,042.05**

BUSINESS AND OPERATIONS

A. BUSINESS OVERVIEW

SOBHA primarily operates across the following business verticals:

- Real Estate – Development of residential and commercial properties under SOBHA brand name.
- Contractual – EPC (Engineering, procurement and construction) contracts catering to external institutional clients.
- Manufacturing – Construction related production capabilities like Concrete, Glazing, Interiors etc., supporting in-house projects as well servicing external clients.
- Retail - Manufacturing and sale of Mattresses and other home furnishing related product and packages.

A summary of completed and ongoing projects as on March 31, 2024 has been provided in the Management Discussion and Analysis Report titled 'Management Report' which forms a part of the Annual Report.

B. FINANCIAL OVERVIEW

Standalone

During financial year 2023-24, the Company had on a standalone basis, earned total revenues of ₹32,226.45 as compared to ₹34,258.65 million in the previous year. The Profit before Tax during the year was ₹683.64 million as against ₹1317.10 million in the previous year, and Profit after Tax during the year was ₹465.69 million as against ₹952.89 million in the previous year.

Consolidated

The consolidated revenues of the Company during the financial year 2023-24 were ₹32,178.82 million, decrease of 5.42 per cent from the previous year. The Profit before Tax decreased by 48.80 per cent and Profit after Tax (after considering minority interest) decreased by 52.87 per cent as compared to the financial year 2022-23.

Transfer to Reserves

Your Directors propose to transfer ₹46.57 million of the current profits to the General Reserve.

Dividend

The Company aims to follow a consistent dividend pay-out while striving to achieve a trade-off between deployment of internal accruals for growth and the payment of dividend.

The Board of Directors, subject to the approval of the shareholders at the ensuing Annual General

Meeting are pleased to recommend a dividend of ₹3 per equity share of ₹10 each.

Material Changes and Commitments

In terms of Section 134(3) of the Act, except as disclosed elsewhere in this report, no material changes and commitments which could effect the Companies financial position have occurred.

C. OPERATIONAL OVERVIEW

Completed Projects

During the year under review, the Company executed and handed over 5.63 million square feet real estate projects and 1.49 million square feet of contractual projects resulting in an aggregate development of 7.12 million square feet.

The Company has completed construction of 128 million square feet of area since its inception.

Ongoing Projects

The Company currently has real estate projects aggregating 34.33 million square feet of developable area. It has 4.05 million square feet of ongoing contractual projects which are in various stages of construction.

The Company has a geographic footprint in 27 cities across 14 states in India.

Management Discussion and Analysis Report

In accordance with the requirements of the Listing Regulations, the Management Discussion and Analysis Report titled 'Management Report' is presented in a separate section in the Annual Report. The shareholders may refer to management report to gain more understanding on industry in which the Company operates, operations of the Company and various other aspects including risks and concerns, outlook and internal controls.

SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATES

FINANCIAL POSITION AND PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATES

In terms of Section 134 of the Act and Rule 8(1) of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Subsidiaries, Joint Ventures and Associates of the Company in Form AOC-1, forms part of Annual Report. Pursuant to the provisions of Section 136 of the Act read with Regulation 46 of the Listing Regulations, Audited Financial Statements of the Company, including Consolidated Financial Statements, other documents required to be attached thereto and Audited Financial Statements of each of the subsidiaries, are available on the website of the Company and may be accessed at https://www.sobha.com/investor-relations/#downloads

CHANGES IN SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATES

As on date, the Company has seven direct subsidiaries and five step-down subsidiaries. The Company also has an economic interest in a partnership firm, Sobha City, which has 6 subsidiaries. During the year under review, C.V.S. Tech Park Private Limited (Associate Company) has become the wholly owned subsidiary with effect from February 14, 2024.

CAPITAL STRUCTURE

A. SHARE CAPITAL

The authorized share capital of the Company is ₹2,000,000,000 divided into 150,000,000 equity shares of ₹10 each and 5,000,000 preference shares of ₹100 each. At the beginning of the year under review, the issued, subscribed, and fully paid up capital was ₹948,458,530 divided into 94,845,853 equity shares of ₹10 each. During the year under review the Company has neither issued equity shares with differential rights as to dividend, voting or otherwise nor shares (including sweat equity shares) to employees of the Company under any scheme. Further, the Company has not issued convertible or non-convertible securities or warrants and has not held any shares in trust for the benefit of employees where the voting rights are not exercised directly by the employees. The Company has not bought back any of its securities during the year. There was no change in the issued, subscribed, and fully paid up share capital of the Company during the year under review.

B. PROPOSED RIGHTS ISSUE

The Board of Directors of the Company (the "Board"), at its meeting held on January 22, 2024 considered and approved the issuance of equity shares of the Company (the "Equity Shares") for an amount not exceeding ₹2,000 Crore (Rupees Two Thousand crore) by way of a rights issue to the eligible equity shareholders of the Company. The Company envisaged the proposed rights issue to be completed in the financial year 2024-25.

C. DEBENTURES

The Company has not issued debentures or bonds during the year under review. There were no outstanding debentures as on March 31, 2024.

D. DEPOSITS

The Company has neither invited nor accepted/ renewed any deposits from the public within the meaning of Section 73 and 74 of the Companies Act, 2013 (the "Act") read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review. As such, no amount of principal or interest was outstanding as on the date of this report.

E. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In compliance with Section 124 of the Act the dividends pertaining to financial year 2015-16 which were lying unclaimed with the Company were transferred to the Investor Education and Protection Fund during financial year 2023-24. The details of unclaimed dividends transferred to the Investor Education and Protection Fund have been depicted in the Corporate Governance Report which forms a part of the Annual Report.

As required under Section 124 of the Act and the Rules made thereunder, 1,993 (one thousand nine hundred and ninety-three) equity shares, in respect of which dividend had not been claimed by the shareholders for seven consecutive years or more, were transferred to the Investor Education and Protection Fund during the year under review. The details of the shares and shareholders are available on the Company's website.

BOARD OF DIRECTORS AND ITS COMMITTEES

A. COMPOSITION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

As on March 31, 2024, the Board of Directors of the Company comprised six Directors, four are Non-Executive Independent Directors including one-woman Independent Director, One Non Executive Non Independent Director and One Whole Time Director designated as Managing Director. The composition of the Board of Directors is in compliance with Regulation 17 of Listing Regulations and Section 149 of the Act.

B. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

No director has been appointed or ceased to be a director of the Company during the year under review.

Mr. Vighneshwar G Bhat, Company Secretary & Compliance Officer (Key Managerial Personnel) resigned from the company and ceased to be the Company Secretary of the Company with effect from close of business hours on October 19, 2023. Mr. Bijan Kumar Dash was appointed at the Board Meeting held on November 06 2023, as the Company Secretary & Compliance Officer (Key Managerial Personnel) of the Company with effect from December 01, 2023.

C. NUMBER OF MEETINGS OF THE BOARD

During the year under review, the Board of Directors duly met five times on May 29, 2023, August 07, 2023, November 06, 2023, January 22, 2024, February 07, 2024. The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Act.

D RE-APPOINTMENT OF DIRECTORS RETIRING BY ROTATION

Pursuant to the provision of the Section 152 of the Act, Mr. Ravi PNC Menon, Chairman and Non-executive Non-Independent Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for the re-appointment. The Board of directors based on the recommendation of the Nomination, Remuneration and Governance Committee has recommended the re-appointment of Mr. Ravi PNC Menon, as Director retiring by rotation.

The Notice convening the Annual General Meeting includes the proposal for the re-appointment of Mr. Ravi PNC Menon as a Director of the Company. A brief resume of Mr. Ravi PNC Menon has been provided as an Annexure to the Notice convening the Annual General Meeting. Specific information about Mr. Ravi PNC Menon's expertise in specific functional areas and the names of the Companies in which he holds directorship and membership/ chairmanship of the Board Committees has also been provided in the Notice convening the Annual General Meeting.

E. BOARD COMMITTEES

The Board has constituted different committees to assist the Board in effectively discharging its functions and responsibilities. These committees are being delegated different roles in line with the applicable provisions of the Act and Listing

Regulations, namely:

1. Audit Committee;
2. Nomination, Remuneration and Governance Committee;
3. Stakeholders Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Risk Management Committee;

The details of the Committees including composition, terms of reference, meeting details etc., are provided in the Corporate Governance Report forming part of the annual report.

At the Board Meeting held on February 7, 2024, the share transfer committee of the Board constituted earlier was dissolved and the roles and responsibility of the share transfer committee were transferred to Stakeholders Relationship Committee. In addition to the above, the Board at its meeting held on January 22, 2024 constituted a "Right Issue Committee" of the Board to decide detailed terms and conditions of the Company's proposed rights issue and matters connected or incidental thereto.

The recommendations, if any, of these Committees are submitted to the Board for approval. During the year under review, the Board accepted the recommendations of the Committees.

F. SEPARATE MEETING OF INDEPENDENT DIRECTORS

In accordance with the provisions of the Act, a separate meeting of the Independent Directors of the Company was held on March 30, 2024.

G. PERFORMANCE EVALUATION

In terms of Section 134 (3) (p) read with Articles VII and VIII of Schedule IV of the Act, the annual performance evaluations of the Board and that of its statutory committees like Audit Committee, Stakeholders' Relationship Committee, Nomination Remuneration and Governance Committee, Corporate Social Responsibility Committee, Risk Management Committee, the Chairman, independent directors, and executive directors were carried out during the financial year 2023-24.

In order to evaluate the performance of the Board, Committees and individual directors the Nomination, Remuneration and Governance Committee (NRGC) has formulated criteria, pursuant to provisions of the Act, the Rules made thereunder and the Listing Regulations, as amended from time to time. Evaluation of functioning of the Board, Committees, independent directors, executive director and the Chairman are based on internal questionnaire circulated amongst the Board members. While the Board evaluated its own performance as per the parameters laid down by the NRGC, the evaluation of Individual Directors was carried out as per the laid down parameters, anonymously in order to ensure objectivity. The Board assessed the performance and the potential of each of the independent directors with a view to maximizing their contribution to the Board. The independent directors of the Board also reviewed the performance of the Chairman, executive directors and the Board, at the separate meeting of the independent directors especially called for that purpose.

H. DIRECTORS' RESPONSIBILITY STATEMENT

According to the information and explanations obtained, pursuant to Section 134(5) of the Act, 2013, your Directors hereby confirm, that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;

ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a going concern basis;

v. internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and operating effectively; and

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

I. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors in their respective disclosures have confirmed that they are independent of the Management and not aware of any circumstances or situation, which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the disclosures received from Independent Directors, the Board of Directors has confirmed that they fulfilled conditions specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Further, the Board is of the opinion that the Independent Directors of the Company uphold highest standards of integrity and possess requisite expertise and experience required to fulfil their duties as an Independent Directors.

J. CONFIRMATION BY DIRECTORS REGARDING DIRECTORSHIP/ COMMITTEE POSITIONS.

Based on the disclosures received, none of the Directors on the Board held directorships in more than ten public companies and none of the Independent Directors served as an Independent Director in more than seven listed entities as on March 31, 2024. Further, Whole-time Director of the Company did not serve as an Independent Director in any other listed company. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024, have been made by the Directors and reported in the Corporate Governance Report which forms part of the Annual Report.

AUDIT, AUDITORS AND ASSURANCE

A. STATUTORY AUDITOR

At the Twenty Seventh Annual General Meeting held on August 10, 2022 the members appointed M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as Statutory Auditors of the Company, for a period of 5 years from the conclusion of 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting.

The Statutory Auditors performed the audit during the financial year 2023-24 and expressed an unmodified opinion in the audit reports with respect to audited financial statements for the financial year ended March 31, 2024. There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors.

B. SECRETARIAL AUDITOR

The Board of Directors, based on the recommendation of the Audit Committee, had appointed Nagendra D Rao, Practicing Company Secretary bearing Certificate of Practice Number 7731 as the Secretarial Auditor of the Company for the financial year 2023-24. The Secretarial Audit Report issued by Mr. Nagendra D Rao, in accordance with the provisions of Section 204 of the Act is provided separately in the Annual Report **(Annexure A)**.

There are no qualifications or adverse remarks in the Secretarial Audit Report which require any explanation from the Board of Directors.

C. COST AUDITOR

The Board of Directors, based on the recommendation of the Audit Committee, have appointed M/s. Gudi Srinivasarao & Co., Cost Accountants bearing Firm Registration Number 004336 as the Cost Auditors of the Company for the financial year 2023-24. In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for financial year 2023-24 is subject to ratification by the shareholders of the Company. The notice convening the Annual General Meeting contains the proposal for ratification of the remuneration payable to the Cost Auditors.

The Cost Audit Report for the financial year 2022-23 was filed with the Ministry of Corporate Affairs, New Delhi within the due date prescribed under the Companies (Cost Records and Audit) Rules, 2014. There are no qualifications or adverse remarks in the Cost Audit Report which require any explanation from the Board of Directors.

D. INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROLS

The internal audit function is responsible for providing independent assurance with regard to the effectiveness, accuracy and efficiency of the internal control systems and processes in the Company. The internal audit function of the Company is being performed by inhouse internal audit team. The internal audit is carried out based on audit plan approved by the audit committee. Observations of the internal audit carried out by the audit team get reviewed quarterly at the audit committee meeting and actioned taken on the deviation get monitored to improve the efficiency in the overall business operation, processes and governance. Internal Audit function helps the Company to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

There are adequate internal financial controls in place with reference to the financial statements. During the year under review, the internal audit team and the Statutory Auditors tested these controls independently and no significant weakness was identified either in the design, implementation, maintenance and operations of the controls. A report issued by the Statutory Auditors, M/s. Walker Chandiok & Co LLP, on the Internal Financial Controls forms a part of the Annual Report.

E. REPORTING OF FRAUD BY AUDITORS:

The Statutory Auditors, Secretarial Auditor and Cost Auditors have not reported any instance of fraud in respect of the Company by its officers or employees under Section 143(12) of the Act.

CORPORATE GOVERNANCE AND POLICIES

A. CORPORATE GOVERNANCE

In accordance with Regulation 34(3) read with Schedule V of the Listing Regulations, a separate report on corporate governance forms part of this report.

A certificate from Mr. Nagendra D Rao, Practicing Company Secretary affirming compliance with the various conditions of corporate governance in terms of the Listing Regulations is given in **Annexure B** to this report.

B. CODE OF CONDUCT

The Company has laid down a Code of Conduct for the Directors as well as for all senior management of the Company. As prescribed under Regulation 17 of the Listing Regulations, a declaration signed by the Managing Director affirming compliance with the Code of Conduct by the Directors and senior management personnel of the Company for financial year 2023-24 forms part of the Corporate Governance Report.

C. NOMINATION AND REMUNERATION POLICY

The Nomination, Remuneration, and Governance Committee of the Board of Directors is responsible for recommending the appointment of the Directors and senior management to the Board of Directors of the Company. The Company has in place a Nomination and Remuneration Policy containing the criteria for determining qualifications, positive attributes, and independence of a Director and policy relating to the remuneration for the Directors, Key Managerial Personnel, and senior management personnel of the Company. The committee also postulates the methodology for effective evaluation of the performance of Individual Directors, committees of the Board, and the Board as a whole which should be carried out by the Board, committee or by an independent external agency and review its implementation and compliance (The Nomination and Remuneration Policy is attached as **Annexure C** and is also available on the Company's website at https://www.sobha.com/wp-content/uploads/2024/04/Nomination-and-Remuneration-Policy.pdf

D. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY AND FRAMEWORK OF THE COMPANY.

The Company's risk management is embedded in the business processes, integrated with all operations and functions, and monitored proactively. The Board has constituted Risk Management Committee ("RMC") to proactively oversight the risk management process to identify, assess and mitigate risks, in order to protect its business from existing and emerging risks, improve corporate governance and enhance stakeholders' value. The RMC lay down procedures for risk assessment and minimization. It shall serve as the "eyes and ears" for the Company which would ensure that the Company is insulated from risks both at the macro and micro level. The Board has formulated a risk management policy and ensures it implementation through different mechanism including internal audit. The RMC periodically reviews the various risks associated with the Company's business and recommends steps to be taken to control, monitor and mitigate the risk.

The members are requested to refer Management Discussion and Analysis Report forming part of this Report to know more about risk and concerns relating to industry.

E. CORPORATE SOCIAL RESPONSIBILITY POLICY

Over the past decades, the Company has been actively engaged in delivering maximum value to the society. The Company lays significant emphasis on the economic, social empowerment and sustainable development of the communities around which it operates. The Company believes that its achievements do not refer only to its growth but also spread to society.

The Corporate Social Responsibility Policy, as formulated by the Corporate Social Responsibility Committee and approved by the Board of Directors is available on the Company's website at https://www.sobha.com/wp-content/uploads/2024/04/Sobha-CSR-Policy.pdf

In terms of Section 134 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual report on the Corporate Social Responsibility activities of the Company is given in **Annexure D** to this report.

F. DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), top 1000 listed companies based on market capitalization are required to formulate a dividend distribution policy. Accordingly, the Company has adopted the Dividend Distribution Policy which sets out the parameters and circumstances which are to be considered by the Board in determining the distribution of dividend to its Members and/or retaining profits earned by the Company. The Company's Dividend Distribution Policy is available on the Company's website at https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Dividend-distribution-policy.pdf

G. VIGIL MECHANISM

The Company has established a vigil mechanism to promote ethical behaviour in all its business activities. It has in place a mechanism for employees and directors to report any genuine grievances, illegal and unethical behaviour, suspected fraud or violation of laws, rules, and regulations or conduct to the Vigilance Officer and the Audit Committee of the Board of Directors. The policy also provides for adequate protection to whistle blower against victimization or discriminatory practices. The policy is available on the Company's website at https://www.sobha.com/wp-content/uploads/2024/04/Vigil-Mechanism.pdf

During the year under review, the Company did not receive any complaints relating to unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct from any employee or Directors.

OTHER MATTERS

A. DISCLOSURE ON CONFIRMATION WITH SECRETARIAL STANDARDS

The Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India have been complied with pursuant to the Act and the rules made thereunder.

B. SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS / COURTS

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future. However, the Company has received an assessment order from the Income Tax Department for the Assessment Year ("AY") 2016-17 and AY 2022-23 due to disallowances of certain expenses and other additions.

C. HUMAN RESOURCES (HR)

Employee relations continue to be cordial at all levels and in all divisions of the Company. The Board of Directors would like to express its sincere appreciation to all the employees for their continued hard work and steadfast dedication.

As on March 31, 2024, the Company had an organizational strength of 3,814 employees.

Details about the employees are provided in a separate section in the Annual Report.

D. REMUNERATION DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL, AND EMPLOYEES

Details of remunerations of Directors, Key Managerial Personnel, and the statement of employees in receipt of remuneration exceeding the limits prescribed under Section 134 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure E** to this report.

E. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy on prevention and redressal of sexual harassment at the workplace. Pursuant to the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place an Internal Complaints Committee for prevention and redressal of complaints of sexual harassment of women at the workplace. No complaints were received by the Company during the year under review.

F. PARTICULARS OF LOANS, GUARANTEES, AND INVESTMENTS

In terms of Section 134 of the Act, the particulars of loans, guarantees, and investments made by the Company under Section 186 of the Companies Act, 2013 are detailed in Notes to Accounts of the Financial Statements.

G. RELATED PARTY TRANSACTIONS

During the year, the Company did not enter into any contract / arrangement / transaction with a related party which can be considered as material in terms of the policy on related party transactions laid down by the Board of Directors. Related party transactions, if any, pursuant to the Listing Regulations were approved by the Audit Committee from time to time prior to entering into the transactions. The related party transactions undertaken during financial year 2023-24 are detailed in the Notes to Accounts of the Financial Statements.

Further, during the year under review, there were no contracts or arrangements entered with related parties referred to the criteria mentioned in Sub-section (1) of Section 188 of the Act. Therefore, there is no requirement to report any transaction in Form AOC-2.

H. ANNUAL RETURN

In accordance with the Act, the annual return in the prescribed format is available under the link.

I. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the details of energy conservation, technology absorption, foreign exchange earnings, and outgoings are given as **Annexure F** to this report.

J. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Company is committed to pursue its business objectives ethically, transparently and with accountability to all its stakeholders. It believes in demonstrating responsible behaviour while adding value to the society and the community, as well as ensuring environmental well-being from a long-term perspective.

The Company is presenting the BRSR to the stakeholders of the Company as part of this Integrated Report as mentioned in **Annexure G** to this report and available on the website of the Company.

K. AWARDS AND RECOGNITIONS

During financial year 2023-24, the Company was conferred with various awards and recognitions, the details of which are given in a separate section in the Annual Report.

L. ADDITIONAL INFORMATION TO SHAREHOLDERS

All important and pertinent investor information such as financial results, investor presentations, press releases, new launches, and project updates are made available on the Company's website (www.sobha.com) on a regular basis.

ACKNOWLEDGEMENTS

The Directors would like to place on record their sincere appreciation of the Company's customers, vendors, and bankers for their continued support to the Company during the year. The Directors also wish to acknowledge the contribution made by employees at all levels for steering the growth of the organization. We thank the Government of India, the state governments and other government agencies for their assistance and cooperation and look forward to their continued support in the future. Finally, the Board would like to express its gratitude to the members for their continued trust, cooperation, and support.

For and on behalf of the Board of Directors of Sobha Limited

Place : Bengaluru	**Sd/-** **Ravi PNC Menon** **Chairman**	**Sd/-** **Jagadish Nangineni** **Managing Director**
Date : May 17, 2024		

ANNEXURE A

To,
The Members,
Sobha Limited,
SOBHA, Sarjapur-Marathahalli Outer Ring Road (ORR),
Devarabisanahalli, Bellandur Post,
Bengaluru –560 103.

My report of even date is to be read along with this letter.

MANAGEMENT'S RESPONSIBILITY

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

AUDITOR'S RESPONSIBILITY

1. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
3. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Nagendra D. Rao
Practising Company Secretary
Membership No. FCS – 5553
Certificate of Practice – 7731
Peer Reviewed Unit
Peer Review Certificate No.: 672/2020
UDIN: F00

Place : Bengaluru
Date : May 17, 2024

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Sobha Limited,
SOBHA, Sarjapur-Marathahalli Outer Ring Road (ORR),
Devarabisanahalli, Bellandur Post,
Bengaluru – 560 103.

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **SOBHA LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2024** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not Applicable as the company has not raised any Share Capital by Issue of Shares during the financial year under review].**

(d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **[Not Applicable to the Listed Entity during the financial year under review]**;

(e) The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021 **[Not Applicable as the Listed Entity has not raised any funds by issue of listed debentures during the financial year under review;**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients **[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review];**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**[Not Applicable as the Company has not delisted/ propose to delist its equity shares from any stock exchange during the financial year under review]; and**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **[Not Applicable as the Company has not bought back / propose to buyback any of its securities during the financial year under review];**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) The Laws as are applicable specifically to the Company are as under:

a. Real Estate (Regulation & Development) Act, 2016;

b. Transfer of Property Act, 1882;

c. Indian Easements Act, 1882;

d. Registration Act, 1908;

e. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;

f. Indian Stamp Act, 1899 and

g. Karnataka Stamp Act, 1957.

I have also examined compliance with the applicable clauses of the following:

Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

(iii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(iii) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I report that as under:

1. The Company has filed an appeal before the Appellate Tribunal against the order of the Adjudicating Authority, Prevention of Money Laundering under the Prevention of Money Laundering Act, 2002.

2. The Company has filed a petition before the Hon'ble High Court of Karnataka praying for quashing of the complaint against the impugned order passed by the Chief Civil Metropolitan Magistrate, Bengaluru and the calendar case. The Hon'ble High Court of Karnataka has passed an interim order dated October 11, 2023 staying the impugned order and the calendar case.

3. Based on the approval granted by the Board in its meeting held on February 07, 2024, the Company acquired 51% shares of C.V.S. Tech Park Private Limited (an Associate Company in which Company was already holding 49%). Consequent to the above acquiring of 51% shares, C.V.S. Tech Park Private Limited has become a Wholly owned Subsidiary of the Company.

I further report that the Board of Directors of the Company ("Board"), at its meeting held on January 22, 2024 have approved the issuance of equity shares of the Company for an amount not exceeding Rs. 2,000/- crore (Rupees Two Thousand Crore) Only by way of a rights issue.

I further report that adequate notice has been given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes of the Board of Directors duly recorded and signed by the Chairman, the decisions were unanimous and no dissenting views were required to be recorded.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company has passed following Special Resolution at the Annual General Meeting held on August 8th, 2023, which is having major bearing on the Company's Affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

Issue of Non-Convertible Debentures on private placement basis.

I further report that, as per the information and explanation provided by the company, the company is in compliance with the requirement of Structured Digital Database under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Sd/-
Nagendra D. Rao
Practising Company Secretary
Membership No. FCS – 5553
Certificate of Practice – 7731
Peer Reviewed Unit
Peer Review Certificate No.: 672/2020
UDIN: F00

Place : Bengaluru
Date : May 17, 2024

ANNEXURE B

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members,
Sobha Limited,
“Sobha”,
Sarjapur-Marathahalli Outer Ring Road,
Devarabisanahalli,
Bellandur Post,
Bengaluru – 560 103.

I have examined the compliance of the conditions of Corporate Governance by Sobha Limited (‘the Company’) for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (a) to (m) and (t) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Nagendra D. Rao
Practising Company Secretary
Membership No. FCS – 5553
Certificate of Practice – 7731
Peer Reviewed Unit
Peer Review Certificate No.: 672/2020
UDIN: F005553F000387651

Place : Bengaluru
Date : May 17, 2024

ANNEXURE C

NOMINATION AND REMUNERATION POLICY

The Board of Directors of Sobha Limited have constituted the Nomination, Remuneration and Governance Committee in accordance with the provisions of the Companies Act, 2013 and Listing Agreement entered into with the Stock Exchanges.

I. TERMS OF REFERENCE OF THE COMMITTEE:

1. To identify, review, assess, recommend and lead the process for appointments of Executive, Non-Executive and Independent Directors to the Board and Committees thereof and to regularly review the structure, size and composition, balance of skills, knowledge and experience of the Board and Board Committees and make recommendations to the Board or, where appropriate, the relevant committee with regard to any adjustments that are deemed necessary.
2. To formulate criteria for evaluation of Independent Directors and the Board.
3. To evaluate the performance of the Chairman and other members of the Board on an annual basis and to monitor and evaluate the performance and effectiveness of the Board and Board Committees and the contribution of each director to the Company. The Committee shall also seek the views of executive directors on the performance of non-executive directors.
4. To devise a policy on Board diversity.
5. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
6. To make recommendations to the Board on the following matters:
7. Re-appointment of any executive and non-executive director at the conclusion of their specified term of office.
8. Re-election by members of any director who are liable to retire by rotation as per the Company's Articles of Association.
9. Any matters relating to the continuation in office of any director at any time.
10. To formulate a policy relating to the remuneration of directors, key managerial personnel and other employees.
11. To define and articulate the Company's overall corporate governance structures and to develop and recommend to the Board of Directors the Board's Corporate Governance Guidelines.
12. To receive reports, investigate, discuss and make recommendations in respect of breaches or suspected breaches of the Company's Code of Conduct.
13. To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements and to develop, review and monitor the code of conduct applicable to employees and Directors.
14. To perform such functions as may be detailed in the Listing Regulations, Companies Act, 2013 and the relevant Rules made there under.

II. DEFINITIONS:

1. Key Managerial Personnel:

Key Managerial Personnel has the same meaning as ascribed to it under the Companies Act, 2013 as may be amended from time to time.

2. Senior Management:

Senior Management has the same meaning as ascribed to it under the Code of Conduct of the Company as may be amended from time to time.

III. POLICY ON APPOINTMENT AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

A. ELIGIBILITY OR CRITERIA FOR APPOINTMENT:

Educational Qualification: No person shall be eligible for appointment as a Director, Key Managerial Personnel and / or Senior Management Personnel unless he / she possesses at least a bachelors' degree in a recognized and relevant field. Educational qualification over and above the bachelors' degree, though not mandatory, shall be preferable. However, the requirement of minimum educational qualification can be waived if the candidate showcases exceptional knowledge, talent, creativity and / or aptitude for the position.

Experience: A person shall be eligible for appointment as a Director, Key Managerial Personnel and / or Senior Management Personnel if he / she possesses adequate experience in the respective field(s). Between two candidates possessing same / similar educational qualification, the person with more experience will ordinarily be preferred. Experience in diverse fields will be given due weightage.

Integrity: The person considered for appointment shall be a person of integrity and good standing. No person convicted of any offence involving moral turpitude shall be considered for appointment to post of a Director, Key Managerial Personnel and/ or Senior Management.

Age: A person shall not be considered for appointment to the post of a Whole-time Director of the Company if he / she has attained the age of seventy years.

Independence: No person shall be appointed as an Independent Director of the Company unless he /she meets the criteria of independence as specified in the Companies Act, 2013 and Listing Agreement.

Limits on Directorship: No person shall be appointed as a Whole-time Director / Independent Director of the Company unless such directorship is within the limits prescribed by law in this behalf.

Limits on Committee Membership: The number of Chairmanship or membership of committees held by a person shall be within the limits prescribed by law in this behalf in order to be considered for appointment as a Whole-time Director / Independent Director of the Company.

B. TERM OF OFFICE:

Whole-time Director:

i. The Whole-time Director(s) of the Company shall be appointed for a term not exceeding five years at a time.

ii. The Whole-time Director(s) shall be eligible for re-appointment for further terms not exceeding five years at a time subject to the approval of members of the Company.

iii. No such re-appointment shall be made earlier than one year before the expiry of the current term.

Independent Director(s):

i. An Independent Director shall hold office for a term up to five consecutive years on the Board of Directors of the Company.

ii. An Independent Director shall be eligible for re-appointment for another term up to five consecutive years on passing of a special resolution in this regard by the members of the Company.

iii. No Independent Director shall hold office for more than two consecutive terms. An Independent Director shall be eligible for re-appointment after the expiry of three years of ceasing to be an Independent Director where he/she has served for two consecutive terms.

Key Managerial Personnel and Senior Management:

The term of office of Key Managerial Personnel and Senior Management of the Company shall be in accordance with the prevailing Human Resource policy of the Company.

C. REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF THE COMPANY:

The Committee shall recommend to the Board of Directors, the removal from office of, any Director, Key Managerial Personnel and / or Senior Management Personnel of the Company:

i. Whenever a Director, Key Managerial Personnel and / or Senior Management Personnel of the Company incurs any disqualification specified under any applicable law which renders their position untenable.

ii. Whenever a Director, Key Managerial Personnel and / or Senior Management Personnel of the Company is found guilty of violating the Code of Conduct, the Code of Conduct for Prevention of Insider Trading of the Company and / or such other policy as may be decided by the Committee.

iii. Whenever a Director, Key Managerial Personnel and / or Senior Management of the Company acts in a manner which is manifestly against the interests of the Company. In case of any proceedings under this sub-clause, the concerned Director, Key Managerial Personnel and / or Senior Management of the Company shall be given an opportunity of being heard by the Committee.

IV. PERFORMANCE EVALUATION:

i. The performance evaluation of each director will be carried out by the Committee in the first instance. It shall place its recommendations before the Board of Directors.

ii. The performance evaluation of Independent Directors shall be done by the entire Board of Directors (excluding the director being evaluated). It shall take into consideration the views of the Committee.

iii. The Independent Directors shall review the performance of non-independent directors and the Board as a whole. The Independent Directors shall take into consideration the views of the Committee.

iv. The Independent Directors shall review the performance of the Chairperson of the company, taking into account the views of the Committee, the executive directors and non-executive directors.

The Independent Directors of the Company are experts in their respective fields. They bring with them specialized skills, vast repertoire of knowledge and a wide diversity of experience and perspectives. In view of their significant expertise, the Independent Directors may recommend the mechanism for evaluating the performance of the Board as a whole as well as individual directors.

In lieu of such recommendation, the criteria for Performance Evaluation laid down below may be considered. However, the below mentioned criteria is only suggestive and the Board / Directors may consider such other criteria as they may deem necessary for effective evaluation of performance.

BOARD OF DIRECTORS:

i. Establishment of distinct performance objectives and comparison of performance against such objectives.

ii. Contribution of the Board to the development of strategy.

iii. Contribution of the Board in developing and ensuring robust and effective risk management system.

iv. Response of the Board to problems or crises that have emerged.

v. Suitability of matters being reserved for the Board under the Listing Agreement.

vi. Relationship between the board and its main committees and between the committees themselves.

vii. Communication of the Board with the management team, key managerial personnel and other employees.

viii. Knowledge of latest developments in the regulatory environment and the market.

ix. Appropriateness, quality and timeliness of flow of information to the Board.

x. Adequacy and quality of feedback by the Board to management on its requirements.

xi. Adequacy of frequency and length of board and committee meetings.

xii. Appropriate mix of knowledge and skills in the composition of the board and its committees.

Committees of the Board of Directors:

i. Suitability of matters being reserved for the Committee(s).

ii. Communication of the Committee(s) with the management team, key managerial personnel and other employees.

iii. Appropriateness, quality and timeliness of flow of information to the Committee(s).

iv. Adequacy and quality of feedback by the Committee(s) to management on its requirements.

v. Adequacy of frequency and length of the committee meetings.

vi. Appropriate mix of knowledge and skills in the composition of the committees.

INDEPENDENT DIRECTORS:

i. Level of preparedness for the meetings of the Board and Committees.

ii. Willingness to devote time and effort to understand the Company and its business.

iii. Quality and value of their contributions at Board and Committees meetings.

iv. Contribution of their knowledge and experience to the development of strategy of the Company.

v. Effectiveness and pro-activeness in recording and following up their areas of concern.

vi. Relationship with fellow board members, key managerial personnel and senior management.

vii. Knowledge and understanding of current industry and market conditions.

viii. Attendance at the meetings of the Board and

Committees of which the Independent Director is a member.

WHOLE-TIME DIRECTOR(S):

i. Contribution of the Whole-time Director in achieving the Business Plan of the Company.

ii. Contribution of Whole-time Director in the development of new business ideas or verticals.

iii. Contribution of Whole-time Director towards the topline and/or bottom line of the Company where such contribution is capable of measurement.

iv. Contribution of Whole-time Director in implementing the strategy set by the Board of Directors of the Company.

v. Knowledge and understanding of current industry and market conditions.

vi. Contribution of Whole-time Director in identifying, understanding and mitigating the risks faced by the Company.

vii. Contribution of Whole-time Director in identifying and exploiting new business opportunities for the Company.

viii. Level of preparedness for the meetings of the Board and Committees.

ix. Attendance at the meetings of the Board and Committees of which such Whole-time Director is a member.

V. POLICY RELATING TO THE REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

A. Remuneration Criteria:

The guiding principle while determining the level and composition of remuneration is the competitiveness required to attract, retain and motivate competent personnel. While deciding the remuneration of Directors, Key Managerial Personnel and Senior Management, the following factors shall be taken into consideration:

a. availability of talented, skilled and experienced professionals

b. industry standards

c. profitability of the Company and growth prospects

B. Payment of Remuneration:

i. The Committee shall recommend the payment of remuneration (including any revision thereof) to the Directors of the Company including the Independent Directors which shall be subject to the approval of the Board of Directors. It shall also be approved by the shareholders of the Company, wherever required.

ii. The remuneration of Key Managerial Personnel and Senior Management Personnel shall be determined by the Company in accordance with the prevailing HR Policy of the Company.

C. Remuneration of Whole-time Directors, Key Managerial Personnel and Senior Management:

Basic Salary:

Each Whole-time Director, Key Managerial Personnel and Senior Management personnel shall be paid a monthly remuneration. The monthly remuneration of Whole-time Director as recommended by the Committee shall be approved by the Board of Directors and also by the shareholders of the Company if required.

Accommodation or House Rent Allowance:

Each Whole-time Director shall be provided with rent-free furnished accommodation or up to a specified % of the basic salary as House Rent Allowance in lieu of accommodation. Key Managerial Personnel and Senior Management personnel shall be provided with a specified % of the basic salary as House Rent Allowance.

Performance Incentives:

Each Whole-time Director shall be eligible for performance incentives which shall not exceed a specified % of profits of the Company.

Key Managerial Personnel and Senior Management personnel shall be eligible for performance incentives as per the prevailing Human Resource policy of the Company in this regard. The incentive is linked to the performance of the Company in general and their individual performance is measured against specific Key Result Areas, which are aligned with the Company's objectives.

Perquisites and Other Allowances:

Each Whole-time Director, Key Managerial Personnel and Senior Management personnel shall be entitled to such perquisites, allowances, benefits, facilities and amenities as per the Human Resource policy of the Company in force or as may be approved by the Board from time to time.

D. Remuneration of Independent Directors:

Commission: Each Independent Director shall be paid remuneration by way of Commission as recommended by the Committee which shall be approved by the Board of Directors. Such Commission shall be within the overall limits approved by the shareholders of the Company.

Sitting Fees: The Independent Director may receive remuneration by way of fees for attending the meetings of Board or Committee thereof as may be decided by the Board of Directors from time to time.

E. Limits on Remuneration:

i. The overall remuneration paid by the Company to the Directors including Independent Directors shall not exceed 11% of the net profits of the Company for that financial year.

ii. The remuneration paid by the Company to all its whole-time directors shall not exceed 10% of the net profits of the Company for that financial year.

iii. The remuneration paid by the Company to its Independent Directors (excluding sitting fess) shall not exceed 1% of the net profits of the Company for that financial year.

iv. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors, Manging Directors, any non-executive director including Independent Director in accordance with the provisions of Schedule V of the Companies Act, 2013. If the remuneration payable exceeds the limits laid down in Schedule V, then Company shall obtain the prior approval of the Shareholders by passing Special Resolution.

v. Revision of existing remuneration may be recommended by the Committee to the Board which should be within the limits approved by the shareholders.

ANNEXURE D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief Outline of CSR Policy

The Board of Directors upon the recommendation of the Corporate Social Responsibility Committee have identified the following areas listed in Schedule VII of the Companies Act, 2013 for carrying out its CSR activities:

i. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;

v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

vi. Measures for the benefit of armed forces veterans, war widows and their dependents [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF)veterans and their; dependents including widows];

vii. Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;

viii. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

ix. A contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;

x. Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy(DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO);Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);

xi. Rural development projects;

xii. Slum area development;

xiii. Disaster management, including relief, rehabilitation and reconstruction activities;

xiv. Such other areas as may be included in Schedule VII of the Companies Act, 2013 from time to time.

The projects/programmes may be undertaken by an Implementation Agency or the Company directly provided that such projects/programmes are in line with the activities enumerated in Schedule VII of the Companies Act, 2013.

2. **Composition of CSR Committee for the year ended March 31, 2024.**

The Corporate Social Responsibility (CSR) Committee comprises of the following members:

Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year.	Number of meetings of CSR the committee attended during the year.
Mr. Anup S Shah	(Chairman) Non-Executive Independent Director	4	4
Mrs. Srivathsala K N	(Member) Non-Executive - Independent Director	4	4
Mr. Jagadish Nangineni	(Member) Executive – Managing Director	4	4

3. The details of Corporate Social Responsibility Policy, Composition of CSR Committee and CSR Projects approved by the board are disclosed on the website of the company.

The web-links are as follows:

- CSR Policy and Projects: https://www.sobha.com/wp-content/uploads/2024/04/Sobha-CSR-Policy.pdf
- Composition of CSR Committee: https://www.sobha.com/wp-content/uploads/2022/11/Composition-of-Committees.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135: **₹1734.87 Millions**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: **₹34.70 Millions**

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**

(d) Amount required to be set-off for the financial year, if any: **NA**

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹34.70 Million.**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹143.42 Million**

(b) Amount spent in Administrative Overheads: **₹6.58 Million**

(c) Amount spent on Impact Assessment, if applicable: **NA**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹150.00 Million**

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in million)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹150.00	-	-	-	-	-

(f) Excess amount for set-off, if any: **Nil**

Sl. No.	Particular	Amount (in ₹ million)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	34.70
(ii)	Total amount spent for the Financial Year	150.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **NIL**

Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in The Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
FY-2020-21	-	-	-	-	-	-
FY-2021-22	-	-	-	-	-	-
FY-2022-23	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If yes, enter the number of Capital assets created/acquired. 28

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
				CSR Registration Number	Name	Registered address
Armless chair white plastic	678684	02-03-2024	105,600	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Double Desk and Chairs (25 Double desk, 60 chairs)	678684	09-05-2023	280,268	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
LG 2 TR Inverter Cassette AC	678684	04-11-2023	332,000	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
3.8 Ton Non inverter Cassette 4 way 3 PH Daikin A/C	678683	20-05-2023	159,335	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala

Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
				CSR Registration Number	Name	Registered address
CCTV Camera Hikvision 4 mm	678683	20-05-2023	5,156	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Assembled PC Processor intel Core	678683	16-06-2023	33,748	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
LG 55 Inch Smart TV	678683	30-06-2023	51,000	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Various Furniture Items for Room No: 401 & 402 (2seater sofa, Centre Table, Mirror with frame, chair, study table etc)	678683	30-09-2023	810,025	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Study Table for Room No: 401	678683	10-10-2023	19,710	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
PTZ video Conference Kit with Interactive display android	678683	18-10-2023	289,100	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
UPS Battery	678683	30-11-2023	51,114	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Aluminium Ladder	678683	01-01-2024	5,000	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Office Table, Rack, Almirah	678683	10-01-2024	54,350	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Motorised Screen for Multipurpose Hall	678683	22-02-2024	24,496	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Projector for Mulipurpose Hall	678683	24-02-2024	71,808	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Grass Cutter Machine	678683	25-07-2023	14,350	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Water Purifier (RO Based)	678683	19-08-2023	61,360	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Smart Phone - Redmi	678683	19-12-2023	7,400	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Johnson Horizontal Centrifugical Pump for STP	678683	22-12-2023	30,090	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala

Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
				CSR Registration Number	Name	Registered address
Smart Phone - Redmi	678683	19-12-2023	7,400	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Home Appliances (5 Fridge and TV)	678683	23-06-2023	91,930	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Home Appliances (5 TV, 5 Mixi, Stabiliser, Stove, Iron Box)	678683	23-06-2023	68,135	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Printer HP Inktank, AIO	678683	20-05-2023	18,944	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Innova Car	678683	20-05-2023	3,375,120	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Assembled PC Processor intel Core	678683	13-06-2023	32,285	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Assembled PC - OptiPlex All in One PC	678683	17-06-2023	80,216	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Assembled PC Dell	678683	31-07-2023	52,959	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala
Smart Phone - Redmi	678683	19-12-2023	14,800	CSR00003295	Sri Kurumba Educational And Charitable Trust	Anugraha 30/40, Sreepuram Punkunnam, Thrissur-680002, Kerala

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per subsection (5) of section 135- NA

For and on behalf of the Board of Directors of Sobha Limited

Sd/-
Ravi PNC Menon
Chairman

Sd/-
Jagadish Nangineni
Managing Director

Place : Bengaluru
Date : May 17, 2024

ANNEXURE E

REMUNERATION DETAILS OF DIRECTORS AND EMPLOYEES

(Pursuant to section 134 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

i. Ratio of remuneration of each director to the median remuneration of the employees and percentage increase in remuneration

Sl. No.	Name of Director / KMP	Designation	Ratio of Remuneration to Median Remuneration	% Increase in Remuneration Y-O-Y	Comparison of KMP remuneration against the Company's performance
1	Mr. Ravi PNC Menon	Chairman	NA	NA	The revenues decreased by 2,032.20 million, the Profit before Tax and Profit after Tax have decreased by 633.46 and 487.20 million respectively on a standalone basis. On a consolidated basis, the revenues were decreased by 1,845.51 million, the Profit before Tax by 707.48 million and Profit after Tax by 550.92 million as compared to the previous financial year 2022-23.
2	Mr. Jagadish Nangineni	Managing Director	49.12	-29.75	
3	Mr. R V S Rao	Independent Director	4.52	-1.83	Not applicable.
4	Ms. Srivathsala KN	Independent Director	4.62	-1.79	
5	Mr. Raman Mangalorkar	Independent Director	4.58	0.46	
6	Mr. Anup Shah	Independent Director	4.54	0.46	
7	Mr. Yogesh Bansal	Chief Financial Officer	18.73	31.59	
8	Mr. Vighneshwar G Bhat	Company Secretary & Compliance Officer	9.50	NA	
9	Mr. Bijan Kumar Das	Company Secretary & Compliance Officer	4.10	NA	

ii. The median remuneration of employees during the financial year was Rs.473,400 (Rupees Four Lakhs Seventy Three Thousand Four Hundred only)

iii. The percentage increase in the median remuneration of employees in the financial year 2023-24 was 6.49%.

iv. The number of permanent employees on the rolls of the Company as on March 31, 2024 was 3,791 plus 23 consultants.

v. The average increase in median remuneration during the financial year 2023-24 was 6.89%. During the same period, The revenues decreased by 2,032.20 million the Profit before Tax and Profit after Tax have decreased by 633.46 and 487.20

million respectively on a standalone basis. On a consolidated basis, the revenues were decreased by 1,845.51 million the Profit before Tax by 707.48 million and Profit after Tax by 550.92 million as compared to the previous financial year 2022-23.

vi. Average percentile increase in the salaries of employees other than the managerial personnel during 2023-24 was 10.72%. The percentile increase in managerial remuneration during the same period was 10.47 %. The percentile increase in managerial remuneration was on account of the fixed and variable component of remuneration payable to the managerial personnel as per the terms and conditions of their appointment.

vii. The key parameters for any variable component of remuneration availed by the directors: The Whole-time Directors are entitled to receive a fixed salary comprising of basic salary, allowances and perquisites. They are also eligible for performance incentives up to a specified percentage or amount as the case may be. The break-up of the remuneration is provided in the Corporate Governance Report forming part of the Annual Report.

viii. There was no employee whose remuneration was in excess of the remuneration of the highest paid director during the financial year.

ix. The remuneration is as per the Nomination and Remuneration Policy formulated by the Nomination, Remuneration and Governance Committee and approved by the Board of Directors of the Company.

Statement pursuant to Section 134 of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

Sl. No	Name	Age	Designation	Nature of Employment (Contractual or otherwise)	Gross Remunera-tion	Qualifica-tion	Expe-rience (Years)	Date of com-mencement of Employ-ment	Previous Employ-ment held
(A) Employed throughout the financial year									
1	Mr. Gaurav Bhatia	51	Chief Sales Officer	Permanent Employee	45,343,805	B. Sc, MMM	27	05.01.2017	Square Yards
2	Mr. Amrit Mishra	42	Vice President	Permanent Employee	27,226,370	BA, PGDM	22	09.08.2021	Edelweiss Real Estate Advisory
3	Mr. Sumeet Suresh Chunkhare	43	Executive Vice President	Permanent Employee	24,657,446	B. Com, PGDM	18	26.11.2019	Atlas Machinery
4	Mr. Sanjith P	41	Senior Vice President	Permanent Employee	20,214,564	B.Sc, MBA	19	22.08.2005	-
5	Mr. Vitas Vazhappilly Lazar	42	Senior General Manager	Permanent Employee	19,500,978	BSc., MBA	18	21.02.2011	HDFC Bank
6	Mr. Kamanchandrath Ramchandran Jai Madhav Menon	34	Assistant General Manager	Permanent Employee	16,885,539	MBA,M. Tech., B Tech.	10	06.03.2018	BPTP Ltd
7	Ms. Rashmi Singh	36	Senior Manager - I	Permanent Employee	16,430,625	BA Hons	15	12.05.2022	Jubilee Group
8	Mr. Ashish Kumar Saxena	40	Deputy General Manager - II	Permanent Employee	15,653,859	BCA, PGDM	16	23.08.2019	Ashiana Housing Ltd
9	Mr. Taranpreet Singh Joneja	47	Senior General Manager - I	Permanent Employee	12,524,696	MBA,BBA	23	19.03.2018	Lotus Green Developers Pvt Ltd

Sl. No	Name	Age	Designation	Nature of Employment (Contractual or otherwise)	Gross Remuneration	Qualification	Experience (Years)	Date of commencement of Employment	Previous Employment held
10	Mr. Manoj Rastogi	58	Chief Executive Officer	Permanent Employee	10,992,292	MBA,BE, Dip in Computer Science	37	16.02.2017	Sintex Group
11	Mr.Prashantha Kumara Rai	46	Vice President	Permanent Employee	10,581,867	MBA, BE Civil	20	02.04.2007	Chitra International
12	Mr. Raghu Balan	57	Executive Vice President	Permanent Employee	10,044,263	PG Diploma, B Tech.	30	01.01.1997	Oman Builders Pvt Ltd
13	Ms. Geetha K Nair	55	Executive Vice President	Permanent Employee	10,026,769	B. Arch.	32	01.01.1997	Zachariah Consultants
(B) Employed for part of the financial year						None			
(C) Employed for whole or part of the financial year						None			

Notes

1. Gross Remuneration comprises salary, allowances, Company's contribution to provident fund and taxable value of perquisites.
2. An employee would be qualified to be included in Category (A), (B) or (C) on the following basis:

   For (A) if the aggregate remuneration drawn by him during the year was not less than ₹10,200,000 per annum.

   For (B) if the aggregate remuneration drawn by him during the part of the year was not less than ₹850,000 per month.

   For (C), if the aggregate remuneration drawn by him during the year or part of the year was in excess of the remuneration drawn by the managing director or whole-time director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.
3. None of the employees mentioned above are relatives of any Director of the Company.
4. All the employees referred above are / were in full-time employment of the Company and there is no other employee who is in receipt of remuneration in terms of the provisions of Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of the Board of Directors of Sobha Limited

Place : Bengaluru
Date : May 17, 2024

Sd/-
Ravi PNC Menon
Chairman

Sd/-
Jagadish Nangineni
Managing Director

ANNEXURE F

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Pursuant to section 134 of the Act and Rule 8(3) of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

I. STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY

The Company has adopted the following energy conservation measures:

a. Use of energy efficient lamps, control gears, ballast VFDs highly efficient motors and PV cells.

b. Use of LED Light fixtures in the common areas of residential projects.

c. Use of external street light fixtures with timers.

d. Use of lighting software in the design stage of our projects.

e. Use of motion sensors and occupancy sensors with electronic drivers.

f. Use of best quality wires, cables, switches and low self-power loss breakers wherever essential.

g. Following standard specifications like colour codes, independent neutral and earthing for each circuit to curb energy leakage.

h. Use of low- loss electronic ballast.

i. Selection of high efficiency transformers, DG sets and other equipment.

j. Introduction of auto-correction power factor capacitor panels for common area loads.

k. The use of separate energy meters for major common area loads so that power consumption can be monitored and efforts can be made to minimize the same.

l. Use of energy efficient lifts with group control in residential projects.

II. STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATIVE SOURCES OF ENERGY

a. Provision of back-up solar power for common area lighting in residential projects.

b. At Sobha corporate office, 80% of power wheeled from solar power plant.

c. Sobha Glazing factory provided with 225kW and Sobha Interior factory provided with 750KW roof top solar power plant in view of utilizing alternate source of energy.

d. More than 2.5 million units of solar power utilized across the Sobha facilities resulted in 2,125tons of carbon footprint saving.

e. Use of heat pumps and solar water heaters instead of geysers to reduce power consumption.

III. CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT

The Company continues to make project level investments for reduction in consumption of energy. Capital investment on energy conservation equipment cannot be quantified.

B. TECHNOLOGY ABSORPTION

I. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

The Company uses German tools, waterproofing techniques and follows European standards in all its construction activities. Sobha uses both indigenous and imported technologies for implementation at all its projects. The Company has taken the following initiatives in the area of technology:

a. Introduction of laser plummets for accurate marking.

b. Introduction of "Scaff board" for safety of workforce who work at heights.

c. Software for BBS to generate fast and accurate bar bending schedules.

d. "Grab & Trolley" for block shifting.

e. "Debris Crusher" for crushing & recycling the debris generated at the site.

f. Instead of cast – in-situ coping for the terrace parapet and compound walls, precast methodology has been introduced and implemented.

g. Adoption of power feeders for spindle machine instead of manual feeding.

h. To optimize the manpower cost and for better productivity, we were experimented with some special simple tools such as wire stripper, portable drilling machine, that resulted excellent.

i. Introduction of EV Charging points at some of the projects.

The Company derives benefits in the form of cost reduction, fewer customer complaints and better quality of the end products. The above initiations and implementations have been made after continuous market research - trial and testing for quality, durability and compatibility in consideration of cost and time for developing new systems and better technologies at par with international standards.

II. IMPORTED TECHNOLOGY

No technology was imported by the Company during the last three financial years.

III. EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

The Company had carried out R&D in the following areas:

1. Basement flooring – Upgradation from Epoxy to PU flooring
2. Basement expansion joint
3. Refabrication of aluminium form work materials
4. Alternate Vendors for the materials
5. Alternate system for the false ceiling in toilets
6. Chamber covers for external area

Benefits derived as a result of the above R&D

The benefits derived from the above ensure that the final product delivered by the Company conforms to international standards.

Future plan of action

The success of R&D initiatives in the construction industry primarily depends on the selection of the right method of construction, type of machines and kind of materials. It also depends on integrating the planning and training process within the Company and it has to be understood as an ongoing process.

Expenditure on R&D

The R & D activity of the Company forms part of project implementation and cannot be quantified.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total expenditure in foreign exchange: **₹71.26 Million**

Total income in foreign exchange: **Nil**

For and on behalf of the Board of Directors of Sobha Limited

	Sd/-	**Sd/-**
Place : Bengaluru	**Ravi PNC Menon**	**Jagadish Nangineni**
Date : May 17, 2024	**Chairman**	**Managing Director**

ANNEXURE G

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

I DETAIL OF THE LISTED ENTITY

1.	Corporate Identity Number	:	L45201KA1995PLC018475
2.	Name of the Company	:	Sobha Limited
3.	Year of incorporation	:	07/08/1995
4.	Registered office Address	:	Sobha, Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru – 560 103.
5.	Corporate office Address	:	Sobha, Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru – 560 103.
6.	Email ID	:	investors@sobha.com
7.	Telephone	:	+91 80 49320000, +91 80 49320444
8.	Website	:	www.sobha.com
9.	Financial Year Reported	:	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	:	National Stock Exchange of India Limited and BSE Limited
11.	Paid Up Capital	:	₹948,458,530
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Mr. Bijan Kumar Dash Contact No. +91 80 49320000 E-mail ID - investors@sobha.com
13.	Reporting boundary	:	Disclosure under this report is made on a Standalone basis
14.	Name of assurance provider	:	Not applicable
15.	Type of assurance obtained	:	Not applicable

II PRODUCT/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S.No	Description of Main Activity	Description of business activity	% of turnover of the entity
1.	Construction	Construction of Residential projects	72.74
2.		Construction of Commercial projects	
3.	Contractual and Manufacturing	Building completion and finishing services - Manufacturing activities related to: (i) Interiors, (ii) Glazing and Metal Works and (iii) Concrete products and Mattress division	27.26

17. Details of product/services sold by the Company (accounting for 90% of the turnover):

S.No	Description of Main Activity	Description of business activity	% of turnover of the entity
1.	Construction	Construction of Residential projects	72.74
2.		Construction of Commercial projects	
3.	Contractual and Manufacturing	Building completion and finishing services - Manufacturing activities related to: (i) Interiors, (ii) Glazing and Metal Works and (iii) Concrete products and Mattress division	27.26

III OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Projects/plants	Number of offices	Total
National	▪ Projects: 69	Regional Offices: 12 (The Company's headquarter is in Bengaluru and its regional offices are at Gurgaon, Chennai, Coimbatore, Thrissur, Pune, Cochin, Trivandrum, Hosur, Calicut, Hyderabad and gift city (Gujarat).	81
	▪ Factories: Interior 2 and mattress 1 ▪ Glazing and Metals Works:3 ▪ Concrete Products Division: 1	Nil	6
International	Nil	2	2

19. Markets served by the Company

a. Number of Locations:

Locations	Number
National (No. of States)	14 (Karnataka, Maharastra, Kerala, Tamil Nadu, Gujarat, Haryana, Telangana, Himachal Pradesh, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh, Uttarakhand, West Bengal)
International (No. of Countries)	Nil

b. What is contribution of exports as a percentage of the total turnover of the entity ?

Nil

c. A brief on type of customers

Included among our diverse range of clientele are residential and retail customers, as well as institutional and commercial customers.

IV EMPLOYEES

20. Details as at the end of the financial year

a. Employees and Workers (including differently-abled):

S.No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (H)	%(H/A)
	Employees							
1.	Permanent (D)	3,791	3,248	85.68%	543	14.32%	-	-
2.	Other than Permanent (E)	23	23	100%	-	-	-	-
3.	**Total employees (D + E)**	**3,814**	**3,271**	**85.76%**	**543**	**14.24%**	**-**	**-**
	Workers							
4.	Permanent (F)	-	-	-	-	-	-	-
5.	Other than Permanent (G)	21,535	20,992	97.48%	543	2.52%	-	-
6.	**Total workers (F + G)**	**21,535**	**20,992**	**97.48%**	**543**	**2.52%**	**-**	**-**

b. Differently-abled Employees and Workers:

S.No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (H)	%(H/A)
	Differently abled employees							
1.	Permanent (D)	05	02	40%	03	60%	-	-
2.	Other than Permanent (E)	-	-	-	-	-	-	-
3.	**Total differently-abled employees (D + E)**	**05**	**02**	**40%**	**03**	**60%**	**-**	**-**

S.No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (H)	%(H/A)
Differently abled workers								
4.	Permanent (F)	-	-	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-	-	-
6.	**Total differently abled workers (F + G)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

21. Participation/Inclusion/Representation of women:

Category	Total	No. and percentage of females	
	(A)	No. (B)	% (B/A)
Board of Directors	6	1	16.67%
Key Management Personnel	3	0	0 %

Note: Key Managerial Personnel includes Managing Director, which form part of Board of Directors.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY 2023-2024 (Turnover rate in current FY)			FY 2022-2023 (Turnover rate in the previous FY)			FY 2021-2022 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	39%	41%	40%	36%	42%	38%	39%	49%	41%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. Names of holding subsidiary/associate companies/joint ventures:

S.No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Sobha Developers (Pune) Limited	Subsidiary	100%	No
2.	Sobha Highrise Ventures Private Limited	Subsidiary	100%	Yes
3.	Sobha Assets Private Limited	Subsidiary	100%	No
4.	Sobha Tambaram Developers Limited	Subsidiary	100%	No
5.	Sobha Nandambakkam Developers Limited	Subsidiary	100%	No
6.	Sobha Construction Products Private Limited	Subsidiary	100%	No
7.	C.V.S. Tech Park Private Limited****	Subsidiary	100%	No
8.	Sobha City	Partnership Firm wherein Sobha has 100% economic interest	100%	No
9.	Sobha Contracting private Limited*	Stepdown Subsidiary	100%	No
10.	Kilai Builders Private Limited**	Stepdown Subsidiary	100%	No
11.	Sobha Interiors Private Limited**	Stepdown Subsidiary	100%	No
12.	Kuthavakkam Builders Private Limited**	Stepdown Subsidiary	100%	No
13.	Kuthavakkam Realtors Private Limited**	Stepdown Subsidiary	100%	No
14.	Valasai Vettikadu Realtors Private Limited***	Stepdown Subsidiary	100%	No

S.No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
15.	Vayaloor Properties Private Limited***	Stepdown Subsidiary	100%	No
16.	Vayaloor Realtors Private Limited***	Stepdown Subsidiary	100%	No
17.	Vayaloor Real Estate Private Limited***	Stepdown Subsidiary	100%	No
18.	Vayaloor Developers Private Limited***	Stepdown Subsidiary	100%	No
19.	Vayaloor Builders Private Limited***	Stepdown Subsidiary	100%	No
20	Kondhwa Projects LLP	Joint Venture	50%	No

* Sobha Contracting Private Limited is a wholly owned subsidiary of Sobha Highrise Ventures Private Limited. Hence a stepdown subsidiary of Sobha Limited.

** Kilai Builders Private Limited, Sobha Interiors Private Limited, Kuthavakkam Builders Private Limited and Kuthavakkam Realtors Private Limited are wholly owned subsidiary of Sobha Developers (Pune) Limited. Hence, a stepdown subsidiary of Sobha Limited.

*** Sobha City Firm Holding 100% equity shares of the Valasai Vettikadu Realtors Private Limited, Vayaloor Properties Private Limited, Vayaloor Realtors Private Limited, Vayaloor Real Estate Private Limited, Vayaloor Developers Private Limited, and Vayaloor Builders Private Limited.

**** C.V.S.Tech Park Private Limited was the associate Company of SOBHA till February 14, 2024.

VI. CSR DETAILS

23. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.): 32,226.45 Million

(iii) Net worth (in Rs.): 23,579.27 Millionn

VII. TRANSPARENCY AND DISCLOSURE COMPLIANCES

Complaints/Grievances on any of the principles (Principles 1 to 9) under National Guidelines on Responsible Business Conduct:

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy)	FY 2024 (Current Financial Year)			FY 2023 (Previous Financial Year)		
		Number of Complaints filed during the year	Complaints pending resolution at close of the year	Remarks	Number of Complaints filed during the year	Complaints pending resolution at close of the year	Remarks
Communities	-	NIL	NIL	NIL	NIL	NIL	NIL
Investors (other than shareholders)	Yes https://www.sobha.com/investor-relations/#survey	NIL	NIL	NIL	NIL	NIL	NIL
Shareholders	Yes https://www.sobha.com/investor-relations/#survey	NIL	NIL	NIL	21	NIL	NIL
Employees and workers	Yes https://www.sobha.com/investor-relations/#survey	NIL	NIL	NIL	NIL	NIL	NIL

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy)	FY 2024 (Current Financial Year)			FY 2023 (Previous Financial Year)		
		Number of Complaints filed during the year	Complaints pending resolution at close of the year	Remarks	Number of Complaints filed during the year	Complaints pending resolution at close of the year	Remarks
Customers	Yes. https://www.sobha.com/investor-relations/#survey	6,410	104	NIL	5,340	34	NIL
Value Chain Partners	-	NIL	NIL	NIL	NIL	NIL	NIL
Other (please specify)	-	NIL	NIL	NIL	NIL	NIL	NIL

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

We live in an uncertain and constantly changing world. A formal process to identify material sustainability issues helps us report on those that matter most to our business and stakeholders. A sustainability issue is material to us if it meets two conditions. First, if it is considered a principal risk or an element of a principal risk, which could impact our business or performance. And secondly, if it is deemed to be important to our key stakeholders, including our people, consumers, customers (retailers), suppliers and business partners, planet and society (citizens, NGOs, governments) and our employees. We use our sustainability materiality assessment to identify priority sustainability issues across our value chain so that we can report on the issues of most interest to our stakeholders. The following table captures the key material issues identified by us:

S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	i. Business ethics ii. Corporate governance, transparency and disclosures	Opportunity	• Gain trust of different stakeholders • Address reputational risk • Improve brand image • Attract talent and investment	The Company has adopted various codes of conduct to conduct the affairs of the Company in a fair and transparent manner. The code of conduct and ethics policy inculcate good principles, values, and discipline in employees, vendors, customers, and other stakeholders while performance of their duties.	Positive
2	Conflict of interest involving members, employees and business partners	Risk	• Increase business transparency. • Regulatory compliances • Improve stakeholder's confidence	The code of conduct of the Company contains the details regarding how to effectively manage conflicts.	Negative
3	Occupational health & safety	Risk	• Health & safety impact company's practice as a responsible organisation. • Effective health & safety performance assist in attracting and retaining quality talent	• The Company has an effective health and safety practices deployed in accordance with the policies and SOPs on health and safety measures. • The Company's Occupational Health & Safety Management Systems are in conformity with the OHSAS 9001:2015 Standards.	Negative

S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Relationship management with different stakeholders i. Grievance redressal mechanism ii. Stakeholders Engagement iii. Conflict management	Opportunity	• Essential for the success of businesses' operations- • Increased productivity and morale. • Boost companies' social performance as an attractive employer. • Better working relations with other stakeholders • Brand image/reputation • Long term value creation	• The Company has designated email ID's where the grievances can be sent by the stakeholders and the same is being replied in reasonable timeframe. • The Company has adopted Code of Conduct and Ethics Policy to address the conflict of interest that may arise in the business of the Company. If an employee believes they may have a conflict of interest, then they should disclose such conflict of interest and seek directions from their supervisor, a member of senior management or the Company Secretary. • The Company engage with different stakeholders directly, through business meets, through AGM, quarterly communications through Stock Exchange, through websites and internal magazine	Positive
5	GHG emissions	Risk	• Reducing the GHG emissions is a vital component of a larger sustainability plan to mitigate the impact of climate change. • Mitigate the regulatory risk. • Cost savings through resource efficiency.	We are measuring emissions on an annual basis and tracking the same to identify opportunities for reduction. Necessary environmental compliance report is filed on quarterly basis with Pollution Control Board. We are also increasing the contribution on renewables at our own premises substituting with cleaner fuels to reduce our Scope 1 and Scope II emissions.	Negative
6	Circular economy	Opportunity	• Waste management at sites, plant and other locations are indispensable for maintaining salubrious environment • Meet the regulatory requirements • Ensures sustainable development • Reduce negative impact on environment	• All waste oil generated in the process being disposed of agencies duly authorized for recycling. • Rainwater harvesting is done in two ways: through collection tanks for roof-based runoffs and through recharge tanks with recharge bores/percolation pits for land-based runoffs. • SOBHA uses specially designed Sewage Treatment Plants (STPs) to treat the waste water generated in its buildings. The treated water is used for secondary activities like flushing toilets, watering the landscape areas, cleaning the common areas, and at construction sites for dust suppression. The STPs help reduce a project's consumption of fresh water in its various activities.	Positive

S.No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Afforestation	Opportunity	• Environmental protection • Meet regulatory requirements and requirement of Environmental Clearance • Counter balance greenhouse emissions • Protect flora and fauna of the region	• Avenue plantation along haul road, • The generated topsoil is used for plantation/afforestation	Positive
8	Community relationships	Opportunity	• Build strong relationship with the communities in and around the vicinity where the company operates. • Promote economic growth and improve standard of living in the areas through CSR interventions.	• Continuous consultations are carried out with local communities that could impact/affect community lives. The Company engages in robust focus group discussions with community leaders and local community stakeholders to address different areas of concern and sharing of information.	Positive
9	Supply Chain	Risk	• Disruption - Work stoppage due to non-compliant operations or misconduct • Regulatory - Legal action for non-compliance with mandatory statutory requirement • Delay in project execution	• Code of Conduct for suppliers and contractors • Training workshops • Raising awareness on ESG & related implications	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business ('NVGs') released by the Ministry of Corporate Affairs has adopted the following nine areas of Business Responsibility:

Principle 1:	Businesses should conduct and govern themselves with integrity and in a manner that is Ethics, Transparency and Accountability.
Principle 2:	Businesses should provide goods and services in a manner that is sustainable and safe and contribute to sustainability throughout their life cycle.
Principle 3:	Businesses should respect and promote the wellbeing of all employees, including those in their value chains.
Principle 4:	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5:	Businesses should respect and promote human rights.
Principle 6:	Businesses should respect, protect, and make efforts to restore the environment.
Principle 7:	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible and transparent manner.
Principle 8:	Businesses should support inclusive growth and equitable development.
Principle 9:	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S.No	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Policy and management processes									
1.	a Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes, Certain policies are approved by the Board of Directors and certain policies are internal and issued by Managing Director. Implementation of policy decision is carried out by the management.								
	c. Web Link of the Policies, if available	https://www.sobha.com/investor-relations-downloads.php Certain polices are internal to the Company and not placed in the website.								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, External stakeholders are communicated to the extent applicable to the stakeholders. The policies are also uploaded on the website of the Company for easy access.								
4.	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 ISO 45001:2018 ISO 14001 :2015								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	We are in the process of re-evaluating our existing sustainability standards and setting the goals and targets in line with the NGRBC/ GRI framework								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We are in the process of re-evaluating our existing sustainability standards and setting the goals and targets in line with the NGRBC/ GRI framework								
	Governance, leadership and oversight									
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (*listed entity has flexibility regarding the placement of this disclosure*): At SOBHA we have various mechanisms and systems in place to ensure our focus on ESG remains strong. Our 'Towards better living' principle focuses on making our planet more sustainable, committing to compassionate social development and conducting business with the highest ethical standards. Protecting our environment has been a focus since inception. Our product quality is of the highest standards in the industry, made possible by stringent processes and sustainability practices deeply embedded. Across our operations and projects, we use an integrated solid waste management system that operates on the 4R principles — Reduce, Reuse, Recycle and Recover that has helped minimising environmental impact. The real estate business is a long gestation business with an even longer value chain characterised by many regulations and stipulations within which real estate companies have to work with. The sector is more regulated and monitored since the establishment of RERA (Real Estate Regulatory Authority). Customers have welcomed this change. This has also had a positive impact on the sector with developers and builders more accountable and adhering to various norms. SOBHA's strength lies in the transparency and integrity of its organization and the way it conducts business – a critical factor that continues to attract customers to SOBHA, in addition to the quality and timely delivery of projects. Our focus and efforts will be in addressing opportunities and challenges alike. We will set up more robust systems to better measure, monitor and analyse operational data to make process improvements, minimise material usage and wastage, better water and waste management, increase adaption of renewable energy while reducing overall energy consumption. Across our projects we consciously will look at better material and adopt construction technologies to make building last longer, reduce the need for maintenance, and implement innovative designs that further enhance 'green cover'.									

.	Availability of skilled labour and qualified technicians is a growing challenge, given other less challenging job opportunities that don't require too much physical labour. This is an area that needs to be addressed holistically with enhanced Government, education, and industry participation with a clear objective to enhance competencies and better use of modern technology and practices. With regulations getting more stringent, SOBHA will enhance its management practices to ensure an inclusive approach to better addressing governance. As we continue to grow, SOBHA will evolve, deepening its focus on enhancing a wellbeing of employee, a more sustainable planet, healthier and prosperous communities and an organization thriving with employees who wish to make long and fulfilling careers at SOBHA.	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Board of Directors supported by the Managing Director who briefs the Board on subject matter periodically.
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No. However, the respective areas of the ESG matters are monitored by the person identified i.e. Departmental Heads of the respective departments.
10	**Details of Review of NGRBCs by the Company:**	

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Managing Director/ Board/Board Committee									Quarterly and Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Managing Director/ Board/Board Committee									Quarterly and Annually								

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The Company is ISO/IMS certified for quality management (ISO 9001) by NVT Quality Certification International, Environmental management (ISO 14001) by Bureau Veritas, Occupational health and safety management (ISO 45001) by Bureau Veritas. Additionally, the Kerala Statistical Institute, the Government agency of Kerala had conducted impact assessment of Company's CSR activities. We periodically conduct a comprehensive internal audit of our policies and evaluate and monitor gaps found in the implementation of these policies.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financialyear (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be -- voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators:

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of person in respective category covered by the awareness programmes
Board of Directors	5	Directors of the Company at the time of their appointment are familiarized on the Company's Core Values, Code of Conduct including the purpose and the business it operates and social responsibilities. At each meeting of the Board/ Audit Committee, members also deliberate on key regulatory matters that helps to reflect and focus on key strategies. As a part of Board, Audit and CSR agenda, members also discuss various sustainable and Governance initiatives of the Company, including regulatory and economic trends. Key Regulatory changes, amendments etc. are circulated regularly. Business, strategy, risk assessment, mitigation etc., are also covered on periodical basis.	100%
Key Managerial Personnel	5	Topics pertaining to Key Regulatory issues, recent regulatory updates, amendments etc. are circulated regularly. The Code of Conduct is also familiarized, which helps the KMP's to drive the Company's values and purpose in all key business activities.	100 %
Employees other than BOD and KMPs	18	IMS Awareness Training, Training on Best Environmental Practices at Site, POSH-Creating impact training and development, Scaffolding Training, Orientation Training-Sobha Academy Thrissur, Tower Crane Training P&M, Plant & Machinery, Promoting Safety through leadership, MX Road Course, IPPL Quiz, MEP Training.	100%
Workers	NIL	NIL	NIL

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format: NIL

   (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Category	**NGRBC Principle**	**Name of regulatory/ enforcement agencies/ judicial institution**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty / fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary					
Category	**NGRBC Principle**	**Name of regulatory/ enforcement agencies/ judicial institution**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed: NA

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   The Company does not encourage corruption and /or unethical practices. The Company has a Code of Conduct that provides guidance on ethics, bribery and corruption related matters. The code is applicable to all internal and external stakeholders. The code may be accessed on the Company's website at: https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Code-of-Conduct.pdf

5. Number of Dirctors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: NIL

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest: NIL

Category	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-			

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interes

   Not applicable, as we do not have any instances of corruption/conflicts of interest against Directors and KMPs.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	82.56	82.11

Openness of business:Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	1.40%	1.36%
	b.	Number of trading houses where purchases are made from	39	33
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	88.71%	91.21%
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	0.37%	0.35%
	b.	Number of dealers / distributors to whom sales are made	9	10
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers /distributors	100%	100%
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	1.50%	1.94%
	b.	Sales (Sales to related parties / Total Sales)	3.19%	2.89%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	51%	56%
	d.	Investments (Investments in related parties / Total Investments made	100%	100%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year: In the Company's Supplier code of Conduct and general terms and conditions, the Company has emphasized on all integrity aspects which are applicable to all suppliers.:

Total number of awareness programmes held	Topic/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes

In the Company's Supplier code of Conduct and general terms and conditions, the Company has emphasized on all integrity aspects which are applicable to all suppliers.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

   Yes. The Directors while joining the Boards of other companies and during the acquisition or disposal of the shares/ interest held in other companies and annually disclose to the Board of directors about their interest to avoid the conflict. They do not participate in the discussion or voting on the matter which they have interest. Any conflict of interest arising with the Board Members needs to be reported to the Chairman of the Audit Committee/Chairman of the Board. The directors are also bound by the Code of Conduct for directors, which sets clear guidelines for avoiding and disclosing actual or potential conflicts of interest with the Company. The code may be accessed on the Company's website at: _https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Code-of-Conduct.pdf

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental

and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year (in ₹)	Previous Financial Year (in ₹)	Details of improvements in environment and social impact
R&D	-	-	• Wastage Reduction at all stages of the Process • Development of Environment friendly products • Recycling of Foam and Re Bonded Foam Scrap-contributing to the Circular Economy • Reduction in Usage of Polythene for Packing • Usage of ecofriendly packaging • Reduction in usage of A4 stationery
Capex	0.03%	0.01%	• Air curtain is provided to avoid escaping of foul smell from STP & OWC. Also, it avoids the insects or pests from entering the plant. • Accoustic Hood for Blowers are provided to reduce the noise level generated within the STP. • Diffusers - EDI Make membranes has more oxygen transfer efficiency. Hence the power consumption is less. • Ultrafiltration is provided for removal of organic molecules & viruses as well as a range of salts. • It removes 90% of pathogens and does not require chemicals except for cleaning membranes.

Note: Most of the expenditure incurred in R & D and Capital budget are the project costs and are ongoing. Hence, not separable and not provided separately.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) No

   b. If yes, what percentage of inputs were sourced sustainably? NA

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   Biodegradable waste in occupied projects are treated in organic waste converter and the compost is used as manure in the landscaped areas of the projects. All other wastes are handed over to authorized vendors.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Not Applicable

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No). If yes, provide the web-link.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same:

Name of Product/Service	Description of the risk/concern	Action Taken
	-	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
	-	-

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed, as per the following format:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
-	-

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	3248	3,248	100%	3,248	100%	-	-	3,248	100%	-	-
Female	543	543	100%	543	100%	543	100%	-	-	383	70.53%
Total	**3,791**	**3,791**	**100%**	**3,791**	**100%**	**543**	**100%**	**3,248**	**85.68%**	**383**	**10.10%**

Other than Permanent workers											
Male	23	23	100%	23	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**23**	**23**	**100%**	**23**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	**% of workers covered by**										
	Total (A	**Health insurance**		**Accident insurance**		**Maternity benefits**		**Paternity Benefits**		**Day Care facilities**	
		Number (B)	**% (B/A)**	**Number (C)**	**% (C/A)**	**Number (D)**	**% (D/A)**	**Number (E**	**% (E/A)**	**Number (F)**	**% (F/A)**
Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	20,992	414	1.97	20,992	100%	-	-	-	-	-	-
Female	543	37	6.81	543	100%	-	-	-	-	-	-
Total	**21,535**	**451**	**2.09**	**21,535**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24 Current Financial Year	**FY 2022-23 (Previous Financial Year)**
Cost incurred on well-being measures as a % of total revenue of the Company	0.31%	0.24%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

Benefits	**FY 2023-24 (Current Financial Year)**			**FY 2022-23 (Previous Financial Year)**		
	No. of employees covered as a % of total employees	**No. of employees covered as a % of total employees**	**Deducted and deposited with the authority (Y/N/N.A.)**	**No. of employees covered as a % of total employees**	**No. of workers covered as a % of total workers**	**Deducted and deposited with the authority (Y/N/N.A.)**
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	No	100	100	No
ESI (*)	100	100	Yes	100	100	Yes
Others – please specify	-	-	-	-	-	-

(*) Provided for Employees covered under ESI Act 1948

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, a section of HR manual defines the equal opportunity policy of the company, i.e. SOBHA considers its staff its most important assets and devotes considerable resources towards ensuring their well-being and the establishment of a productive environment. SOBHA is an 'equal opportunity employer' that is committed to hiring staff regardless of gender, race, creed, marital status, or national origin. SOBHA actively strives to attract, retain, and develop staff of the highest quality. The Company will strive to provide a fair and equitable treatment to its staff, encourage opportunities for personal growth, discourage all forms of discrimination, provide a safe and well-equipped environment and, most importantly, provide opportunity for staff participation in matters that affect the staff and their work.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		**Permanent workers**	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100%	100%	Not Availed	
Female	100%	100%		
Total	**100%**	**100%**		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	**Yes/No (If Yes, then give details of the mechanism in brief)**
Permanent Workers	NA
Other than Permanent Workers	Yes, the grievance can be raised with their respective Supervisors, Manager, Project Heads/ Business Head/ Plant Head and will be resolved with the necessary action based on the circumstances.
Permanent Employees	Yes, Employees can raise their grievances with their superiors or HR Managers. They can raise their feedback or complaints on the HR helpline facility available on Sobha intranet. Our whistle blower policy enables employees to communicate their concerns about unethical practices by writing an e-mail available on our intranet.
Other than Permanent Employees	Yes, the mentioned policy is applicable for this category also.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	**FY 2023-24 (Current Financial Year)**			**FY 2022-23 (Previous Financial Year)**		
	Total employees/ workers in respective category (A)	**No. of employees/ workers in respective category, who are part of association(s) or Union (B)**	**% (B/A)**	**Total employees/ workers in respective category (C)**	**No. of employees/ workers in respective category, who are part of association(s) or Union (D)**	**% (D/C)**
Total Permanent Employees	**-**	**-**	**-**	**-**	**--**	**-**
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	3,271	1221	37.32%	2,900	88.66%	3,006	1,561	51.93%	3,490	116.10%
Female	543	21	3.87%	162	29.83%	418	40	9.57%	258	61.72%
Total	**3,814**	**1,242**	**32.50%**	**3,062**	**80%**	**3,424**	**1,601**	**46.76%**	**3,748**	**109.46%**
Workers										
Male	19,233	18,121	94.28%	7,054	36.68%	12,267	13,400	109.23%	8,016	65.35%
Female	148	126	85.14%	126	85.14%	260	240	92.30%	128	49.23%
Total	**19,381**	**18,247**	**94.15%**	**7,180**	**37.05%**	**12,527**	**13,640**	**108.88%**	**8,144**	**65.01%**

Note:

1. For Health and safety: Worker category includes Technician supervisors, Foreman, Technicians, contractor workers and subcontractor workers.
2. For skill upgradation: worker category includes - Technicians, Technician supervisors, foreman.

9. Details of performance and career development reviews of employees and worker.

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	In Progress			3,006	2,494	82.97%
Female				418	358	85.65%
Total				**3,424**	**2,852**	**83.29%**
Workers						
Male	NA					
Female						
Total						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

We have established a robust health and safety management system for all employees and workers. Our occupational health and safety system is governed by our Occupational Health and Safety (OHS) Framework Standards (ISO 45001). We are committed to providing a safe and healthy work environment for those working on, visiting, or living near our operations.

During the FY 2023-24, Our Company was awarded Haryana State Health & Safety Awards form Labour Department Haryana, National Safety Council – Kerala Chapter and National Safety Council of India Safety Awards from National Safety Council of India.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Through both proactive and reactive monitoring, SOBHA evaluates performance. As part of active monitoring, we regularly review data from each department relevant to health and safety and check buildings and plants every two weeks to fill in any gaps. Environmental monitoring records, such as those for water testing, DG stack height and noise testing and air monitoring test records, are kept on file and updated on a regular basis.

Additionally, the safety manager will carry out a bi-weekly audit to identify any flaws in the methodology system. We assess injuries, illness, accidents, and near-misses through reactive monitoring to spot standards that need improvement. Examination of accidents and determination of their causes detailed information from the accident reports.

We use the safety manager's monthly reports and the department head's audits, plans for corrective action, and improvement targets to gather independent data on the effectiveness, reliability and efficiency of the entire health and safety management system. Effectiveness is increased by gathering data through face-to –face interviews, document analysis, and visual observations.

SOBHA takes a systematic and co-ordinated approach to managing workplace risks. We use risk assessment to identify and eliminate risks and we prefer hierarchy to prioritize measures to combat risks. We also use engineering controls and collective measures to minimize risks. Finally, we use PPE as a last resort only when necessary.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, an on-site suggestion box installed at project site so individuals can report anonymously submit ideas, any unsafe condition / unsafe act to rectify for enhancing safety in and around project for improvement throughout time.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, the employees of SOBHA have access to non-occupational medical health care services. In particular, both male and female employees showed up for the medical examination.

To boost employee morale, we are mandatorily giving general medical care, such as routine check-ups, vaccinations, and treatment for common illnesses and injuries, pre-joining medical screening and tri-monthly medical examinations to all segments of the workforce. They can access a medical care service known as a Medical Care Centre and an MBBS doctor at any time for medical crises, both occupational and non-occupational.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	**Category**	**FY 2023-24 (Current Financial Year)**	**FY 2022-23 (Previous Financial Year)**
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	4	4
	Workers	2	4
Total recordable work-related injuries	Employees	4	4
	Workers	2	4

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

For a safe and healthy workplace, SOBHA conducts risk assessments to assess the risks to employee's health and safety in the workplace and take steps to mitigate these risks. This includes identifying potential hazards and taking steps to eliminate or control them.

SOBHA establishes procedures for safe work practices through an operational control procedure and often conducts training to aware employees. This can include procedures for handling hazardous materials, operating machines, and responding to emergencies.

We frequently provide regular safety training sessions pertaining to eight major risk hazards, hazard identification and risk assessment, the occupational control process, legal obligations, the usage of personal protective equipment and the application of safety norms and protocols. The business also does routine safety audits to spot potential risks and take corrective action. To ensure that their medical needs are met, SOBHA additionally gives its employees access to medical facilities and health insurance. These actions show how committed the business is to providing a secure and healthy work environment for all of its workers.

SOBHA nurtures and perpetuates a system of roles and responsibilities for health and safety inside the organization, from senior management to front-line employees. Additionally, it is controlled or overseen by setting key objectives and reviewing against them, planning, reviewing, and auditing to ensure legal compliance, setting performance standards and effective implementation of plans allocation of specific responsibilities, individual job descriptions with H&S responsibilities. SOBHA always monitors their staff's competence and helps them nurture themselves by identifying training needs.

SOBHA provided suitable information, instruction and training for their employees to enable them to make effective use of the PPE provided to protect them against workplace hazards to their health and safety.

13. Number of Complaints on the following made by employees and workers: NIL

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	92%
Working Conditions	92%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

    NA

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

   Yes, the company has covered all the Permanent and other than permanent employees under the scheme of Group Personal accident policy and other than permanent workers covered under the Employees Compensation policy.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   Company adheres by all the statutory compliance as applicable under various Statutory Laws and same is applicable to the Value chain partners as well. The records are verified based on the periodic audit process within the internal audit team.

3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	**FY 2022-23 (Previous Financial Year)**	**FY 2023-24 (Current Financial Year)**	**FY 2022-23 (Previous Financial Year)**
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? **(Yes/No)** No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NA
Working Conditions	NA

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   NA

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   The Company has mapped its internal and external stakeholders. The key stakeholders of the Company includes its Customers, Regulatory Authorities including Government, Employees, Vendors, Contractors, Bankers, Investors and Shareholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Newsletter & Brochures, Meetings	As per product launches	• Product quality and safety • Adequate information on products • Amenities related to ventilation, natural lighting, space for work from-home, use of IoT and other technologies • Timely delivery • Maintenance of privacy/ Confidentiality • Customer satisfaction and feedback
Regulatory Authorities including Government		Conferences organizedby CII, FICCI, and other bodies. Policy advocacy initiatives with CREDAI. Press Releases, Quarterly Results, Annual Reports, Stock Exchange filings, issue specific meetings, representations.	Quarterly (as required)	Statutory compliance • Transparency in disclosures • Tax revenues • Sound corporate governance mechanisms
Vendors, Contractors		Day to day interactions. Supplier assessment and audit. Regular meetings with key suppliers and subcontractors. Supplier satisfaction survey.	Regular	Procurement practices Environmental impact & sustainability practices Business ethics Waste Management
Media		Press Releases, Quarterly Results, Annual Reports, AGM (shareholders interaction). Access information and media interactions.	As and when required	Performance reporting, good practices, show cases, awards and achievements, initiatives etc are discussed and reported
Investors and Shareholders		Public notifications, newspaper advertisement, website of the Company Press Releases, Info desk – an online service, dedicated email ID for Investor Grievances, Quarterly Results, Annual Reports, AGM (Shareholders interaction), Quarterly investor presentation, Investors meets, stock exchange filings and corporate website.	Quarterly and from time to time	Updating the latest developments, performance of the Company
Employees		Group Email HR Module SOBHA Company magazine Innerve is circulated among employees through internal email communication system (group mail)	Continuous	To create awareness
Community		CSR initiatives at all Locations A detailed report is attached to the Annual Report	Quarterly(A detailed report is attached to the Annual Report	A detailed report is attached to the Annual Report

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   NA

2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   NA

3. Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   NA

PRINCIPLE 5: Businesses should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

   Company has a Code of Conduct which regulates practices relating to the non-employment of child labour, assuring safety measures etc. This Code is applicable to the Company, its subsidiaries as well as to the contractors engaged by the Company.

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to minimum wage		More than Minimum Wage		Total (D)	Equal to minimum wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	3,248	-	-	3,248	100	2,984	-	-	2,984	100
Female	543	-	-	543	100	422	-	-	422	100
Other than Permanent										
Male	23	-	-	23	100	16	-	-	16	100
Female	-	-	-	-	-	-	-	-	-	-

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to minimum wage		More than Minimum Wage		Total (D)	Equal to minimum wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Other than Permanent										
Male	20,992	16,103	76.71	4,889	23.28	22,345	18,989	84.98	3,356	15.02
Female	543	504	92.81	39	07.18	508	298	58.66	210	41.34

3. Details of remuneration/salary/wages:

   a. Median remuneration/wages:

FY 2023-24	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BOD)	4	2,160,000	1	2,190,000
Key Managerial Personnel*	3	8,843,460	-	-
Employees other than BOD and KMP	3,246	513,270	542	465,084
Workers	-	-	-	-

* Remuneration paid to Key Managerial Personnel includes remuneration paid to Chairman and Managing Director, which forms part of Board of Directors.

   b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Paramater	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	₹356,298,576 /- P.A 12.66% of total wages	₹275,790,964/- P.A 11.41% of total wages

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

   Yes, the primary focal point for addressing the human rights issues are respective Project Heads/Business Head/ Plant Heads. If need be, the Company constitute committee(s) to address the impacts/issues related to the human rights.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   The grievance can be raised with their respective Head of the Department/Project Heads/Business Head/Plant Heads and will be resolved with the necessary action based on the circumstances.

6. Number of Complaints on the following made by employees and workers: NIL

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format: NIL

Paramater	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Though the Company does not have a dedicated mechanism, the victim can approach the HR department directly or to the HODs with their grievance. Appropriate inquiries will be conducted by the Company as per the applicable laws and appropriate actions, as may deem fit will be taken. Alternatively, the employees may report their grievance, complaints related to discrimination and harassment cases through the help desk available in company intranet portal.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

   No.

10. Assessments for the year: NIL

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	-
Forced Labour/Involuntary Labour	-
Sexual Harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

    NA

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints.

   NA

2. Details of the scope and coverage of any Human rights duediligence conducted.

   NA

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Yes

4. Details on assessment of value chain partners: NA

   The Company expects its value chain partners to uphold the same values and business ethics as per company norms. However, no formal examinations of value chain partner have been conducted.

Category	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour	-
Forced Labour/Involuntary Labour	-
Sexual Harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

   NA

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	9,212 GJ	8,719.2 GJ
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	**9,212 GJ**	**8,719.2 GJ**
From non-renewable sources		
Total electricity consumption (D)	95,246 GJ	64,314 GJ
Total fuel consumption (E)	9,270 GJ	2,253.6 GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**104,516 GJ**	**66,567.6**
Total energy consumed (A+B+C+D+E+F)	**113,728 GJ**	**75,286.8 GJ**
Energy intensity per rupee of Turnover *(Total energy consumed/ Revenue from operations)*	3.678 kJ/₹	2.268 kJ/₹

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Energy intensity per rupee of Turnover adjusted for Purchasing Power Parity (PPP) *(Total energy consumed / Revenue from operations adjusted for PPP)*	-	-
Energy intensity interms of physical output	-	-
Energy intensity (optional) – the relevant matric may be selected	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No.

3. Provide details of the following disclosures related to water, in the following format:

Parameter		FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)			
(i) Surface water		-	-
(ii) Groundwater		159,697	137,909
(iii) Third party water		892,057	1,056,006
(iv) Seawater/desalinated water		-	-
(v) Others	Rainwater Harvesting	122,312	88,770
Total volume of water withdrawal *(in kilolitres)* ***(i + ii + iii + iv + v)***		1,174,066	1,282,685
Total volume of water consumption (in kilolitres)		1,174,066	1,282,685
Water intensity per rupee of turnover *(Total Water consumption / Revenue from operations)*		0.038 litre/ ₹	0.038 litre/ ₹
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) *(Total Water consumption / Revenue from operations adjusted for PPP*		-	-
Water intensity in terms of physical output		-	-
Water intensity *(optional)* – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Provide the following details related to water discharged: NIL

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in Kilolitres)		
(i) To Surface water	-	-
- No Treatment	-	-
- With Treatment – please specify level of treatment	-	-

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(ii) To Groundwater	-	-
- No Treatment	-	-
- With Treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No Treatment	-	-
- With Treatment – please specify level of treatment	-	-
(iv) Sent to third -parties	-	-
- No Treatment	-	-
- With Treatment – please specify level of treatment	-	-
(v) Others	-	-
- No Treatment	-	-
- With Treatment – please specify level of treatment	-	-
Total water discharged (in Kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

   Treated wastewater from our projects and factories are recycled for flushing and reused for irrigation purposes in the landscaped areas of the projects. Excess treated water is also being used for construction purposes, Avenue plantations and also sold to third party vendors for further use.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	µg/m3	< 80	< 80
SOx	µg/m3	< 80	< 80
Particulate matter (PM)	µg/m3	< 100	< 100
Persistent organic pollutants (POP)	µg/m3	< .001	< .001
Volatile organic compounds (VOC)	µg/m3	< 5	< 5
Hazardous air pollutants (HAP)	µg/m3	< .006	< .006
Others – please specify			

All parameters are within the limits prescribed as per National Ambient Air Quality Standards (NAAQS)

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,055	1,108.6

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	21,695	16,257.15
Total Scope 1 and Scope 2 emissions intensity per rupee of Turnover (Total scope 1 and scope 2 CHG emissions / Revenue from operations)	-	0.70 gCO2/₹	0.52 gCO2
Total Scope 1 and Scope 2 emissions intensity per rupee of Turnover adjusted for Purchasing Power Parity (Total scope 1 and scope 2 CHG emissions / Revenue from operations adjusted for PPP)	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The company does not have a dedicated project related to reducing Green House Gas emissions. However, the Company has taken initiative at its Corporate Office and Manufacturing units to procure green energy from outside agencies.

9. Provide details of waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	28.90 MT	43.14 MT
E-waste **(B)**	0.84MT	1.12 MT
Bio-medical waste **(C)**	0.44 MT	0.88 MT
Construction and demolition waste **(D)**	117.21 MT	307.11 MT
Battery waste **(E)**	0.03 MT	0.31 MT
Radioactive waste **(F)**	NA	NA
Other Hazardous waste. Please specify, if any. **(G)**	DG Spent Oil- 18,423 lit Used Oil filters- 972 nos. Cotton Waste- 1.43 MT	DG Spent Oil- 6559 lit Used Oil filters- 291 nos. Cotton Waste- 1.06 MT
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Biodegradable Waste- 1,860.05 MT Non-Biodegradable Waste- 616.30 MT	Biodegradable Waste- 733.4 MT Non-Biodegradable Waste- 326.9 MT
Total (A+B + C + D + E + F + G + H)	**3,625.20 MT** **972 nos.** **18,423 lit**	**1,423.42 MT** **291 nos.** **6,559 lit**
Waste intensity per rupee of Turnover adjusted for Purchasing Power Parity (Total waste generated / Revenue from operations adjusted for PPP)	0.11 g/₹	0.04 g/₹

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Waste intensity in terms of physical output	-	-
Waste intensity *(optional)* – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	1860.05 MT	733.4 MT
(iii) Other recovery operations	-	-
Total	**1860.05 MT**	733.4 MT
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations	DG Spent Oil- 18423 lit Used Oil filters- 972 nos. Other wastes- 1765.15 MT disposed through authorized vendors	696.02 MT 291nos. (DG used oil filters) 6559 lit (DG spent oil) Disposed through authorized vendors
Total		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

    Biodegradable solid waste is treated in-site in organic waste converters and the compost generated is used as manure in landscaped areas of projects. Non-biodegradable waste is handed over to authorized vendors. Hazardous waste is handed over to authorized recyclers.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Bengaluru	Construction projects	Yes
2	Kochi	Construction projects	Yes
3	Kozhikode	Construction Projects	Yes

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Revision & Expansion of Residential Colony Project at Village- Naurangpur, Sector-80, District- Gurugram, Haryana by M/s Karma Lakelands Pvt. Ltd (JD with M/s Sobha Limited)	SW/154370/2023 (Single Window Number)	29/12/2023 (Date of Application for EC)	Yes	Yes	https://shorturl.at/apDS7
Proposed Residential Apartment with Town Center and Activity Areas By M/s. Urban Space Projects Private Limited & Others C/o. M/s. Sobha Limited	SW/178980/2024 (Single Window Number)	22/04/2024 (Date of Application for TOR)	Yes	Yes	https://shorturl.at/CHK13

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (In Kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water intensity per rupee of turnover *(Total Water consumed / Turnover)*		
Water intensity *(optional)* – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in Kilolitres)		
(i) To Surface water		
- No Treatment		
- With Treatment – please specify level of treatment		
(ii) Into Groundwater		
- No Treatment		
- With Treatment – please specify level of treatment		
(iii) Into Seawater		
- No Treatment		
- With Treatment – please specify level of treatment		
(iv) Sent to third -parties		
- No Treatment		
- With Treatment – please specify level of treatment		
(v) Others		
- No Treatment		
- With Treatment – please specify level of treatment		
Total water discharged (in Kilolitres)		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the CHG into Co2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		
Total Scope 3 emission per rupee of turnover			
Total Scope 1 and Scope 2 emissions intensity per rupee of Turnover (Total scope 1 and scope 2 CHG emissions / Revenue from operations)			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

   Yes. the Company is a member of CREDAI Bengaluru, Gurgaon and Gujarat a forum of real estate developers.

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	CREDAI Bengaluru	State

2. Provide details of corrective action taken or underway on any issues related to anti competitive conduct by the entity, based on adverse orders from regulatory.

Name of authority	Brief of the case	Corrective action taken
NA		

Leadership Indicators

1. Details of public policy positions advocated by the entity

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others – please specify)	Web Link, if available
NA					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. NA

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Education	-	-	Yes	-	-
Sobha Health Care	-	-	Yes	-	-
Hermitage and Women Empowerment	-	-	Yes	-	-
Green Initiatives	-	-	Yes	-	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

   All the grievances of the community can be sent to any of the Head plant location/HR/Admin teams who will handle the same.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs / small producers		
Sourced directly from within the district and neighbouring districts		

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	-	-
Semi -urban	-	-
Urban	1.96 %	2.69%
Metropolitan	98.94 %	97.31%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S.No	State	Aspirational District	Amount spent (In INR)
Nil			

Note: Company execute its CSR activities through its CSR arm Sri Kuramba Educational and Charitable Trust, a public Trust in 3 village panchayat limit of Kerala state.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

   Majority of the Company's procurement is of industrial origin and procured in bulk. The Company does not have a preferential procurement policy to purchase from suppliers comprising marginalized/vulnerable groups.

   (b) From which marginalized/vulnerable groups do you procure?

   NA

   (c) What percentage of total procurement (by value) does it constitute?

   NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S.No	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA		

6. Details of beneficiaries of CSR Projects:

S.No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Detailed report is placed as a part of the Management Report			

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Please refer the attachment for the SOP

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	NA		Nil	NA	
Advertising	Nil	NA		Nil	NA	
Cyber-security	NA					
Delivery of essential services	NA					
Restrictive Trade Practices	Nil	NA		Nil	NA	
Unfair Trade Practices	Nil	NA		Nil	NA	
Others						
(i) Project related queries/ complaints	6,410	104	-	5,340	34	
(ii) Consumer disputes	1	14	-	8	21	
RERA Related cases	42	57	-	22	41	

4. Details of instances of product recalls on account of safety issues: NIL

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? **(Yes/No)** If available, provide a web-link of the policy.

   No.

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/services.

   NIL

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches

   b. Percentage of data breaches involving personally identifiable information of customers

   c. Impact, if any, of the data breaches

   NA

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

   All the information about products and services of the entity is available in the public domain on the website. Also, for our business partners on the sales side, Company keeps them up-to-date with all our project information, latest schemes, communication, incentive plans and many others. Link to access the website: www.sobha.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   Process of handover of infrastructure assets to society/association involves the handover of all relevant documents (test reports, commissioning certificates, warranty certificates, work completion report, Operation and Maintenance manuals, Consent to Operate, as built drawings, etc.) pertaining to each of the assets and satisfactory demonstration of the infrastructure/asset in good condition.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   From the time the customers/residents occupy the property, the Company manages the complete maintenance of the project including all day-to-day grievances of the occupants. During the initial two years of DLP (Defect Liability Period), the company handholds the occupants till the time the resident welfare committee is constituted, which may then choose to handover the maintenance management to third party or choose to be with the Company as an external maintenance management party on completion of 2 years.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes, the entity displays the information about the product and its various features within the product. The company is bound by RERA however the product brochures also inform the customer about the sustainability features and the related customer benefits. Provision of signages within the product also guides the customers to identify the features and its usage. Customer satisfaction is ensured by having continuous engagement right from the day of possession till society handover, timely response to their grievances and prompt service support. We do take feedback from our customers through customer surveys in which we request the customer to share feedback about their experience of the product, their journey throughout the possession of their flat, etc. These feedbacks provide an opportunity to us to understand the customer pain points and liking of the sustainability and other features and thereby improve on the offerings and processes.

This space is intentionally left blank

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. For your Company, good corporate governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. As a Company with a strong sense of values and commitment, SOBHA believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. This is an integral part of SOBHA's business philosophy. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance. The Company has adopted different policies to inculcate the philosophy of corporate governance. At SOBHA, good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working.

BOARD OF DIRECTORS

The Board, as defined in Sobha Limited's Corporate Governance principles, has the responsibility of ensuring concord between shareholders' expectations, the Company's plans and the management's performance. The Board is also responsible for developing and approving the mission of the Company's business, its objectives and goals and the strategy for achieving these.

The Company meets the requirements of the Listing Regulations in terms of the composition of its Board.

The strength of the Board as on March 31, 2024, was six Directors. The Board is headed by the Non- Executive Chairman and comprises of eminent personalities with expertise in diverse fields. As on the date of this report, there are six Directors on the Board. The composition of the Board as on March 31, 2024 comprised four Non-executive Independent Directors, one Non-executive Non-Independent Director and one Executive Director, including one woman as the Independent Director. The Company does not have any Nominee Director.

The composition of the Board of Directors satisfies the requirements of Regulation 17 of the Listing Regulations

The composition of the Board of Directors as on March 31, 2024 was:

Name	Designation	Category	Date of appoint-ment	Director-ships*	Committee chairman -ships**	Committee member -ships**	Names of the Listed Entities including this Listed entity where the person is a director and category of directorship
Mr. Ravi PNC Menon	Chairman	Non-Executive	June 08, 2004	1 listed entity	-	1	Sobha Limited – Non-Executive Non- Independent Director
Mr. Jagadish Nangineni	Managing Director	Executive	April 1, 2022	6 (1 listed entity)	-	2	Sobha Limited – Managing Director
Mr. R V S Rao	Independent Director	Non-Executive	June 28, 2006	1 listed entity	-	1	Sobha Limited – Non-Executive Independent Director
Mr. Anup S Shah	Independent Director	Non-Executive	June 28, 2006	7 (3 listed entity)	2	5	Sobha Limited – Non-Executive Independent Director Puravankara Limited – Non-Executive Independent Director Stove Kraft Limited – Non-Executive Independent Director
Ms. Srivathsala K N	Independent Director	Non-Executive	January 4, 2020	12 (1 listed entity)	1	2	Sobha Limited – Non-Executive Independent Director
Mr. Raman Mangalorkar	Independent Director	Non-Executive	April 1, 2022	2 (1 listed entity)	1	2	Sobha Limited – Non-Executive Independent Director

* Includes directorship in both public (listed and unlisted) and private limited companies.

**Includes memberships / chairmanships of only the Audit Committee and Stakeholders' Relationship Committee of all Public companies.

read with Section 149 of the Companies Act, 2013 and the rules made thereunder.

As per the declarations received by the Company, none of the Directors are disqualified under Section 164(2) of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Directors have made necessary disclosures stating that, they did not hold directorships in more than seven listed companies during the year 2023-24, pursuant to Regulation 17A of the Listing Regulations. Also, the membership of the committees (Audit Committee and the Stakeholders' Relationship Committee) shall not exceed more than 10 committees and/or are acting as chairpersons in more than five committees in terms of Regulation 26 of the Listing Regulations.

The Company has obtained Directors and Officers' insurance ('D and O Insurance') for all its Directors of such quantum and for such risks as determined by its Board of Directors.

INTER-SE RELATIONSHIPS AMONG DIRECTORS

There are no inter-se relationship between our Board members.

BOARD MEETINGS

The Board has the responsibility of monitoring the Company's progress towards achieving its goals and revising and altering its direction in light of changing circumstances. Board meetings are scheduled as required under the Listing Regulations, the Companies Act, 2013 and the Rules made thereunder and as required under business exigencies. At every quarterly scheduled meeting, the Board reviews recent developments, if any, the regulatory compliance position and proposals for business growth that impact the Company's strategy.

The Board meetings are usually held at the Company's Registered and Corporate Office or other locations at Bangalore or through VC/OVAM, as permitted by the regulations.

The Company, as required by the regulations, convened minimum four meetings of its Board of Directors every year and the maximum time gap between any two meetings was not more than 120 days.

The dates of the Board meetings held during financial year 2023-24 are:

Date of the Meeting	Total Strength of BOD	No. of Directors Present
May 29, 2023	6	6
August 07, 2023	6	6
November 06, 2023	6	6
January 22, 2024	6	6
February 07, 2024	6	6

Details of the Directors' attendance in Board meetings and the previous Annual General Meeting are:

Director	May 29, 2023	August 07, 2023	November 06, 2023	January 22, 2024	February 07, 2024	AGM August 08, 2023
Mr. Ravi PNC Menon	✓	✓	✓	✓	✓	✓
Mr. Jagadish Nangineni	✓	✓	✓	✓	✓	✓
Mr. R V S Rao	✓	✓	✓	✓	✓	✓
Mr. Anup S Shah	✓	✓	✓	✓	✓	✓
Ms. Srivathsala K N	✓	✓	✓	✓	✓	✓
Mr. Raman Mangalorkar	✓	✓	✓	✓	✓	✓

RESOLUTIONS PASSED BY CIRCULATION

During the financial year 2023-24, the Board of Directors has passed three circular resolutions on July 31, 2023, November 14, 2023, and March 19, 2024 respectively.

During the financial year 2023-24, the Nomination, Remuneration and Governance Committee has passed a circular resolution on July 31, 2023, and the Audit Committee has passed a circular resolution on November 14, 2023.

AGENDA FOR THE MEETINGS AND INFORMATION FURNISHED TO THE BOARD

The agenda for the meetings is arranged by the Company Secretary in consultation with the Chairman and Managing Director. The agenda along with detailed notes and necessary supporting documents are circulated to the Directors within the timelines prescribed by the regulations. The Company provides a separate window for meetings of Independent Directors and facilitates independent consultations with the Statutory Auditors and Internal Auditors of the Company, if necessary. The Company also has a well-defined process in place for placing vital and sufficient information before the Board.

All items mentioned under Regulation 17(7) read with Part A of Schedule II to the Listing Regulations are covered to the fullest extent. Extensive information and presentations are made to the Board on the following matters among others:

Information Placed Before the Board

- Minutes of meetings of audit committee and other committees of the board of directors.
- Annual operating/ business plans, budgets and any updates.
- Capital budgets and any updates.
- Operational performance of the Company, a comparison of the budget with the actuals.
- Financial analysis of the performance with a ratio analysis.
- Quarterly Unaudited and Annual Audited Financial Results of the Company and its operating division or business segments.
- Cash flows with a focus on financial obligations, timelines for payment of credit facilities and interest.
- Financial statements and minutes of subsidiary companies.
- Joint ventures, collaborations and acquisitions undertaken by the Company.
- Transactions that involve substantial payments towards goodwill, brand equity or intellectual property.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movements, if material.
- Information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of the Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Non-compliance with any regulatory, statutory or listing requirements and shareholders' services such as non-payment of dividend and delay in share transfers etc.
- Sale of investments, subsidiaries and assets which are material in nature and not in the normal course of business.
- Any issue, which involves possible public or product liability claims of a substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications for the Company.
- Significant labour problems and their proposed solutions. Any significant developments on the human resources/ industrial relations front, such as signing of wage agreements and the implementation of the Voluntary Retirement Scheme etc.
- Presentations covering sales, delivery, finance, compliance and risk management practices.
- The Company's safety performance including a report on serious and fatal accidents, dangerous occurrences, any material effluent or pollution problems.
- Material litigations by and against the Company.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Report on the Corporate Social Responsibility (CSR) activities of the Company.
- Key regulatory updates and their impact on the Company.
- Minutes of the meetings of the Board of Directors of the subsidiaries.
- Other such information as may be required by law or otherwise to be placed before the Board.

Compliances Related to Board/ Committee Meetings

The Company is in compliance with the provisions of the Listing Regulations pertaining to the intimation of notice of Board Meeting, publication of the results and outcome of the meeting etc. The information is also made available to the investors on the Company's website, i.e., www.sobha.com

Appointment, Re-appointment of Directors

In terms of Section 152 of the Companies Act, 2013, not less than two-third of the total number of Directors of a public company shall be liable to retire by rotation and one-third of such Directors shall retire every year. Further, Independent Directors shall not be liable to retire by rotation.

Accordingly, Mr. Ravi PNC Menon, Chairman and Non-executive Non-Independent Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for the re-appointment. The Board has recommended the re-appointment of Mr. Ravi PNC Menon, as Director liable to retire by rotation.

Certificate pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A certificate issued by Mr. Nagendra D Rao, Company Secretary in practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority forms part of this Corporate Governance Report as **Annexure A**.

Directors' Compensation

The Board of Directors, basis recommendations of the Nomination, Remuneration and Governance Committee, is responsible for the appointment and re-appointment of Directors and determining their remuneration subject to approval by the shareholders at the General Meeting/ through postal ballot. Remunerations for the Board of Directors are approved by the shareholders and disclosed separately in the Notes to Accounts. As on March 31, 2024, the Company has one Executive/ Whole-time Director. Remuneration for Whole-time Director(s) consists of a fixed salary and/or performance incentive/ commission on the consolidated profits earned by the Company. The Executive Director of the Company is not entitled to sitting fees for attending Board or Committee meetings.

Independent Directors' Compensation

The Company has an eminent pool of Independent Directors who, with their expertise and diverse experience, contribute to the development of the Company's strategies. The Independent Directors meet the criteria defined under the Companies Act, 2013 and the Listing Regulations. A confirmation of independence has been obtained from all the Independent Directors of the Company. The Board hereby confirms that in its opinion, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Apart from receiving the Director's remuneration/ sitting fees, Independent Directors do not have any material pecuniary relationships or transactions with the Company, its promoters, its management or its subsidiaries and associate companies except to the extent permitted under the applicable laws, which in the opinion of the Board may affect the independence of their judgement.

The Directors, being experts in their respective fields such as Finance (Banking, Accounts, Audits), Technical (Civil Engineering etc.), Administration, Management, Retails Business and Legal (Real Estate), are able to contribute effectively to Company's overall performance.

Further, a separate meeting of Independent Directors was held on March 30, 2024. All the Independent Directors were present at the meeting.

Pursuant to Section 197 of the Companies Act, 2013, a Director who is neither in whole-time employment of the Company nor a Managing Director may be paid remuneration, subject to the approval of the shareholders. The members of the Company at the 24th Annual General Meeting held on August 9, 2019, approved paying remuneration to Non-Executive Directors at a rate not exceeding one per cent per annum of the net profits of the Company for a period of five years commencing from April 01, 2019.

The Directors, excluding the Executive Directors, who attend the Board meetings are entitled to sitting fees of Rs. 20,000 per meeting. Non-Executive Directors who are members of various committees of the Board are entitled to a sitting fees of ₹10,000 per meeting which they attend.

The following are the details of the remuneration paid/payable to the Directors for financial year 2023-24:

(Amount in ₹)

Name	Salary	Perquisites	Contribution to Provident Fund	Commission / Incentive	Sitting fees	Total
Mr. Ravi PNC Menon	-	-	-	-	-	-
Mr. Jagadish Nangineni	13,294,222	39,600	21,600	9,900,000	-	23,255,422
Mr. R V S Rao	-	-	-	2,000,000	140,000	2,140,000
Mr. Anup S Shah	-	-	-	2,000,000	150,000	2,150,000
Ms. Srivathsala K N	-	-	-	2,000,000	190,000	2,190,000
Mr. Raman Mangalorkar				2,000,000	170,000	2,170,000

Note: The details of the nature of contract are provided in the extracts of the Nomination and Remuneration Policy. None of the Directors are entitled to severance fee.

Directors' Shareholding

The shareholding of the Directors of the Company as on March 31, 2024 was:

Name of the Director	Category	No. of equity shares	%
Mr. Ravi PNC Menon	Non- Executive Non - Independent Director	3,185,930	3.36
Mr. Jagadish Nangineni	Managing Director	2,400	0.00
Mr. R V S Rao	Non- Executive Independent Director	-	0.00
Mr. Anup S Shah	Non- Executive Independent Director	4,300	0.00
Ms. Srivathsala K N	Non- Executive Independent Director	-	-
Mr. Raman Mangalorkar	Non- Executive Independent Director	1,000	0.00
Total		**3,193,630**	**3.36**

Committees of the Board of Directors

As required under the Companies Act, 2013 and Listing Regulations and to cater to specific matters, the Board of Directors has constituted various committees as detailed below, which are entrusted with such powers and functions as detailed in their terms of reference.

Committees as Mandated Under the Companies Act, 2013 and Listing Regulations

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination, Remuneration and Governance Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

Other Committees

The Share Transfer Committee has been dissolved with effect from February 07, 2024 and the powers of the same has been vested with the Stakeholders Relationship Committee.

1. AUDIT COMMITTEE

The Audit Committee supports the Board by overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with legal and regulatory requirements. It ensures objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies and compliance and legal requirements and associated matters.

As required under Section 177 of the Companies Act, 2013, the Audit Committee should comprise of at least three Directors with Independent Directors forming the majority. As per Regulation 18 of the Listing Regulations, the Committee should comprise of at least three members of which at least two-third should be independent. As on March 31, 2024 the Audit Committee of the Company had four members, out of which, three were Independent Directors.

The powers, roles and terms of reference of the committee are in consonance with the requirements under Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Terms of Reference

- Regular review of accounts, accounting policies, financial and risk management policies, disclosures, etc.
- Review of major accounting entries based on exercise of judgement by the management and review of significant adjustments arising out of the audit.
- Oversight of the listed entity's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Review of qualifications in the Draft Audit Report and suggesting action points.
- Establishing and reviewing the scope of the Independent Audit including the observations of the auditors and a review of the quarterly, half-yearly and annual financial statements before submission to the Board.
- The committee shall have post-audit discussions with the Independent Auditors to ascertain any areas of concern.
- Establishing the scope and frequency of the internal audit, reviewing the findings of the Internal Auditors and ensuring the adequacy of internal control systems.

- Reviewing and monitoring the auditors' independence and the performance and effectiveness of the audit process.
- To look into reasons for substantial defaults in payments to depositors, debenture holders, shareholders and creditors.
- To look into matters pertaining to the Director's Responsibility Statement with respect to compliance with accounting standards and accounting policies.
- Recommendation of appointment, remuneration and terms of appointment of Statutory and Internal Auditors and approval of payment to Statutory Auditors for any other services rendered by them.
- Compliance with the stock exchange's legal requirements concerning financial statements to the extent applicable.
- Reviewing the adequacy of the internal audit function, if any, including the structure of the Internal Audit Department, staffing and seniority of the officer heading the department, reporting structure and coverage and frequency of internal audits.
- Discussions with Internal Auditors on any significant findings and follow ups thereon.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularities or a failure of the internal control systems of a material nature and reporting the matter to the Board.
- Approving the appointment of the Chief Financial Officer after assessing the candidate's qualifications, experience and background.
- The committee shall look into any related party transactions, that is, the Company's transactions of a material nature with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large, including approval or any subsequent modifications of such transactions.
- Scrutiny of inter-corporate loans and investments.
- Valuation of the Company's undertakings or assets, wherever necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing the functioning of the vigil mechanism.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding ₹100 crore or 10 per cent of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended by the Audit Committee.

Powers of the Audit Committee

- Investigating any activity within its terms of reference.
- Seeking information from any employee.
- Obtaining outside legal or other professional advice.
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

Review of Information by the Audit Committee

- Management discussions and analysis of the financial condition and results of operations.
- Financial statements and the Draft Audit Report, including quarterly/half-yearly financial information.
- Reports relating to compliance with laws and risk management.
- Records of related party transactions and a statement of significant related party transactions submitted by the management.
- Management letters/ letters of weaknesses in internal control issued by Statutory/ Internal Auditors.
- Internal audit reports related to weaknesses in internal controls.
- The appointment, removal and terms of remuneration of the head of the internal audit function.
- Statement of deviations:
  - Quarterly statements of deviations including the report of the monitoring agency, if applicable, submitted to the stock exchange in terms of Regulation 32(1) of the Listing Regulations.
  - Annual statement of funds used for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

As required under Regulation 18 of the Listing Regulations, the Chairman of the Audit Committee is an Independent Director. All members are financially literate and have financial management expertise. The Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

Meetings

The quorum of the committee is two members present or one-third of the total members subject to presence of two Independent Directors, whichever is higher.

The Audit Committee met Four times during financial year 2023-24. There was no gap of more than 120 days between two meetings. The dates of the meetings held during the financial year are:

Date of the meeting	Total strength of the Committee	No. of members present
May 29, 2023	4	4
August 07, 2023	4	4
November 6, 2023	4	4
February 07, 2024	4	4

The composition and attendance of the members of the Audit Committee are:

Name	Category		Audit Committee Meetings			
			May 29, 2023	August 07, 2023	November 06, 2023	February 07, 2024
Mr. Raman Mangalorkar	Chairman	Non-Executive Independent	✓	✓	✓	✓
Mr. R V S Rao	Member	Non-Executive Independent	✓	✓	✓	✓
Mrs. Srivathsala K N	Member	Non-Executive Independent	✓	✓	✓	✓
Mr. Jagadish Nangineni	Member	Managing Director	✓	✓	✓	✓

Invitees

The Chairman of the Board, the Chief Financial Officer, Head of Internal Audit and the Statutory Auditors attended all the Audit Committee meetings held during Financial Year 2023-24 as invitees.

2. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board of Directors deals with stakeholder relations and share/debenture holders' grievances including matters related to non-receipt of the Annual Report, non-receipt of the declared dividend and other such issues as may be raised by them from time to time. It ensures that investor grievances/complaints/queries are redressed in a timely manner and to the satisfaction of the investors. The committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services.

In accordance with Regulation 20 of the Listing Regulations read with Section 178 of the Companies Act, 2013, the committee comprises of four Directors. The Chairperson of the Committee, Ms. Srivathsala K N, is a Non-Executive Independent Director. The Company Secretary and Compliance Officer of the Company acted as the Secretary to the committee.

The Share Transfer Committee has been dissolved with effect from February 07, 2024 and the powers of the same has been vested with the Stakeholders Relationship Committee.

The terms of reference of the committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Terms of Reference

- Resolving the grievances of security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates and general meetings.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity with respect to various services being rendered by the Registrar and Share Transfer Agents and recommend methods to upgrade the service standards adopted by the Company.
- Review of the various measures and initiatives taken

by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

- Oversee and review all matters connected with transfer and transmission of shares and approve the same.
- To look into requests for the re-materialization of shares.
- To approve issue duplicate share certificates in lieu of original share certificates.
- To issue split share certificates as requested by a member.
- To take all such steps as may be necessary in connection with the transfer, transmission,
- splitting, and issuing of duplicate share certificates in lieu of original share certificates.
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable;

Compliance Officer

Mr. Vighneshwar G Bhat resigned as the Company Secretary & Compliance Officer of the Company with effect from October 19, 2023. Mr. Bijan Kumar Dash has been appointed as the Company Secretary & Compliance Officer of the Company with effect from December 01, 2023.

Meetings

The quorum for the committee's meeting is any two members present for the meeting.

The Stakeholders' Relationship Committee met four times during financial year 2023-24:

Date of the meeting	Total strength of the Committee	No. of members present
May 29, 2023	4	4
August 07, 2023	4	4
November 06, 2023	4	4
February 07, 2024	4	4

The composition and attendance of the members of the Stakeholders' Relationship Committee are:

Name		Category	Stakeholders' Relationship Committee's Meetings			
			May 29, 2023	August 07, 2023	November 06, 2023	February 07, 2024
Ms. Srivathsala K N	Chairperson	Non-Executive Independent	✓	✓	✓	✓
Mr. Ravi PNC Menon	Member	Non-Executive Non-Independent	✓	✓	✓	✓
Mr. Jagadish Nangineni	Member	Managing Director	✓	✓	✓	✓
Mr. Raman Mangalorkar	Member	Non-Executive Independent	✓	✓	✓	✓

Investor Grievances and Queries

The queries received and resolved to the satisfaction of the investors during financial year 2023-24 are:

Particulars	Balance as on April 01, 2023	Received during the year	Resolved during the year	Balance as on March 31, 2024
SEBI SCORES Website	-	-	-	-
Registrar of Companies	-	-	-	-
Stock Exchange	-	-	-	-
Non-Receipt/ Revalidation of Dividend Warrants	-	9	9	-
Miscellaneous	-	7	7	-
Total	**-**	**16**	**16**	**-**

3. NOMINATION, REMUNERATION, AND GOVERNANCE COMMITTEE

The Nomination, Remuneration and Governance Committee of the Board of Directors recommends the nomination of Directors, key managerial personnel and senior management of the Company and carries out an evaluation of the performance of Individual Directors, recommends the remuneration policy for Directors, key managerial personnel and other employees, recommends to the Board all remunerations, in whatever form, payable to the senior management and also deals with the Company's governance related matters.

Terms of Reference

- To identify, review, assess, recommend and lead the process for appointment of Executive, Non-Executive and Independent Directors to the Board and Committees thereof and to regularly review the structure, size and composition, balance of skills, knowledge and experience of the Board and the Board's committees and make recommendations to the Board or, where appropriate, to the relevant committee with regard to any adjustments that are deemed necessary.
- To formulate criteria for evaluating Independent Directors and the Board of Directors.
- To evaluate the performance of the Chairman and other members of the Board on an annual basis and to monitor and evaluate the performance and effectiveness of the Board and the Board's committees and the contribution of each Director to the Company. The committee shall also seek the views of Executive Directors on the performance of Non-Executive Directors.
- Whether to extend or continue the terms of appointment of Independent Directors on the basis of a report of their performance evaluation.
- To devise a policy for the Board's diversity.
- To identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- To recommend to the Board all remuneration, in whatever form, payable to Board members and key managerial personnel.
- To make recommendations to the Board on the following matters:
  - Re-appointment of any Executive and Non-Executive Director at the conclusion of his/her specified term of office.
  - Re-election by members of any Director who is liable to retire by rotation as per the Company's Articles of Association.
  - Any matters relating to the continuation in office of any Director at any time.
- To formulate a policy relating to the remuneration for the Directors, key managerial personnel and other employees.
- To define and articulate the Company's overall Corporate Governance structure and to develop and recommend to the Board of Directors the Board's Corporate Governance Guidelines.
- To receive reports, investigate, discuss and make recommendations with respect to breaches or suspected breaches of the Company's Code of Conduct.
- To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements and to develop, review and monitor the Code of Conduct and Compliance Manual applicable to employees and Directors.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such a committee.

Meetings

The quorum for a meeting is either two members or one-third of the members of the committee, whichever is greater, including at least one Independent Director being present for the meeting.

The Nomination, Remuneration and Governance Committee met three times during financial year 2023-24:

Date of the meeting	Total strength of the Committee	No. of members present
May 29, 2023	4	4
November 06, 2023	4	4
January 22, 2024	4	4

As required under Regulation 19 of the Listing Regulations, the committee comprises of four Directors. The Chairman of the Committee, Mr. Anup S Shah, is a Non-Executive Independent Director. The Company Secretary and Compliance Officer of the Company acted as the Secretary to the committee.

The composition and attendance of the members of the Nomination, Remuneration and Governance Committee are:

Name		Category	Nomination, Remuneration and Governance Committee's Meetings		
			May 29, 2023	November 06, 2023	January 22, 2024
Mr. Anup S Shah	Chairman	Non-Executive Independent	✓	✓	✓
Mr. R V S Rao	Member	Non-Executive Independent	✓	✓	✓
Mr. Ravi PNC Menon	Member	Non-Executive Non-Independent	✓	✓	✓
Mr. Raman Mangalorkar	Member	Non-Executive Independent	✓	✓	✓

The Nomination and Remuneration Policy contains the criteria for evaluating the Board, its committees, and Directors. The policy is available on the Company's website at https://www.sobha.com/wp-content/uploads/2024/04/Nomination-and-Remuneration-Policy.pdf and also forms a part of the Directors' Report.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the Board of Directors is entrusted with the responsibility of formulating and monitoring the Company's Corporate Social Responsibility Policy. The Corporate Social Responsibility Policy is available on the Company's website at https://www.sobha.com/wp-content/uploads/2024/04/Sobha-CSR-Policy.pdf

The role and terms of reference of the committee are as per the requirements mandated under Section 135 of the Companies Act, 2013 and the relevant rules made thereunder.

Terms of Reference

- Formulating the Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the aforesaid activities.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.
- Prepare an annual report on Corporate Social Responsibility initiatives for inclusion in the Board's Report.
- Perform such functions as may be detailed in the Companies Act, 2013 and the relevant rules made thereunder and any other applicable legislation.

Meetings

The quorum for a meeting is any two members present for the meeting.

The committee met four times during financial year 2023-24:

Date of the meeting	Total strength of the Committee	No. of members present
May 29, 2023	3	3
August 07, 2023	3	3
November 06, 2023	3	3
February 07, 2024	3	3

The composition and attendance of the members of the Corporate Social Responsibility Committee are:

Name		Category	Corporate Social Responsibility Committee Meetings			
			May 29, 2023	August 07, 2023	November 06, 2023	February 07, 2024
Mr. Anup S Shah	Chairman	Non-Executive Independent	✓	✓	✓	✓
Mr. Srivathsala K N	Member	Non-Executive Independent	✓	✓	✓	✓
Mr. Jagadish Nangineni	Member	Managing Director	✓	✓	✓	✓

The Company Secretary and Compliance Officer of the Company acted as the Secretary to the Committee.

5. RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board of Directors is entrusted with the responsibilities of establishing policies to monitor and evaluate the Company's risk management systems, specifically covering cyber security.

Terms of Reference

- Oversee and approve the Company's risk management, internal compliance and control policies and procedures.
- Oversee the design and implementation of the risk management and internal control systems (including reporting and internal audit systems), in conjunction with existing business processes and systems to manage the Company's material business risks.
- Receive reports from, review with and provide feedback to the management on the categories of risks that the Company faces, including but not limited to credit, market, liquidity and operational risks, exposures in each category, significant concentration within those risk categories, the metrics used for monitoring the exposures and the management's views on the acceptable and appropriate levels of these risk exposures.
- Establish policies for the monitoring and evaluation of risk management systems to assess the effectiveness of these systems in minimizing risks that may adversely affect the Company's business.
- Oversee and monitor the management's documentation of the material risks that the Company faces and update them as events change and risks shift.
- Review reports on any material breach of risk limits and the adequacy of the proposed actions undertaken.
- In consultation with the Audit Committee, review and discuss the following with the management:
    i. Key guidelines and policies governing the Company's significant processes for risk assessment and risk management; and
    ii. The Company's major risk exposures and the steps that the management has taken to monitor and control such exposures.
- Report the proceedings of the committee to the Board or the Audit Committee of the Board at its regular meetings on all matters which fall within its terms of reference.
- Recommend to the Board or the Audit Committee of the Board, as it deems appropriate, any area within its terms of reference where an action or improvement is needed.
- Review its own performance, constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

Meetings

The quorum for a meeting is any two members or one-third of members whichever is higher present for the meeting. The committee met two times during financial year 2023-24:

Date of the meeting	Total strength of the Committee	No. of members present
May 29, 2023	4	4
November 20, 2023	4	4

OTHER COMMITTEES

Share Transfer Committee

The Share Transfer Committee has been dissolved with effect from February 07, 2024 and the powers of the same has been vested with the Stakeholders Relationship Committee.

The composition and attendance of the members of the Risk Management Committee are:

Name	Category		Risk Management Committee meetings	
			May 29, 2023	November 20, 2023
Mr. Anup S Shah	Chairman	Non-Executive Independent Director	✓	✓
Mr. Ravi PNC Menon	Member	Non - Executive Director, Chairman	✓	✓
Mr. Jagadish Nangineni	Member	Managing Director	✓	✓
Mr. Yogesh Bansal	Member	Chief Financial Officer	✓	✓

Senior Management

Particulars of Senior Management Personnel as on March 31, 2024 are as follows:

Sr. No.	Name of SMP	Designation
1	Bijan Kumar Dash*	Company Secretary and Compliance Officer
2	Devaraja T.H.	Business Head - Electrical
3	Gaurav Bhatia	Chief Sales Officer
4	Geetha K.Nair	Head - Design and Engineering
5	Gopan TP**	Head - Administration
6	Harish Babu	Business Head - Interiors
7	Lalit Lahoty***	Executive Vice President – Business Development
8	Manish Verma	Regional Head - Pune
9	Manoj Rastogi	Business Head - CPD
10	Nisanth M N	Regional Head - Kerala
11	Prasanna Venkatesh G	Business Head - Plumbing
12	Prasun Basu	Head - Process and Information Technology
13	Raghu Balan	Head - Quality, Safety and Technology
14	Rajesh C Nair	Head - Procurement
15	Ravi K R	Regional Head - Tamil Nadu and Hyderabad
16	Satish Kamath	Head - Human Resources
17	Shanthi V	Head - Project Management
18	Sumeet Suresh Chunkhare	Chief Marketing and Communications Officer
19	Tina Talwar	Regional Head - NCR
20	Varghese P.V.	Business Head - Glazing
21	Vinit Kumar Ladha****	Internal Auditor
22	Yogesh Bansal	Chief Financial Officer

* Mr. Vighneshwar G Bhat resigned as the Company Secretary & Compliance Officer of the Company with effect from October 19, 2023. Mr. Bijan Kumar Dash has been appointed as the Company Secretary & Compliance Officer of the Company with effect from December 01, 2023.

** Mr. Srikant Kulkarni had reached superannuation and accordingly, retired from the position of Head of Administration effective close of March 31, 2023. Mr. Gopan TP has been appointed as the head of Administration with effect from August 03, 2023.

*** Mr. Lalit Lahoty has been appointed as Executive Vice President - Business Development with effect from January 22, 2024.

**** Mr. Manoj Kumar Gupta resigned as the Internal Auditor of the Company with effect from August 31, 2023. Mr. Vinit Kumar Ladha has been appointed as the Internal Auditor of the Company with effect from November 06, 2023.

DISCLOSURES

Related Party Transactions

Pursuant to Regulation 23 of the Listing Regulations, the Board of Directors formulated a Policy on Related Party Transactions which can be accessed from the Company's website at https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Related-Party-Transaction-Policy.pdf

Disclosures of related party transactions is part of the Notes to Accounts section of the Annual Report.

During the year under review, there were no materially significant related party transactions which may have potential conflict with the interests of the Company at large.

Subsidiary Monitoring Framework

The Company does not have any material subsidiary as defined under the Listing Regulations and the Material Subsidiary Policy of the Company.

The Company monitors the performance of subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by the subsidiaries are reviewed by the Company's Audit Committee.

- Review of annual business plans and budgets.
- Review of budget versus actuals and an analysis of the variance.
- All the minutes of Board meetings of the subsidiaries are placed before the Company's Board regularly.
- A statement of all significant transactions and arrangements entered by the subsidiaries.

CODE OF CONDUCT

In terms of Regulation 17 of the Listing Regulations, the Company has adopted a Code of Conduct for the Company's Board of Directors and senior management personnel. The code is circulated to all the Directors and senior management personnel and their compliance is affirmed by them for 2023-24. The Code of Conduct adopted by the Company has been posted on its website.

CONFIRMATION OF THE CODE OF CONDUCT BY THE MANAGING DIRECTOR

This is to confirm that the Company has adopted a Code of Conduct for its Board members and senior management personnel and the same is available on the Company's website.

I confirm that the Company has, in respect of the financial year ended March 31, 2024, received from the senior management personnel of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

Sd/-
Place: Bengaluru **Jagadish Nangineni**
Date: May 17, 2024 **Managing Director**

Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Promoters, Directors, Key Managerial Personnel and Designated Persons. The code is available on the Company's website at https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Code-of-Conduct-Prevention-of-Insider-Trading.pdf

As required under SEBI Insider Trading Regulations, the Board of Directors has formulated a structured digital database for tracking compliance of insider trading activities. The database covers all the designated persons and is hosted on the Company's server.

Vigil Mechanism

A comprehensive vigil mechanism to ensure ethical behaviour in all its business activities and a system for employees to report any illegal, unethical behaviour, suspected fraud or violation of laws, rules and regulations or conduct to the Chief Vigilance Officer and the Audit Committee of the Board of Directors is in place in the Company. The mechanism adequately insulates whistle blowers against victimization or discriminatory practices.

All such reports are taken up for consideration at appropriate intervals depending on the gravity of the matter reported so that adequate measures can be initiated in right earnest at appropriate levels. The Company further confirms that no personnel have been denied access to the Audit Committee.

Familiarization Programmes

The familiarization programmes for Independent Directors are bifurcated into:

I. Initial or Preliminary

During their appointment, Independent Directors are apprised of their roles, duties and responsibilities in the Company. A detailed letter containing the Company's expectations, the rights, powers, responsibilities and liabilities of the Independent Directors and the policies of the Company are issued to the Independent Directors during their appointment. The Independent Directors are required to adhere to these.

II. Continual or Ongoing

Updates on the affairs of the Company including operational and financial details are provided to the Independent Directors on a quarterly basis. Further, immediate updates on significant issues, if any, are provided to all the Directors immediately on the occurrence of such an event. Periodical presentations are made to the Independent Directors on the Company's strategies and business plans. The Independent Directors are also regularly informed about material regulatory and statutory updates affecting the Company.

Details of the familiarization programmes imparted to the Independent Directors are given on the Company's website at https://www.sobha.com/wp-content/uploads/2020/10/157554786620191205.pdf

As required under Schedule V of the Listing Regulations, the skills/ expertise/ competence of Board members are provided below:

Name	Designation	Category	Skills/ expertise/ competence
Mr. Ravi PNC Menon	Chairman	Non-Executive Non-Independent	Expertise in construction and real estate development along with product delivery, project execution, quality control, technology advancement, process and information technology, and customer satisfaction.
Mr. Jagadish Nangineni	Managing Director	Executive	Expertise in real estate, consulting and technology.
Mr. R V S Rao	Independent Director	Non-Executive	An expert in banking and finance.
Mr. Anup S Shah	Independent Director	Non-Executive	Expertise in law, specifically real estate law.
Ms. Srivathsala K N	Independent Director	Non-Executive	Expertise as a strategic business, financial planning, active angel investment, start-up business.
Mr. Raman Mangalorkar	Independent Director	Non-Executive	Expertise in strategic, operational and organization issues.

Detailed skills/experience/expertise of each of the Directors are provided elsewhere in the Annual Report.

COMPLIANCES

In general, there was no instance of non-compliance with any legal requirements on any matter relating to the capital market nor was any restriction imposed by any stock exchange or SEBI during the last three years.

The Company complied with the applicable provisions of the Regulations, Acts, Rules, Notifications and Circulars related to stock exchanges/SEBI/other statutory authorities on all matters related to capital markets. There are no penalties or strictures imposed on the Company by the stock exchanges/ SEBI/ any other statutory authority relating to the above.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report titled 'Management Report' forms a part of the Annual Report. It includes, among other things, a discussion on the following:

- Industry structure and developments
- Risks and concerns
- Discussion on financial performance with respect to operational performance
- Human resources
- Outlook

Corporate Governance Compliance Certificate

The Corporate Governance Compliance Certificate for the year ended March 31, 2024, issued by Mr. Nagendra D. Rao, Practicing Company Secretary in terms of the Listing Regulations is annexed to the Corporate Governance Report and forms a part of the Annual Report.

Secretarial Audit Report

The Secretarial Audit Report for the year ended March 31, 2024, issued by Mr. Nagendra D. Rao, Practicing Company Secretary in accordance with the provisions of Section 204 of the Companies Act, 2013 forms a part of the Annual Report.

CEO / CFO Certificate

The Chief Executive Officer (CEO) /Chief Financial Officer (CFO) certification in terms of the Listing Regulations forms part of the Annual Report.

Remuneration to Statutory Auditors

During financial year 2023-24, the fees paid to the Statutory Auditors of the Company is as follows:

(₹ in million)

Particulars	Amount (₹ in million)
Audit fees [includes fees for limited reviews]	14.20
Out of pocket expenses	1.55
Other services	-
Total	**15.75**

Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has always believed in providing a safe and harassment-free workplace for every individual working on the Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The following is a summary of sexual harassment complaints received and disposed of during financial year 2023-24:

a. number of complaints filed during the financial year: NIL
b. number of complaints disposed of during the financial year: NIL
c. number of complaints pending as at the end of the financial year: NIL

COMPLIANCE OF NON-MANDATORY REQUIREMENTS

Part-E of Schedule-II of the Listing Regulations contains certain non-mandatory requirements that a company may implement at its discretion. Disclosures on compliance of mandatory requirements and adoption (and compliance)/non-adoption of the non-mandatory requirements is made in the Corporate Governance Report of the Annual Report. The status of compliance of non-mandatory requirements is as follows:

A. The Board

The Company is not maintaining any separate office for the Non-Executive Chairman of the Company.

COMPANY INFORMATION

Annual General Meeting

B. Shareholders' Rights

The half-yearly declaration of financial performance together with the summary of significant events in the last six months are not individually provided to the shareholders. However, information on financial and business performance is provided in the 'Investors section' of the Company's website, www.sobha.com, on a quarterly basis.

C. Modified opinion(s) in the Audit Report

The audited financial statements of the Company for financial year 2023-24 do not contain any qualifications and the Statutory Auditors Report/Secretarial Audit Report does not contain any adverse remarks. The Audit Reports are unmodified reports.

D. Separate Posts of Chairman and CEO

The Company has appointed separate persons to the posts of Chairman and Managing Director.

Reporting by the Internal Auditor

The Internal Auditor reports to the Audit Committee of the Board of Directors of the Company. The Audit Committee is empowered to hold separate meetings and discussions with the Internal Auditor.

Compliance of regulations 17 to 27

The Company complied with Corporate Governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the Annual General Meetings convened during the last three years are as follows:

Financial Year	Date and Time	Venue	Special Resolutions
2022-2023	August 08, 2023 at 3:00 pm	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM	1. Issue of Non-Convertible Debentures on a private placement basis
2021-2022	August 10, 2022 at 3:00 pm	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1. Issue of Non-Convertible Debentures on a private placement basis
2020-2021	August 13, 2021 at 3:00 pm	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1. Issue of Non-Convertible Debentures on a private placement basis. 2. Re-appointment of Mr. Ravi PNC Menon (DIN: 02070036) as Whole-time Director designated as Chairman of the Company

Extraordinary General Meeting

No Extraordinary General meeting was held during financial years 2021-22, 2022-23 and 2023-24.

Postal Ballot

Pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 110 of the Companies Act, 2013, read with the Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company sought approval of the Members by way of postal ballot on the following matters: -

A. Approval for payment of remuneration/commission to Non-executive Directors:

Particulars	Physical	E-voting	Total
No. of shares held	-	94,845,853	94,845,853
Total number of votes Polled	-	84,162,738	84,162,738
Total number of valid votes	-	84,162,738	84,162,738
Votes cast in favour of the Resolution	-	62,506,558	62,506,558
Votes cast against the Resolution	-	21,656,180	21,656,180

B. Approval for payment of remuneration to Mr. Ravi PNC Menon, Non-executive Director and Chairman:

Particulars	Physical	E-voting	Total
No. of shares held	-	94,845,853	94,845,853
Total number of votes Polled	-	84,162,737	84,162,737
Total number of valid votes	-	84,162,737	84,162,737
Votes cast in favour of the Resolution	-	63,043,804	63,043,804
Votes cast against the Resolution	-	21,118,933	21,118,933

Procedure for Postal Ballot

The Postal Ballot was carried out in compliance with the Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with various circulars issued by the Ministry of Corporate Affairs. The Postal Ballot Notice dated March 06, 2023 was dispatched on March 15, 2023 containing draft resolution together with the explanatory statement and remote e-voting instructions through electronic mode to all those Members whose e-mail address were registered with the Company/Registrar and Share Transfer Agent ("RTA") or Depository/ Depository Participants and whose names appeared in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on March 08, 2023.

The Company engaged M/s. Link Intime India Private Limited (Link Intime) for providing remote e-voting facility to all its members, to enable them to cast their votes electronically. In terms of relaxations provided by the Ministry of Corporate Affairs, only remote e-voting facility was provided and physical ballot papers were not provided to the members.

The Board of Directors had appointed Mr. Nagendra D Rao (Membership No. 5553, COP No. 7731), Practising Company Secretary, as scrutinizer, for conducting the postal ballot through remote e-voting process in a fair and transparent manner. He submitted his report on April 15, 2023, after completion of the scrutiny of the votes casted.

The result of the Postal Ballot was announced on April 15, 2023 and placed on the website of the Company at www.sobha.com, website of the registrar and transfer agent of the Company Link Intime India Private Limited https://instavote.linkintime.co.in, on the website of BSE Limited at www.bseindia.com and on the website of NSE Limited https://www.nseindia.com

MEANS OF COMMUNICATION

Website	Appropriate information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates, and corporate presentations are regularly posted on the Company's website www.sobha.com. The 'Investors section' provides up-to-date information to shareholders on matters such as the shareholding pattern, outcome of Board and general meetings, stock performance, unclaimed equity shares, unclaimed dividends and investor presentations.
Financial Results	Quarterly, half-yearly and annual financial results are published in an English newspaper (Business Line) and a regional language newspaper (Prajavani).
NEAPS	Stock exchange intimations are electronically submitted to NSE through the NSE Electronic Application Processing System (NEAPS).
BSE Listing Centre	Stock exchange intimations are electronically submitted to BSE through the BSE Listing Centre.
Annual Report	The Chairman's Message, Directors' Report, the Management Discussion and Analysis Report and the Corporate Governance Report form part of the Company's Annual Report and are available on the Company's website.
Investor Servicing	The contact details for investor queries are given elsewhere in this Report. The Company has a designated e-mail ID, investors@sobha.com for investor servicing.
Stakeholder Satisfaction Survey	An online survey is available on the Company's website for addressing stakeholders' grievances and for their feedback on the efficacy of investor services.
List of all Credit Ratings obtained by the entity along with revisions, if any, thereto during the relevant financial year	Term loans ICRA A+Stable Working Capital Facilities ICRA A+Stable Non-fund-based Facilities ICRA A+Stable

RECOMMENDATION OF DIVIDEND AND DIVIDEND PAYMENT DATE

The Board of Directors has recommended a dividend of ₹3.00 per equity share of ₹10 which is subject to the approval of the members in the ensuing Annual General meeting.

In terms of Section 123 of the Companies Act, 2013, the dividend amount will be deposited in a separate bank account within 5 days from the date of the Annual General meeting and will be paid to the shareholders within the prescribed time.

DIVIDEND HISTORY

The dividends declared by the Company in the previous seven years are:

Financial year	Rate of dividend (%)	Dividend per equity share of ₹10 each
2016-17*	25.00	2.50
2017-18	70.00	7.00
2018-19	70.00	7.00
2019-20	70.00	7.00
2020-21	35.00	3.50
2021-22	30.00	3.00
2022-23	30.00	3.00

* A buy-back of 1,458,823 equity shares @ ₹425 per share amounting to ₹62.00 crore was carried out during financial year 2017-18.

OTHER INFORMATION

Listing fee	The Company paid annual listing for financial year 2024-25 to BSE Limited and the National Stock Exchange of India Limited.
Listing on stock exchanges	The equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).
Reconciliation of the share capital audit	In terms of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, reconciliation of the Share Capital Audit is conducted every quarter by Mr. Natesh K., Practicing Company Secretary to reconcile the total admitted capital with the National Securities Depository Limited (NSDL), the Central Depository Services (India) Limited (CDSL) and physically with the shareholders and the total issued and listed capital. The report is forwarded to the stock exchanges within the prescribed timeline, where the shares of the Company are listed.
Outstanding GDRs / ADRs / Warrants / Convertible Instruments and their impact on equity	As on March 31, 2024, the Company did not have any outstanding GDRs / ADRs / Warrants / Convertible Instruments.
Plant locations of the divisions	**Metals & Glazing Division:** Plot No.10, Bommasandra Industrial Area, Bommasandra Jigani Link Road, Jigani Post, Opposite to Biocon, KIADB Industrial Area, Anekal Taluk, Bengaluru – 560105. Plot No. #G-6, SIPCOT Industrial Park, 2nd Cross Road, Irungulam – Mambakkam, Sri Perumbudur, Kancheepuram Distt., Chennai – 602105. Plot No. 345, Phase -V, Sector-56, HSIIDC, Kundli Industrial Area, Dist.- Sonipat, Haryana – 131028. **Interiors Division:** Plot No.9, KIADB Industrial Area, Jigani-Bommasandra Link Road, Hennagara (Post), Anekal Taluk, Bommasandra, Bengaluru – 560105. Plot No. A-915 RIICO Industrial Area Bhiwadi, Tehsil Tijara Distt. Alwar, Rajasthan – 301019. **Concrete Products Division:** Plot No # 329, Bommasandra Jigani Link Road, Industrial Area, Jigani, Anekal Taluk, Bengaluru – 560105. Sector 106, 108, 109 Babupur, Near New Palam Vihar, Gurugram, Haryana – 122017. **SOBHA Mattress Division:** Plot No: 9, KIADB Industrial Area, Jigani Bommasandra Link Road, Bommasandra, Hennagara Post, Anekal Taluk, Bengaluru – 560105.

STOCK CODE DETAILS

Particulars	International Securities Identification Number	National Stock Exchange of India Limited	BSE Limited
Company | Stock Code	INE671H01015	SOBHA	532784

The Bloomberg code for the Company is SOBHA:IN.

The Reuters code is SOBH.NS (NSE) and SOBH.BO (BSE).

STOCK PRICE DATA

	National Stock Exchange of India Limited (NSE)				BSE Limited (BSE)			
	High	Low	Average	Volume	High	Low	Average	Volume
	₹	₹	₹	No.	₹	₹	₹	No.
April 23	476.85	426.20	456.61	13,071,315	476.70	429.10	456.57	548,844
May 23	569.85	461.20	508.06	21,237,923	569.80	459.05	507.99	1,168,173
June 23	589.80	521.45	546.45	17,937,271	589.95	521.80	546.13	1,206,615
July 23	648.70	571.77	571.77	19,172,726	648.45	535.05	571.59	1,266,093
August 23	621.75	554.40	588.22	9,185,576	622.90	554.85	587.88	690,539
September 23	719.00	595.40	661.18	21,314,039	719.55	593.30	661.21	1,194,490
October 23	786.00	642.10	730.20	20,506,580	785.65	642.70	729.78	971,922
November 23	915.00	715.00	840.05	15,486,461	915.10	712.30	838.93	718,965
December 23	1,088.95	908.75	995.97	14,289,844	1,088.00	909.00	996.13	729,342
January 24	1577.95	987.25	1321.78	36,292,466	1577.35	989.30	1322.27	1,637,853
February 24	1675	1258.35	1445.93	7,812,194	1677.6	1258.95	1443.28	404,491
March 24	1659	1207.05	1429.68	7,032,386	1655.2	1207.4	1428.52	380,727

The Company's share price performance vis-à-vis broad-based indices during financial year 2023-24 forms part of the Annual Report

SHAREHOLDING PATTERN

Distribution of Shareholding as on March 31, 2024

Range of equity shares held	No. of shareholders	% of total shareholders	Number of shares	% of Issued capital
1 – 500	100,205	97.90	3,894,792	4.11
501 – 1,000	1,086	1.06	798,988	0.84
1,001 – 2,000	498	0.48	726,867	0.77
2,001 – 3,000	125	0.12	311,596	0.33
3,001 – 4,000	80	0.07	286,649	0.30
4,001 – 5,000	49	0.04	229,357	0.24
5,001 – 10,000	85	0.08	617,114	0.65
10,001 and above	220	0.21	87,980,490	92.76
Total	**102,348**	**100.00**	**94,845,853**	**100.00**

SHARE CAPITAL HISTORY

Date of allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consid-eration	Reasons for Allotment	Cumulative No. of Equity Shares	Cumulative paid-up share capital (₹)
August 07, 1995	30	10	10	Cash	Subscribers to memorandum	30	300
February 11, 1998	1,174,729	10	10	Cash	Further allotment	1,174,759	11,747,590
March 25, 1998	2,000,000	10	10	Cash	Further allotment	3,174,759	31,747,590
October 16, 1998	1,934,823	10	10	Cash	Further allotment	5,109,582	51,095,820

Date of allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consid-eration	Reasons for Allotment	Cumulative No. of Equity Shares	Cumulative paid-up share capital (₹)
December 22, 1998	855,000	10	10	Cash	Further allotment	5,964,582	59,645,820
March 25, 1999	1,000,000	10	10	Cash	Further allotment	6,964,582	69,645,820
July 11, 2002	14,175,898	10	10	Cash	Further allotment	21,140,480	211,404,800
June 28, 2006	42,280,960	10	10	-	Bonus issue in the ratio of 2:1	63,421,440	634,214,400
October 28, 2006*	97,245	10	617	Cash	Preferential allotment-pre-IPO placement to Bennett, Coleman & Co. Limited	63,518,685	635,186,850
October 28, 2006**	486,223	10	617	Cash	Preferential allotment pre-IPO placement to Kotak Mahindra Private Equity Trustee Limited	64,004,908	640,049,080
December 12, 2006***	8,896,825	10	640	Cash	8,014,705 equity shares were allotted to the public and 882,120 equity shares were allotted pursuant to employee reservation pursuant to the initial public offering	72,901,733	729,017,330
July 03, 2009****	25,162,135	10	209.40	Cash	Qualified Institutional Placement	98,063,868	980,638,680
July 21, 2016$	1,759,192	10	330.00	Cash	Buyback	96,304,676	963,046,760
October 12, 2017^	1,458,823	10	425.00	Cash	Buyback	94,845,853	948,458,530

* Pursuant to a Shareholders' Agreement dated October 25, 2006, 97,245 equity shares were issued and allotted to Bennett, Coleman & Co. Limited, at a price of ₹617 per equity share including a share premium of ₹607 per equity share, aggregating ₹60 million.

** Pursuant to a subscription agreement dated October 26, 2006, 486,223 equity shares issued and allotted to Kotak at a price of ₹617 per equity share including a share premium of ₹607 per equity share, aggregating ₹299.99 million.

*** 8,896,825 equity shares of ₹10 each were issued as fully paid-up shares.

**** 25,162,135 equity shares of ₹10 each were issued as fully paid-up shares by way of Qualified Institutional Placement.

$ 1,759,192 equity shares of ₹10 each were bought back from the shareholders at a price of ₹330 per share.

^1,458,823 equity shares of ₹10 each were bought back from the shareholders at a price of Rs 425 per share.

SHARES HELD IN PHYSICAL AND DEMATERIALIZED FORM

As on March 31, 2024, 99.99 per cent of the Company's shares were held in dematerialized form and the rest in physical form. The following is a break-up of the equity shares held in electronic and physical forms:

Description	No. of shareholders	No. of shares	% of equity
NSDL	51,309	82,053,908	86.51
CDSL	51,035	12,791,927	13.49
Physical	4	18	0.00
Total	**102,348**	**94,845,853**	**100.00**

ADDITIONAL SHAREHOLDER INFORMATION

Unclaimed Dividend

Pursuant to Section 124 of the Companies Act, 2013, the amount lying unpaid or unclaimed in the Unpaid Dividend Account of the Company for a period of seven years from the date of transfer of the dividend amount to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund established by the Central Government.

During financial year 2023-24, the Company was required to transfer to the Investor Education and Protection Fund, the dividend declared in the Annual General meeting held on August 03, 2016. Accordingly, the Company transferred an amount of ₹144,302 (Rupees one lakh forty four thousand three hundred two only) to the Investor Education and Protection Fund.

The details of the unclaimed dividends along with the names and addresses of the shareholders were published on the Company's website. Individual communication to each of the shareholders who had not claimed the dividend continuously for the previous seven years was sent to their registered addresses. The said details were also uploaded on the website of the Ministry of Corporate Affairs.

The following table provides the dates of declaration of dividend after the shares were listed and the corresponding date when unclaimed dividends are due to be transferred to the Central Government:

Financial year	Date of declaration of dividend	Last date for claiming unpaid dividend	Unclaimed amount as on March 31, 2024 (₹)	Due date for transfer to IEPF Fund
2015-16	August 03, 2016	September 04, 2023	144,358.00	October 03, 2023
2016-17	August 04, 2017	September 06, 2024	178,527.50	October 05, 2024
2017-18	August 07, 2018	September 09, 2025	499,044.00	October 08, 2025
2018-19	August 09, 2019	September 11, 2026	398,972.00	October 10, 2026
2019-20	August 07, 2020	September 05, 2027	443,654.00	October 04, 2027
2020-21	August 13, 2021	September 12, 2028	183,931.00	October 11, 2028
2021-22	August 10, 2022	September 09, 2029	155,426.00	October 08, 2029
2022-23	August 08, 2023	September 07, 2030	153,451.00	October 06, 2030

Members can claim the unpaid dividend from the Company before transfer to the Investor Education and Protection Fund. Members who have so far not encashed the dividend warrant(s) are requested to make their claim to the Secretarial Department at the Registered and Corporate Office of the Company or send an e-mail to investors@sobha.com

UNCLAIMED EQUITY SHARES

In terms of Regulation 39(4) of the Listing Regulations, unclaimed equity shares shall be transferred to an 'Unclaimed Suspense Account' opened by the Company for the purpose and the equity shares lying therein shall be dematerialized with a Depository Participant. The voting rights of such equity shares remain frozen till the rightful owner claims the shares.

Accordingly, the Company has opened a Demat account with Depository Participant Geojit BNP Paribas Financial Services Limited. The following table provides details of the equity shares lying in the Unclaimed Suspense Account:

Financial year	Aggregate no. of shareholders and outstanding equity shares as on April 01, 2023.	Number of shareholders who approached the Company for transfer of equity shares during the year.	Number of shareholders to whom equity shares were transferred.	Aggregate no. of shareholders and outstanding equity shares as on March 31, 2024.
2022-23	83 shareholders and 841 outstanding equity shares	-	-	83 shareholders and 841 outstanding equity shares

Allottees who have not claimed their equity shares are requested to make their claim to the Secretarial Department at the Registered and Corporate Office of the Company or send an e-mail to investors@sobha.com

Pursuant to the notification issued by Ministry of Corporate Affairs, Government of India, the Company has transferred the following equity shares to the designated IEPF's Demat account:

Base year	Number of shareholders	No. of equity shares transferred to IEPF's Demat account
2009-10	175	2,470
2010-11	64	1,550
2011-12	62	1,413
2012-13	45	2,574
2013-14	58	827
2014-15	133	3,087
2015-16	114	1,993

GENERAL SHAREHOLDER INFORMATION

Corporate Identification Number	L45201KA1995PLC018475
Registered and Corporate Office	SOBHA Limited, 'SOBHA', Sarjapur–Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru –560 103
Date and Venue of the Annual General Meeting (AGM)	Date: August 07, 2024 Time: 3:00 PM Venue: Pursuant to Circular Nos 14/2020, 17/2020, 20/2020 dated April 8, 2020, April 13, 2020, May 5, 2020, Circular No. 13th January, 2021, and Circular 10/2022 dated 28th December 2022, issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 SEBI/ HO/CFD /CMD2/CIR/P /2021/11SEBI/HO/CFD /CMD2/CIR/P /2021/11 dated 15th January, 2021, also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023, issued by the Securities and Exchange Board of India (hereinafter collectively referred to as 'Circulars'), the Annual General Meeting of the Company is ("AGM") is convened through Video Conferencing / Other Audio Visual Means (VC/ OAVM).and as such, there is no requirement to have venue for the AGM. For details, please refer to the Notice of AGM
Financial Year	The financial year of the Company starts from April 01 of every year and ends on March 31 of the following year.
Book Closure	The date of book closure is July 26, 2024
Dividend Payment Date	If approved by the shareholders in the ensuing Annual General meeting, the dividend will be paid on or before September 05, 2024
Declaration of Financial Results for Financial Year 2023-24	For quarter ending June 30, 2023 – August 07, 2023. For quarter ending September 30, 2023 – November 06, 2023. For quarter ending December 31, 2023 – February 07, 2024. For year ending March 31, 2024 – May 17, 2024.
Tentative Dates for Declaration of Financial Results for 2024-25	For quarter ending June 30, 2024 – Second week of August 2024. For quarter ending September 30, 2024 – Second week of November 2024. For quarter ending December 31, 2024 – Second week of February 2025. For the year ending March 31, 2025 –Third week of May 2025.

Correspondence Details of Various Authorities	
The Securities and Exchange Board of India	Securities and Exchange Board of India SEBI Bhavan, Plot No.C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 Tel: 1800 266 7575 Website: www.sebi.gov.in | www.scores.gov.in
National Stock Exchange of India Limited	National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Tel: +91 22 2659 8100 - 8114 Website: www.nseindia.com
BSE Limited	BSE Limited Floor 25, P.J Towers, Dalal Street, Mumbai – 400001 Tel: +91 22 2272 1233/4 Website: www.bseindia.com
National Securities Depository Limited	National Securities Depository Limited 4th Floor, "A" Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 Tel: +91 22 2499 4200 Website: www.nsdl.co.in
Central Depository Services (India) Limited	Central Depository Services (India) Limited 17th floor, P J Towers, Dalal Street, Fort, Mumbai – 400001 Tel: +91 2272 8658 | +91 2272 8645 Website: www.cdslindia.com
R&T Agents	Link Intime India Private Limited C-101,247 Park, L B S Marg, Vikhroli West, Mumbai-400083. Tel: 022-49186000 Fax Number:022-49186060 Email: rnt.helpdesk@linkintime.co.in

Share Transfer System

Share transfers will be registered and returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Share transfers and other communication regarding share certificates and change of address etc., may be addressed to the R&T Agents as mentioned earlier.

Commodity price risk or foreign exchange risk and hedging activities

The Company had no exposure in commodities and hence the disclosure is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

Nomination

Pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, members may file nominations in respect of their shareholdings/debenture holdings:

For shares held in physical form, members are requested to give the nomination request to Registrar and Share Transfer Agents of the Company.

For shares held in a dematerialized form, members are requested to give the nomination request to their respective Depository Participants directly.

E-voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company provides a remote e-voting facility to the shareholders. The Company has availed the services of the Link Intime India Private Limited for providing the necessary e-voting platform to members of the Company for the ensuing Annual General meeting.

For detailed information on the e-voting procedure, members may please refer to the Notes to the Notice of the Annual General meeting.

Website Disclosures

Corporate Social Responsibility Policy	https://www.sobha.com/wp-content/uploads/2024/04/Sobha-CSR-Policy.pdf
Vigil Mechanism	https://www.sobha.com/wp-content/uploads/2024/04/Vigil-Mechanism.pdf
Code of Conduct	https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Code-of-Conduct.pdf
Nomination and Remuneration Policy	https://www.sobha.com/wp-content/uploads/2024/04/Nomination-and-Remuneration-Policy.pdf
Code of Conduct for Prevention of Insider Trading	https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Code-of-Conduct-Prevention-of-Insider-Trading.pdf
Material Subsidiary Policy	https://www.sobha.com/wp-content/uploads/2024/04/Material-Subsidiary-Policy.pdf
Policy on Related Party Transactions	https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Related-Party-Transaction-Policy.pdf
Policy on Determination of Materiality of Events and Information	https://www.sobha.com/wp-content/uploads/2024/04/Determination-of-Materiality-and-events.pdf
Policy on Preservation of Documents	https://www.sobha.com/wp-content/uploads/2024/04/Policy-for-preservation-of-Documents.pdf
Terms and Conditions of Appointment of Independent Directors	https://www.sobha.com/wp-content/uploads/2020/10/153630451520180907.pdf
Composition of Various Committees of the Board of Directors	https://www.sobha.com/wp-content/uploads/2022/04/Composition-of-Committees-01.04.2022.pdf
Dividend Distribution Policy	https://www.sobha.com/wp-content/uploads/2024/04/Sobha-Dividend-distribution-policy.pdf

Address for correspondence

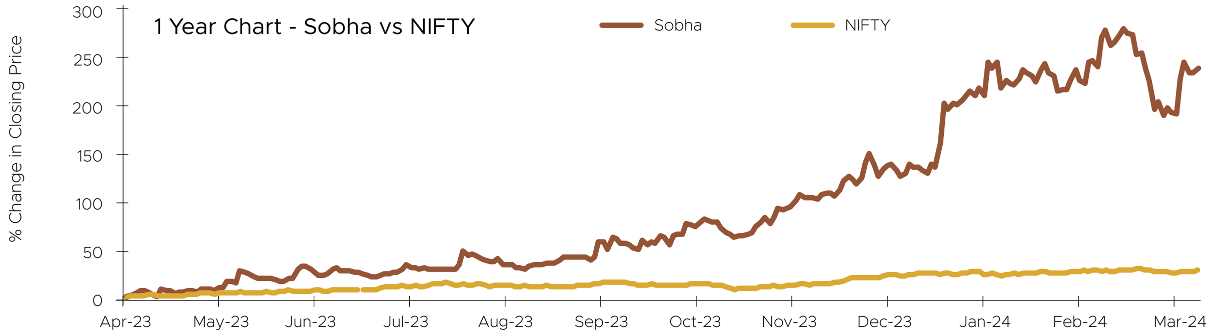
For any queries, please write to:

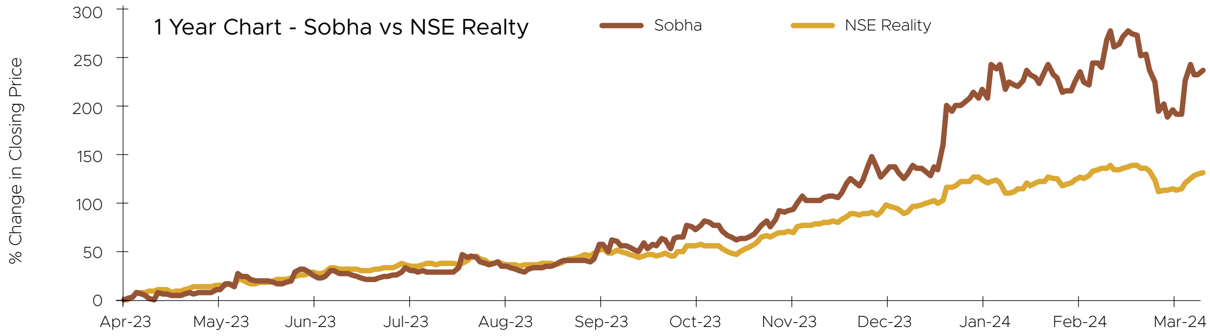
Mr. Bijan Kumar Dash
Company Secretary & Compliance Officer
SOBHA Limited
'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli,
Bellandur Post, Bengaluru– 560 103
Board Line: +91 80 4932 0000 | Extension: 6024
E-mail: bijan.dash@sobha.com
investors@sobha.com

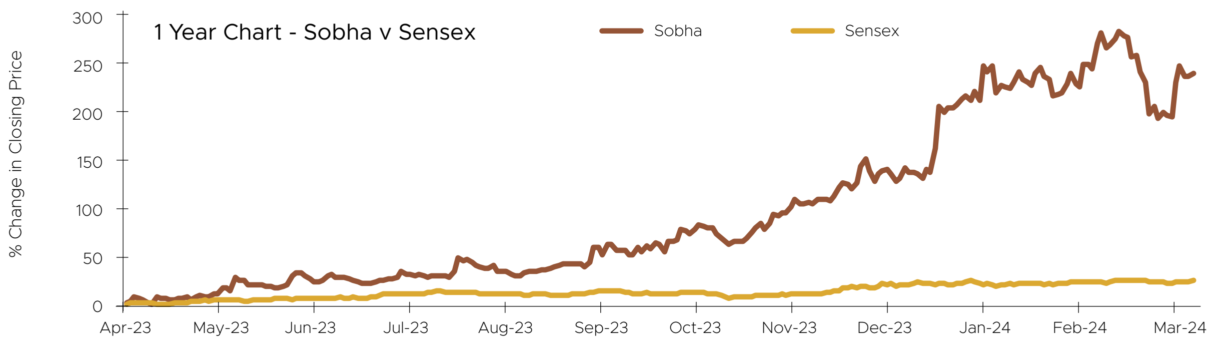
For queries relating to financial statements, please write to:

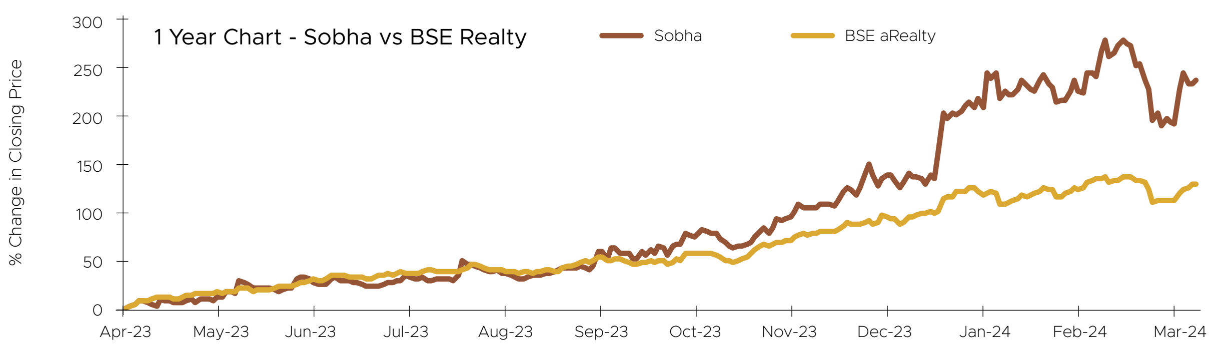
Mr. Yogesh Bansal
Chief Financial Officer
SOBHA Limited
'SOBHA', Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli,
Bellandur Post, Bengaluru– 560 103
Telephone: +91 80 4932 0000 | Extension: 5026
E-mail: yogesh.bansal@sobha.com
investors@sobha.com

SHARE PRICE PERFORMANCE

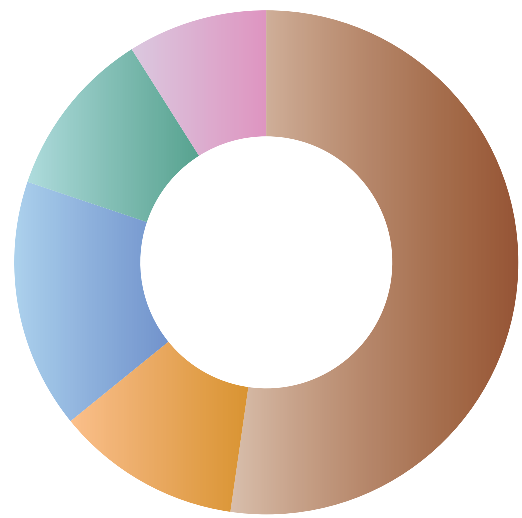








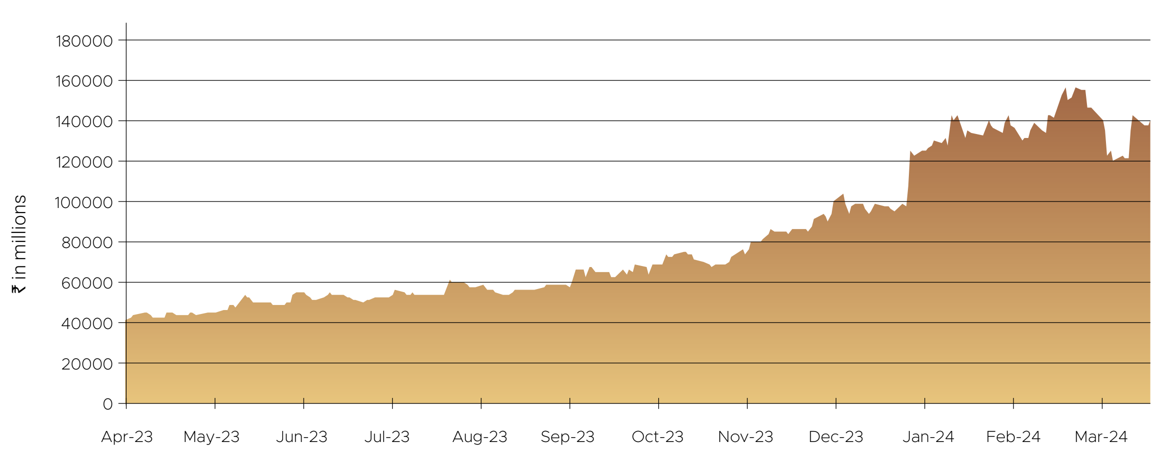
CATEGORY WISE DISTRIBUTION OF SHAREHOLDERS AS ON MARCH 31, 2024



SHAREHOLDING MOVEMENTS

Particulars	No. of Shares as on March 31, 2024	%	No. of Shares as on March 31, 2023	%	Change in %
Promoter and Promoter Group	4,95,85,693	52.28	4,95,65,693	52.26	0.02
FPI	1,12,66,400	11.88	1,30,48,253	13.76	-1.88
Mutual Funds	1,51,86,422	16.01	1,06,67,123	11.25	4.76
Corporate Bodies	1,03,00,834	10.86	1,07,52,343	11.34	-0.48
Financial Insitutions	170	0.00	170	0.00	0.00
Others	85,06,334	8.97	1,08,12,271	11.40	-2.43
Total	**9,48,45,853**	**100.00**	**9,48,45,853**	**100.00**	

MARKET CAPITALISATION



ANNEXURE A

CERTIFICATE PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10)(I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Sobha Limited
SOBHA, Sarjapur-Marathahalli Outer Ring Road (ORR)
Devarabisanahalli, Bellandur Post,
Bengaluru – 560 103.

I have examined the relevant registers, records, forms and returns filed, notices and disclosures received from the Directors, minutes books, other books and papers of **SOBHA LIMITED** having CIN **L45201KA1995PLC018475** and having registered office at **SOBHA, Sarjapur - Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bangalore – 560 103** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the LODR'), as amended from time to time.

In my opinion and to the best of my information and according to the verifications (including DIN status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company, its officers and Management Representation Letter of even date, **I hereby certify that none of the Directors who were on the Board of the Company as on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority.**

Ensuring the eligibility of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

I have conducted necessary verification as much as is appropriate to obtain reasonable assurance about the eligibility or disqualification of the Directors on the Board of the Company.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Nagendra D. Rao
Practising Company Secretary
Membership No. FCS – 5553
Certificate of Practice – 7731
Peer Reviewed Unit
Peer Review Certificate No.: 672/2020
UDIN: F005553F000387583

Place : Bengaluru
Date : May 17, 2024

MANAGEMENT REPORT

MARKETS AND OPERATING ENVIRONMENT

MACROECONOMIC OVERVIEW

GDP REGISTERED A CAGR OF 5.7% BETWEEN FY 2012 AND FY 2023

The country's gross domestic product ("GDP") increased at a compound annual growth rate ("CAGR") of 5.7% to ₹161 trillion in FY 2023 from ₹87 trillion in FY 2012. In FY 2022, the economy recovered from the pandemic-related stress as restrictions were eased and economic activity resumed, though inflation spiralled in the last quarter due to geopolitical pressures, with a GDP print of 9.8% vs -5.8% in FY 2021. In FY 2023, GDP rose 7.0% on strong growth momentum propelled by investments and private consumption. The share of investments in GDP rose to an 11-year high of 34% and that of private consumption to an 18-year high of 58.0%.

In FY 2024, real GDP is expected to grow by 7.6%. Even as the agricultural economy slowed sharply in FY 2024 following a weak monsoon, the surge in non-agricultural economy has more than offset it. The government-driven investment push, along with easing input cost pressures for industry, has also played a major role in shoring up growth. However, services have been slowing with waning pent-up demand (post pandemic), with the exception of financial, real estate and professional services, which has powered ahead on the back of robust growth in banking and real estate. In FY 2025, CRISIL expects the country's GDP to expand 6.8%, driven by the manufacturing sector, strong growth in investments and resilient domestic demand. However, it will be slower than FY 2024 due to slowing global growth, impact of rising interest rates, wanning of pent-up demand for services and increasing geopolitical uncertainty.

INDIA'S PER CAPITA GDP HAS GROWN FASTER THAN THE GLOBAL AVERAGE

Global GDP per capita clocked a CAGR of 1.8% between 2012 and 2022, as per the IMF data. Meanwhile, India's corresponding figure registered a CAGR of 5.2%.

Per capita GDP at current prices ($)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023P	CAGR 2012-2022
India	1,434	1,438	1,560	1,590	1,714	1,958	1,974	2,050	1,913	2,238	2,392	2,612	5.2%
World	10,748	10,923	11,077	10,330	10,378	10,906	22,457	11,500	11,077	12,468	12,895	13.333	1.8%

Source: IMF, CSO, MoSPI, CRISIL, MI&A

CONSUMER DEMAND IN INDIA EXPECTED TO GROW AT HEALTHY PACE WITH RISING PER CAPITA INCOME

India's per capita income, a broad indicator of living standards, rose from ₹63,462 in FY 2012 to ₹99,404 in FY 2023, logging 4.2% CAGR. Growth was led by better job opportunities, propped up by overall GDP growth. Moreover, population growth remained stable at approximately 1% CAGR. Furthermore, according to second advance estimates, per capita net national income (constant prices) is estimated to have increased to ₹106,134; thereby registering a y-o-y growth of approximately 6.8%.

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21RE	FY22PE	FY23RE	FY24SAE
Per Capita Income (₹)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	94,054	99,404	106,143
On-year growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-8.7	9.3	5.7	6.8

Note: RE: Revised Estimate, PE: Provisional Estimate, SAE: Second Advance Estimates
Source: Second Advance Estimates of national income 2023-24,CSO, MoSPI, CRISIL, MI&A

CONSUMPTION EXPENDITURE TO BE DRIVEN BY DISCRETIONARY ITEMS

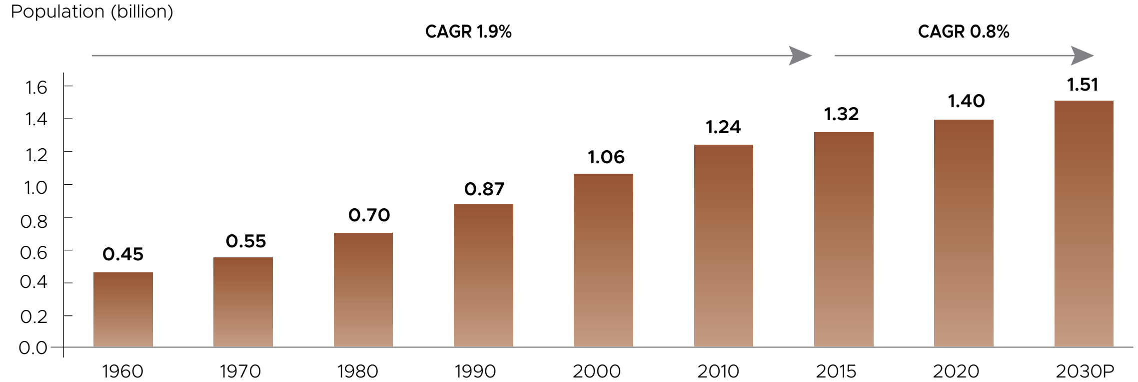
Basic items accounted for 42.1% of the total consumption expenditure of Indians in FY 2022, with discretionary items accounting for the remainder 57.9%. The share of basic items increased in FY 2021 to 43.6% as the pandemic decreased the expenditure on discretionary items. As things started returning to normalcy, share of discretionary items increased in FY 2022. It is worth noting that the share of discretionary items in consumption increased to 59.6% in FY 2020 from 53.4% in FY 2012. The increased spending on discretionary items suggests rising disposable income of households.

DEMOGRAPHIC INDICATORS

GROWING POPULATION, INCREASING URBANISATION AND A YOUNG DEMOGRAPHIC PROFILE TO FURTHER STRENGTHEN INDIA'S CONSUMER BASE

India's population grew to approximately 1.2 billion according to Census 2011, at a CAGR of 1.9% between 2001 and 2011, and the country had approximately 246 million households.

As per United Nations Population Fund's ("UNFPA"), State of World Population Report of 2023, India's population by mid-year of 2023 is estimated to have surpassed China by around approximately 2.9 million.

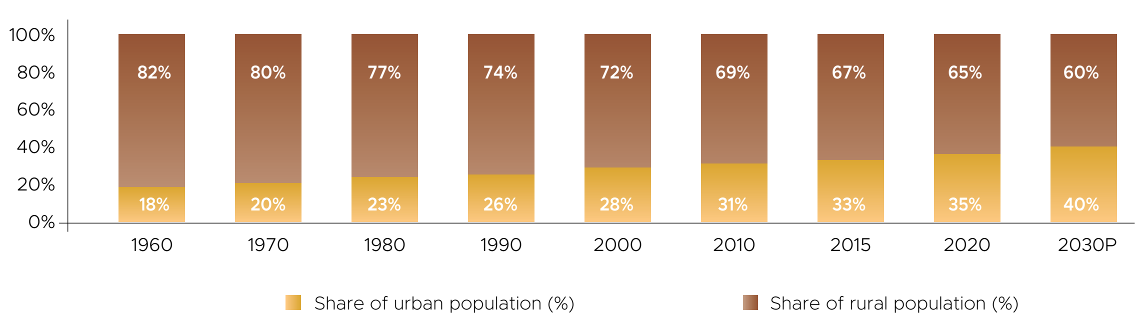


P: Projected; as per the database, population as on July 1 is considered for each selected year.

Source: UN Department of Economic and Social Affairs, World Population Prospects 2022, CRISIL MI&A

Also, India's urban population is expected to continue to rise on the back of economic growth. The urban population is projected to increase to nearly 40% by 2030 from ~31% of the total population in 2010, according to a UN report on urbanisation.

India's urban vs. rural population (in million)



P: Projected

Source: World Urbanization Prospects: The 2018 Revision, UN, CRISIL MI&A

The fact that approximately 31% of the population in India is aged below 15 years indicates that a high proportion of the country's population is expected to remain young in the coming years.

SECTOR OVERVIEW

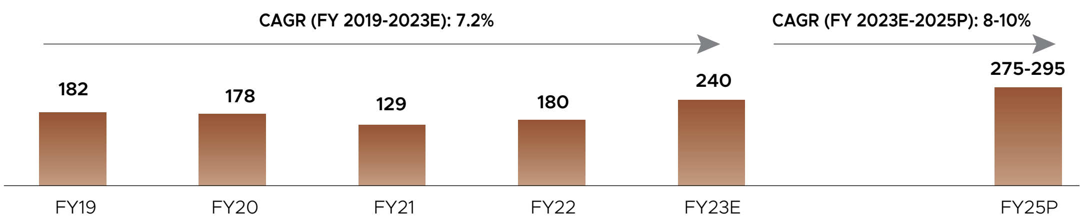
RESIDENTIAL DEMAND IN SIX KEY CITIES CLOCKED 7.2% CAGR GROWTH BETWEEN FY 2019 AND FY 2023

Demand in the six key cities (NCR, MMR, Pune, Ahmedabad, Hyderabad and Bengaluru) was 182 million square feet (msf) in FY 2019 with respect to residential real estate. Demand dropped slightly by 2% in FY 2020 due to the onset of the pandemic before declining sharply by 38% in FY 2021 due to the full effects of COVID-19 pandemic. Demand bounced back sharply in FY2022 and FY2023 to 180 million square feet (msf) and 240 million square feet (msf) respectively from lower base of in FY 2021 (129 msf). Stabilization of income of the organised workforce, multi-year high affordability, higher preference of owned house (than rented), preference of larger homes and government incentives for affordable housing remained key growth drivers for recovery. FY 2023 witnessed an increased demand towards premium residential projects, reflected in growth of luxury home sales.

RESIDENTIAL DEMAND IN 6 KEY CITIES TO CLOCK CAGR 8-10% GROWTH BETWEEN FY 2023 AND FY 2025

FY 2023 to FY 2025 is expected to see CAGR 8% to 10% rise in demand supported by continued urbanization, steady income profiles, expected growth in employment generating sectors such as Information Technology, banking, financial services & insurance ("BFSI"), financial sectors, and rising affluence and propensity to spend on real estate by mid-income buyers. The demand in first half of FY 2024 has been robust as middle- and high-income group are looking for bigger spaces with better amenities. The homebuyers' need for security and personal space, and amenities within residential areas are supporting the demand for residential real estate in six key cities.

Annual demand for residential real estate in six key cities in India (million square feet)



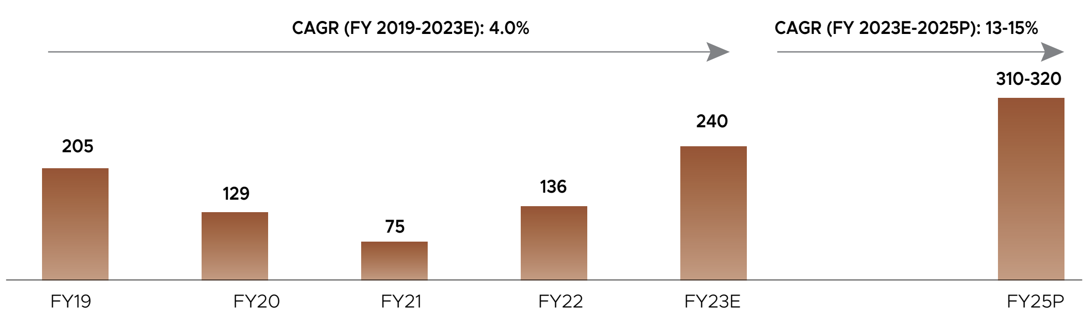
Note: Six key cities include cumulative values of Delhi-NCR, Mumbai Metropolitan Region (MMR), Pune, Ahmedabad, Hyderabad, and Bengaluru.
E stands for estimated; P stands for projected.
Source: CRISIL MI&A

ANNUAL SUPPLY (NEW LAUNCHES) EXPECTED TO GROW AT 13% TO 15% CAGR BETWEEN FY 2023 AND FY 2025

Supply decreased to 75 msf in FY 2021 from 205 msf in FY 2019 due to projects getting deferred during the pandemic. In FY 2022 and FY 2023 higher number of new launches were witnessed, and many more projects are lined up over the next three FYs. This is expected to lead to annual supply (new launches) reaching 310-320 msf by FY 2025.

Inventory levels in six key cities registered a decline in FY 2022 and FY 2023 owing to pent-up demand created by the pandemic and is expected to recover due to launch of new supplies in these cities.

Annual supply (new launches) of residential real estate in six key cities (million square feet)



Note: E stands for estimated; P stands for projected
Source: CRISIL MI&A

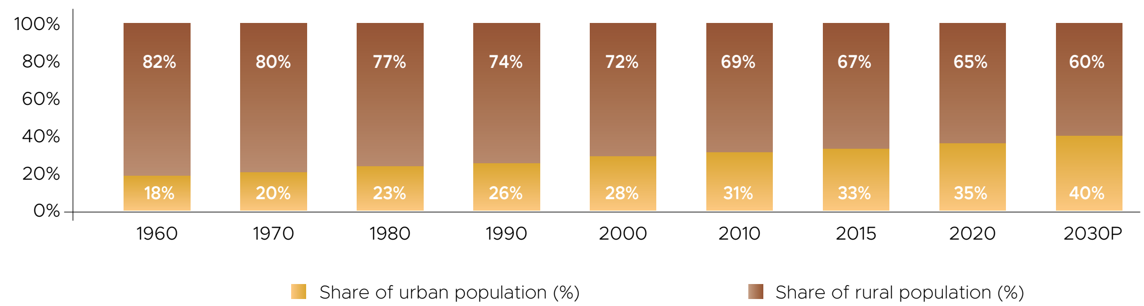
KEY GROWTH DRIVERS, TRENDS, AND CHALLENGES IN RESIDENTIAL REAL ESTATE SECTOR

GROWTH DRIVERS

Rise in urbanization to create demand for residential real estate in urban India

Urbanisation provides an impetus to housing demand in urban areas as migrants from rural areas require dwelling units. In 2020, about 35% of the Indian population lived in urban areas of the country and this share of urban population is expected to increase to about 40% by 2030. This trend in urbanization has pushed the demand for houses in urban areas.

India's urban vs. rural population (in million)



P: Projected

Source: World Urbanization Prospects: The 2018 Revision, UN, CRISIL MI&A

People from rural areas move to cities for better job opportunities, education, avail better lifestyle etc. A family living in a rural area may migrate to an urban area as whole or only a few people (generally earning member or students) may migrate, while a part of the family continues to hold their native house. Urbanization has a twin impact on housing demand. On the one hand, it reduces the area per household, and on the other, there is a rise in the number of nuclear families, which leads to the formation of more households.

Nuclearisation (rise in nuclear families)

Nuclearisation refers to the formation of multiple single families out of one large joint family; each of these families live in separate houses while the ancestral house may be retained or partitioned to buy new houses. Nuclearisation in urban areas is primarily driven by the changing lifestyle of people, individualism, changing social/cultural attitudes and increased mobility of labor in search of better employment opportunities. These trends are expected to continue in future. With increasing nuclearisation, the Per Capita Floor Space Area ("PCFSA") required reduces since size of the family shrinks. As incomes increase, people shift to bigger houses and thus, there is addition in existing demand.

Affordability led by disposable income

India's per capita income, a broad indicator of living standards, rose from ₹63,462 in FY 2012 to ₹99,404 in FY 2023, logging 4.2% CAGR. Going forward, the per capita income is expected to continue its growth trajectory. This will be an enabler for domestic consumption. Increasing disposable income, typically, has a positive correlation with demand for housing units as it increases the affordability.

Per capita NNI at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21RE	FY22PE	FY23RE	FY24SAE
Per Capita NNI (₹)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	94,054	99,404	106,143
On-year growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-8.7	9.3	5.7	6.8

Note: RE: Revised Estimate, PE: Provisional Estimate, SAE: Second advance Estimates

Source:Second Advance Estimates of national income 2023-24,CSO, MoSPI, CRISIL, MI&A

Infrastructure development across India is driving growth in the real estate sector

The development of infrastructure plays a key role in enhancing the demand for residential real estate. Infrastructure development leads to increase in connectivity through railways, air, and road, reducing commute time. Well planned transportation infrastructure attracts investments and business, which further creates demand for commercial and residential real estate. Also, other infrastructure development, such as medical facilities, educational institutions, entertainment hubs, retail markets, business centers, schools, retail outlets etc., promote real estate prices as these infrastructure projects are the most preferred aspect for residential real estate buyers.

Focus on integrated lifestyle especially by millennial buyers

Nowadays, residential real estate buyers, especially millennials, have key preferences for their homes. These buyers look for work-life balance and seek residences that offer modern amenities, vibrant communities, and access to leisure and entertainment options. They prefer integrated townships with gated communities which offer a variety of amenities such as fitness centers, swimming pools, and recreational spaces. Due to this, developers today are focusing on offerings to cater these lifestyle-based preferences, resulting in real estate development projects for aspirations and dreams of millennial generation.

Technology is revolutionizing residential real estate in India

With the rise in technological advancements, various sectors have gone through transformations including the residential real estate sector. The fusion of technology in residential real estate sector is enhancing transparency, efficiency, and innovation in the industry across property search, financing, management etc.

- Property discovery: Technology enabled the easy discovery of properties in the diverse and vast residential real estate market in India with efficiency and user-friendly platforms. Online property listing platforms offer detailed information about different types of properties with high resolution images coupled with Virtual Reality ("VR") and Augmented Reality ("AR") features, which enhance the property viewing experience for buyers.
- Construction process: Technology has not only impacted the residential real estate industry for buyers, but also impacted the developers' process of construction. Building Information Modelling (BIM) technology enables the developer to plan and visualize construction of projects, which helps in minimizing errors and optimizing resource allocation. Apart from BIM, drones help developers with site surveys, offering real time insights into construction stages and challenges.
- Online property transactions: Online platforms are changing the process of property transactions. These platforms enable digital property transfers, leading to dip in requirements of physical paperwork and in-person interactions.
- Customer data management: Through modern software tools and customer relationship management systems, real estate developers are able to collect and preserve customer data. These tools enable builders to analyze customer data for insights, such as customer's preferences, buying behavior, feedback, etc. Through this data, developers can modify their sales strategy and improve overall customer experience.

OUTLOOK OF OUR MARKETS

A. REAL ESTATE

Sobha is the foremost backward integrated company in the real estate space. Since inception, the Company has taken pride in doing things in-house – to have absolute control over the quality and timely delivery of our products. The Company continues to be laser focussed on our product above anything else. To delight a homebuyer and exceed his/her expectations has been our constant endeavour, which has given us the recognition and reputation of delivering international quality homes in the market. Sobha is present in 11 cities across 6 states; in Bengaluru, Gurugram (NCR), Chennai, Thrissur, Kochi, Kozhikode, Coimbatore, Pune, Thiruvananthapuram, Hyderabad and GIFT City (Gujarat). While the Company is present in major cities in India, it is also constantly exploring new markets, such as Noida, Mumbai etc.

With Sobha's unique self-reliant model, strong brand name and unmatched execution capabilities, the Company continues to deliver all projects on time. The Company currently has ongoing real estate projects aggregating to 34.32 million square feet of developable area and 24.38 million square feet of saleable built-up area, and ongoing contractual projects aggregating to 4.05 million square feet under various stages of construction.

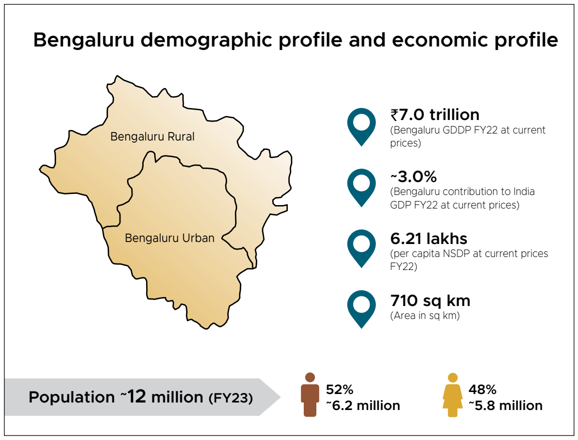
As on March 31, 2024, SOBHA has delivered overall 136.25 million square feet of developable area. Since its inception, the Company has completed real estate projects measuring 77.10 million square feet of developable area and 56.74 million square feet of super built-up area.

During the year, in Real Estate, the Company has completed construction activities to the extent of 6.76 million square feet of total developable area and 4.40 million square feet of super built-up area and launched 6 new projects across India.

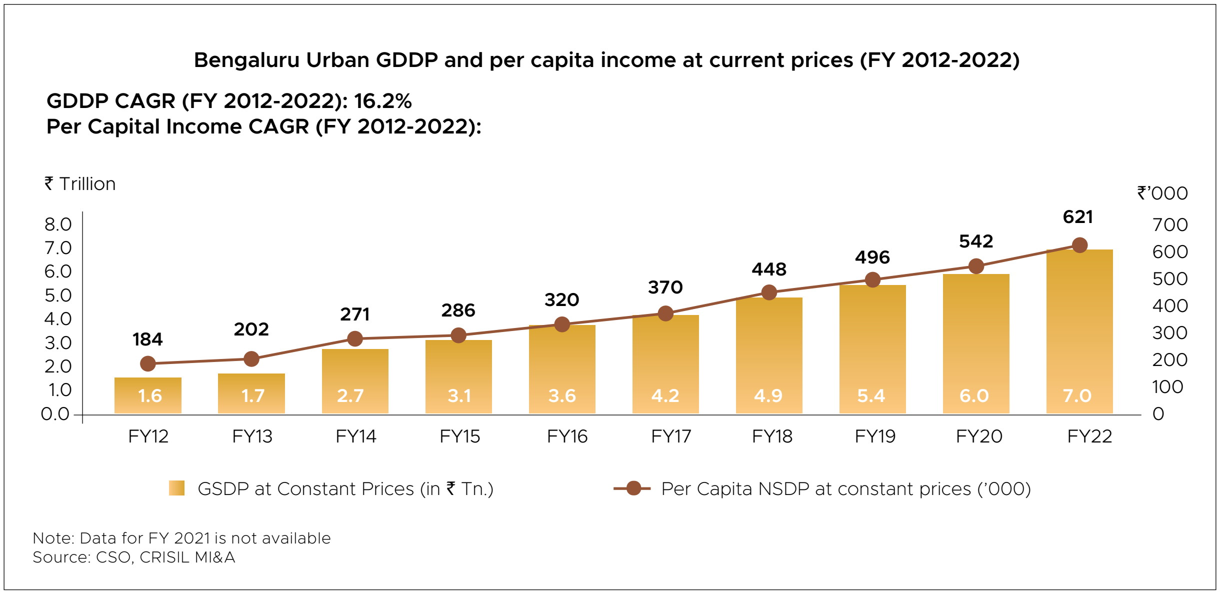
BENGALURU

Bengaluru Urban registered a Gross District Domestic Product growth of 16.2% CAGR between FY 2012 and 2022 at current prices

Bengaluru Urban district has seen a rapid growth in population with an estimated population of approximately 12 million in FY 2023, an approximately 25% growth compared to 2011 figures. Bengaluru Urban's Gross District Domestic Product (GDDP) was ₹6,985 billion at current prices in FY 2022, registering a CAGR of 16.2% between FY 2012 and FY 2022. Its per capita income (per capita net district domestic product) at current prices was ₹621,131 as of FY 2022, registering a CAGR of 13.0% between FY 2012 and FY 2022. The district contributed approximately 36% of Karnataka state's GSDP at current prices in FY 2022. Bengaluru Urban District tops in secondary and tertiary sectors due to high concentration of major industries and infrastructure facilities.



Source: CRISIL MI&A



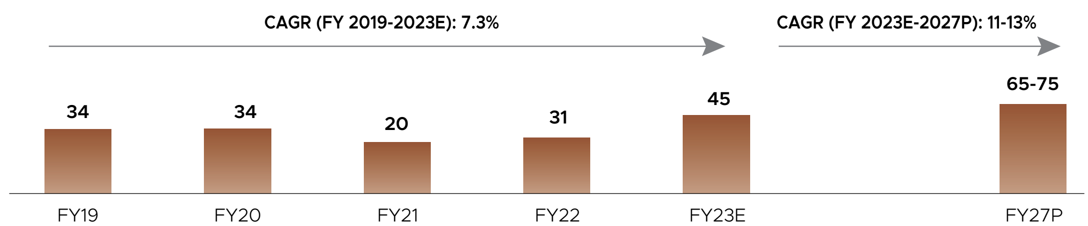
Residential demand in the Bengaluru region witnessed strong growth in FY 2022 and FY 2023 driven by timely completions of projects, development of various infrastructure projects

Residential real estate demand in Bengaluru was at 34 msf in FY 2019 and FY 2020 before plunging to 20 msf in FY 2021 due to the pandemic. It recovered to 31 msf in FY 2022, an increase of approximately 55%. In FY 2023, estimated housing demand in Bengaluru grew by 40-45% on-year to close to 45 msf. The continued growth momentum was due to stable income growth as well as interest rates still 50 bps lower than pre-pandemic period despite almost 120 bps rise during the FY. Housing demand growth last FY was mostly driven by the Information Technology / Information Technology enabled Services ("ITeS") professionals and BFSI, largely supported by stable income growth throughout the pandemic, along with robust vaccination drive and stable hiring by key employers. Strong momentum in FY 2023 was also observed due to strengthening confidence, following timely completions of projects, exponential growth of startups and unicorns, development of various infrastructure projects and rising income levels.

Residential demand in the Bengaluru region to clock 11-13% CAGR between FY 2023 and 2027

Going forward, between FYs 2023 and 2027, housing demand in the market is likely to grow at a healthy pace of 11-13% CAGR due to continued urbanization, healthy growth in IT / ITeS segment and a healthy income profile, etc. Furthermore, rapid expanding infrastructure development, viz. Metro Rail Phase 2B (Airport link), Peripheral Ring Road and Satellite Ring Road etc., will provide seamless connectivity to other parts of the city and shall act as a growth driver. While the mid-sized and luxury segments will do well despite rising interest rates and capital values, the affordable segment is likely to be laggard due to price sensitive consumer base. Furthermore, homebuyers are expected to upgrade to larger living spaces with better amenities, therefore, leading to higher growth in premium apartments.

Annual demand for residential real estate in Bengaluru region (million square feet)



Note: E stands for estimated; P stands for projected.
Source: CRISIL MI&A

Bengaluru-based Sobha Limited has its sales volume to the tune of 67% (approximate) coming from the Bengaluru market. During the year 2023-24, in the city's Sobha Dream Acres project, the Company completed the overall sales of the project in Q2 FY 2023-24. Construction of this project has been carried out using precast technology and the phases are under part construction and part handover stages.

Sobha Neopolis was launched in Q3 FY 2023-24, with 3.44 million square feet of saleable built-up area. It is a luxurious residential project located in the heart of Bengaluru's most dense and well established technology hubs.

Sobha Crystal Meadows, a rowhouse project launched in Q4 FY 2023-24 with 1.25 million square feet of saleable built-up area, stands as a symbol of refinement and serenity in Sarjapur-Bellandur road, East Bengaluru.

Sobha Dream Acres, our marquee project spanning 81 acres, with saleable built-up area of 6.5 million square feet, comprises 6,262 units distributed across 27 phases and 58 wings. It was launched on January 31, 2015, and officially closed sales in Q2 FY 2023-24. The RERA completion date for the full project is September 30, 2026.

Presently, the Company has ongoing projects aggregating to 20.10 million square feet of total developable area and 14.57 million square feet of saleable built-up area, in Bengaluru

- Sobha Galera (Ongoing Project). A rowhouse project located in East Bengaluru spread over 4.08 acres. The project comprises 40 row houses with a total saleable area of 0.13 million square feet.
- Sobha Oakshire (Ongoing Project). A rowhouse project, comprises 80 row houses spread over 8.86 acres, comprising a saleable area of 0.28 million square feet.
- Sobha Insignia (Ongoing Project). A boutique super-luxury project in Bhoganahalli, South East Bengaluru, with 33 apartments and a saleable area of 0.08 million square feet.
- Sobha Sentosa (Ongoing Project). A luxury residential project located in South Bengaluru, with total saleable area of 0.65 million square feet.

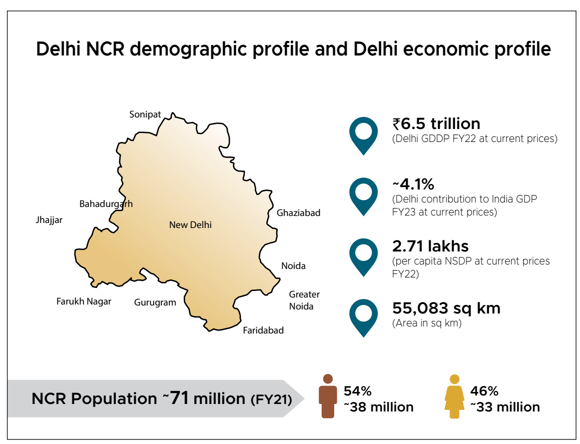
- Sobha Victoria Park – Phase I and Phase II (Ongoing Project). A project spread over 6.5 acres in North Bengaluru with 0.59 million square feet of saleable area comprising row houses and apartments.
- Sobha Royal Crest (Ongoing Project). A luxury project with 3 and 4 BHK apartments, near Banshankari, West Bengaluru, with a saleable area of 0.65 million square feet.
- Sobha Windsor (Ongoing Project): A residential project with a saleable area of 1.25 million square feet.
- Sobha Brooklyn Towers (Ongoing Project): A residential project with a saleable area of 1.01 million square feet.
- Sobha Manhattan Towers (Ongoing Project): A residential project with a saleable area of 0.88 million square feet.
- Sobha Crystal Meadows (Ongoing Project): A luxury rowhouse project with a saleable area of 1.25 million square feet.
- Sobha City – Athena (Ongoing Project): A residential project with a saleable area of 0.12 million square feet
- Sobha Dream Acres (Ongoing Project): Our marquee residential project with a total saleable area of 0.83 million square feet.
- Sobha Dream Gardens (Ongoing Project): A residential project with a total saleable area of 1.04 million square feet.
- Sobha Lake Gardens (Ongoing Project): A residential project with a total saleable area of 0.42 million square feet.
- Sobha Lifestyle Legacy (Ongoing Project): A villa project with a total saleable area of 0.09 million square feet.
- Sobha Neopolis (Ongoing Project): A residential project with a total saleable area of 3.44 million square feet.
- Sobha Rajvilas (Ongoing Project): A residential project with a total saleable area of 0.18 million square feet.
- Sobha Royal Pavilion (Ongoing Project): A residential project with a total saleable area of 1.11 million square feet.
- The Company has three development management projects under Sobha Limited – 1. Sobha Sterling Infinia, 2. Chartered Windsong and 3. Chartered Woodpecker, with total saleable area of 0.57 million square feet.

All residential projects across regions had a steady sale overall.

DELHI - NCR

Key micro-markets in Gurugram

- Golf Course Extension
- Sohna Road
- Manesar
- Dwarka expressway
- DLF City / Golf Course Road



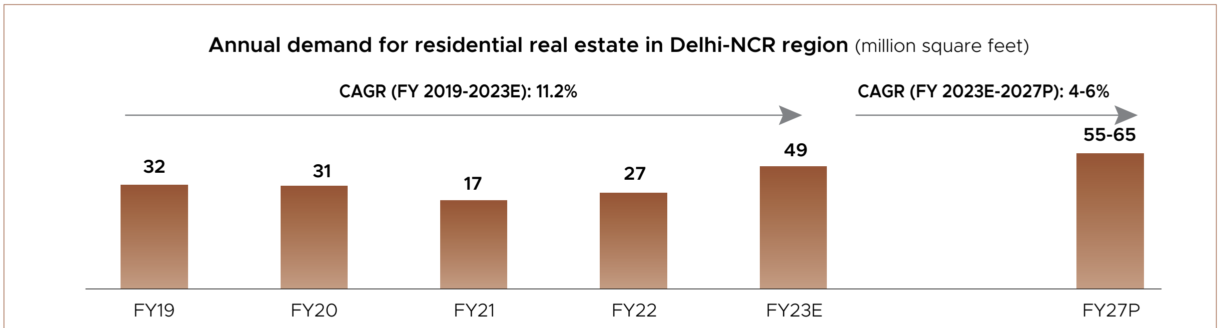
Source: National Capital Region Planning Board, CRISIL MI&A

Residential demand in the NCR region witnessed strong growth momentum in FY 2023 led by pent-up demand created by the pandemic

The NCR residential real estate demand was in a deep slump since 2013 with low buyer sentiment, given the highest proportion of stalled projects, followed by demonetization, GST, RERA, liquidity crisis, etc. until 2019. Just when the market had stabilized, and the 2-3% recovery was in sight for FY 2021, it got hit by COVID-19 sending it into another slump. The market started witnessing strong growth momentum from second quarter of FY 2022 onwards, led by pent-up demand, improvement in affordability due to softer capital values, policy boost, discounts and incentives offered by developers, etc. An estimated improvement in income levels from the financial market performance is also likely to have propelled the demand. As a result, demand jumped from 27 msf in FY 2022 to 49 msf in FY 2023.

Residential demand in the NCR region to grow moderately with dominancy of mid and high-end segments

Demand in NCR is led by pockets in Gurugram and Noida. The trend of consumers shifting to branded players is also clearly evident. Also, the demand is estimated to be propelled by the organized workforce from BFSI and financial markets as well as corporates. This demand is to be largely supported by continued urbanization, steady income profiles, expected growth in IT, BFSI, financial and manufacturing sectors and rising affluence and propensity to spend on real estate by the mid income buyers. As a result, residential real estate demand in NCR is expected to see CAGR 4-6% between FY 2023 and FY 2027 and reach 55-65 msf by FY 2027.



Note: E stands for estimated; P stands for projected.
Source: CRISIL MI&A

With demand revival, supply (new launches) is also expected to increase between FY 2024 and FY 2027

New launches have been muted over the last few years given developers' focus on execution and offloading of high unsold as well as under-construction inventory. As demand revival is expected over FY 2024-2027, launches are also expected to increase between FY 2024-2027. While Gurugram has historically led in new project launches, Noida has picked up with branded developers launching projects in the Noida-Greater Noida Expressway micro-markets. Traction is led by the upcoming Jewar International Airport as well as the National Company Law Tribunal resolution in key cases. Affordable housing development is a long gestation, low margin-high volume business, and in current market conditions, developers are looking at quick execution and exit. Hence, share of affordable housing in launches is expected to come down.

Sobha started its operation in Gurugram with the launch of two projects – International City and Sobha City.

Sobha City had a sale of 0.49 million square feet over the year and completed the construction of B3, C3 and C4 towers with a total saleable built-up area of 0.55 million square feet (264 homes). We also successfully completed the sales of the entire project of Sobha City by Q3 FY 2023-24.

In total, the Company has two ongoing projects aggregating to 2.79 million square feet of total developable area and 1.84 million square feet of saleable built-up area, which will be developed and delivered in phases.

- Sobha City Gurugram (Ongoing Project): a luxury project with a saleable area of 1.76 million square feet.
- International City Gurugram (Ongoing Project): a villa project with a saleable area of 0.08 million square feet.

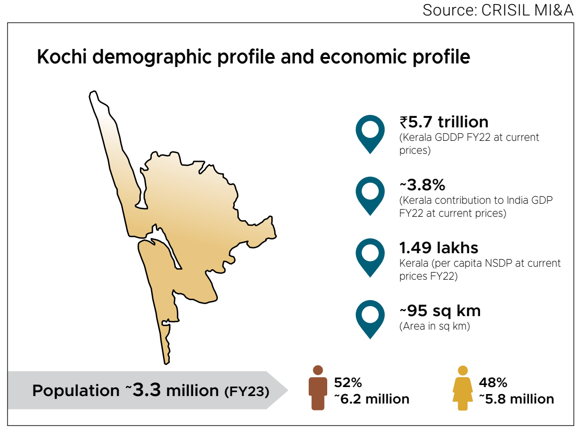
KOCHI

Kochi is a part of Ernakulum District, the highest revenue generating district in Kerala

Kochi is part of the Ernakulam District of the state of Kerala in southern India, and is the highest revenue yielding district in the state. Known as the commercial capital of Kerala, the estimated population of Kochi was 3.3 million in 2022 and covers an area of approximately 95 square kilometres.

Kochi's rich cultural heritage has made it a popular tourist destination among both domestic and international travellers. Kochi stands out as Kerala's most developed metropolis. The city's importance is a

Source: CRISIL MI&A



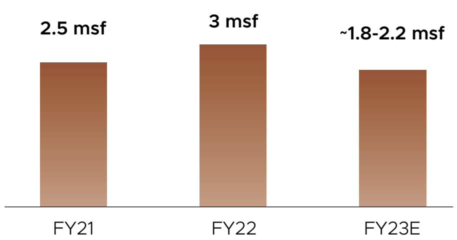
result of its strong industrial base, advantageous location, and technological parks.

We launched Sobha Atlantis Phase 2 with a saleable built-up area of 0.44 million square feet in Q4 FY 2023-24. The project is on an alluring island amidst emerald waters and sprawling greens.

Presently, the Company has two ongoing projects, aggregating 3.95 million square feet of total developable area and 2.58 million square feet of super built-up area.

- Sobha Atlantis (Ongoing Project): Residential project with a saleable area of 0.89 million square feet.

Annual demand for residential real estate in Kochi (in million square feet or MSF)



- Marina One (Ongoing Project): Residential project with a saleable area of 1.69 million square feet.

THRISSUR

Thrissur is also known as the cultural capital of Kerala because of its cultural, spiritual and religious leanings throughout history. Sobha entered the Thrissur market with its landmark project Sobha City.

Thrissur saw the new launch of Sobha Metropolis Phase 3 with a total saleable built-up area of 0.39 million square feet during Q3 FY 2023-24. The Project was initially launched in January 2020 and since then, it has become a coveted address in the city.

Presently, the Company has three ongoing projects, Sobha Lake Edge, Sobha Silver Estate and Sobha Metropolis (Phase 1, 2 and 3) aggregating to 2.12 million square feet of total developable area and 1.46 million square feet of super built-up area.

- Sobha Metropolis (Ongoing Project): Residential project with a saleable area of 1.14 million square feet.
- Sobha Lake Edge (Ongoing Project): Residential development with a saleable area of 0.24 million square feet.
- Sobha Silver Estate (Ongoing Project): Villa project development with a saleable area of 0.08 million square feet.

THIRUVANANTHAPURAM

The Company ventured into the Thiruvananthapuram market in FY23. Kerala's capital city is known for its calm beaches, backwaters and rich culture. Our earlier project, Sobha Meadows - Whispering Hill had a good contribution to the overall sales.

The Company launched another project during this year, Sobha Ridge - Whispering Hill, with a saleable built-up area of 0.23 million square feet.

Currently there are two ongoing projects with a developable area of 0.56 and super built-up area of 0.43 million square feet.

- Sobha Meadows - Whispering Hill (Ongoing Project). A luxury apartment project with a saleable area of 196,420 square feet, and a developable area of the project of 0.23 million square feet.
- Sobha Ridge – Whispering Hill (Ongoing Project). A luxury apartment project with a saleable area of 0.23 million square feet.

KOZHIKODE

Sobha has been operating in Kozhikode since 2013-14 with the first project, Sobha Bela Encosta, a super luxury villa development.

Presently, the Company has 1 ongoing project that aggregates to 0.11 million square feet of total developable area and 0.06 million square feet of super built-up area.

- Sobha Bela Encosta (Ongoing Project): A villa project with 22 villas with total saleable area of 0.06 million square feet.

CHENNAI

Amidst the robust real estate market of India, Chennai's residential real estate market is bustling with activity, showcasing a substantial 5 per cent surge in home sales. The ongoing metro expansion and various infrastructural developments position Chennai for substantial growth in the coming years. Looking ahead, 2024 is anticipated to be the year of resurgence for Chennai's real estate.

The ongoing projects in Chennai are Sobha Arbor and Sobha Gardenia, aggregating to 0.48 million square feet of total developable area and 0.30 million square feet of super built-up area.

- Sobha Arbor (Ongoing Project). A luxury apartment project with 0.39 million square feet of developable area and 0.29 million square feet of saleable area.
- Sobha Gardenia and Sobha Gardenia Annexe (Completed Projects). A villa project spread across 6.85 acres with a saleable area of 0.35 million square feet.

COIMBATORE

The Manchester of South India has always extended a warm welcome to any new development in the city. The Company ventured into the Coimbatore market in 1998 with a plotted development and villa development.

- There is currently one ongoing project, Sobha West Hill, with 0.02 million square feet of super built-up area.

PUNE

The Company ventured into the Pune market in 2007-08 with 'Sobha Carnation', a super luxury multi-storied apartment.

The Company has one project in progress, Sobha Nesara, with a developable are of 0.94 million square feet and a total saleable built-up area of 0.64 million square feet.

GIFT CITY GUJARAT

GIFT City is India's first operational smart city with the development of world-class infrastructure and sustainable master planning. The objective behind the set-up of GIFT City is that it aims to tap into India's huge potential for providing financial services by offering world-class infrastructure and facilities to leading global financial institutions and companies. We successfully completed the sale of two out of three projects – Sobha Dream Heights and Sobha Avalon – where construction is underway.

During Q4 FY 2023-24, the Company launched Sobha Elysia in GIFT City with a total saleable built-up area of 1.24 million square feet.

Currently there are three ongoing projects – Sobha Dream Heights, Sobha Avalon and Sobha Elysia – with a developable area of 2.43 million square feet and a super built-up area of 1.83 million square feet.

- Sobha Dream Heights (Ongoing Project): with a developable area of 0.40 million square feet and saleable area of 0.26 million square feet.
- Sobha Avalon (Ongoing Project): with a developable area of 0.42 million square feet and saleable area of 0.32 million square feet.
- Sobha Elysia (Ongoing Project): with a developable area of 1.61 million square feet and saleable area of 1.25 million square feet.

HYDERABAD

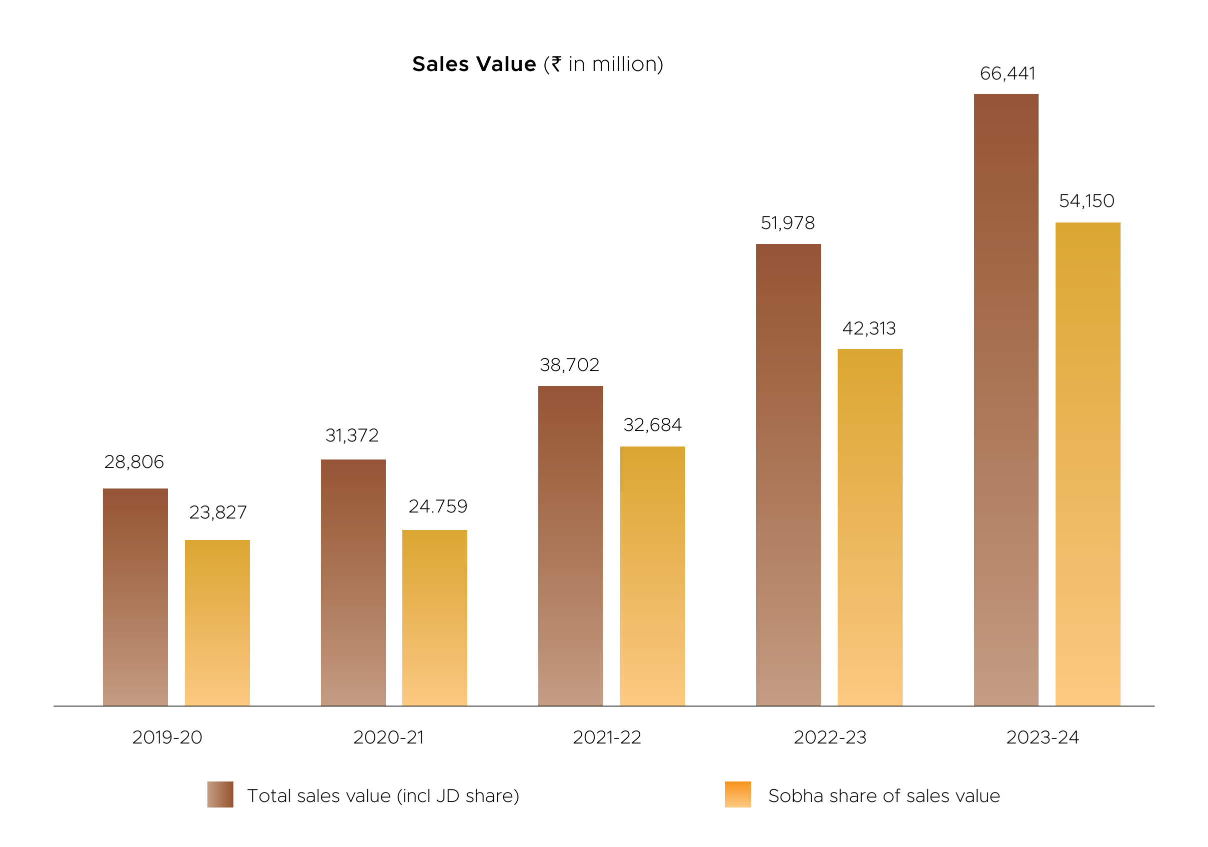
The Company ventured into the Hyderabad market in FY 2022-23. Somajiguda is a commercial centre of Hyderabad located on either side of Raj Bhavan road.

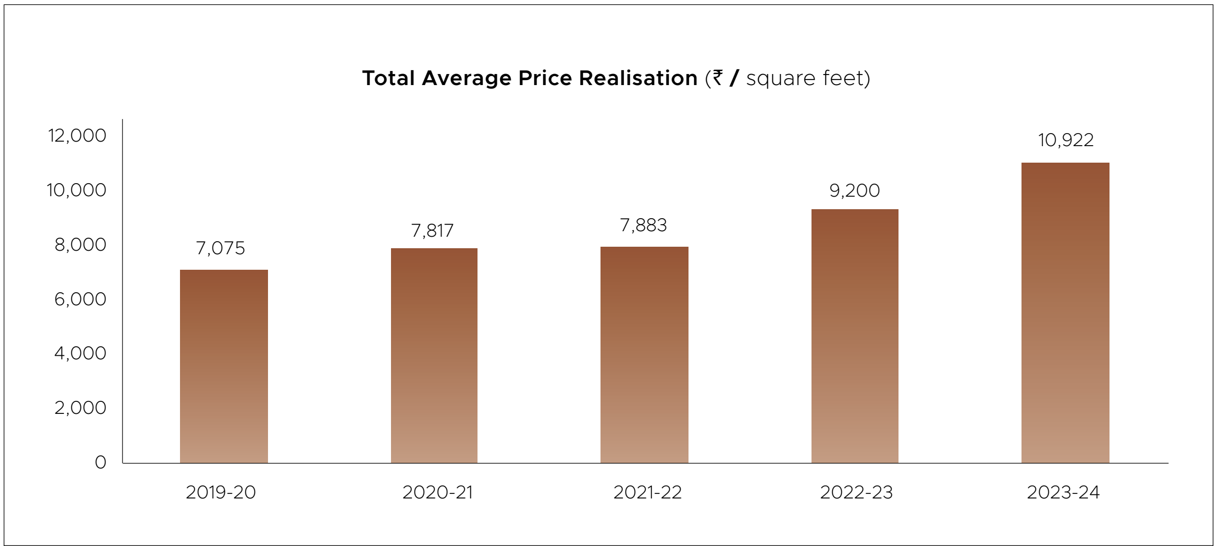
SOBHA Waterfront is a luxury apartment with a developable area of 0.80 million square feet and super built-up area of 0.65 million square feet.

SALES PERFORMANCE

During the year, Sobha achieved 6.08 million square feet of new sales area, which is a worthy accomplishment during the tough operational environment. Total value, including joint development share, stood at ₹66,441 million with an average price realization of ₹10,922 per square feet. Sobha's share of sales value stood at ₹54,150 million. This shows that customers trust Brand Sobha as their preferred choice of quality home.

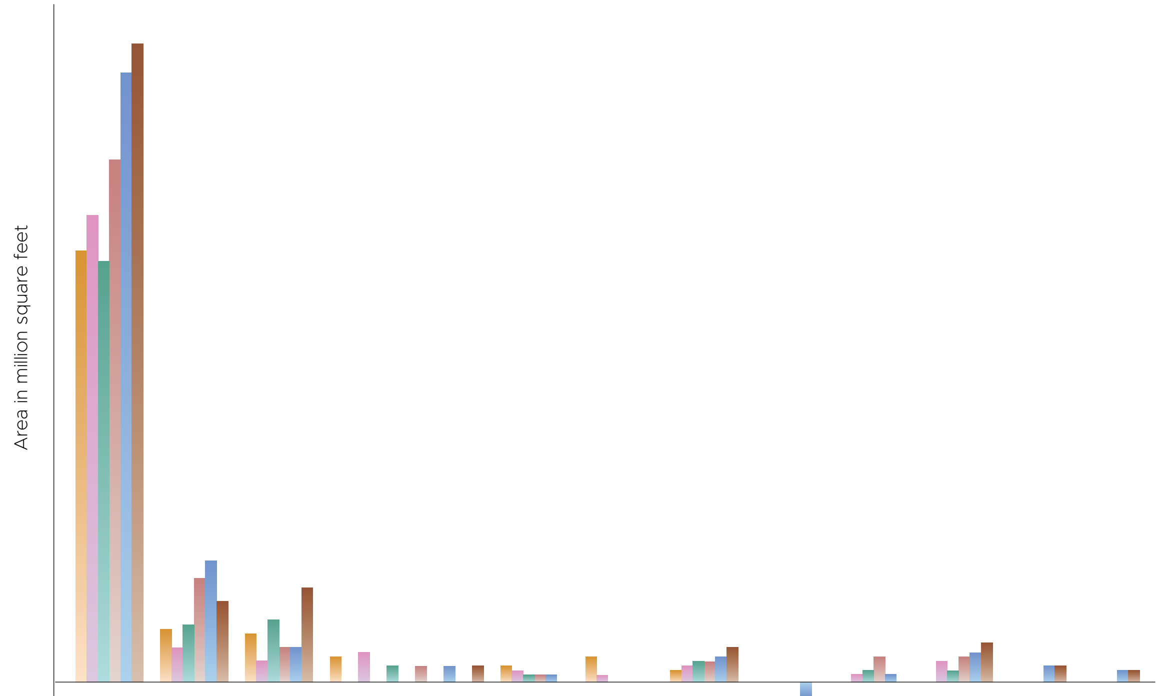
Despite commercial products, Sobha's prime focus remains on residential business to generate positive cash flows through speedy delivery and revenue realisation and to ensure appropriate investment in the best available opportunities.





MANAGEMENT REPORT

New Sales (in million square feet)



		Bengaluru*	NCR	Kochi	Chennai	Coimbatore	Mysuru	Thrissur	Kozhikode	Pune	GIFT City	Thiruvanantha-puram	Hyderabad
■	FY 2018-19	2.77	0.35	0.32	0.18	0.11	0.18	0.07	0.04	0.01	0.01	-	-
■	FY 2019-20	3.00	0.24	0.15	0.21	0.07	0.06	0.10	0.03	0.07	0.13	-	-
■	FY 2020-21	2.70	0.37	0.40	0.12	0.06	0.03	0.15	0.02	0.09	0.07	-	-
■	FY 2021-22	3.35	0.68	0.24	0.12	0.04	-	0.13	0.01	0.17	0.17	-	-
■	FY 2022-23	3.92	0.78	0.23	0.11	0.05	-	0.17	(0.09)	0.06	0.21	0.11	0.10
■	FY 2023-24	4.11	0.54	0.61	0.3	0.00	-	0.22	0.00	0.01	0.21	0.10	0.08

B. COMMERCIAL

Sobha has primarily focused on the residential real estate category since its inception with sporadic presence in the commercial segment. Although the Company has created some landmark commercial projects like Thrissur's most iconic landmark the Sobha City Mall, our presence in the segment has been relatively limited. Now the Company has renewed its focus on commercial developments with several projects under progress in multiple cities.

As of March 2024, the Company has two commercial malls in this business vertical. The first is Sobha City Mall in Thrissur. It commenced its operations from December 2015, and has a total developable area of 0.43 million square feet with a total leasable area of 0.32 million square feet.

The second offering in this vertical is the 1 SOBHA mall in Bengaluru with a total developable area of 0.35 million square feet and a total leasable area of 0.28 million square feet. The launch of this mall signifies our entrance in the city's commercial shopping space. Located in the heart of Bengaluru, this commercial development is host to the topmost of brands from retail, F&B, entertainment and fashion industries.

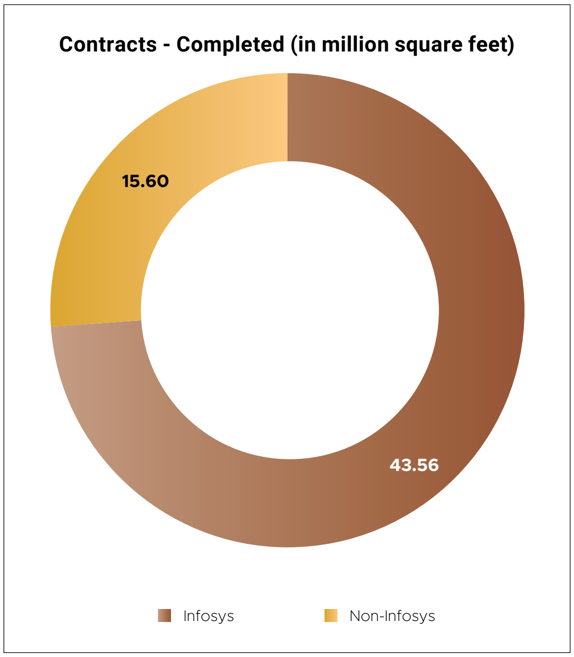
C. CONTRACTUAL

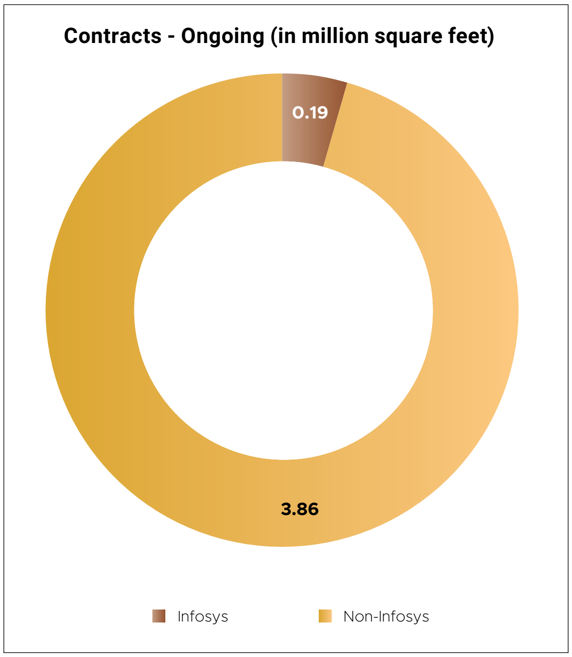
In 2023-24, the Company completed 1.49 million square feet in the contractual vertical.

Overall, the Company has delivered 59.15 million square feet of contractual works and 4.05 million square feet of projects are under execution in two cities across India.

While SOBHA values a long-standing relationship with few of our select clients, which contributes to a major scope of our total work done in this vertical, there is an emphasis on diversifying the client base and reducing Sobha's risk portfolio. The Company is actively involved in major contractual projects across India, helping us with geographical diversity and a multi-client approach. Our corporate clients include LuLu Group, Biocon, Dell, Bosch, Syngene, Taj Hotels, HCL, Wipro, Infosys, ITC Hotels, Huawei Technologies, Manipal group, GAR Corporation, etc.

SOBHA's ability and capacity to deliver high quality, custom-designed turnkey projects and the domain knowledge to address tough challenges has gained a loyal customer base for the contract division. In the contractual vertical, Sobha has a presence in 27 cities across 14 states.





RISKS

Our business and profitability are significantly dependent on the performance of the real estate market in India and particularly in Bengaluru, Karnataka which contributed 66.12% and 63.45% of our total Sales in Fiscal 2024 and Fiscal 2023, respectively. Varying market conditions in this region may affect our ability to ensure sale of our projects and the pricing of units in such projects, which may adversely affect our results of operations and financial condition. The real estate market of this region may also be affected by various factors outside our control, including prevailing local and economic conditions, changes in the supply and demand for properties comparable to those we develop, changes in the applicable governmental regulations, demographic trends, employment and income levels and interest rates, regional natural disasters, water shortage crisis, among other factors. These factors may contribute to fluctuations in real estate prices, rate of sales and the availability of land in such region and could also adversely affect the demand for and valuation of our ongoing and forthcoming projects. Consequently, our business, results of operations and financial condition have been and will continue to be heavily dependent on the performance of and the prevailing conditions affecting the real estate market.

We face significant competition in our business from a large number of Indian real estate development companies who also operate in the same regional markets as us. The extent of the competition we face in a potential property market depends on a number of factors, such as the size and type of property development, contract value and potential margins, the complexity and location of the property development, facilities and supporting infrastructure services and the reputation of our competitors.

As part of our business plan to expand across high growth markets in prominent and growing cities in India, we face risks from some of our competitors, who are also engaged in real estate development. They may be better known in other markets, enjoy better relationships with landowners and international or domestic joint venture partners, may gain early access to information regarding attractive parcels of land and be better placed to acquire such land. Further, our competitors may commence operations in the vicinity of our Ongoing Projects and Forthcoming Projects and may offer their products at competitive prices, resulting in a decrease of sales of our projects.

OPERATIONAL AND FINANCIAL ANALYSIS

Housing demand in India was robust through the year, making FY 2024 the strongest year for the sector. Increased government expenditure, domestic consumption growth, all round physical infrastructure development has led India to a leadership position in the world of economic growth, even in a turbulent geopolitical environment, and has laid a strong foundation for the future as well. This growth is recognized even by global agencies such as Moody's, which raised India's GDP forecast in FY24 to 8.0% from 6.6% earlier. Consistency in the economy is well reflected in steady GST collections throughout the year, ending the financial year with March 2024 recording the second-highest ever collections. Higher share of this economic activity is skewed towards urban centres, leading to growing migration. Coupled with higher income levels and optimistic outlook of growth, this is leading to a higher residential demand scenario in our cities of operation.

Given this positive economic environment, driven by strong fundamentals, SOBHA has achieved its best ever annual sales value of ₹66.44 bn, new area sales of 6.08 mn sft and an average price realization of ₹10,922 / sft, along with the successful launch of six residential projects, adding 7.02 mn sft to the Company's portfolio during the financial year. We have completed sales for some of our marquee projects – SOBHA Dream Acres (Bengaluru), SOBHA City Gurugram and GIFT City – through the course of the year.

The Company is confident of performing better in the coming financial years with customers showing strong preference for the SOBHA brand, in context of superior execution capabilities and reputation of quality products delivered on agreed timelines. Sustainable disciplined growth in all aspects is our driving mantra. Management continues with their sharp focus on cashflow management, which helped significantly reduce Net debt to Equity ratio to 0.50 as on March 31, 2024. Going forward, higher cashflow generation would support growth investments to build a very strong pipeline for the future. There is a strong launch pipeline built in Bengaluru and other cities and we believe that being a pioneer in our use of advanced operational methodologies, best practices in the sector, use of technology tools and greater digital presence, should enable us to perform better, both financially and operationally in the coming years. Once more recent projects come for revenue recognation, the Company expects P&L margins to improve as well.

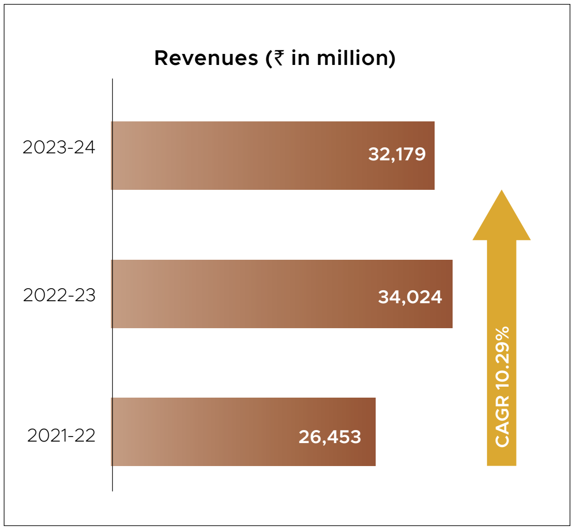
In this backdrop, SOBHA's financial and operational highlights for the year 2023-24 may be observed below:

Key financial takeaways for fiscal year 2023–24:

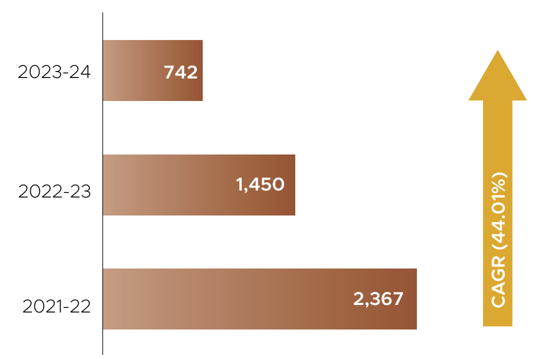
- Registered a turnover of ₹32,179 million
- ₹24,138 million of revenues from real estate operations
- ₹6,831million of revenues from contracts and manufacturing operations and ₹1,209 million of revenue from Other Income
- PBT of ₹742 million
- PAT of ₹491 million
- Total Collections of ₹57,966 million
- Net operational cashflow stands at ₹10,895 million
- Total sales value of ₹66,441 million and Sobha Share of ₹54,150 million
- Average Price realization is at ₹10,922 per square feet
- Debt Equity ratio as on March 31, 2024 is 0.50

On operational parameters, the Company has:

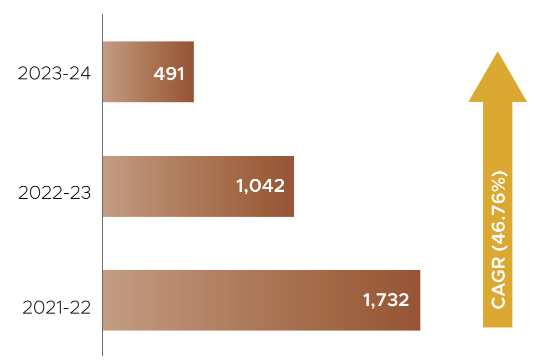
- Completed 136.25 million square feet of developable area since inception
- Execution of 38.37 million square feet of developable area under progress
- Development footprint across 27 Cities covering 14 States in India
- Completed total developable area of 8.25 million Square feet in 2023-24



Profit before Tax (₹ in million)



Profit after Tax (₹ in million)



REAL ESTATE

SOBHA's performance in its real estate vertical:

₹ in Million

Particulars	2023-24	2022-23	2021-22	2020-21
Revenue – Real Estate	24,138	25,372	18,514	13,103
Share of total Revenue (%)	75.01%	74.57%	69.99%	60.19%

RESIDENTIAL REAL ESTATE

Residential real estate operations of the Company are currently spread across 11 cities with a developable area of 34.33 million square feet under construction.

Project Launches in 2023-24

During the year, the Company launched the following real estate projects:

- SOBHA Neopolis, Bengaluru: Luxury project measuring a total saleable area of 3.44 million square feet.
- SOBHA Metropolis Phase III, Thrissur: Luxury project measuring a total saleable area of 0.39 million square feet.
- SOBHA Crystal Meadows, Bengaluru: Luxury project measuring total saleable area of 1.25 million square feet.
- SOBHA Ridge - Whispering Hill, Thiruvananthapuram: Luxury project measuring total saleable area of 0.23 million square feet.
- SOBHA Atlantis Phase II, Kochi: Luxury project measuring total saleable area of 0.44 million square feet.
- SOBHA Elysia, GIFT City: Luxury project measuring a total saleable area of 1.24 million square feet.

In total, the Company has launched a total of six new projects to the tune of 7.02 million square feet.

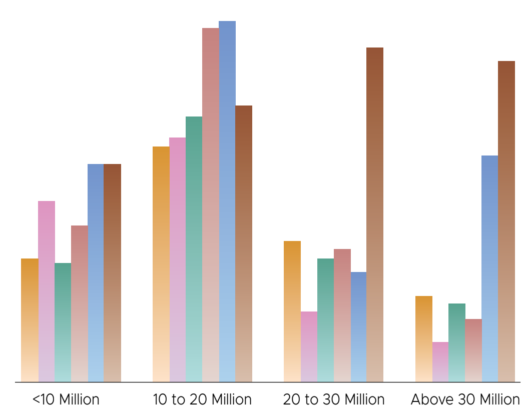
New Area Sales in 2023-24

SOBHA recorded the highest ever sales in its operating history since 1995, supported by a strong demand for SOBHA products in the market and consistent new project launches.

During the financial year, the Company registered new sales SBA of 6.08 million square feet valued at ₹66,441 million at an average price realization of ₹10,922 per square feet.

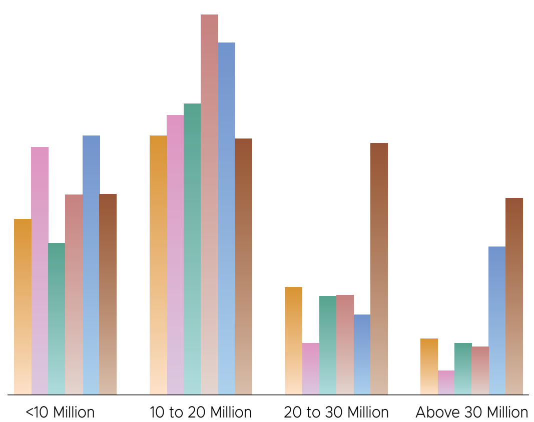
The classification of new sales in terms of price band is as follows:

Sales Value in terms of Price Band (₹ in million)



	< 10 million	10 to 20 million	20 to 30 million	Above 30 million
2018-19	6,549	13,205	7,364	4,107
2019-20	9,896	13,984	3,489	1,437
2020-21	5,984	15,406	6,430	3,552
2021-22	8,358	20,524	6,949	2,872
2022-23	12,563	20,899	5,623	12,893
2023-24	12,034	15,806	19,741	18,860

Sale Value in terms of Price Band (in million square feet)



	< 10 million	10 to 20 million	20 to 30 million	Above 30 million
2018-19	6,549	13,205	7,364	4,107
2019-20	9,896	13,984	3,489	1,437
2020-21	5,984	15,406	6,430	3,552
2021-22	8,358	20,524	6,949	2,872
2022-23	12,563	20,899	5,623	12,893
2023-24	12,034	15,806	19,741	18,860

Project Completion in 2023-24

SOBHA completed 6.76 million square feet of developable area and 4.40 million square feet of saleable built-up area comprising 2,659 homes.

COMMERCIAL REAL ESTATE

In addition to residential projects, SOBHA has developed two commercial completed projects:

1. Sobha City Mall in Thrissur which has a total leasable area of 0.32 million square feet out of which our share of leasable area is 0.28 million square feet. It commenced its operations from December 2015.
2. 1 Sobha Mall in Bengaluru which has a total leasable area of 0.22 million square feet of which our share of leasable area is 0.15 million square feet

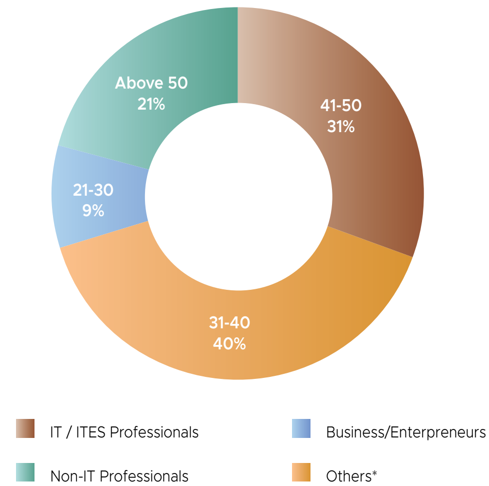
In 2023-24, our total rental income from operating leases was ₹618.27 million.

OUR CUSTOMERS

Customer centricity is at the core of our business strategy in addition to the Company's ability to consistently deliver quality products in the real estate space.

The Company, on an ongoing basis, analyses the customer base constantly to understand the demand

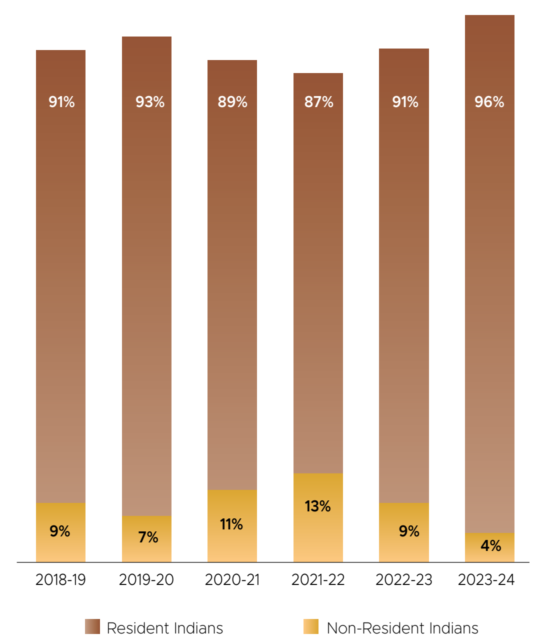
Age Profile



mix better and generate marketing insights. We have a healthy mix of customer profiles, with IT/ITES being a majority contributor. It reflects the depth of our geographical presence across the IT-driven cities of Bengaluru, Gurugram, Pune and Hyderabad.

SOBHA operates a representative sales office in Dubai to market the Company's products among the NRI/ NR community. However, resident Indians continue to dominate the overall customer mix.

Comparative position of the customer base is provided below:



CONTRACTING

During the year 2023-24, revenue from this vertical contributed around 10% to the Company's turnover. The contracts vertical has been executing orders ranging from civil structures, finishes, MEP works, metal and glazing works and interior furnishings for various reputed clients.

The performance of the contracts vertical:

₹ in million

Particulars	Revenue Contractual	Share of total Revenue (%)
2023-24	3,088	9.60
2022-23	3,622	10.65
2021-22	4,633	17.52
2020-21	5,325	24.31

MANUFACTURING AND RETAIL SALES

SOBHA has pioneered complete vertical integration in the real estate industry in India. It is the only company with its own manufacturing facilities to cater to building materials. The Company has the infrastructure, capabilities, skills and resources to deliver a project from conceptualisation to completion with all in-house teams, backed by this unique strength. This gives the Company absolute control over product quality and execution timelines to meet requisite standards. Construction materials manufactured in our own facility help us ensure that the products are superior in quality and the Company has a minimal dependence on external suppliers. We believe this model has been one of the most important factors for our successful execution track record without compromising on quality.

Our manufacturing divisions comprise Glazing and Metal Works, Interiors and Furnishing Works and Concrete Works, which supplement our core business of real estate and contracting. Each of these manufacturing divisions is also a profit centre by itself and is efficiently servicing third party clients as well.

Under the retail sales division, the Company manufactures a wide range of mattresses and also provides a one-stop solution for homebuyers, allowing them the flexibility to furnish and decorate their homes through a wide range of interior packages available online and at our retail stores under the metercube sub-brand.

GLAZING AND METAL WORKS DIVISION

The Company owns one of the largest glazing and metal factories in India operating in Bengaluru. The facility is spread across 7.91 acres with a 9,288.33 sq. m. (99,943 sq. ft.) state-of-the-art manufacturing unit. The factory is equipped with advanced machineries like CNC profile cutting machine, TIG welding machines, ACP routing machine, milling machines etc. Apart from the Bengaluru unit, the Company has established Glazing and Metal Works Divisions in Kancheepuram (Tamil Nadu) and Sonepat (Haryana). The products manufactured in said facilities include aluminum doors, windows, structural glazing, MS and SS metal fabrications, aluminum composite panel, SS cladding, architectural metal works and pre-engineered buildings.

Products	Installed capacity (2023)	Production (2023)	Installed capacity (2024)	Production (2024)
Unitized curtain wall (square meters)	153,500	130,575	153,500	84,900
Semi-unitized curtain wall (square meters)	21,000	16,600	21,000	9,300
M. Steel (meters)	12,000	8,000	12,000	7,850
S. Steel (meters)	100	40	100	50
Windows and Doors (square meters)	68,000	66,700	68,000	65,000
Solid Sheet Cladding (square meters)	40,000	33,000	40,000	31,000
Aluminum Fins (rmt)	6,000	5,100	6,000	5,000
Aluminum Louvers (square meters)	21,000	17,700	21,000	11,500

INTERIORS DIVISION

SOBHA's interior and furnishing division is one of the largest wood working/ joinery facilities in India. The Division has two highly mechanized factories with a total floor area of 2,55,000 Sft. located at Bommasandra, Bengaluru. The Division is equipped with imported machineries from Spain, Italy and Germany. The Company also has an Interiors Division in Alwar. The product range includes large scale corporate and residential interiors, solid wood veneer-paneled doors and MDF-paneled doors, customized joinery works like paneling, partitions, tables, loose furniture like chairs, sofas, cots and modular kitchens etc.

Products	Installed capacity (2023)	Production (2023)	Installed capacity (2024)	Production (2024)
Doors (number of units)	67,200	21,179	67,200	42,048
Furniture (number of units)	26,000	10,889	26,000	17,310

CONCRETE PRODUCTS DIVISION

Sobha has a fully automated concrete product division, which uses remote controlling systems. The manufacturing facility in Bengaluru spread over 32,374.56 sq. m. (8 acres) manufactures concrete products of international quality. The unit has imported technologies from Germany (Masa Plant) and England. In addition, the Company has also opened concrete products divisions in Gurugram and Pune. The units manufacturie ready-to-use products, including concrete blocks, pavers, kerb stones, water drainage channels, paving slabs, and related landscape. The facility has a production capacity of 28,000 blocks/ day or 20 million landscaping products.

Products	Installed capacity (2023)	Production (2023)	Installed capacity (2024)	Production (2024)
Blocks (number of units)	6,351,000	4,354,722	6,351,000	6,056,409
Pavers (square feet)	4,726,750	3,351,962	4,726,750	3,804,740
Kerb (number of units)	730,000	588,965(4)	1,022,000	758,373

RETAIL SALES

We manufacture mattresses under the Sobha Restoplus brand which includes multiple mattress combinations, which in a variety of designs and features, from pocketed, bonnell, re-bonded and foam to rolled, coir and pure latex mattresses.

metercube is our one-stop solution for homebuyers, allowing them the flexibility to furnish and decorate their homes through a wide range of interior packages available online. **metercube's** interior packages offer, among others, semi-finished options with kitchens and wardrobes, as well as fully furnished homes with living rooms and bedrooms.

Products	Installed capacity (2023)	Production (2023)	Installed capacity (2024)	Production (2024)
Mattress (no. of units)	30,000	13,869	30,000	11,423

The Manufacturing and Retail Sales vertical's performance:

Sales	2023-24	2022-23	2021-22	2020-21	2019-20
Glazing and Metal Works Division	1,724	2,626	1,208	1,452	2,194
Interiors	984	831	738	799	1871
Concrete Products Division	843	649	520	411	486
Retail Sales	192	134	77	8	6
Total	**3,743**	**4,240**	**2,543**	**2,670**	**4,551**
Share of Revenue (%)	**11.63%**	**9.61%**	**9.61%**	**12.19%**	**11.92%**

CASH FLOW

The cash flow summary for the financial year 2023-2024 under direct cash flow method is as follows:

₹ in million

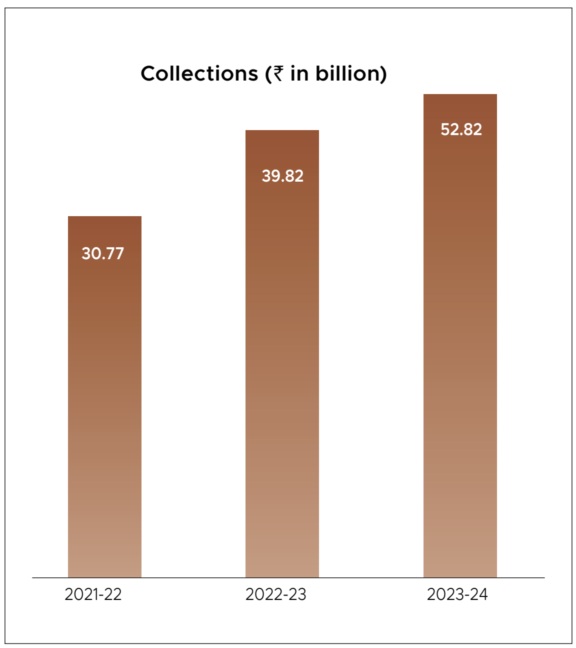
Particulars	2023-24
Operational cash inflow	57,966
Operational cash outflow	47,071
Net operational cashflow	10,895
Financial outflow (Interest and Taxes)	2,235
Net operational cash inflow after financial outflow	8,660
Net Cash flow	**3,775**

The Company has collected ₹57,966 million during the year from real estate, contractual and manufacturing activities. After sending on-construction expenses for real estate, contractual, manufacturing activities, overheads, etc., the net operating cashflows were ₹10,895 million.

Out of the above, the Company has utilised ₹1,951 million towards payment of interest and ₹1,188 million for income taxes and TDS and ₹284 million for dividend (including tax).

The Company has spent ₹4,275 million towards land payments during the year, and also collected ₹446 million from the sale of Land. In addition to this, the Company incurred ₹1,056 million towards capex expenditure.

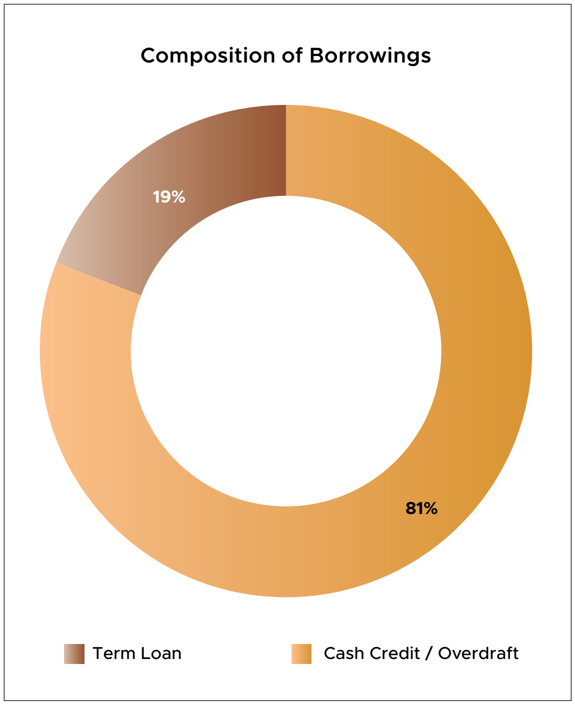
Company has recorded a net positive cashflow of ₹3,775 million.

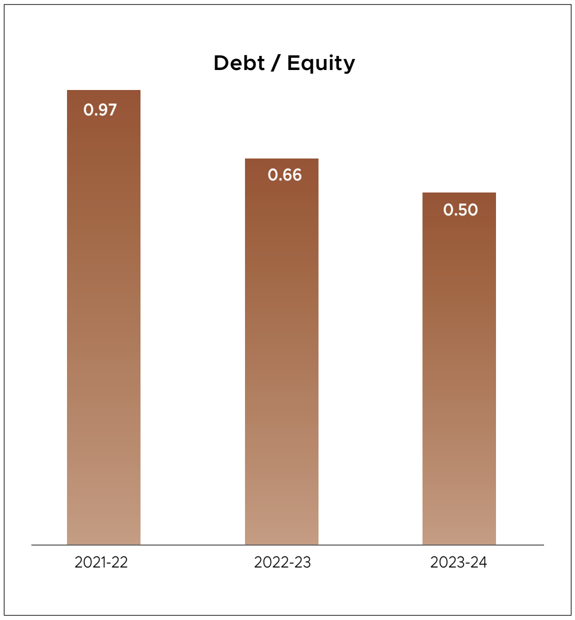


DEBT

SOBHA seeks to maintain an optimum balance between low-cost debt and relatively higher cost equity. Debt financing is utilised for execution of various projects viz., residential, commercial and contractual.

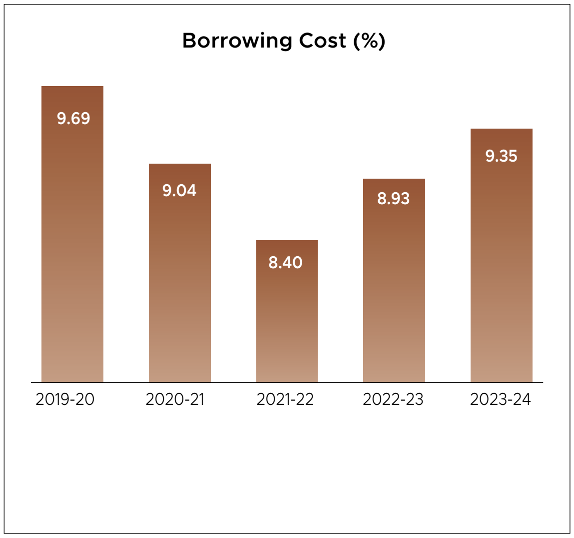
As on March 31, 2024, the net debt of the Company was ₹12,622 million as compared to ₹16,396 million in the previous year. The debt-equity ratio stood at 0.50 at the close of the financial year.





BORROWING COST

As of March 2024, the average borrowing cost stood at 9.35%.

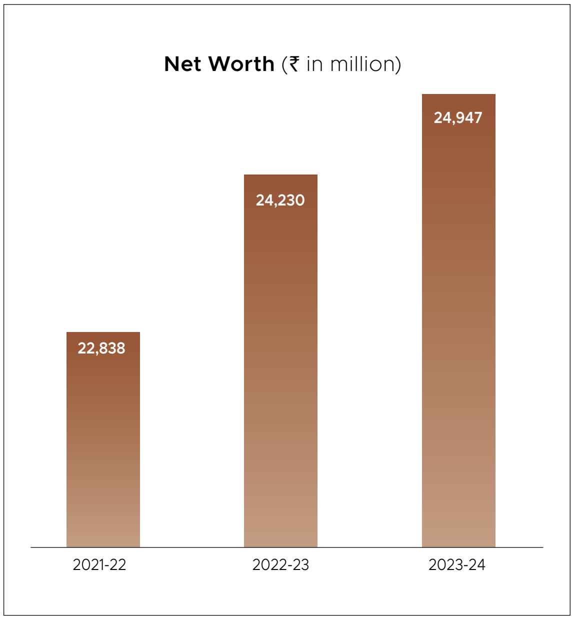


During the year, the borrowings of the Company have been rated by:

- ICRA as 'A+' (Stable)
- India Ratings and Research (Ind-Ra) as 'IND AA-' (Stable)

NET WORTH

The net worth of the Company as on March 31, 2024 was ₹25,141 million.



MANAGEMENT REPORT

FIXED ASSETS

During the financial year 2023-24, the gross addition to Fixed Assets was ₹1,208.31 million. This is about 9% addition on Gross Fixed assets of FY 2022-23 on account of investment in scaffolding items and additions to Plant and Machinery.

CURRENT ASSETS

During the financial year 2023-24, the Current Assets increased by ₹7,621.81 million as compared to the previous year. This is mainly on account of increase in inventories by ₹6,154.38 million and increase in cash and bank balance by ₹2,218.91 million.

CURRENT LIABILITIES

During the financial year 2023-24, the Current Liabilities increased by ₹9,810.62 million, mainly due to increase in Advance from Customers due to higher Collections in FY 2024, supported by increased sales and construction linked milestone billing.

PURSUANT TO SCHEDULE V READ WITH REGULATION 34(3) AND 53(F) OF SEBI (LODR) REGULATIONS 2015, STATEMENT OF CHANGES IN KEY FINANCIAL RATIOS ARE PROVIDED BELOW:

Particulars	Consolidated			Standalone			Reason for Change
	FY 2024	FY 2023	Change %	FY 2024	FY 2023	Change %	
Inventory Turnover	0.19	0.33	42.73%	0.31	0.36	13.89%	On account of decrease in revenue which lead to decrease in Cost of goods sold
Current Ratio	1.08	1.11	2.66%	1.06	1.09	2.75%	NA
Debtors Turnover ratio	7.07	10.03	29.55%	3.31	9.36	19.35%	NA
Interest Coverage Ratio (times)	1.3	1.58	17.57%	1.28	0.5	16.74%	NA
Debt Equity ratio	0.76	0.66	15.45%	0.79	0.83	4.82%	NA
Net Profit Margin (%)	0.02	0.03	47.14%	0.02	0.03	33.33%	Turnover for the financial year decreased due to which profit reduced significantly
Operating Profit Margin (%)	0.1	0.12	13.97%	0.1	0.11	9.36%	NA
Return on Net worth (%)	0.02	0.04	51.16%	0.02	0.04	50.00%	Net surplus to shareholders decreased due to reduction in profit

This space is intentionally left blank

3 YEARS FINANCIAL HIGHLIGHTS AND RATIO ANALYSIS (CONSOLIDATED FINANCIALS)

PERFORMANCE TREND			
Particulars	**FY 23-24**	**FY 22-223**	**FY 21-22**
Revenue from operations	32,178.82	34,024.33	26,452.81
Cost			
Operating cost (excluding interest, depreciation, and tax)	28,199.23	29,405.97	20,284.10
Finance Cost	2,455.06	2,490.24	3,083.25
Depreciation	782.21	678.37	718.84
Tax Expenses	251.14	407.70	634.35
Profitability			
EBIDT	3,979.60	4,618.36	6,168.71
EBIT	3,197.39	3,939.99	5,449.87
Profit before tax	742.33	1,449.75	2,366.62
Profit after tax attributable to shareholders of the Company	491.13	1,042.05	1,732.27
Financial Position			
Shareholders funds	25,140.74	24,946.71	24,229.86
Borrowed funds	19,135.09	20,035.49	25,037.28
	44,275.83	**44,982.20**	**49,267.14**
Net block of property, plant and equipment and investment property	9,085.87	8,648.70	8,072.53
Net non-current assets	14,843.20	11,868.63	7,114.73
Net current assets	20,346.76	24,464.87	34,079.69
	44,275.83	**44,982.20**	**49,266.95**
Earnings per share in ₹	5.18	10.99	18.26

RATIO ANALYSIS				
Particulars	**Units**	**FY 23-24**	**FY 22-223**	**FY 21-22**
Ratios - Financial performance				
Operating cost (excluding interest, depreciation, and tax) / Revenue from operations	%	88%	86%	77%
EBIDT / Revenue from operations	%	12%	14%	23%
EBIT / Revenue from operations	%	10%	12%	21%
Profit before tax / Revenue from operations	%	2%	4%	9%
Tax / Revenue from operations	%	1%	1%	2%
Profit after tax / Revenue from operations	%	2%	3%	7%
Effective tax rate - Tax / PBT	%	34%	28%	27%
Ratios - Balance Sheet				
Gross Debt (excluding lease liability) - Equity ratio	Times	0.76	0.80	1.03
Current Ratio	Times	1.08	1.11	1.15
Days Sales Outstanding (DSO)	Days	24.03	26.19	59.27
Capital Expenditure / Revenue from operations	%	4%	4%	1%
Depreciation of property, plant and equipment / Average gross block of property, plant and equipment	%	7%	6%	7%
Ratios - Per Share				
Price Earnings Ratio, end of year	Times	279.78	39.19	38.76
Dividend per share	₹	3.00	3.00	3.00
Market Capitalization / Revenue from operations	Times	4.27	1.20	2.54

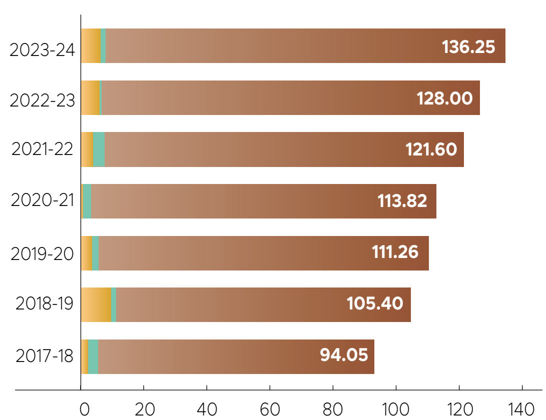
PROJECTS AND WORK DONE

SOBHA has set a high standard in the industry with the consistent delivery of residential projects with world class construction quality and aesthetics. This is achieved on the back of a completely vertically integrated business model. SOBHA has a very high focus on product design, done by an in-house team of competent architects in our own design studio. We maintain control over quality and timeliness by deploying our own construction team and technicians at project sites. Over the years, this has been recognized and well-appreciated by our customers, and validated by continuous demand in the market for SOBHA products. In FY 2024, SOBHA delivered 5.63 million square feet of residential and 1.49 million square feet of contractual projects.

I. OVERALL EXECUTION

SOBHA has completed overall 136.25 million square feet of area since its inception in 1995. The Company has been steady in launching new real estate projects and executing new contractual projects. Ongoing projects are excluded from the purview of overall execution since, on average, a real estate project takes around 3 to 4 years to complete.

Execution Track Record
[Area in million square feet]



	Cumulative	Real Estate	Contracts
2017-18	94.05	2.58	3.22
2018-19	105.40	9.75	1.60
2019-20	111.26	3.98	1.88
2020-21	113.82	0.23	2.33
2021-22	121.60	4.07	3.71
2022-23	128.00	5.78	0.62
2023-24	136.25	6.76	1.49

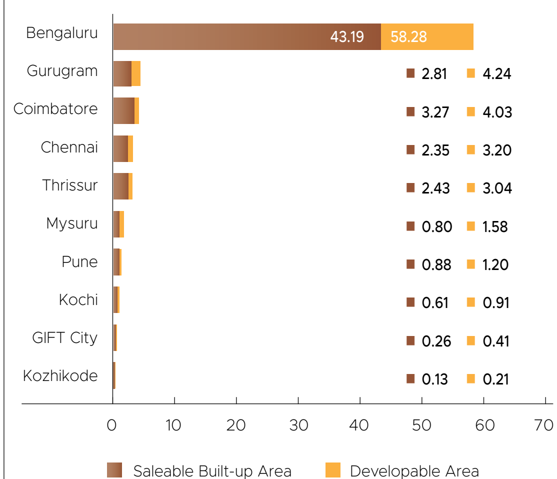
II. COMPLETED PROJECTS

The Financial Year 2023-24 has witnessed the overall completion of 8.25 million square feet of developable area and 5.89 million square feet of saleable built-up area in real estate and contractual put together.

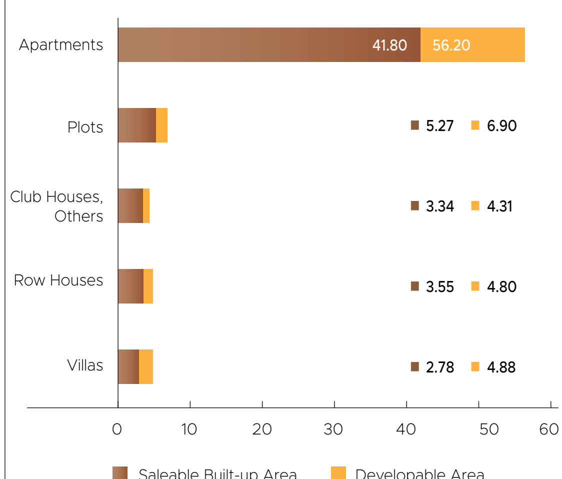
A. REAL ESTATE

SOBHA, during the year 2023-24, completed 6.76 million square feet of developable area and 4.40 million square feet of saleable built-up area.

Real Estate Completed - Location wise break-up
[Area in million square feet]



Real Estate Completed - Product Mix
[Area in million square feet]



Project	Location	Project Type	Np. of units	SBA (sft)
Sobha Royal Pavilion	Bengaluru	Apartments	491	863,813
Sobha Dream Gardens	Bengaluru	Apartments	637	613,580
Marina One	Kochi	Apartments	193	605,064
Sobha City Gurugram	Gurugram	Apartments	264	558,504
Sobha Dream Acres Tropical Greens	Bengaluru	Apartments	354	401,987
Sobha Dream Heights	GIFT City	Apartments	238	263,184
Sobha Lake Gardens	Bengaluru	Apartments	150	236,806
International City Gurugram	Gurugram	Villas	35	185,795
Sobha Rajvilas	Bengaluru	Apartments	80	180,082
Sobha Sentosa	Bengaluru	Apartments	71	128,129
Sobha Verdure	Coimbatore	Villas	44	98,294
Sobha Windsor	Bengaluru	Apartments	58	90,656
Sobha Silver Estate	Thrissur	Villas	19	62,641
Sobha Gardenia	Chennai	Villas	14	38,421
Sobha Lifestyle Legacy	Bengaluru	Villas	3	22,124
Sobha Bela Encosta	Kozhikode	Villas	3	14,838
Sobha HRC Pristine Clubhouse	Bengaluru	Club House	-	14,309
Sobha City, Gurugram Convenient Shopping	Gurugram	Shop	1	9,928
Sobha Gardenia Annexe	Chennai	Villas	2	5,860
Sobha Westhill Part C	Coimbatore	Villas	2	5,816
GRAND TOTAL			**2,659**	**4,399,831**

As of March 2024, in the SOBHA Dream Acres project in Bengaluru, the Company has already delivered 7.08 million square feet of developable area, since the start of the project. Remaining phases of development are in progress and on schedule. Construction of this project has been carried out using precast technology.

During the year, we completed Wings 30, 32 and 33, with a total developable and saleable area of 0.54 million square feet and 0.40 million square feet respectively.

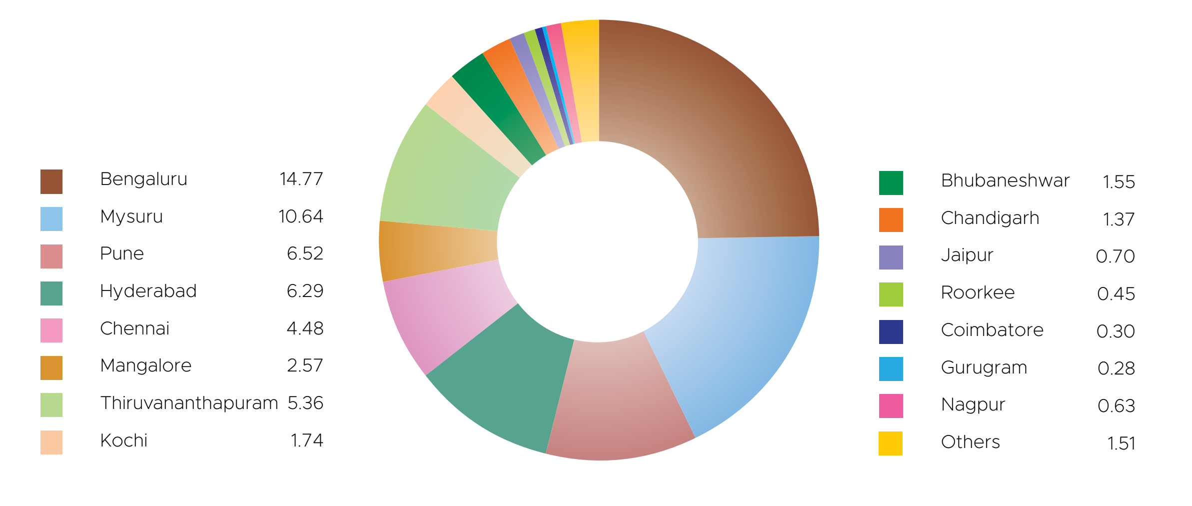
In FY 2023-24, we also completed SOBHA City – Towers B3, C3 and C4 in Gurugram, comprising 0.80 million square feet of developable area.

Since its inception, the Company has completed real estate projects measuring 77.10 million square feet of developable area and 56.74 million square feet of saleable built-up area.

B. CONTRACTUAL

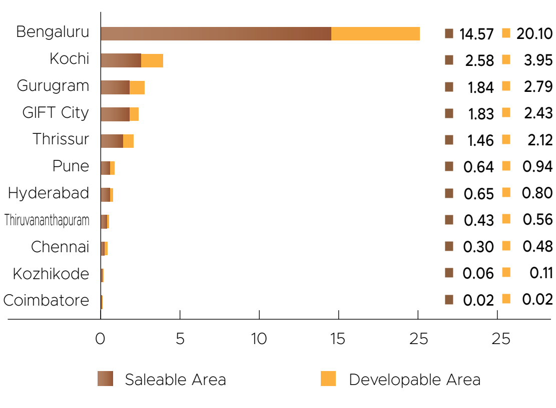
During the financial year 2023-24, the Company completed 1.49 million square feet spread across two cities. Since the start of its operations, SOBHA has completed 59.15 million square feet of area for various clients in 27 cities across India. The Company has executed over 43.56 million square feet of area for our single and largest client, Infosys.

Contracts completed Projects (Area in million square feet)

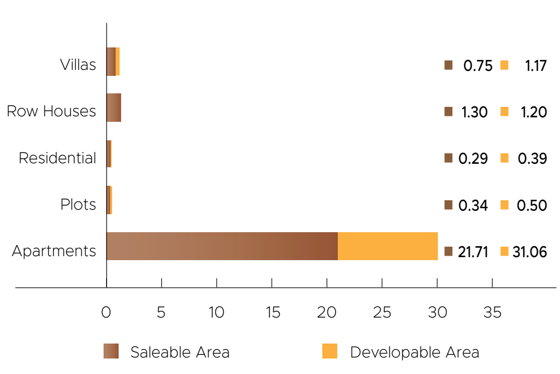


Note: Others include Durgapur, Greater Noida, Salem, Baddi, Indore, Kolkata, Ooty, Kozhikode and Mumbai.

Real Estate Ongoing - Location Wise Breakup
[Area in million square feet]



Real Estate Ongoing - Product Mix
[Area in million square feet]



III. ONGOING PROJECTS

The Company is currently executing 38.37 million square feet of developable area and 28.43 million square feet of saleable built-up area in real estate and contractual verticals put together.

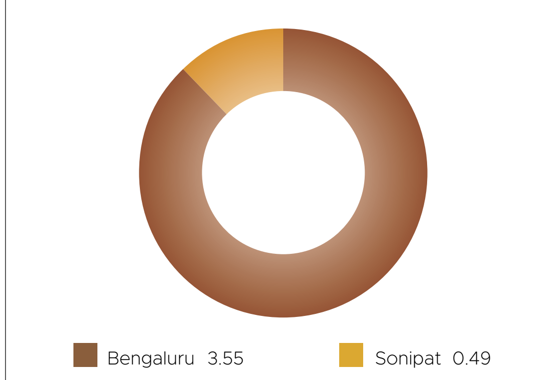
A. REAL ESTATE

SOBHA currently has ongoing real estate projects aggregating 34.32 million square feet of developable area and 24.38 million square feet of saleable built-up area spread across 11 cities.

B. CONTRACTUAL

SOBHA has ongoing contractual projects aggregating 4.05 million square feet spread across two cities.

Contracts ongoing projects
(Area in million square feet)



ENVIRONMENT, HEALTH AND SAFETY

Ensuring a healthy and safe work environment involves developing safe, high quality, and environment friendly processes, working practices, and activities that prevent or reduce the risk of harm to the people working in that environment. It also involves complying with environmental regulations such as managing waste or air emissions for reducing the company's carbon footprint.

At SOBHA, procedures are in place for identifying workplace hazards and reducing accidents and exposure to harmful situations and substances thus providing a safe work environment to its workers. This includes training employees in accident prevention, accident response, emergency preparedness, and use of protective clothing and equipment.

SOBHA is an ISO 9001, ISO 14001, and OHSAS 18001 certified company for its quality, environment, and safety management systems.

ENVIRONMENT

SOBHA strives to ensure that its construction, development activities, and real estate operations are environment friendly. The Company complies with all environmental and occupational health and safety laws and regulations such as the Water (Prevention and Control of Pollution) Act, 1974; the 1988 amendment and rules made thereunder; the Air (Prevention and Control of Pollution) Act, 1981 and the rules and orders made thereafter; the Environment (Protection) Rules, 1986; Environmental Impact Assessment Notification, 2006; and Hazardous Waste (Management, Handling and Transboundary movement) Rules, 2008, Construction and Demolition Waste Management Rules, 2016 and the amendment made thereafter, across all its projects wherever applicable. The Company also focuses on minimizing emissions and increasing the use of renewable resources, both in its construction activities and during the operations phase in its manufacturing facilities, where all attempts are made to keep the carbon footprint low by following the best industry practices.

The Company has installed a precast unit for its construction activities. Instead of using the conventional block work or bricks for its construction activities, SOBHA uses precast elements, which come with many advantages. They are fast to make, consume less labour, lead to minimal wastage, and do not need plastering work. These precast elements use minimum resources while also reducing wastage at the same time.

ENERGY SAVING MEASURES

SOBHA practices energy conservation by installing solar panels for lighting common areas and solar water heaters in all its projects. Some of the highlights in its energy saving measures are:

- The SOBHA Glazing and Metal Works Division provided with 225kW and the SOBHA Interiors Division provided with 750kW roof top solar power plants as an alternate source of energy.
- At the SOBHA corporate office, 80 per cent of the power is wheeled from the solar power plant.
- Around 2.5 million units of solar power were used across SOBHA's facilities, which resulted in saving carbon footprint by 2,125 tonnes.
- Use of heat pumps and solar water heaters instead of geysers to reduce power consumption.

RAINWATER HARVESTING

Rainwater harvesting is another effort by the Company to address the acute problem of water scarcity, and has emerged as one of the most viable options for meeting the water requirements of an increasing population. Rainwater harvesting also helps restore depleted aquifers thus enhancing sustainable water yields in areas surrounding SOBHA's project sites.

Rainwater harvesting is done in two ways: through collection tanks for roof-based runoffs, and through recharge tanks with recharge bores/ percolation pits for land-based runoffs. Wherever feasible in residential projects, even surface runoff is collected in storage tanks and after treatment the water is used for primary purposes further reducing the demand for external fresh water. Water from the terrace runoffs is treated and reused, thus reducing the need for getting water from external sources or extracting groundwater to meet a project's requirements.

SEWAGE TREATMENT PLANTS

SOBHA uses specially designed Sewage Treatment Plants (STPs) to treat the waste water generated in its buildings. The treated water is used for secondary activities like flushing toilets, watering the landscape areas, cleaning the common areas, and at construction sites for dust suppression. The STPs help reduce a project's consumption of fresh water in its various activities.

STPs use a hybrid technology – the Activated Sludge Process (ASP) – Extended Aeration System (EAS) or Sequential Batch Reactor (SBR), followed by the Ultra Filtration (UF) technology for enhancing the quality of the final treated sewage. This process conforms with the standards set by the Pollution Control Board.

Acoustic enclosures are provided for air blowers to mitigate noise pollution that could possibly be caused in the vicinity. Ozonators are provided at STPs' exhaust and fresh air ducts to remove odour and also improve the quality of air for the operators working inside the plant room. Air curtains are also provided at the STPs' entrance to prevent the odour from escaping into the open area. The Company has regular educational programmes for its construction workers on the do's and don'ts of using natural resources. The Company also constructs dedicated STPs for camps where the construction workers stay.

ORGANIC WASTE CONVERTERS

The Company has been successfully using Organic Waste Converters (OWCs) across all its projects in India. It is mandatory to use solid waste management plants during the operational phase of all projects. The integrated solid waste management system operates on the principle of the 4Rs – Reduce, Reuse, Recycle, and Recover.

Waste is segregated at the household level into organic/ inorganic waste and collected in separate bins. Organic waste is converted into compost using OWCs. The compost is used as organic manure for the landscape and plantations at project sites. Inorganic waste is given to authorized waste recyclers for further processing.

Air curtains are provided at the OWC rooms' entrances to prevent the odour from escaping from the OWC rooms into the open area. Fly catchers are provided to prevent houseflies, insects, etc. from entering the OWC rooms. A weighing scale is provided in the OWC rooms to track the quantity of organic waste generated at the project site.

Organic waste generated in and around the projects during the construction stages is diverted to nearby piggery farms and the local municipal corporation, while the inorganic waste is handed over to authorized waste recyclers. All these efforts help the Company restore eco-sanitation wherever it works.

WATER TREATMENT PLANTS (WTPs)

For ensuring safe and healthy drinking water, SOBHA provides treated water with Pressure Sand Filters and Reverse Osmosis units in all its projects. The RO-treated water is provided at one point in the kitchen for drinking, while water for non-potable domestic purposes is supplied after basic treatment.

LABORATORY FACILITY FOR WATER TESTING

The Company has a functional chemical laboratory and a microbiological laboratory at the SOBHA Academy to analyse water samples for physicochemical and microbiological parameters. This laboratory is managed by qualified personnel and equipped with instruments like the pH meter, DO meter with probe, COD reactor, spectroflex meter, BOD incubator, centrifuge, a water distillation unit, laminar flow, biological incubator, electron microscope, digital colony counter, and autoclave, which are essential for ascertaining the quality of water from physicochemical and microbiological points of view.

HEALTH AND SAFETY

Safety is integrated in SOBHA's core processes to help inculcate the value of health and safety among its workforces. The Company strongly believes that Environment, Occupational Health and Safety (EOHS) are an integral part of our day-to-day activities at the workplace. Continuous efforts are made to raise awareness and understanding about the value of safety and health programmes across the spectrum including management leadership and workers. A systematic approach at finding and fixing hazards in the workplace form a part of these programmes.

The EOHS management system at SOBHA is effective as it is partnered by an effective leadership and owned by every employee of the Company. This shows a demonstrably strong commitment to Occupational Health, Safety and Environment from the top management in implementing industrial best practices and achieving the Company's goal of zero accidents.

EXISTING / NEW PRACTICES AND IMPLEMENTATION

- Revised few safety documents, i.e., checklist and formats, including OCP-HS and KPA.
- Revised all the safety hard barricades from red and white to yellow and black.
- Zero compliance regarding Safety PPE at pan-India projects.
- Revised all the project and workmen camp signages as per IS 9457.

- Standardised the safety induction trainings and security cabins.
- Standardised the workmen camp from block work and GI sheet to China camp design.
- Initiated couple of good practices from Sobha Realty, Dubai and plan to implement the same across pan-India projects in FY 2024-25.

GOVERNMENT OFFICIALS VISITS / SPOT SAFETY INSPECTIONS

- Government officials from factories audited few projects and provided on-time closure reports.

SAFETY TRAININGS

- Achieved 92% of trainings on Health and Safety measures for all the permanent, contractor (technicians) and sub-contractor employees.

HEALTH

- Initated and implemented specific health check-ups across projects and offices for all the pantry and canteen food handlers.

ACHIEVEMENT

- In FY 2023-24, achieved zero fatal accidents with 53.40 million manhours across pan-India projects.
- The National Safety Council (Kerala Chapter) conferred the first position in State level safety awards in construction category to Marina One, Kochi.
- The recognition was awarded at the National Safety Council of India Safety Awards 2023, held at the Hyderabad Marriott Hotel and Convention Centre on March 15, 2024.

This space is intentionally left blank

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) takes on a whole new meaning at SOBHA, the only backward integrated real estate player in the country. CSR at SOBHA is a sincere devotion that stems out of genuine concern and drive to provide comprehensive and sustainable social development to rural India. It is in this context that SOBHA, under the aegis of Sri Kurumba Educational and Charitable Trust (the Trust), initiated Graamasobha, a unique social developmental initiative for Vadakkencherry, Kizhakkencherry and Kannambra grama panchayats in Palakkad district of Kerala in 2006.

This is our nineteenth year, and during this period, tremendous changes have taken place in the lives of the people, in which among many others, the Trust, on behalf of the Company, has played a pioneering role in championing the cause of social empowerment of people at the bottom of the society by making available quality life-building resources, facilities and services.

In this social engineering process, education has been the core premise on which we undertook most of our activities and programmes in an institutional format and have been successful to a large extent in revamping the educational narratives in this otherwise backward district of the state. The role played by The Sobha Academy and Sobha Icon in the education of the masses of the three panchayats is irrefutably inspiring, as is the impact of Sobha Health Care in taking care of their primary health.

The Trust had identified nearly 4,525 families (around 17,311 people) from the Below Poverty Line (BPL) in 2016, in a comprehensive survey. No such surveys for identifying BPL families have been conducted post 2016. Beneficiary identity cards were issued to the adopted families. As a result, the Trust has detailed and authentic data about each beneficiary and his or her individual requirements. Based on the data, the Graamasobha model was developed. The lives of thousands of underprivileged citizens are getting positively transformed through this growth model, which has a bottom-up approach towards poverty alleviation in a long-term perspective. The beneficiary families have been selected through an in-depth scientific poverty mapping called Social Empowerment Mapping Exercise (SEME) with the following objectives:

- To identify and enlist genuine beneficiary families from the three panchayats (6 villages) using clear-cut norms and terms.
- To generate qualitative and multi- dimensional 'Baseline Reports' on the target families, so that specific programmes and activities can be implemented for their benefit.
- To devise target-based, area-specific empowerment programmes and activities for key human development verticals like education, health, employment, housing, etc.
- To design an effective mechanism to measure and monitor processes and the pace of the empowerment programmes of the Trust.

Mainly, Sobha's CSR activities focus on the following areas:

- Education for girls
- Primary Healthcare
- Looking after the aged and needy
- Women empowerment
- Green initiatives
- Housing for the poor

A summary of the activities and programmes undertaken by the Trust during the FY ended March 31, 2024 are provided below:

A. THE SOBHA ACADEMY

The SOBHA Academy, with a view of uplifting the weaker sections of the society through quality and free education, has been rendering its selfless service in the three panchayats, viz. Kizhakkenchery, Vadakkenchery and Kannambra since its inception. The school provides its entire services free of cost. It is one of the several humanitarian educational, healthcare and women's empowerment activities undertaken by the Trust. Focused mainly on the holistic development of students, The SOBHA Academy admits only children from socio-economic deprived sections. All applications are scrutinised to ensure that only the deserving candidates are given access to the free and quality education the Academy provides. Selected students undergo a medical fitness test and the final selection of students is done through an open draw. Every academic year, 90 girls are admitted to LKG through the process of drawing lots. The Sobha Academy embraced the National Education Policy-2020 by initiating the Preparatory Class or Balavatika 1 (Pre-KG) on its campus, aligning with CBSE directives and 11 girl children were selected.

The Academy, which follows the CBSE curriculum, provides all academic and related cost on fees and books, stationery, clothing, transportation, food, healthcare, and the like free. During 2023-24, 1,169 students were on the rolls from Pre-KG to Class 12.

Academics

Achieving academic excellence is at the heart of the endeavour of all educators and academic institutions. An important measure of this pursuit is how the institution has performed, the most important of which is the annual Board Examinations conducted by the CBSE.

We are proud to acknowledge that we have good results, achievement in academics, co-curricular and extracurricular activities throughout the session.

Academic Achievements

1. Ardra R secured the top position in Class XII Commerce with a remarkable score of 97%, while Anagha K led the Science Stream with 96%.
2. Out of 77 students appearing for Class X, two students scored above 90 percent and 21 got above 80 percent. Arjun Krishna topped the Class X Board examination table while Drisya C stood second.
3. Athira K scored 1198/1200 in science, and Ansila S scored 1197/1200 in commerce.

Enhancement of Teachers' Skills

To instil lifelong learning among teachers, capacity building workshops and trainings were conducted on gamification, NEP, reading, motivational programs, subject based trainings, AI, 10 Action Points workshops, etc. Teachers attended the Global Science Festival, National Seminars and Conferences etc., along with field trips, immersing themselves in scientific demonstrations and interactive exhibits to enhance their teaching practices.

Various seminars / workshops / counselling and awareness sessions for students appearing for the Board Exams are conducted and they are counselled regarding their career choices. Various workshops on board exam preparation are also conducted every year.

The quality of the students pursuing higher education in various reputed universities in the country after passing the higher secondary education from The Sobha Academy, bears testimony to the excellent training it has been providing since its inception. A good number of students crack the entrance examinations such as NEET, JEE and KEAM every year. Most of these students ensure a seat in professional colleges without any special coaching by private institutions. This exemplifies the possibility of a person achieving success irrespective of any kind of adverse circumstances if he/she is provided with quality education and befitting opportunities.

To encourage ownership in parents, they were actively involved in conducting study tours and actively participate in events. Many parents even taught children life skills, did waste to décor workshops, handmade stationery making, etc. We also ensure participation and achievements in national level exams and competitions, Olympiads, conducted by MoE, ISRO, JSW, KLA etc. We got 6 Academic Excellence Awards, 3 state level toppers, Gold and Bronze Medals in National Sports Meet, many First Prizes in Sahodaya State Level Arts Fest, Boxing Championship, Football, etc.

B. SOBHA ICON

Icon was started in 2010 as a constructive step towards improving the academic performance and communication skills of students in our CSR area. It has three segments:

- An Academic Advancement Programme for high school students (8^{th}-10^{th}).
- An intensive Higher Secondary Education Programme (11^{th} - 12^{th}) towards college enrolment.
- A mentoring program for UG studies.

Sobha Icon, a social empowerment education initiative of the Trust, has brought wonders to the three otherwise lesser-known panchayats in Kerala's Palakkad district by sending their children for education to premier centres of learning across the country. Icon is an illustrative case for educational policy makers about what happens to students from disadvantaged families, when quality educational resources, facilities, and services are provided in a sustained manner by a committed team with a sense of purpose. Icon has designed a replicable model for driving students toward personal excellence.

The Icon is not an affiliated school but a teaching and learning centre that functions within the scope of the Kerala State Council for Open and Lifelong Education. A total of 206 students were enrolled across all three segments during the 2023-24 academic year.

Students are provided with books, uniforms, and food in addition to regular and tuition classes by qualified teachers, and undergo a series of personal development activities along with their studies. Students are exposed to real-world life problems and opportunities and are motivated to pursue higher goals. There are no failures so far. In fact, it has a consistent record of academic excellence and hundred percent college enrolment. 48 out of the 56 students who appeared for the class 12^{th} board exam secured A1 in all subjects

MANAGEMENT REPORT

and 51 students scored more than 95 percent.

Many programmes were arranged for the personality development and capacity-building of students and they also attended many workshops such as "Out of the box thinking through mathematics" by IIT Madras.

Teachers too received training on effective teaching and they successfully completed a course titled "Teach 2030".

UG Admissions

UG admissions of all alumni students have completed, with Icons receiving admissions from different universities across the countries. As usual, Icon students have received admissions to prestigious universities like Plaksha, LPU, St. Thomas, CVV, NIFT, IHM-KOVALAM, Ambedkar Law University, Victoria College, Azim Premji University, Vidyashilp University, etc.

Many students have joined the HCL TechBee programme, which is a WILP and found to be extremely useful for our students.

Placements

Our alumnae have secured placements in L&T, Four Seasons, Oberoi, HDFC, etc. Those doing BSc, B.Ed in Azim Premji University have received placements in various schools across the country. About 15 students have qualified for the UGC - JRF/NET so far and are in various stages of further education or placement.

Efforts are on to put in place a system and a process to raise Icon to the next level to make it more relevant and useful for the beneficiaries. The Icon program is being intensely reviewed and the new format will be in place from the next academic year.

C. SOBHA HEALTHCARE

Established in February 2007 to provide free of cost primary health care facilities to residents of Sobha Hermitage, students of the Sobha Academy and identified BPL families of Kizhakkencherry, Vadakkencherry and Kannambra Panchayats.

The hospital has got the following facilities:

1. Cardiac and Pulse Oxiymetry
2. Centralized Oxygen, Suction provision
3. 3 and 12 Channel ECGs
4. Digital Ultrasound Scanning System and ECHO Test
5. 300 MA X-Ray with computerized Radiology (CR)
6. Laboratory with Automatic Haematology and Bio-chemistry Analyzers
7. Minor Operation Theatre
8. Pharmacy
9. Ophthalmology Department with Automatic Digital Equipment, Auto refractometer, Slit lamp, indirect ophthalmoscope and direct ophthalmoscope.
10. Dental Department with Ultra Modern Unit with PLANMECA RVG Unit, Intra Oral Camera, Fiber Optic Twin Beam Micro Motors.
11. Physiotherapy Unit with Short Wave Diathermy, Ultra Sound Therapy, Interferential Therapy, Traction Unit (Cervical and Lumbar), TENS, Wax Therapy and Portable TENS.

The following beneficiaries avail free healthcare facilities under Sobha Health Care:

- Residents of Sobha Hermitage.
- Students of The Sobha Academy, who are screened once a year for general medical, ophthalmology and dental care.
- BPL families in the three selected panchayats, all of whom have been given identity cards.
- Families from Ward 19 of Vadakkencherry Panchayat.
- Sri Kurumba Educational and Charitable Trust Staff.
- Construction workers.
- Family members of the Trust Staff.
- General public of the panchayats through medical camps, home care and palliative programs

In total, 19,178 outpatients were treated during the year 2023-24 under SOBHA Health Care, an increase of 30% from last year's 14,694. This includes 1,239 dental patients, 528 ophthalmology patients and 17,839 general patients. On an average, 64 patients were treated each day at the centre.

During this financial year, 11 medical camps have been conducted successfully (10 in Kizhakkencherry Panchayat and 1 in Vadakkencherry panchayat). A total of 1168 patients attended the camps. The core concept of the outreach medical camp was to promote healthy ageing and preventive care in the community. The program is continuing successfully.

As part of the home care and palliative programme, a total of 177 houses were visited by the Sobha Health Care team who analyzed their social, financial and medical conditions. Medicines were provided to the needy.

The Health Care team attended an outreach workshop on home care and palliative care activities conducted by the Institute of Palliative Medicine, Kozhikode on January

8 and 9, 2024, and received detailed on-field training from January 26-28 2024. Additionally, palliative care training sessions for caregivers from Kizhakkencherry, Vadakkencherry, and Kannambra panchayats were conducted on March 16 and 17, 2024. A total of 55 people from the community were enrolled to become volunteers and attended the sessions.

As part of the monthly programme, the Sobha Health Care team provided medical assistance to several patients in need by offering amenities such as water beds, walkers, nutritional food, fruits, and vegetables.

D. SOBHA HERMITAGE

The focus of SOBHA's CSR activities is equally on the aged. Besides the young, the Company also firmly believes in looking after the elderly. Sobha Hermitage, which was set up with the specific aim of providing shelter and assistance to elderly from weaker sections of society, has now become a home for senior citizens and young widows and their children. Besides providing residents a roof over their head, Sobha Hermitage also makes sure that they are provided all necessary amenities to lead comfortable lives. Residents have independent rooms, a library and a common television room, a gym and also internet access. All residents can also avail of round-the-clock medical facilities, including overnight which are provided by paramedical staff; there is a doctor on call during non-working hours. The Hermitage also has an in-house clinic. Cultural and social activities, including birthday celebration of residents are also organised at the Hermitage.

E. SOBHA ACADEMY HOSTEL

The hostel facility for students at The Sobha Academy remains operational, accommodating 82 girls from the 10th, 11th, and 12th grades during the year.

F. SOBHA COMMUNITY HOME PROJECT

Owning a home is the backbone of a family's social security. It is also a problem that will never be completely solved. This problem is most acute in the case of the poor. The government, other agencies and individuals are constantly trying to tackle this problem.

The Company and Trust started a massive project in 2023 to build houses for the most economically disadvantaged women of Kizhakkencherry Panchayat. To further this cause, the Trust conducted a mega event on March 9, 2024, where 100 ready-to-occupy homes were handed over to the selected beneficiaries of Phase I. On the same day 120 deserving families were identified by the Social Empowerment Department and foundation stones were laid. Out of these 120, 13 families have been provided with 5 cents of land each and houses will be built on this.

The project will be implemented in different phases, aiming to deliver 1,000 homes to the poorest of the poor by 2030.

- Under the pilot phase, 10 families were identified and provided with houses on their own land in May 2023.
- After the pilot phase, we started the first phase of this majestic project and identified 100 families to avail this benefit.
- All the 100 completed houses were handed over to the beneficiaries on March 9, 2024, by organizing an event that was attended by 220 different prominent people cutting across religion, caste, political inclination and place.

In Phase II, of the identified 120 families, 107 have their own land and 13 families have been provided with 5 cents of land where their homes will be built.

The event also witnessed the presence of esteemed guests - Sri K Rajan, Minister for Revenue, Housing, Sri K Radhakrishnan, Minister for Welfare of SC, ST, Backward Classes and Devaswoms, Sri MB Rajesh, Minister of Excise and LSGD, Sri NK Premachandran, MP, Kollam, Sri KD Prasenan, MLA Alathur, Sri P P Sumod, MLA Tarur, Sri Sudarshan Ji, Sri KE Ismail, Former Minister, Sri VC Kabeer, Former Minister, to name a few.

The entire process of collection of applications, verification and selection on the basis of eligibility as determined by the Trust has been planned in a transparent and strategic manner.

G. SOBHA YOUNG MOTHERS REHABILITATION PROGRAMME

A comprehensive rehabilitation package for the young mothers (widows) living in the Hermitage is in operation. Special free of cost arrangements are in place for their living, safety, security and welfare. The widowed mothers and their children live together. All mothers have been encouraged to continue their education and many have completed their graduation. All are employed at the SOBHA Academy and received a good remuneration which they can save. One of the young mothers obtained post graduation and is employed at The Sobha Academy as a qualified teacher. Their children are admitted to the prestigious SOBHA Academy, where they obtain quality education. For those young mothers whose children have grown up, individual self-contained flats have been constructed and allotted for each family. The Trust also provides free of cost required vegetables, provisions, fruits, milk and dresses to these families. There are 15 young mothers and their 23 children living at the young mother's quarters. Support is also provided if they want to get remarried. It is remarkable that out of 23, 7 young widows have been remarried with the support of the Trust.

H. SOBHA RURAL WOMEN EMPOWERMENT INITIATIVE

Financial support of ₹5,000 is extended to several widowed mothers and their children through the Rural Women's Empowerment initiative. It has taken 50 widowed mothers and their children belonging from the project area under its wing. They are provided with a basic monthly living allowance, clothing, medical and other personal accessories. The Trust meets the educational expenses of their children, giving them adequate opportunity to come up in life.

I. SOBHA DOWRY-FREE SOCIAL WEDDING PROGRAM

One of the greatest problems faced by our society is the inability of parents to get their daughters married due to lack of resources and poverty. It was common for marriages to get cancelled after engagement, and for brides to be abandoned after marriage. Many parents even fall into a debt trap by taking loans against their property or selling their property to see their daughters being wed. Mass weddings aided by the Trust provide a practical remedy to this problem.

The Trust conducts social weddings that are free from the fangs of dowry and till date, it has conducted 684 weddings. It helps approximately forty women get married each year and provides basic resources to the couples to help them begin their wedded life. The couple and their parents are also given pre-marriage counselling.

J. SOBHA COMMUNITY CENTRE AND POOR FEEDING PROGRAM

The SOBHA Community Centre is a beautiful and spacious structure for the less-privileged. It plays host to various community mobilization programmes, including medical camps, orientation and training classes and social weddings.

The Centre provides food to 75 poor senior citizens every day.

K. SOBHA GREEN INITIATIVES

SOBHA's green philosophy of development is widely accepted across the spectrum. Akin to that, several green initiatives are underway in the CSR project areas. The entire campus was constructed with minimum carbon footprint and without making much change to the natural surroundings. Large-scale rain harvesting methods and processes are in place, and planting of more than 3000 trees and herbs and preserving the existing flora and fauna to the largest extent possible has been undertaken. The Trust cultivates vegetables, fruits and paddy at Moolamcode, Anakkappara and Mangalam for in-house use. The Trust also has large waste management plants to process the waste generated here. All the CSR project campuses are plastic-free, smoking-free and alcohol-free, thus striving to achieve a sustainable lifestyle. The power laundry at Sobha Hermitage runs on a steam generator by a boiler to conserve electrical energy. Solar panels are also installed at SOBHA Hermitage, which amounts to around 30% of total energy consumption.

FURTHER INITIATIVES

- Modelled on The Sobha Academy, one school is proposed to be constructed in Bengaluru catering to 1200 girl children.
- Modelled on Sobha Icon, many scaled models are planned across the state.
- A replicable model village incorporated with Sustainable Development Goals (SDGs) is planned which will have the potential to make a significant impact across the globe. The model village aims to provide a blueprint for replicable, scalable, and sustainable development in India that can be adapted to different regions and cultures, nationally and internationally. This is an effort to consolidate and strengthen the social, economic, educational, and health interventions since 1994 and putting them in a new format to make it more impactful and measurable, and showcasing the holistic interventions to national and global policy and decision makers. This will also motivate capable people to follow similar paths. The new format will be called SobhaGraam.
- Additional classrooms and a 750-seater auditorium for The Sobha Academy.
- A 900-capacity girls' dormitory.
- Administrative building-cum-guest accommodation.
- Devi Home at Moolamcode for 144 elderly women and young orphan girls.
- A fully residential university in Uttar Pradesh that will provide free world-class to young women from the most economically disadvantaged families across India.

RESEARCH AND DEVELOPMENT

Research and Development (R&D) in SOBHA encompasses the pursuit of innovation, knowledge, and technological advancements to enhance building processes and materials. During FY 2023-24, R&D's focus was on process and product improvement. This is a much needed focus as it contributes to SOBHA's strength and helps it retain its self-reliant nature, while providing best in class products to its consumers.

In 2023-24, the following processes/products:

1. USE OF APPROPRIATE TOOLS FOR LARGE FORMAT TILES LAYING

The right tools are used to perform the work as per the required standards, safely and efficiently.

2. USE OF APPROPRIATE TOOLS FOR TILES GROUTING

The grout tools are used to get the uniform finish of the grouts. This enhances the appearance.

3. DEVELOPMENT OF PVC CORNER BEAD

The arrow type PVC trim was developed to make the corners look appealing.

4. ALTERNATE VENDORS FOR MATERIALS

Alternate vendors for materials like tile grouts, waterproofing, concrete, etc., are developed by extensively studying and testing the materials.

5. BASEMENT FINISH

The painting and lighting sequence for the basement is changed for better feel and look.

6. USE OF BUS BAR RAISING MAIN SYSTEM IN MULTI-STORIED BUILDINGS FOR BETTER POWER DISTRIBUTION

The use of bus bar raising main system in multi-storied buildings ensures efficient power distribution, minimizing power losses and voltage drops, leading to enhanced reliability and stability of the electrical supply.

7. HT METER IN FEW OF THE PROJECTS

Installation of HT meters allow for accurate monitoring and measurement of electricity consumption in projects with higher power requirements, facilitating precise billing and management of energy usage for optimized efficiency and cost savings.

8. INTRODUCTION OF PREPAID SMART ENERGY METER SYSTEM FOR FEW PROJECTS

Introducing prepaid smart energy meters offers several benefits, including real-time monitoring of energy consumption, remote payment options, and better control over electricity usage.

9. INTRODUCTION OF SUSPENDED LIGHTS IN BASEMENT AREAS FOR BETTER ILLUMINATION

It enhances safety, security, and usability of basement areas, reducing the risk of accidents and creating a more welcoming environment for occupants or visitors.

10. INTRODUCTION OF SMART WATER METER TO MONITOR FLAT/UNIT WISE CONSUMPTION OF DOMESTIC AND DRINKING WATER

No need of physically taking reading from water meters since they will be available through data uploaded to cloud. Customers will get leakage alerts and usage pattern, which will enable them to take corrective measures and optimize consumption. This will enable unit owners to pay based on actual water consumption instead of pro rata or square feet basis.

11. RECHARGE TANKS FOR SURFACE RAINWATER

Since they will be able to hold considerably large volumes compared to traditional recharge pits, quantity of recharge will increase there by replenishing ground water.

12. ADDITION OF OZONATOR FOR STP VENTILATION DUCTING

This will make the exhaust from STP odour free.

13. INTRODUCTION OF WATER QUALITY MONITORING SYSTEM IN WATER TREATMENT PLANT

This will enable residents and the maintenance team to get instant data of water quality and enable corrective measures quickly in case of issues.

14. PUSH FIT LIGHTS AND FIXTURES

Implementation of push fit lights and fixtures for swimming pools for ease of installation and accuracy. This eliminates the need for tools, screws, or complex wiring, making it easy for users to install or replace lights without specialized expertise.

15. IGBR TECHNOLOGY

We have implemented Integrated Growth Bio Reactor (IGBR) technology (from Singapore) at 1 Sobha for handling higher BOD, COD, Oil and Grease in the sewage generated from the mall and the commissioning is under progress.

EMPLOYEES

Our people are the force behind our ability to drive growth. It is through our people that we convert overwhelming challenges into opportunities. We have always strived to hire innovative, adaptable and diverse talent by building strong college campus relationships across the country. We have always put our people first by actively listening to their needs and expectations from work. We encourage our employees to pursue upskilling programs to help them acquire new capabilities and knowledge to remain competitive. Our continuous engagement with our employees helps us focus on improving our policies, practices and processes. We have taken measures to build a robust talent pipeline to enhance our delivery agility and support our future expansion plans in line with the rapid growth of the real estate industry. We encourage our employees to innovate without the fear of failure and are building a workplace that is at the forefront of driving positive change with happier, healthier and more productive employees.

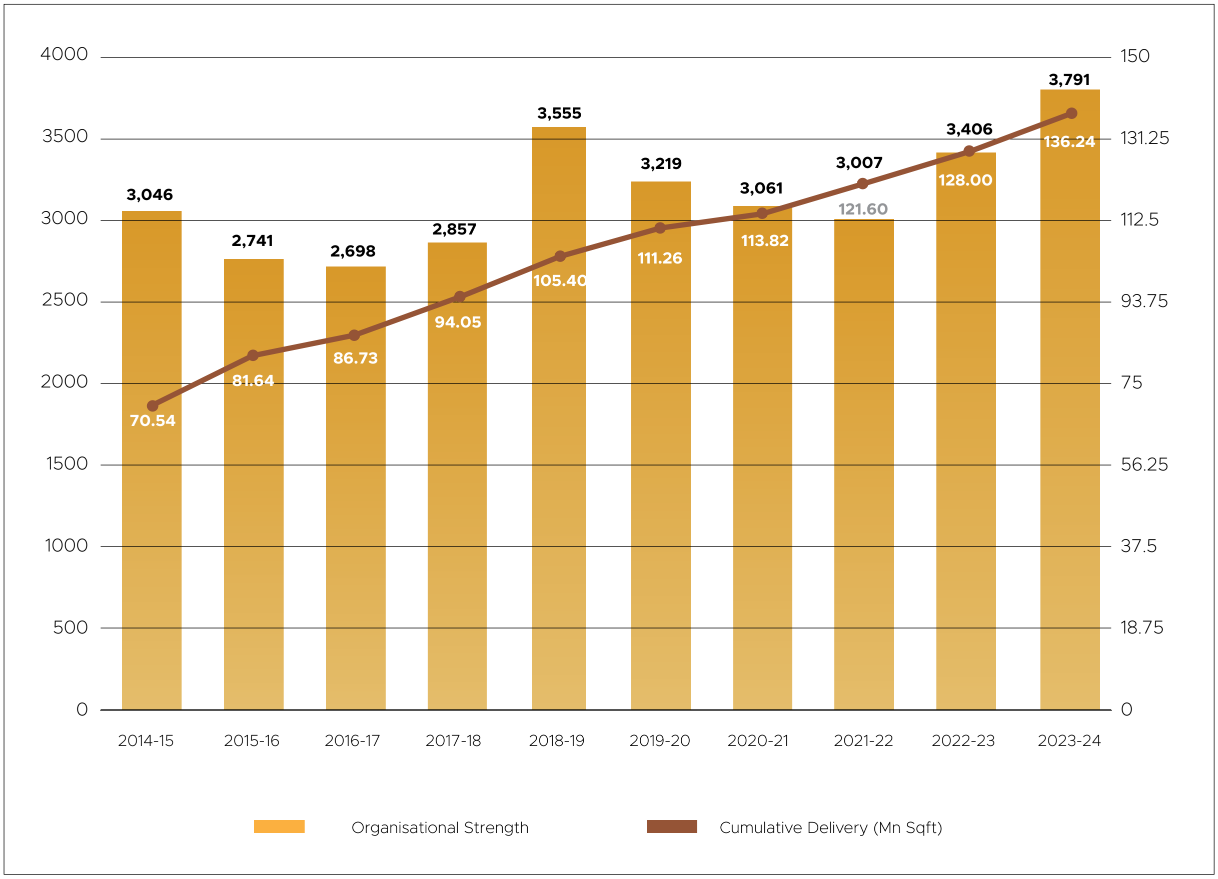
SOBHA's organisational strength as on March 31, 2024 was 3814 employees as against 3422 as on March 31, 2023.

TRAINING AND DEVELOPMENT

The training and development of employees is a must for the success of any organization. This can be done through ensuring that the employees' skills, abilities, and knowledge are constantly updated both to meet world standards and also to satisfy discerning and demanding customers' needs. Training also helps employees move up in their career paths and helps them take on more responsibilities. SOBHA too benefits as a company through this training as it helps it to plan succession roles, address the challenges of changing technologies and opens up the possibilities of widening the scope of the work that it does.

At SOBHA, the organisational training and development plan includes in-house and external workshops/seminars as per need.

A comparative table depicting employee strength as against cumulative delivery is given below:



The trainings provided to employees have resulted in boosting productivity, increasing employee satisfaction, fostering organizational learning culture, creating a safe working environment and the upgradation and updation of technology. It has also led to improvements in leadership and management skills and quality, higher productivity, and the resultant optimum ROI.

Training at SOBHA is broadly divided into Technical, Behavioural, Sales and Adhoc.

TECHNICAL TRAINING

Technical employees are trained at different levels to help them become the best in class by mastering the latest technological developments in the field. During FY 2023-24, 107 technical training and induction programmes were conducted in which 818 employees out of 1178 employees were trained. These trainings were conducted for employees working in Bengaluru, Kerala, Chennai, Pune, NCR, and other locations where SOBHA has projects.

A total of 19 candidates (management trainees) were trained for a period of 14 days

44 programs were conducted for Technician Supervisors of both Sobha and non-Sobha rolls, where 351 out of 402 employees were trained.

BEHAVIOURAL TRAINING

At SOBHA behavioural training is equally important as it helps empower employees to leverage their positive skills. Behavioural training helps enhance employees' ability to handle conflicts, helps in creating win-win situations, accommodating changes and flexibility and following a dynamic approach. Since behavioural training polishes skills and develops talent, it also contributes to an individual's overall development. Behavioural training at SOBHA covers a range of subjects including team building, time management and developing motivational, leadership and interpersonal skills.

During 2023-24, 105 planned behavioural training programmes were conducted for employees at different levels in which 1025 out of 1444 employees were trained.

In addition, 155 Adhoc, Behavioural, Technical and Technician Supervisor training programmes were also conducted during the year, which were attended by 1312 employees at different levels.

SALES TRAINING AND OTHER TRAINING

Sales training was conducted for 39 batches aggregating to 153 training programs for 929 employees (a 4-day module), and 27 department-centric training programmes were attended by 388 employees.

In all, the Leadership Development and Training has conducted 1149 training programmes covering 13,006 participants including employees on non-Sobha rolls during the year FY 2023-24.

TRAINING, A CONTINUOUS EXERCISE

The Company assesses employee performance to gauge employee skills and provides them requisite training for enhancing their skills.

This space is intentionally left blank

RISK MANAGEMENT REPORT

SOBHA's financial position and the results of its operations are subject to certain risks and liabilities that may affect its performance and ability to achieve its objectives. These are factors that the Company believes could lead to its actual results differing materially from expected and previous results. However, there are other risks and uncertainties that may also affect the Company's performance and ability to achieve its objectives not currently known to the Company or deemed immaterial. SOBHA has a robust risk management and internal control system in place. Real estate and allied risks can be caused by several factors, which could be within and outside of a company's control. It is, therefore, important that a company have a solid risk mitigation and management policy in place.

RISK ASSESSMENT AND RESPONSE

SOBHA has a six-step approach to risk assessments:

1. Risk assessment planning
2. Risk identification
3. Risk rating
4. Evaluation and risk response
5. Reporting
6. Periodic monitoring and review

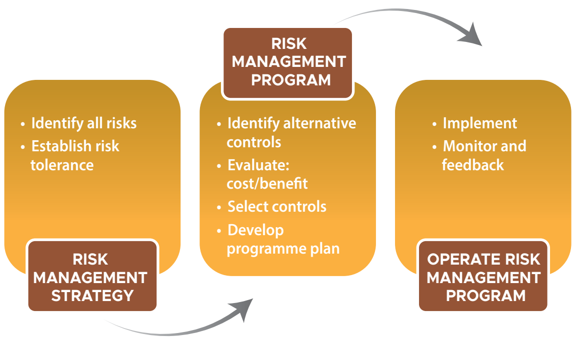
Our risk assessment focuses on short-term risks and emerging risks in the risk areas such as strategic, operational, financial, legal and compliance. SOBHA has implemented an Enterprise Risk Management (ERM) program through which it reviews and assesses significant risks regularly to ensure it has internal controls.

RISK GOVERNANCE

Risk governance architecture consists of the Board, Audit Committee and Risk Management Committee at the top of the pyramid enabling oversights functions of the risk management system. Operational and functional heads, along with a strong and independent internal audit function, facilitate the oversight functions by providing valuable inputs in the form of information, data and reports on various external and internal risks—both existing and emerging—thereby enabling the Committees and Board to take timely action and aiding decision-making. At the bottom of the pyramid lies the risks affecting the operations and impeding the growth of the organisation.

RISK MANAGEMENT PROCESS

SOBHA recognises that risk is inherent to any business activity and that managing risk effectively is critical to the immediate and future success of the Company. The Company's risk management process enables it to identify, assess and prioritize, manage and respond, and ultimately monitor and report the risks in its operations, supply chain, sales, and marketing support functions. In order to achieve the key objective, the risk management process establishes a structured and disciplined approach to risk management, in order to guide decisions on key risks.



SOBHA recognises risk assessment, monitoring and mitigation as a continuous process closely embedded in the business processes and aiding management's decision-making. This may be understood through the risk management chart provided below:

This system helps SOBHA respond appropriately to risks and achieve its objectives, ensuring compliance with the applicable RERA law and its statutory obligations.

The listing agreement with the stock exchanges mandates the identification, minimization and periodic review of these risks and uncertainties. However, it is not possible for the Company to implement controls to adequately respond to all the risks that it may face and there can be no complete assurance provided that the steps that it undertakes to address certain risks will manage these risks effectively, or at all.

The Company's Risk Management Committee evaluates risks for each category. It assists in identifying and assessing risks to that appropriate mitigation mechanisms may be devised. The Audit Committee reviews and advises the management on all categories of risks that the Company faces, the exposure in each category and on the acceptable and appropriate levels of these exposures. It also monitors the steps taken by the management to control such exposures and ensures that the overall risk exposure is within the Company's risk capacity and risk appetite. The Board of Directors of the Company are also apprised of the risks faced by the Company and timely risk management measures taken for mitigating them.

The Company has strong systems in place for each kind of risk that it may face in the course of conducting its business.

I. UNIVERSAL RISKS

(I) NATURAL AND MANMADE DISASTERS

Natural disasters include earthquakes, fires, droughts, floods, or global pandemics (such as COVID), and manmade disasters include acts of terrorism and war.

Insurance coverage is an appropriate way of managing disaster-related risks. Apart from a sufficient insurance coverage, SOBHA also takes appropriate measures to ensure that the structural design of its buildings conforms to the applicable construction standards in the various regions it operates in. The properties of the Company are insured against natural risks, like fire, flood, earthquakes, etc., with periodical review of adequacy, rates and risks covered under professional advice.

(II) ECONOMY-RELATED RISKS

Interest rates, inflation and exchange rate risks are amongst the important macroeconomic indicators which are subject to several factors which primarily have to do with the government, monetary and tax policies, domestic/ international economic and political conditions and other factors beyond a company's control. Changes in interest rates may increase a company's cost of borrowing and impact its profitability. These risk factors will be a driving factor in the development of the real estate sector.

A sluggish economy or even recession in a specific industry, such as IT/ ITES, can lead to a decrease in sales or market rates for residential projects. In extreme cases of an economic downturn, a company may also run the risk of customer insolvency though the registration of property happens only on the receipt of all the dues from a customer. These factors could decrease the revenue generation from some or all the company's businesses, adversely impacting its business and future growth. Further, uncertainties in the national or global economic scenario, a changing demographic profile of the country and inflation also have a bearing on the functioning of a company operating in real estate and allied sectors.

SOBHA is confident that with the economic and sector specific reforms introduced by the government in the recent past, the outlook for long-term demand for the real estate sector in India is stable and positive. The emergence of Tier-II and Tier-III cities, urbanization, large-scale employment opportunities in Tier-II cities and larger numbers of nuclear families will contribute to a substantial increase in demand for real estate and corporate space in the future.

(III) POLITICAL RISKS

Changes in government policy, social and civil unrest, and political developments in or affecting India could impact the Company's business interests. Specific laws and policies affecting real estate, foreign investments and other matters affecting investments in the company's securities could also change.

(IV) LIQUIDITY RISKS

In this industry, the time required to liquidate a real estate property can vary depending on the quality and location of the property. As a result, the Company may not be able to liquidate its assets promptly in response to economic, real estate market or other conditions.

II. SECTORAL RISKS

(I) SALES MARKET RISKS

Modern day businesses, including those in the real estate sector, are customer-centric and driven by market sentiment and competition. Though everyone aspires to own a home, there is a chance that the decision to purchase the same be deferred due to certain changes in existing economic or market conditions.

SOBHA has devised a detailed compliance checklist system to monitor and obtain the approvals from different authorities as per applicable laws and regulations at various stages of project construction to ensure smooth completion of projects.

MANAGEMENT REPORT

(II) LAND-RELATED RISKS

For any construction company, land is a primary input. Non-availability of an appropriate parcel of land at a strategic place and at a reasonable price can lead to an increase in its prices, thereby having an adverse impact on the company's performance. Further, availability of land, its use and development are subject to approvals by various local authorities under applicable local laws and regulations. This makes the price of land volatile. A drop in land prices may erode the book value carrying the cost of land, which in turn could affect a company's profitability.

The Company takes strategic decisions with respect to land acquisition. Effective methodologies are in place for managing the land portfolio. Requisite due diligence is conducted before acquiring land or entering partnerships for joint ventures or joint development.

(III) REGULATORY RISKS

Local, state and central regulatory bodies control the real estate sector through laws and regulations governing the acquisition, construction and development of land including zoning, permitted land use, fire safety standards, height of buildings and access to water and other utilities. SOBHA's business is subject to all these laws and regulations. Any delay in obtaining an approval under these laws and regulations will expose the business to higher risks.

We are actively working with industry bodies, regulators, and the government to understand the issues impacting the industry and developing legal frameworks to address these issues in time to minimise any impact.

(IV) LEGAL RISKS

SOBHA is involved in some legal proceedings relating to the lands it owns and claims in relation to taxation matters. Any adverse decision here may have a significant impact on the company's business, prospects, and financials.

(V) COMPETITION RISKS

The residential real estate sector is highly competitive. Other developers undertaking similar projects within the same regional markets are in direct competition with SOBHA. Due to the fragmented nature of the real estate development business, adequate information about small and medium level competitors' projects may not be available and SOBHA could run the risk of underestimating the supply in the market.

III. COMPANY-SPECIFIC RISKS

(I) CUSTOMER RISKS

SOBHA operates in twelve cities in real estate that contribute to the Company's revenue. A sizeable portion of sales from real estate operations is generated in Bengaluru. A decline in the revenue in this real estate market or a shift in customer loyalty may have an adverse effect on its business and operating results. Contractual businesses depend solely on orders received from corporate entities for their construction requirements. A substantial portion of the revenue from contractual projects is generated from major clients operating in the information technology sector.

The Company has a dedicated and robust in-house sales and marketing team, which is entrusted with the task of generating enquiries for its products and transforming them into sales. This reduces dependency on external agents and brokers.

SOBHA also has a dedicated Customer Relationship Management (CRM) Department to cater to customer feedback, resolving their queries and grievances, addressing their issues, streamlining the purchase process and receiving feedback. An online portal has been designed for customers where they can share their views and check the status of the projects. The CRM Department's core responsibility is ensuring smooth and hassle-free transfers of products to the satisfaction of the customers.

(II) BORROWING AND CREDIT RISKS

Construction activities, which are a major contributor to SOBHA's revenue, are capital-intensive and require a significant expenditure on land acquisition and development. An efficient borrowing strategy has placed SOBHA ahead of its competition with respect to borrowing costs. However, SOBHA is subject to risks normally associated with debt financing and may be required to dedicate a portion of its cash flows towards the repayment of its debt commitments. It may not be possible to generate adequate cash flows in certain extreme scenarios to service principal and interest payments. In certain cases, lenders also have the right to recall a loan. Such an event could impact SOBHA's liquidity and credit rating.

In most cases, SOBHA develops properties on a joint venture basis. Credit risks arise when its JV partners do not discharge their obligations and, in such circumstances, SOBHA may be required to make additional investments in a joint venture or become liable for the other party's obligations.

SOBHA has a proven record in servicing its debt obligations. The gearing levels of the Company have been efficiently managed in previous fiscal years, bringing down the gearing ratio. Every investment avenue is evaluated based on the risks and rewards attached to it.

(III) PROJECT IMPLEMENTATION RISKS

Real estate projects are vulnerable to several implementational problems, such as regulatory compliances. These may cause project start up delays, construction delays, cost overruns and unavailability of skilled labour, accidents, and quality gaps. SOBHA's operations may be unfavourably impacted if these risks are not mitigated on a real-time basis.

SOBHA has adopted a standard process for ensuring product quality. Technology related to the industry is upgraded periodically by comparing it to global standards, which helps minimize implementation risks. The in-house Quality, Safety and Technology Department is in-charge of addressing quality issues of the products.

(IV) INPUT COST RISKS

Many times, operations of a real estate project are subject to budget overruns due to several factors like increase in construction costs, growing subcontracted service costs and increase in labour costs. Increased operating expenses may affect SOBHA's profit margins if it is not able to sell the properties with desired margins. There is a chance of reduction in demand if the selling price of unsold properties is increased.

(V) SUPPLY CHAIN RISKS

If suppliers of raw materials curtail, discontinue, or disrupt the supply of materials, SOBHA's ability to meet its material requirements for projects could be impaired, which could lead to a disruption in construction schedules and projects may not be completed on time.

Vendors supplying key materials have longstanding relationships with SOBHA. Since the Company is a backward integrated organization, key inputs are sourced in-house, reducing dependency on external suppliers.

(VI) WORKFORCE RISKS

The construction industry is highly dependent on workforce and its ability to retain that workforce. Employee attrition could have an adverse impact on SOBHA's businesses. SOBHA's performance could also be affected if it is unable to identify, attract and retain key employees like engineers and architects.

Employee attrition rate in the Company is below the industry/ sector average. To minimize attrition and retain talent, SOBHA has adopted effective and employee friendly policies.

(VII) DIVERSIFICATION AND INVESTMENT RISKS

Although SOBHA is a backward integrated company, expanding into new businesses or new geographies exposes it to new risks, such as low levels of familiarity with the development of properties in the specific area or market for new project development. Competitors may not only be better known in these markets but may also enjoy better relationships with vendors/ suppliers/ landowners/ joint-venture partners and customers.

Taking calculated risks is a part of all businesses. A business' growth depends on the Company's ability to absorb the risks related to the sector. After a careful evaluation of the risks, SOBHA has been steadily expanding its geographic presence in the real estate domain. This diversification has reduced its dependency on a single market, Bengaluru, which at one point accounted for all its sales. Bengaluru now contributes about 65 per cent of its sales.

SOBHA'S foray into new geographies is based on a thorough analysis of prevailing market conditions and the regulatory environment. Several contractual projects have been successfully executed in different cities across India and hence, there is a good understanding of the local factors at play. The Company also engages locally available workforce resources.

(VIII) IT AND SYSTEM RISK

SOBHA uses an Enterprise Resource Planning system for integrating its core and backend activities like architecture, engineering, projects, and costing. A breakdown of existing IT systems or a delay in implementation could disrupt the

Company's ability to track, record and analyse the work in progress, or result in the loss of valuable data. These risks relate to the following:

- System capability
- System reliability
- Data integrity risks
- Coordinating and interfacing risks
- Information Security

SOBHA has a strong IT team to support all IT-related matters. The Company has also begun implementing the new ERP system, wherein we have done away with redundant and non-value add processes to make us more agile; optimized processes that help reduce time in decision making; identified roadblocks that came in the way of taking quicker and relevant actions; cleaned up thousands of data fields and data sets that affected data integrity; and introduced new and robust processes that make us more efficient as a team and work with greater speed.

(IX) CYBER SECURITY RISK

As a customer-centric organization, we need to regularly give updates to customers, interact with third parties, and service providers. Today, a lot of emphasis is given to real-time information, which inadvertently means exposing our system and data to the outside world. Although a lot of care is taken through digital certification and methodologies, there continue to remain concerns over different security risks associated with it.

SOBHA has strong IT infrastructure to support the increased usage of digital platforms and combat cybersecurity threats. The Company provides continuous training and education to employees on cybersecurity to minimise the occurrence of any threat.

This space is intentionally left blank

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATE

[AS PER REGULATION 17 AND PART B OF SCHEDULE II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

We certify that:

A. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2024 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

(1) significant changes in internal control over financial reporting during the financial year ended March 31, 2024;

(2) significant changes in accounting policies during the financial year ended March 31, 2024 and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Bengaluru	**Yogesh Bansal**	**Jagadish Nangineni**
Date : May 17, 2024	**Chief Financial Officer**	**Managing Director**

INDEPENDENT AUDITORS' REPORT

To the Members of Sobha Limited
Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Sobha Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2024, the Statement of Standalone Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditor as referred to in paragraph 16 below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditor, in terms of their reports referred to in paragraph 16 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 39(5) of the accompanying standalone financial statements, regarding the search operation carried out by the Income Tax Department ('the department') at various business premises of the Company and certain other group companies during March 2023. During the current year, the Company has received demand orders from the department for AY 2016-17 and AY 2022-23, in respect of disallowances of certain expenses and addition of certain incomes, against which subsequent to the year end, the Company has filed an appeal before the Hon'ble Commissioner of Income Tax (Appeals), Bengaluru. Given the uncertainty and pending outcome of the legal proceedings, the Company, considering all available records and facts known to it including the independent legal review and opinion from external legal counsels obtained by it, has determined that no adjustments are required to the standalone financial statements in respect of the aforesaid demand orders. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter (cont'd)

Key audit matter	How our audit addressed the key audit matter
1. Revenue recognition for sale of residential units	
The Company applies Ind AS 115, Revenue from Contracts with Customers ("Ind AS 115") for recognition of revenue from sale of residential units and revenue from joint development agreements. Refer note 2.2(a)(I)(i) and 25 to the standalone financial statements for accounting policy and related disclosures. Revenue is recognised upon transfer of control of residential units to customers for an amount which reflects the consideration the Company expects to receive in exchange for those units. The point of revenue recognition is normally based on the terms as included in the intimation for the handover of unit to the customer on completion of the project, and substantial collection is received. The Company recognises the revenue at a point in time upon handover/deemed handover of the residential units. For revenue contracts forming part of joint development arrangements that are not jointly controlled operations ('JDA'), the revenue from the development and transfer of constructed area/revenue share with corresponding land/ development rights received by the Company is measured at the fair value of the estimated construction service rendered by the Company to the landowner under JDA. Such revenue is recognised over a period of time in accordance with the requirements of Ind AS 115. Ind AS 115 requires significant judgment in determining when 'control' of the residential units is transferred to the customer. Further, for projects executed through JDA, significant estimate is undertaken by management for determining the fair value of the estimated construction service. Considering the significance of management judgements and estimates involved and the materiality of amounts involved, aforementioned revenue recognition is identified as a key audit matter.	Our audit procedures on revenue recognised from sale of residential units included, but were not limited to the following: • Evaluated the appropriateness of accounting policy for revenue recognition on sale of residential units in terms of principles enunciated under Ind AS 115; • Obtained and understood the revenue recognition process, evaluated the design and performed test of controls over revenue recognition including determination of point of transfer of control and completion of performance obligations on a sample basis; • Inspected, on a sample basis, underlying customer contracts and handover documents, evidencing the transfer of control of the residential units to the customer based on which revenue is recognised at a point in time; For projects executed during the year in accordance with JDAs, we have performed the following additional procedures on a sample basis: o Obtained and examined the computation of the fair value of the construction service under JDA with reference to project cost estimates and mark up considered by the management; o Obtained the JDAs entered into by the Company, including addendums thereto and compared the ratio of constructed area/ revenue sharing arrangement between the Company and the landowner as mentioned in the agreement to the computation statement prepared by the management; and o Tested the computation for recognition of revenue over a period of time for revenue contracts forming part of JDA and management's assessment of stage of completion of projects and project cost estimates. • Assessed the adequacy of disclosures included in the standalone financial statements in compliance with the requirements of Ind AS 115.

Key Audit Matter (cont'd)

Key audit matter	How our audit addressed the key audit matter
2. Revenue recognition for contractual construction and glazing projects	
The Company recognises revenue over a period of time in accordance with Ind AS 115, Revenue from Contracts with Customers ("Ind AS 115"). Refer note 2.2(a)(I)(ii)(iv) and 25 to the standalone financial statements for accounting policy and related disclosures. The Company recognises revenue from construction contracts on the basis of stage of completion over a period of time. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract, which involves judgement. Significant judgments are also involved in determining when the underlying performance obligations are satisfied and also determining expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate. Considering the significance of management judgements and estimates involved and the materiality of amounts involved, revenue recognition from contractual construction and glazing projects are identified as a key audit matter.	Our audit procedures on revenue recognition for contractual construction and glazing projects included, but were not limited to the following: • Evaluated the appropriateness of accounting policy on revenue recognition for contractual construction and glazing projects in terms of principles enunciated under Ind AS 115; • Evaluated the design and tested operating effectiveness of key controls around computation of stage of work completed, raising of invoices and estimating the cost to complete the project; • On a sample basis, tested costs incurred by examining underlying invoices and other applicable documents; • For sample contracts active during the year, verifying the underlying documents including work orders, last invoice, and customer acceptance on the latest RA bills/ Completion letter where applicable; • Verified the mathematical accuracy of management's computation of stage of Completion with respect to Contractual and Glazing projects. • Assessed the adequacy of disclosures included in the standalone financial statements in compliance with the requirements of Ind AS 115.
3. Assessing the recoverability of carrying value of Inventories, advances paid towards land procurement and deposits paid under joint development arrangements ("JDA")	
Refer note 2.2(c), 2.2(d), 2.2(o), 9, 12, 13 and 16 to the standalone financial statements for accounting policies on inventories, advances paid towards land procurement and deposits paid under JDA (financial asset) and related financial disclosures. As at 31 March 2024, the carrying value of the inventory comprising of Work in progress, Stock of residential units in completed projects and land stock is ₹85,681.76 million, land advances is ₹9,117.90 million and refundable	Our procedures in assessing the carrying value of the inventories, land advances and deposits paid under JDA included, but were not limited to the following: • Evaluated the appropriateness of accounting policies with respect to inventories, land advances and deposits paid under JDA in terms of principles enunciated under applicable accounting standards;

Key audit matter	How our audit addressed the key audit matter
Assessing the recoverability of carrying value of Inventories, advances paid towards land procurement and deposits paid under joint development arrangements ("JDA") (cont'd)	
deposits paid under JDA is ₹3,247.95 million, represents a significant portion of the Company's total assets. The inventories are carried at lower of cost and net realisable value ('NRV'). The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price, cost to complete projects and selling costs. Advances paid by the Company to the seller/ intermediary towards outright purchase of land is recognised as land advance under other assets during the course of transferring the legal title to the Company, whereupon it is transferred to land stock under inventories. Further, deposits paid under joint development arrangements are in the nature of non-refundable/refundable deposits, for acquiring the development rights. On the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress. The aforesaid deposits and advances are carried at the lower of the amount paid/payable and net recoverable value, which is based on the management's assessment including the expected date of commencement and completion of the project and the estimate of sale prices and construction costs of the project. We identified the assessment towards recoverability of carrying value of inventory, land advances and deposits paid under JDA as a key audit matter due to the significance of the balance to the standalone financial statements as a whole and the involvement of estimates and judgement in the assessment.	• Evaluated the design and tested operation of internal controls related to comparing NRV/ net recoverable value with carrying amount of inventory, land advances and deposits paid under JDA; • Inquired with management to understand key assumptions used in determination of the NRV/ net recoverable value; • For inventory balance: o Compared the NRV to recent sales in the project or to the estimated selling price; o Compared the estimated construction costs to complete each project with the Company's updated budgets; and o For land stock, on a sample basis, obtained the fair valuation reports or the guidance values and reviewed the valuation methodology, key estimates and assumptions adopted in the valuation. Involved auditor's valuation expert, where such fair valuation reports were obtained. • For land advances/ deposits paid under JDA: o Obtained an update on the status of the land acquisition/ project progress from the management and verified the underlying documents for related developments; o For land advances, compared the acquisition cost of the underlying land with the guidance values; and o Carried out external confirmation procedures on sample basis to obtain evidence supporting the carrying value of land advance and deposits paid under JDA. • Assessed the adequacy of disclosures included in the standalone financial statements in compliance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
4. Assessment of certain transactions entered into by the Company and recoverability of balances, on which regulatory proceedings are ongoing	
The Company had entered into a joint development arrangement with certain landowners in Gurugram, Haryana, in earlier years. In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('AA-PML'), alleging certain irregularities in respect of the manner of allotment and pricing of certain plots under this project or payment of applicable fees and charges by the Company or the landowners, with respect to the terms and conditions mentioned in the development policy of Haryana Development and Regulation of Urban Areas Act (HDRUAA), 1975 and the bilateral agreement between the land owners and Directorate of Town and Country Planning, Haryana (DTCP) resulting in provisional attachment under the Prevention of Money Laundering Act, 2002 ('PMLA') of land parcels with value of ₹2,016.05 million held by Technobuild Developers Private Limited ('TDPL') disclosed under Note 39. The Company has entered into a Memorandum of Understanding ('MoU') with TDPL for acquiring land parcels using advances extended by the Company, of equivalent value. As per the MoU, TDPL and its affiliates cannot transfer land parcels without prior approval of the Company and the Company has absolute rights over land parcels acquired by TDPL and its affiliates acquired from such advance given by the Company. As part of the inquiry process, the Company and its officers have been asked to provide contracts, documents and justification in respect of this transaction by the concerned authorities. The Company and its officers have been responding to the queries raised / documents sought from time to time. During the previous year, the Company is in receipt of Show Cause Notice (SCN) under the PMLA from AA-PML and the Company has duly filed the detailed responses to allegations made in SCN. During the current year, AA-PML had passed an order confirming the provisional attachment of the aforesaid land parcels, to which the Company had appealed before the Appellate Tribunal.	Our audit procedures on this matter included, but were not limited to the following: • Obtained an understanding from the management with respect to process and controls followed by the Company for identification, monitoring of significant developments and impact analysis in relation to the litigations, including completeness thereof; • Gaining an understanding of the ongoing regulatory proceedings through discussions with the management, and reading the underlying case related documents, communications and legal opinions to ensure consistency with the explanations provided to us and we have also assessed the objectivity, experience, competence and independence of management's expert; • Evaluated and challenged the Company's assessment of recoverability of the balances outstanding as at the balance sheet date, the business rationale for entering these transactions, including considering the developments on the matter subsequent to the balance sheet date; • Engaged auditor's expert, who obtained an understanding of the current status of the litigation, reviewed independent legal opinion obtained by the management and considered relevant legal provisions and available precedents to validate the conclusions made by the management's expert;

Key audit matter	How our audit addressed the key audit matter
Assessment of certain transactions entered into by the Company and recoverability of balances, on which regulatory proceedings are ongoing (cont'd)	
The Company, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement and has not identified any adverse material impact to the standalone financial statements. Considering the significance of the matter which involves uncertainty of outcome due to ongoing proceedings in AA-PML and significant judgements and estimates by the Company on the assessment of the legality and outcome of the above case, this is considered as a key audit matter. Considering this matter is also fundamental to the understanding of the user of standalone financial statement, we draw attention to Note 39 of the standalone financial statements.	• Communicated and discussed periodic updates on these transactions with those charged with governance, including the recoverability and management's business rationale aspects for these transactions; and • Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the standalone financial statements.

Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets

of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company'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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing 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 financial statements.

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone 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. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements 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 Board of Directors' 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 Company'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 Company to cease to continue as a going concern; and
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. The standalone financial statements include the Company's share in the net profit (including other comprehensive income) of ₹43.40 million for the year ended 31 March 2024, in respect of share of profit from one partnership firm in which the Company has invested, whose financial statements have not been audited by us. These financial statements have been audited by the other auditor whose report has been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of this partnership firm, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid partnership firm, is based solely on the report of such other auditor.

    Our opinion above on the standalone financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

19. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of

Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 19(b) above on reporting under section 143(3)(b) of the Act and paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and

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

   i. The Company, as detailed in note 39 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

   iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

      b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. The final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend;

      As stated in note 19 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

   vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 01 April 2023, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that, the accounting software used for maintenance of payroll records of the Company is operated by a third-party software service provider. The 'Independent Service Auditor's Report on a Description of the Service Organization's System and the Suitability of the Design and Operating Effectiveness of Controls' (based on the criteria for a description of a service organization's system as set forth in DC Section 200, 2018 Description Criteria for a Description of a Service Organization's System in a SOC 2 Report, in AICPA Description criteria), does not provide information on retention of audit trail (edit logs) for any direct changes made at the database level. Accordingly, we are unable to comment on whether audit trail feature with respect to the database of the said software was operated throughout the year.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000
UDIN: 24507000BKDHOS2915

New Delhi
17 May 2024

Annexure I referred to in paragraph 18 of the Independent Auditor's Report of even date to the members of Sobha Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment, right of use assets and investment property under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 4 and note 5 to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of Land and Building situated at Bengaluru, Karnataka with gross carrying values of ₹2,862.33 million as at 31 March 2024, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The inventories held by the Company primarily real estate segment comprise of stock of units in completed projects, work in progress of projects under development (including land stock). Having regard to the nature of inventory, the management has conducted physical verification of inventory by way of verification of title deeds, site visits conducted and continuous project progress monitoring by competent persons, at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. The other inventories comprising of raw material (including that of real estate segment), work in progress and finished goods has been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedures of such verification by the management is appropriate and no discrepancy of 10% or more in aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) As disclosed in Note 20 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹5 crores by banks and financial institutions based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

(iii) The Company has not provided any guarantee or security or granted any advances in the nature of loans to companies, firms, limited liability partnerships during the year. Further, the Company has made investments in, and granted unsecured loans to companies, firms, during the year, in respect of which-

(a) The Company has provided loans or guarantee to subsidiaries during the year as per details given below:

(in ₹ million)

Particulars	Guarantees	Loans
Aggregate amount provided/granted during the year: - Subsidiaries	-	862.62
Balance outstanding as at balance sheet date in respect of above cases: - Subsidiaries	998.78	1,222.02

(b) The Company has not provided any guarantee or given any security or granted any advances in the nature of loans during the year. Further, in our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us, loans granted by the Company amounting to ₹1,222.02 million are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date.

(d) There is no overdue amount in respect of loans granted to such companies, as these loans are repayable on demand, and such loans and interest thereon have not been demanded for repayment as on date.

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans that existed as at the beginning of the year.

(f) The Company has granted loans which are repayable on demand as per details below:

(in ₹ million)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	862.62 -	- -	862.62 -
Total (A+B)	862.62	-	862.62
Percentage of loans the total loans	100%	-	100%

(iv) In our opinion, and according to the information and explanations given to us, the Company has not entered into any transaction covered under section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ million)	Amount paid under Protest (₹ million)	Period to which the amount relates	Forum where dispute is pending
Karnataka Value added tax, 2003	Demand of Tax, Interest and/or penalty	683.68	207.74	2007-08 to 2017-18	High Court of Karnataka
Kerala Value added tax, 2003	Demand of Tax, Interest and/or penalty	63.20	13.66	2010-11 2012-13 and 2013-14	Appeal filed with VAT Appellate Tribunal at Trivandrum
Andhra Pradesh,Value added tax, 2005	Demand of Tax, Interest and/or penalty	40.00	16.28	2004-05 and 2006-07 to 2007-08	Sales Tax Appellate Tribunal, Andhra Pradesh
Customs Act, 1962	Demand of Tax, Interest and/or penalty	1.30	-	2010-11	Central Excise and Service Tax Appellate Tribunal, Bengaluru
Income Tax Act, 1961	Demand of Tax, Interest and/or penalty	573.90	78.29	2010-11, 2015-16 2017-18, 2019-20, 2020-21 and 2021-22	Commissioner of Income Tax, Bangalore
Income Tax Act, 1961	Demand of Tax, Interest and/or penalty	383.35	-	2013-14	Deputy Commissioner of Income tax, Bengaluru
Finance Act,1994 (Service Tax provisions)	Demand of Tax, Interest and/or penalty	560.34	125.78	2006-07 to 2017-18	Central Excise and Service Tax Apellate Tribunal, Bengaluru
The West Bengal, Value added tax, 2003	Demand of Tax, Interest and/or penalty	1.86	0.86	2009-10	WBCTO Appellate and Revision Board
Goods and Service Tax Act, 2017	Demand of Tax, Interest and/or penalty	0.90	0.09	2017-18	Additional Commissioner (Appeals), Bhubaneswar
Goods and Service Tax Act, 2017	Demand of Tax, Interest and/or penalty	1.7	0.17	2018-19	Joint Commissioner (Appeals), Bhubaneswar
Goods and Service Tax Act, 2017	Demand of Tax, Interest and/or penalty	13.6	1.36	July 2017 to March 2022	Additional Commissioner (Appeals), Cochin

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. Further, according to the information and explanations given to us, loans amounting to ₹6,306.16 million are repayable on demand and terms and conditions for payment of interest thereon have been stipulated and the payment of interest is regular. Further, such loans have not been demanded for repayment as on date.

(b) According to the information and explanations given to us including confirmations received from banks and financial institution and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilized for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint venture.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have been considered by us while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000
UDIN: 24507000BKDHOS2915

New Delhi
17 May 2024

Annexure II to the Independent Auditor's Report of even date to the members of Sobha Limited on the standalone financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Sobha Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide

Annexure II to the Independent Auditor's Report of even date to the members of Sobha Limited on the standalone financial statements for the year ended 31 March 2024 (cont'd)

reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000
UDIN: 24507000BKDHOS2915

New Delhi
17 May 2024

SOBHA LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,838.54	2,315.59
Investment property	5	2,725.20	2,767.92
Intangible asset under development	6	54.36	17.62
Other intangible assets	7	-	0.06
Right of use assets	38	205.29	187.36
Financial assets			
(i) Investments	8	4,675.06	4,521.29
(ii) Trade receivables	10	393.45	795.18
(iii) Loans	11	230.02	229.52
(iv) Other financial assets	12	896.63	373.55
Income tax assets (net)	33	307.02	70.96
Deferred tax asset (net)	33	1,113.90	138.80
Other non-current assets	13	10,772.72	9,297.10
		24,212.19	**20,714.95**
Current assets			
Inventories	9	88,485.10	82,866.90
Financial assets			
(i) Trade receivables	10	1,975.94	2,097.60
(ii) Cash and cash equivalents	14	1,046.30	2,723.51
(iii) Bank balance other than (ii) above	15	5,501.73	1,681.32
(iv) Loans	11	983.66	437.65
(v) Other financial assets	16	4,175.38	4,718.79
Other current assets	13	5,486.74	6,078.94
		107,654.85	**100,604.71**
Total assets		**131,867.04**	**121,319.66**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	948.46	948.46
Other equity	18	22,630.81	22,462.22
Total equity		**23,579.27**	**23,410.68**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20	6,716.09	5,586.13
(ii) Lease liabilities	38	213.44	204.77
Provisions	22	245.54	228.85
		7,175.07	**6,019.75**
Current liabilities			
Financial liabilities			
(i) Borrowings	20	11,870.51	13,808.23
(ii) Lease liabilities	38	48.80	28.04
(iii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises; and	23	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	6,133.05	5,956.15
(iv) Other financial liabilities	21	5,670.92	8,585.15
Other current liabilities	24	76,578.62	63,308.89
Provisions	22	223.12	202.77
Current tax liabilities (net)	33	587.68	-
		101,112.70	**91,889.23**
Total liabilities		**108,287.77**	**97,908.98**
Total equity and liabilities		**131,867.04**	**121,319.66**
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

SOBHA LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	25	30,919.48	33,280.86
Other income	26	1,306.97	977.79
Total income		**32,226.45**	**34,258.65**
Expenses			
Land purchase and related cost		2,325.52	10,493.24
Cost of materials consumed	27	2,890.49	3,659.79
Purchase of project materials		9,856.90	9,491.24
Changes in Inventories of raw materials, land stock, work in progress and finished goods	28	(4,680.34)	(9,955.85)
Sub-contractor cost		9,198.16	8,100.68
Employee benefits expense	29	3,526.20	2,944.75
Finance cost	30	2,399.10	2,423.80
Depreciation and amortisation expense	31	741.83	638.71
Other expenses	32	5,284.95	5,145.19
Total expenses		**31,542.81**	**32,941.55**
Profit before tax		**683.64**	**1,317.10**
Tax expenses			
Current tax	33	1,176.95	300.31
Tax adjustments relating to earlier year	33	11.87	-
Deferred tax (credit) / charge	33	(970.87)	63.90
Tax expense		**217.95**	**364.21**
Profit for the year		**465.69**	**952.89**
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Re-measurement on defined benefit plan	37	(16.79)	(53.36)
Income tax relating to above	33	4.23	13.43
Other comprehensive income/(loss) for the year, net of tax		**(12.56)**	**(39.93)**
Total comprehensive income for the year		**453.13**	**912.96**
Earnings per equity share [nominal value of ₹ 10 per share]			
Basic and diluted (in ₹)		4.91	10.05
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

SOBHA LIMITED
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A.	**Cash flows from operating activities**		
	Profit before tax	**683.64**	**1,317.10**
	Adjustments to reconcile profit before tax to net cash flows from operating activities		
	Depreciation and amortisation expense	741.83	638.71
	Gain on sale of property, plant and equipment and investment property	(2.41)	(1.00)
	Finance costs (including fair value change in financial instruments)	2,399.10	2,423.80
	Finance income (including fair value change in financial instruments)	(742.27)	(329.53)
	Reversal of impairement loss on financial assets	-	(50.55)
	Share of profit from partnership firm	(43.40)	(19.06)
	Impairment of property, plant and equipment	29.47	58.70
	Allowance for credit losses	20.66	313.83
	Provision for doubtful land advances	82.63	168.16
	Liabilities written back	(197.63)	(327.56)
	Other advances written off	50.21	60.95
	Operating profit before working capital changes	**3,021.83**	**4,253.55**
	Working capital adjustments		
	Changes in trade receivables	502.73	959.16
	Changes in inventories	(5,824.88)	(10,036.52)
	Changes in other current and non-current financial assets	294.17	1,181.92
	Changes in other current and non-current assets	(1,209.70)	880.00
	Changes in trade payables	374.53	1,868.63
	Changes in provisions	20.25	102.37
	Changes in other current financial liabilities	(2,914.09)	1,602.26
	Changes in other current liabilities	13,269.73	11,472.69
	Cash generated from operating activities	**7,534.57**	**12,284.06**
	Income tax paid (net of refund)	(694.11)	(557.35)
	Net cash flows from operating activities (A)	**6,840.46**	**11,726.71**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment, investment property and intangible assets	(1,233.53)	(1,221.37)
	Proceeds from sale of property, plant and equipment and investment property	7.96	68.00
	Loans given to subsidiaries	(862.62)	(850.00)
	Loans repaid by subsidiaries	378.26	549.84
	Contribution to Partnership firm and LLP (net)	(110.40)	(103.69)
	Investments in fixed deposits (net)	(3,820.38)	(1,304.97)
	Interest income	356.07	98.24
	Net cash flows used in investing activities (B)	**(5,284.64)**	**(2,763.95)**
C.	**Cash flow from financing activities**		
	Repayments of current borrowings (net)	(701.79)	(6,438.87)
	Proceeds from non-current borrowings	6,645.38	2,723.80
	Repayment of non-current borrowings	(6,751.35)	(1,311.45)
	Repayment of principal portion of lease liabilities	(48.89)	(52.10)
	Repayment of interest portion of lease liabilities	(25.12)	(27.26)
	Interest paid	(2,066.72)	(2,194.55)
	Dividend paid on equity shares	(284.54)	(284.86)
	Net cash flows used in financing activities (C)	**(3,233.03)**	**(7,585.29)**
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,677.21)	1,377.47
	Cash and cash equivalents at the beginning of the year	2,723.51	1,346.04
	Cash and cash equivalents at the end of the year (Refer Note 14)	**1,046.30**	**2,723.51**
	Less: Book overdraft from scheduled banks (Refer Note 21)	(427.28)	(1,025.86)
	Net Cash and cash equivalents at the end of the year	**619.02**	**1,697.65**
	Changes in liabilities arising from financing activities (Refer Note 14)		

The above Standalone Statement of Cash Flow has been prepared under the "Indirect Method' as set out in the Ind AS 7, 'Statement of Cash flow'

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

SOBHA LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

A.Equity share capital (*)

	Amount
Balance as at 1 April 2022	**948.46**
Changes in equity share capital during the year	-
Balance as at 31 March 2023	**948.46**
Balance as at 1 April 2023	**948.46**
Changes in equity share capital during the year	-
Balance as at 31 March 2024	**948.46**

B. Other equity (**)

	Attributable to owners of the Company					
	Reserves and Surplus				Items of OCI	
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Other items of OCI	Total
Balance as at 1 April 2022	**119.47**	**9,328.92**	**4,348.50**	**8,047.26**	**(10.35)**	**21,833.80**
Profit for the year	-	-	-	952.89	-	952.89
Other comprehensive income/(loss)	-	-	-	-	(39.93)	(39.93)
Total comprehensive income for the year	**-**	**-**	**-**	**952.89**	**(39.93)**	**912.96**
Transfer to other reserves						
General reserve	-	-	95.29	(95.29)	-	-
Total transfer to other reserves	**-**	**-**	**95.29**	**(95.29)**	**-**	**-**
Transaction with owners, recorded directly in equity						
Dividend	-	-	-	(284.54)	-	(284.54)
Total distribution to owners	**-**	**-**	**-**	**(284.54)**	**-**	**(284.54)**
Balance as at 31 March 2023	**119.47**	**9,328.92**	**4,443.79**	**8,620.32**	**(50.28)**	**22,462.22**
Profit for the year	-	-	-	465.69	-	465.69
Other comprehensive income/(loss)	-	-	-	-	(12.56)	(12.56)
Total comprehensive income for the year	**-**	**-**	**-**	**465.69**	**(12.56)**	**453.13**
Transfer to other reserves						
General reserve	-	-	46.57	(46.57)	-	-
Total transfer to other reserves	**-**	**-**	**46.57**	**(46.57)**	**-**	**-**
Transaction with owners, recorded directly in equity						
Dividend	-	-	-	(284.54)	-	(284.54)
Total distribution to owners	**-**	**-**	**-**	**(284.54)**	**-**	**(284.54)**
Balance as at 31 March 2024	**119.47**	**9,328.92**	**4,490.36**	**8,754.90**	**(62.84)**	**22,630.81**

(*) Refer Note 17

(**) Refer Note 18

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

1 Corporate information

Sobha Limited (the 'Company') was incorporated on 07 August 1995 under the provision of erstwhile Companies Act, 1956. The Company is engaged in the business of real estate construction, development, sale, management and operation of all or any part of townships, housing projects, commercial premises and other related activities. The Company is also engaged in manufacturing activities related to interiors, glazing and metal works and concrete products which also provides backward integration to Sobha's turnkey projects.

The Company is a public limited company, incorporated and domiciled in India and has its registered office at, Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru - 560 103. The Company's equity shares are listed on two recognized stock exchanges in India namely National Stock Exchange of India Limited and BSE Limited.

2.1 Basis of preparation

a. Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) specified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 and other accounting principles generally accepted in India.

The standalone financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 17 May 2024. The revision to financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

b. Functional and presentation currency

These standalone financial statements are presented in Indian Rupee ('₹') which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest million (two decimals), unless otherwise indicated.

c. Basis of measurement

These standalone financial statements have been prepared on going concern basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

d. Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The Management believes that, although these estimates used in preparation of the financial statements are prudent and reasonable and are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively. Significant management judgement in applying accounting policies and estimation uncertainty have been disclosed in note 2.3.

e. Fair value measurement

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, regardless of whether that price is directly

2.1 Basis of preparation (cont'd)

observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2, 'Inventories', or value in use in Ind AS 36, 'Impairment of assets'.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques have been disclosed in note 2.2(o)(xi).

f. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is 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 classified as current when –

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The real estate development projects undertaken by the Company generally run over a period ranging up to 5 years. Based on the nature of service and the time between the acquisition of assets for development and their realization in cash and cash equivalents, Operating assets and liabilities relating to such projects are classified as current based on an operating cycle as 5 years. For all other assets and liabilities the Company has considered twelve months.

2.2 Material 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 Company expects to be entitled

2.2 Material accounting policies (cont'd)

in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer.

The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Company 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 Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the standalone financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The Customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time or over a period of time based on various conditions as included in the contracts with customers.

The billing schedules agreed with customers include periodic performance-based billing and/or milestone-based progress billings. Revenues in excess of billing are classified as unbilled revenue, while billing in excess of revenues is classified as contract liabilities (which we refer to as deferred revenues).

i) Recognition of revenue from sale of real estate property

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 transfer of physical possession of the residential unit to the customer ie., handover/ deemed handover of the residential units. Deemed handover of the residential units is considered upon intimation to the customers about receipt of occupancy certificate and receipt of substantial sale consideration.

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent.

Further, for projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/ possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. Revenue is recognised over time, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the

2.2 Material accounting policies (cont'd)

revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as mentioned above.

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

ii) Recognition of revenue from contractual projects

Revenue from contractual project is recognised over time, with reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

The Company recognises revenue only when it can reasonably measure its progress in satisfying the performance obligation. Until such time, the Company recognises revenue to the extent of cost incurred, provided the Company expects to recover the costs incurred towards satisfying the performance obligation.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately when such probability is determined.

iii) Recognition of revenue from sale of land and development rights

Revenue from sale of land and development rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the forming of the sales contracts/ agreements and/or registration of such agreements where applicable. Revenue from sale of land and development rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

iv) Recognition of revenue from glazing works

Revenue from glazing projects is recognised over time, with reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of the budgeted cost associated to the units produced/ installed for work performed to date relative to the total contractual obligation of production/ installation of such units.

The Company recognises revenue only when it can reasonably measure its progress in satisfying the performance obligation. Until such time, the Company recognises revenue to the extent of work certified by the customer which the Company expects to recover towards satisfying the performance obligation.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately when such probability is determined.

v) Recognition of revenue from interior works and sale of concrete products and scrap

Revenue is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue excludes indirect taxes and is after deduction of any trade discounts.

2.2 Material accounting policies (cont'd)

vi) Recognition of revenue from maintenance and other services

Revenue in respect of maintenance services and other services is recognised on an accrual basis, in accordance with the terms of the respective contract as and when the Company satisfies performance obligations by delivering the services as per contractual agreed terms.

vii) Other operating income

Interest on delayed receipts, cancellation/ forfeiture income, transfer fees, marketing fee from customers are recognised based upon underlying agreements with customers and when reasonable certainty of collection is established.

viii) Contract balances

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

ix) Cost to obtain a contract

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The Company incurs costs such as sales commission when it enters into a new contract, which are directly related to winning the contract. The asset recognised is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

II. Rental income from operating leases

Rental income receivable under operating leases (excluding variable rental income) is recognized in the statement of profit and loss 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. Share in profit/ loss of Limited liability partnership (LLPs) and partnership firms

The Company's share in profits/losses from LLPs and partnership firm, where the Company is a partner, is recognised as income/loss in the statement of profit and loss as and when the right to receive its profit/ loss share is established by the Company in accordance with the terms of contract between the Company and the partnership entity. Share in profit/ loss is recorded under Partners Current Account.

IV. Interest income

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

b) Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.2 Material accounting policies (cont'd)

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Company treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

c) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined based on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

I. *Related to real estate and contractual activity*

Direct expenditure relating to real estate 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 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)	Represents cost incurred in respect of projects where the revenue is yet to be recognized and includes cost of land (including development rights and non-refundable deposits paid, if any under joint development arrangements ('JDA')), internal development costs, external development charges, construction costs, overheads, borrowing cost etc. Land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project.
ii)	Stock of units/plots in completed real estate projects	Represents cost incurred in respect of completed real estate project net cost of revenue.
iii)	Building materials	Cost comprises of purchase price and other costs incurred in bringing the inventories to their present location and condition. Building materials are valued at cost computed on weighted average basis.
iv)	Land stock	Represents land other than area transferred to work-in-progress at the commencement of construction. Cost comprises of purchase price under agreement to purchase, stamp duty, registration charges, brokerage cost and other incidental expenses.

II. *Related to glazing, interiors and concrete products activity*

i)	Raw material, components and stores	Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw material, components and stores are valued at cost computed on weighted average basis.

FINANCIAL STATEMENTS
STANDALONE

2.2 Material accounting policies (cont'd)

ii)	Work-in-progress and Finished goods	Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

d) Advance paid towards land procurement

Advances paid by the Company to the seller/ intermediary towards outright purchase of land is recognised as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories. Management is of the view that these advances are given under normal trade practices and are neither in the nature of loans nor advance in the nature of loans. (refer note 13)

e) Foreign currency transactions and balances

i) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

f) Property, plant and equipment

i) Recognition and initial measurement

Property, plant and equipment at their initial recognition are stated at their cost of acquisition. Cost of an item of property, plant and equipment comprises its purchase price, borrowing costs (if capitalization criteria are met), import duties, non-refundable taxes and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour, borrowing costs (if capitalization criteria are met) and any other costs directly attributable to bringing the asset to working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

ii) Subsequent measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

2.2 Material accounting policies (cont'd)

iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

iv) Derecognition

An item of Property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition 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 de-recognized.

g) Investment property

i) Recognition and initial measurement

Investment property is property held either to earn rental income or for capital appreciation or for both. Upon initial recognition, an investment property is measured at cost, including related transaction costs. The cost comprises purchase price, cost of replacing parts, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

The cost of a self-constructed item of Investment property comprises the cost of materials, direct labour, borrowing costs (if capitalization criteria are met) and any other costs directly attributable to bringing the asset to working condition for its intended use.

ii) Subsequent measurement

Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

iv) Derecognition

Investment property is derecognised either when control of the same is transferred to the buyer or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

v) Reclassification from / to investment property

Transfers to (or from) investment property are made only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

vi) Fair value disclosure

Though the Company 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 valuation performed by an accredited external independent valuer.

2.2 Material accounting policies (cont'd)

h) Depreciation on property, plant and equipment and Investment property

Depreciation is calculated on written down value basis using the following useful lives prescribed under Schedule II of the Act, except where specified.

Particulars	Useful lives estimated by the management (in years)
Property, plant and equipment	
Factory buildings	30
Buildings - other than factory buildings	60
Buildings - temporary structure for precast plant	8
Buildings - temporary structure	3
Plant and machinery	
i. General plant and machinery	15
ii. Plant and machinery - Civil construction	12
iii. Plant and machinery - Electrical installations	10
iv. Plant and machinery - Precast plant	8
v. Plant and machinery - Others	3-5
Furniture and fixtures	10
Motor vehicles - Two wheelers	10
Motor vehicles - Four wheelers	8
Computers	
i. Computer equipment	3
ii. Servers and network equipment	6
Office equipment	5
Investment property	
Buildings - other than factory buildings	60
Buildings - One Sobha	46-48
Plant and machinery	
i. General plant and machinery	15
ii. Plant and machinery	12
Office equipments	5
Furniture and fixtures	10

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building and plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Steel scaffolding items are depreciated using straight line method over a period of 6 years, which is estimated to be the useful life of the asset by the management based on planned usage and technical advice thereon. These lives are higher than those indicated in Schedule II.

Leasehold land is amortized on a straight-line basis over the balance period of lease

Freehold land is not depreciated and is stated at cost less impairment loss, if any.

2.2 Material accounting policies (cont'd)

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.

i) Capital work-in-progress and intangible assets under development

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/ intangible assets under development which are not yet ready for their intended use and are carried at cost less accumulated impairment loss, if any.

Depreciation/amortisation is not provided on capital work-in-progress and intangible assets under development until construction/installation are complete and the asset is ready for its intended use.

j) 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. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

I. Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses if any, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.2(p)(ii) on impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed

2.2 Material accounting policies (cont'd)

payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

II. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Assets subject to operating leases are included under Investment property.

Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease including lease income on fair value of refundable security deposits, unless the lease agreement explicitly states that increase is on account of inflation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. 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.

l) Retirement and other employee benefits

i) Employee Provident Fund and Employee State Insurance

Retirement benefits in the form of state governed Employee Provident Fund and Employee State Insurance are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

ii) Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance

2.2 Material accounting policies (cont'd)

sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/ obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost and net interest expense on the Company's defined benefit plan is included in statement of profit and loss. Actuarial gains/ losses resulting from re-measurements of the liability are included in other comprehensive income in the period in which they occur and are not reclassified to profit or loss in subsequent periods.

The Company makes contributions to Sobha Developers Employees Gratuity Trust ('the trust') to discharge the gratuity liability to employees. Provision towards gratuity, a defined benefit plan, is made for the difference between actuarial valuation by an independent actuary and the fund balance, as at the year-end.

iii) Compensated absences

"Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

iv) Other short-term benefits

Short-term employee benefits comprising employee costs including performance bonus is recognized in the statement of profit and loss on the basis of the amount paid or payable for the period during which services are rendered by the employee.

m) Provisions, contingent assets and contingent liabilities

i) Provisions

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made at the reporting date. Provisions are discounted to their present values, where the time value of money is material, 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.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

ii) Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e. the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.2 Material accounting policies (cont'd)

iii) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company 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 Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

iv) Contingent assets

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

n) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i) 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.

ii) Deferred income tax

Deferred income 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.

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.

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.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

2.2 Material accounting policies (cont'd)

o) 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.

i) Initial recognition and measurement of financial assets and liabilities

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, however, trade receivables and trade payables that do not contain a significant financing component are measured at transaction value and investments in subsidiaries are measured at cost in accordance with Ind AS 27 - Separate financial statements. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

ii) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

v) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

vi) 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

2.2 Material accounting policies (cont'd)

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

vii) Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method.

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.

viii) De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

ix) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial instruments.

x) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

xi) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized 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 recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.2 Material accounting policies (cont'd)

xii) Investment in equity instruments of subsidiaries (including partnership firms), joint ventures and associates

Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is assessed for recoverability and in case of permanent diminution, provision for impairment is recorded in statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

p) Impairment

i) Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets

(except financial assets valued through fair value through profit or loss) is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes 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.

The presumption under Ind AS 109 with reference to significant increases in credit risk since initial recognition (when financial assets are more than 30 days past due), has been rebutted and is not applicable to the Company, as the Company is able to collect a significat portion of its receivables that exceed the due date.

ii) Non-financial assets

The Company 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 Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The 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. Where 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized 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.

iii) Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase .

2.2 Material accounting policies (cont'd)

q) Segment reporting

i) Identification of segments

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the Managing Director who has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance.

ii) Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at appropriate margins.

iii) Unallocated items

Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

iv) Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole.

r) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

s) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

2.3 Significant accounting judgements, estimates and assumptions

Significant accounting judgements, estimates and assumptions used by management are as below

Determination of performance obligations and timing of revenue recognition on revenue from real estate development [Refer Note 2.2(a)(I)(i)]

Accounting for revenue and land cost for projects executed through joint development arrangement [Refer Note 2.2(a)(I)(i)]

Computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates [Refer Note 2.2(a)(I)(ii)]

Estimation of net realizable value for inventory [Refer Note 2.2(c)], land advance and refundable deposits paid under JDA [Refer Note 2.2 (d)]

Provision for litigations and contingencies [Refer Note 2.2(m)]

Useful life and residual value of property, plant and equipment, investment property and intangible assets [Refer Note 2.2(h)]

Evaluation of indicators and impairment of financial and non-financial assets [Refer Note 2.2(p)]

Classification of property as investment property or inventory [Refer Note 2.2(c) and (g)]

Fair value measurement disclosures [Refer Note 2.2(o)]

Provision for tax [Refer Note 2.2(n)]

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2024.

(All amounts in ₹ millions, unless otherwise stated)

4. Property, plant and equipment

	Freehold land	Factory buildings	Other buildings	Plant and machinery	Scaffolding items	Furniture and fixtures	Vehicles	Computers	Office equipment	Total
Cost										
As at 1 April 2022	**67.08**	**652.57**	**1,085.03**	**1,961.87**	**1,981.37**	**47.82**	**12.63**	**196.12**	**35.70**	**6,040.19**
Additions during the year	-	-	38.92	59.86	383.61	4.36	3.59	34.45	5.26	**530.05**
Disposal during the year	-	-	-	(24.40)	(12.52)	(0.18)	(0.01)	(2.72)	(0.34)	**(40.17)**
As at 31 March 2023	**67.08**	**652.57**	**1,123.95**	**1,997.33**	**2,352.46**	**52.00**	**16.21**	**227.85**	**40.62**	**6,530.07**
Additions during the year	7.39	71.78	83.52	88.35	814.38	17.16	6.37	49.37	6.10	**1,144.42**
Disposal during the year	-	-	-	(12.92)	(0.39)	(0.05)	-	(0.08)	(0.07)	**(13.51)**
As at 31 March 2024	**74.47**	**724.35**	**1,207.47**	**2,072.76**	**3,166.45**	**69.11**	**22.58**	**277.14**	**46.65**	**7,660.98**
Accumulated depreciation and impairment loss										
As at 1 April 2022	**-**	**461.20**	**389.17**	**1,306.50**	**1,310.22**	**35.96**	**8.73**	**154.28**	**28.00**	**3,694.06**
Charge for the year	-	67.93	46.85	140.44	199.58	3.08	1.04	28.95	4.34	**492.21**
Impairment loss	2.85	-	55.62	0.24	-	-	-	-	-	**58.71**
Disposal during the year	-	-	-	(20.13)	(7.48)	(0.14)	(0.01)	(2.43)	(0.31)	**(30.50)**
As at 31 March 2023	**2.85**	**529.13**	**491.64**	**1,427.05**	**1,502.32**	**38.90**	**9.76**	**180.80**	**32.03**	**4,214.48**
Charge for the year	-	50.32	58.20	132.84	295.22	5.22	2.17	37.94	4.56	**586.47**
Impairment loss	-	1.35	3.36	15.76	-	1.36	1.39	5.18	1.07	**29.47**
Disposal during the year	-	-	-	(7.40)	(0.39)	(0.04)	-	(0.08)	(0.07)	**(7.98)**
As at 31 March 2024	**2.85**	**580.80**	**553.20**	**1,568.25**	**1,797.15**	**45.44**	**13.32**	**223.84**	**37.59**	**4,822.44**
Carrying amount										
As at 31 March 2024	**71.62**	**143.55**	**654.27**	**504.51**	**1,369.30**	**23.67**	**9.26**	**53.30**	**9.06**	**2,838.54**
As at 31 March 2023	**64.23**	**123.44**	**632.31**	**570.28**	**850.14**	**13.10**	**6.45**	**47.05**	**8.59**	**2,315.59**

Note:

a) **Contractual obligations**
The contractual commitments pending for the acquisition of property, plant and equipment as at 31 March 2024 is ₹493.42 (31 March 2023: ₹250.03)

b) **Property, plant and equipment pledged as security**
Refer Note.43 for details of Property, plant and equipment pledged as security for borrowings.

c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), are held in the name of the Company.

d) The Company has not revalued its property, plant and equipment during the current or previous year.

5 Investment property

Particulars	Right of Use - Land	Other assets forming part of Building				Total
		Buildings	Plant and machinery	Furniture and fixtures	Office equipment	
Cost						
As at 1 April 2022	**142.84**	**2,038.83**	**143.49**	**0.66**	**0.28**	**2,326.10**
Additions during the year	-	671.30	1.67	0.07	3.76	**676.80**
Disposal during the year	-	-	-	-	-	**-**
As at 31 March 2023	**142.84**	**2,710.13**	**145.16**	**0.73**	**4.04**	**3,002.90**
Additions during the year	-	50.84	-	-	1.38	**52.22**
Disposal during the year	-	-	(0.11)	-	-	**(0.11)**
As at 31 March 2024	**142.84**	**2,760.97**	**145.05**	**0.73**	**5.42**	**3,055.01**
Accumulated depreciation and amortisation						
As at 1 April 2022	**3.01**	**103.99**	**50.22**	**0.55**	**0.19**	**157.96**
Charge for the year	3.01	56.39	16.95	0.01	0.66	**77.02**
Disposal during the year	-	-	-	-	-	**-**
As at 31 March 2023	**6.02**	**160.38**	**67.17**	**0.56**	**0.85**	**234.98**
Charge for the year	3.02	75.97	14.02	0.03	1.88	**94.92**
Disposal during the year	-	-	(0.09)	-	-	**(0.09)**
As at 31 March 2024	**9.04**	**236.35**	**81.10**	**0.59**	**2.73**	**329.81**
Carrying amount						
As at 31 March 2024	**133.80**	**2,524.62**	**63.95**	**0.14**	**2.69**	**2,725.20**
As at 31 March 2023	**136.82**	**2,549.75**	**77.99**	**0.17**	**3.19**	**2,767.92**

a. One investment property is constructed/ developed on a leasehold land where the company is the lessee and the lease agreement is duly executed in favour of the lessee. As the Right-of-use assets meet the definition of investment property, and hence presented within 'investment property'.

b. Investment property comprises of commercial property and club houses that involve lease arrangements. Each of the leases contains an initial non-cancellable period of 2-3 years. The Company has no restrictions on the realisability of its investment property.

c. **Fair value of investment property**

The fair value of Investment property is ₹6,000.60 (31 March 2023: ₹5,878.10). The valuations is based on valuation performed by an accredited independent valuer and is a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value of the Company's investment properties have been arrived at using discounted cash flow method, direct comparison approach, and depreciated replacement cost method. Under discounted cash flow method, cash flow projections based on reliable estimates of cash flow are discounted. The main inputs used are rental growth rate, expected vacancy rates, discount rates, and transacted values of similar properties which are based on comparable transactions and industry data. The fair value measurement of the investment property has been categorised as a Level 3 fair value (discounted cash flow method) and level 2 fair value (direct comparison and depreciated replacement cost method) based on the inputs to the valuation technique used (refer note 40b).

d. **Investment property pledged as security**

Refer Note.43 for details of investment property pledged as security for borrowings.

e. **Amounts recognised in profit or loss**

Particulars	31 March 2024	31 March 2023
Rental income derived from investment properties (refer note 25B)	**374.80**	**318.09**
Direct operating expenses (including repairs and maintenance) that generated rental income	(23.94)	(14.57)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(16.58)	(16.53)
Profit arising from investment properties before depreciation and indirect expenses	**334.28**	**286.99**
Less: Depreciation	(94.92)	(77.02)
Profit arising from investment properties before indirect expenses	**239.36**	**209.97**

6 Intangible asset under development

	Software	Amount
As at 1 April 2022	**-**	**-**
Additions during the year	17.62	17.62
As at 1 April 2023	**17.62**	**17.62**
Additions during the year	36.74	36.74
As at 31 March 2024	**54.36**	**54.36**

Contractual obligations

The contractual commitments pending for the acquisition of intangible asset under development as at 31 March 2024 is ₹8.75 (31 March 2023: ₹13.93)

Ageing of intangible assets under development as at 31 March 2024

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress (*)	36.74	17.62	-	-	54.36
Projects temporarily suspended	-	-	-	-	-
	36.74	**17.62**	**-**	**-**	**54.36**

Ageing of intangible assets under development as at 31 March 2023

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress (*)	17.62	-	-	-	17.62
Projects temporarily suspended	-	-	-	-	-
	17.62	**-**	**-**	**-**	**17.62**

(*) There are no projects in progress under 'Intangible assets under development' whose completion is overdue or has exceeded its cost compared to its original plan.

7 Intangible assets

	Software	Intellectual property rights	Total
Cost			
As at 1 April 2022	15.59	0.05	**15.64**
Additions during the year	-	-	-
As at 31 March 2023	**15.59**	**0.05**	**15.64**
Additions during the year	-	-	-
As at 31 March 2024	**15.59**	**0.05**	**15.64**
Amortisation			
As at 1 April 2022	15.45	0.05	**15.50**
Charge for the year	0.08	-	0.08
As at 31 March 2023	**15.53**	**0.05**	**15.58**
Charge for the year	0.06	-	0.06
As at 31 March 2024	**15.59**	**0.05**	**15.64**
Carrying amount			
As at 31 March 2024	**-**	**-**	**-**
As at 31 March 2023	**0.06**	**-**	**0.06**

Note: The Company has not revalued its intangible assets during the current or previous year.

8 Investments (Non-Current)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
Investment in equity instruments	A	1,385.37	1,385.32
Investment in preference shares	B	77.00	77.00
Investments in partnership firm	C	2,063.36	1,909.56
Investments in Limited Liability Partnership (LLP) firm	D	1,149.33	1,149.33
Investments in Government or trust securities	E	-	0.08
		4,675.06	**4,521.29**

	No. of shares				Amount	
	31 March 2024	% of holding	31 March 2023	% of holding	As at 31 March 2024	As at 31 March 2023
Investments carried at cost						
Trade investments (valued at cost unless stated otherwise)						
A Investment in equity instruments (Unquoted)						
Investment in subsidiaries						
(i) Sobha Highrise Ventures Private Limited (#)						
Class A equity shares of ₹ 10 each (in ₹) fully paid-up	199,999	100%	199,999	100%	2.00	2.00
Class C equity shares of ₹ 33.90 each (in ₹) fully paid-up	10,200,000	100%	10,200,000	100%	345.78	345.78
Class D equity shares of ₹ 10 each (in ₹) fully paid-up	2,500,000	100%	2,500,000	100%	25.00	25.00
(ii) Sobha Developers (Pune) Limited (*)	526,320	100%	526,320	100%	986.41	986.41
(iii) Sobha Nandambakkam Developers Limited (^)	50,000	100%	50,000	100%	13.74	13.74
(iv) Sobha Tambaram Developers Limited (^)	50,002	100%	50,002	100%	2.24	2.24
(v) Sobha Assets Private Limited (^)	10,000	100%	10,000	100%	0.10	0.10
(vi) Sobha Construction Products Private Limited (^)	1,000,000	100%	1,000,000	100%	10.00	10.00
(vii) C.V.S.Tech Park Private Limited	10,000	100%	NA	NA	0.10	-
					1,385.37	**1,385.27**
Investment in associate						
(i) C.V.S.Tech Park Private Limited (till 14 February 2024)	NA	NA	4,900	49%	-	0.05
B Investment in preference shares (Unquoted) (refer note '(i)' below)						
Investment in subsidiary						
Sobha Highrise Ventures Private Limited (#)	7,700,000	100%	7,700,000	100%	77.00	77.00

C Investments in partnership firm (refer note '(ii)' below)

In Subsidiary

	As at 31 March 2024	As at 31 March 2023
99% (31 March 2023 - 99%) share in the profits of partnership firm:		
Sobha City (Refer note 1 below)		
- Capital account	399.99	399.99
- Current account	1,535.37	1,381.57
- Additional consideration paid for acquisition of capital	128.00	128.00
	2,063.36	**1,909.56**

8 Investments (Non-Current) (cont'd)

D	**Investments in Limited Liability Partnership (LLP) firm**		
	In Joint Venture		
	50% (31 March 2023 - 50%) share in the profits of partnership firm:		
	Kondhwa Projects LLP		
	- Capital account	0.05	0.05
	- Current account	1,149.28	1,149.28
		1,149.33	1,149.33
		4,675.06	**4,521.21**
	Investments at amortized cost		
E	**Investment in Government or trust securities (unquoted)**		
	National savings certificates	-	0.08
	Total investments carried at amortised cost	**-**	**0.08**
	Total investments	**4,675.06**	**4,521.29**
	Aggregate amount of quoted investments and market value thereof	**-**	**-**
	Aggregate amount of unquoted investments	**4,675.06**	**4,521.29**
	Aggregate amount of impairment in value of investments	**-**	**-**

(^) Represents equity shares of ₹10/- each (in ₹) and fully paid up

(*) Represents equity shares of ₹1/- each (in ₹) and fully paid up

(#) Represents multiple class of equity shares (Class A, Class C and Class D) of face value ₹10/- each (in ₹) and fully paid up and compulsorily convertible preference shares of ₹10/- (in ₹) each and fully paid up

The principle place of business of all the investments of the Company is India

Note:

(i) The Company has subscribed to 0.001% unsecured, non-cumulative, Compulsorily Convertible Preference shares (CCPSs) of ₹10/- each (in ₹). At the option of holder, these CCPSs are convertible into fixed number of equity shares in one or more tranches within a period of 19 years from the date of allotment.

(ii) The particulars of partners of the partnership firm, their capital contribution and profit sharing ratio is as under:

Name of partners	As at 31 March 2024		As at 31 March 2023	
	Share of profit (%)	Capital	Share of profit (%)	Capital
Investment in Sobha City				
Sobha Limited	99%	399.99	99%	399.99
Sobha Developers (Pune) Limited	1%	0.01	1%	0.01
	100%	400.00	100%	400.00

(iii) The Company has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

9 Inventories

(Valued at cost or net realisable value, which ever is lower)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials, components and stores	600.70	717.54
Building materials	1,525.16	1,336.47
Land stock (*)	4,436.99	5,635.90
Work-in-progress		
- Real estate projects (*)	75,333.59	60,665.72
- Others	624.45	491.94
Stock of units in completed real estate projects (*)	5,911.19	13,957.80
Finished goods	53.02	61.53
	88,485.10	**82,866.90**

(*)Refer note 43 for details of inventories pledged as security for borrowings.

Note:

The write-down (net) of inventories to net realisable value for the year ended 31 March 2024 is ₹54.82 (31 March 2023: ₹124.00). This was recorded as an expense during the respective years and included in 'changes in inventories' in standalone statement of profit and loss.

10 Trade receivables

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - unsecured	393.45	795.18	2,522.90	2,669.94
Trade receivables - credit impaired	-	-	29.12	29.12
	393.45	795.18	2,552.02	2,699.06
Less: Impairment allowance (allowance for credit loss)				
Trade receivables considered good - unsecured	-	-	(546.96)	(572.34)
Trade receivables - credit impaired	-	-	(29.12)	(29.12)
Net trade receivables	**393.45**	**795.18**	**1,975.94**	**2,097.60**

Note:

a.	Trade receivables due by firms or private companies in which the director of the Company is a partner or a director or a member (refer note 35)	-	-	192.17	212.01
b.	Trade receivables from other related parties (refer note 35)	-	-	401.40	311.48
c.	Refer Note 43 for details of Trade receivables pledged as security for borrowings				

10 Trade receivables (cont'd)

d. Trade receivable ageing schedule

As at 31 March 2024	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
A. Non-current							
Undisputed Trade receivables-considered good	373.74	2.99	4.20	1.79	0.57	10.16	393.45
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Non-current	**373.74**	**2.99**	**4.20**	**1.79**	**0.57**	**10.16**	**393.45**
B. Current							
Undisputed Trade receivables-considered good	235.84	990.59	254.03	318.76	263.15	460.53	2,522.90
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	29.12	29.12
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Current	**235.84**	**990.59**	**254.03**	**318.76**	**263.15**	**489.65**	**2,552.02**

As at 31 March 2023	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
A. Non-current							
Undisputed Trade receivables-considered good	770.71	4.28	1.94	4.33	0.28	13.64	795.18
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Non-current	**770.71**	**4.28**	**1.94**	**4.33**	**0.28**	**13.64**	**795.18**

10 Trade receivables (cont'd)

d. Trade receivable ageing schedule (cont'd)

B. Current							
Undisputed Trade receivables-considered good	235.70	1,025.43	506.72	263.94	202.05	436.10	2,669.94
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	29.12	29.12
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Current	**235.70**	**1,025.43**	**506.72**	**263.94**	**202.05**	**465.22**	**2,699.06**

e. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

11 Loans

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Loans to related parties (refer note 35)				
Loans receivables considered good – unsecured	230.02	229.52	983.66	437.65
Loans receivables – credit impaired	8.34	8.34	-	-
	238.36	**237.86**	**983.66**	**437.65**
Less: Allowances for credit loss				
Loans receivables – credit impaired	(8.34)	(8.34)	-	-
Net loans	**230.02**	**229.52**	**983.66**	**437.65**

Note

Loans and advances to Directors / KMP / Related Parties repayable on demand	As at 31 March 2024		As at 31 March 2023	
	Amount outstanding	Percentage of Total	Amount outstanding	Percentage of Total
Related parties	1,222.02	100%	675.51	100%
	1,222.02	**100%**	**675.51**	**100%**

There are no loans due from directors or other officers either severally or jointly with any other person.

12 Other financial assets (Non-Current)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Refundable deposits towards joint development agreement (refer note 35)	180.00	180.00
Security deposits	42.52	42.51
Earnest money deposits	466.74	-
Fixed deposits with maturity for more than 12 months		
- Pledged/ under lien/ earmarked/ margin money (^^)	207.37	151.04
	896.63	**373.55**

Refer Note 43 for details of deposits pledged as security for borrowings

(^^) Includes interest accrued but not due

13 Other assets

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good				
Land advances (*)	9,117.90	9,021.93	-	627.03
Advances recoverable in kind	-	-	749.32	883.18
Prepaid expenses	-	-	1,629.35	1,013.08
Balances with statutory/ government authorities	-	-	749.68	982.03
Unbilled revenue (^)	-	-	1,686.48	1,801.76
Advances for joint development arrangements (#)	1,654.82	275.17	663.20	771.86
Other receivables	-	-	8.71	-
Unsecured, considered doubtful				
Land advances (^^)	82.63	168.16	-	-
Less: Provision for doubtful advances	(82.63)	(168.16)	-	-
	10,772.72	**9,297.10**	**5,486.74**	**6,078.94**

(*) Advances for land though unsecured, are considered good as the advances have been given based on arrangements/ memorandum of understanding executed by the Company and the Company/ seller/ intermediary has either already obtained a clear and marketable title, or is in the process of obtaining the same.

(^) Classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

(#) Advances under Joint Development Arrangements (JDA) are paid predominantely under JDA agreement/MOU's where there are certain conditions precedent to execute and register a JDA agreement. On completion of such conditions precedent and registration of JDA, such advances are usually reclassified to refundable deposit based on the terms of the registered JDA.

(^^) Land advances amounting to ₹218.37 have been written off during the year. Out of such write off ₹168.16 was provided for as at 31 March 2023.

Note

		Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
a.	Advances recoverable in kind from firms or private companies in which the director of the Company is a partner or a director or a member	-	-	11.06	10.02
b.	Includes from related parties				
	Land advances (refer note 35)	7,962.80	8,212.92	-	-
	Advances recoverable in kind (refer note 35)	-	-	266.12	304.91
	Unbilled revenue (refer note 35)	-	-	41.80	73.47

14 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts (*)	992.49	2,590.10
Cash on hand	3.90	8.36
Cheques/ drafts on hand	49.91	125.05
	1,046.30	**2,723.51**
(*) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	554.26	1,755.66

Note:

(i) Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Liabilities	As at 1 April 2023	Cash flow	Non-cash changes: Amortization of transaction cost	Non-cash changes: Accrued Interest	Non-cash changes: Initial recognition of Lease Liability	As at 31 March 2024
Borrowings from bank and other parties	19,394.36	(807.76)	-	-	-	18,586.60
Interest on Borrowings	28.15	(2,066.72)	-	2,054.80	-	16.23
Unclaimed dividend	2.00	-	-	-	-	2.00
Lease liabilities	232.81	(74.01)	-	25.12	78.32	262.24

Liabilities	As at 1 April 2022	Cash flow	Non-cash changes: Amortization of transaction cost	Non-cash changes: Accrued Interest	Non-cash changes: Initial recognition of Lease Liability	As at 31 March 2023
Borrowings from bank and other parties	23,816.44	(4,531.43)	109.35	-	-	19,394.36
Non-convertible debentures	495.09	(495.09)	-	-	-	-
Interest on Borrowings	34.05	(2,194.55)	-	2,188.65	-	28.15
Unclaimed dividend	2.32	(0.32)	-	-	-	2.00
Lease liabilities	253.49	(79.36)	-	27.26	31.42	232.81

15 Bank balance other than cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Earmarked bank balances		
– On unclaimed dividend account	2.00	2.00
Fixed deposits with banks with maturity less than 12 months (#)(^)(^^)		
- Pledged/ under lien/ earmarked/margin money	5,499.73	1,679.32
	5,501.73	**1,681.32**
(#) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	5,106.28	884.14

(^) Refer Note 43 for details of deposits pledged as security for borrowings.

(^^) Includes interest accrued but not due.

16 Other financial assets (Current)

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Refundable deposits towards joint development agreement (refer note 35)	3,067.95	3,226.74
Security deposits	129.03	127.21
External/Internal development charges (EDC/IDC)	144.36	1,284.84
Settlement share recoverable	599.87	-
Other receivables	234.17	80.00
	4,175.38	**4,718.79**

17 Equity share capital

	31 March 2024		31 March 2023	
	No of shares	Amount	No of shares	Amount
Authorised shares (*)				
Equity shares of ₹10 each (in ₹)	150,000,000	1,500.00	150,000,000	1,500.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹10 each (in ₹) fully paid up	94,845,853	948.46	94,845,853	948.46
Total issued, subscribed and fully paid-up share capital	**94,845,853**	**948.46**	**94,845,853**	**948.46**

(*) Excludes 5,000,000, 7% Redeemable preference shares of ₹100 each (in ₹) amounting to ₹500 (31 March 2023: ₹500)

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	31 March 2024		31 March 2023	
	No of shares	Amount	No of shares	Amount
Equity shares				
At the beginning of the year	94,845,853	948.46	94,845,853	948.46
Outstanding at the end of the year	**94,845,853**	**948.46**	**94,845,853**	**948.46**

(b) Terms/rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹10 per share (in ₹) fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of equity shareholders holding more than 5% shares in the Company

Name of the Shareholder	31 March 2024		31 March 2023	
	No of shares	% Holding	No of shares	% Holding
Equity shares of ₹10 each (in ₹) fully paid up				
Mrs. Sobha Menon	28,726,420	30.29%	28,726,420	30.29%
Mr. P.N.C. Menon	12,339,259	13.01%	12,319,259	12.99%
Mr. P.N.C. Menon (inclusive of joint holding with Mrs. Sobha Menon)	5,289,054	5.58%	5,289,054	5.58%
Anamudi Real Estates LLP	9,475,096	9.99%	9,475,096	9.99%
Schroder International Selection Fund Emerging Asia (^)	355,638	0.37%	5,541,913	5.84%
Franklin India Focused Equity Fund (^)	2,805,879	2.96%	5,828,613	6.15%

(^) Held more than 5% as at 31 March 2023

17 Equity share capital (cont'd)

(d) Details of shares held by promoters

Promoter Name	31 March 2024			31 March 2023		
	No.of shares	% of total shares	% change during the year	No.of shares	% of total shares	% change during the year
Mrs. Sobha Menon	28,726,420	30.29%	-	28,726,420	30.29%	-
Mr. P.N.C. Menon	12,339,259	13.01%	0.02%	12,319,259	12.99%	0.27%
Mr. P.N.C. Menon (inclusive of joint holding with Mrs. Sobha Menon)	5,289,054	5.58%	-	5,289,054	5.58%	-
Mr. Ravi PNC Menon	3,185,930	3.36%	-	3,185,930	3.36%	-

(e) There have been no buy back of shares, issue of bonus shares and issue of shares pursuant to contract without payment being received in cash for the period of 5 years immediately preceding the reporting date.

(f) There are no shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestments.

18 Other equity

	As at 31 March 2024	As at 31 March 2023
Capital redemption reserve	119.47	119.47
Securities premium	9,328.92	9,328.92
General reserve	4,490.36	4,443.79
Retained earnings	8,692.06	8,570.04
	22,630.81	**22,462.22**

Nature and purpose of reserve

(a) Capital redemption reserve
The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital redemption reserve.

(b) Securities premium
Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of Section 52(2) of Companies Act, 2013.

(c) General reserve
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(d) Retained earnings
The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under surplus in the statement of profit and loss.

19 Distribution made and proposed

	31 March 2024	31 March 2023
Final dividend on equity shares declared and paid		
₹ 3 per share for the year ended 31 March 2023	284.54	-
₹3 per share for the year ended 31 March 2022	-	284.54
	284.54	**284.54**
Details of proposed final dividend on equity shares (*)		
₹3 per share for the year ended 31 March 2024	284.54	-
₹3 per share for the year ended 31 March 2023	-	284.54
	284.54	**284.54**

(*) Proposed dividend on equity shares are subject to the approval of the shareholders at the ensuing annual general meeting and are not recognised as a liability as at respective balance sheet dates.

20 Borrowings

	As at 31 March 2024	As at 31 March 2023
Non-current borrowings		
Term loans (Secured)	7,224.94	8,301.62
- from banks	3,011.48	3,033.83
- from other parties	**10,236.42**	**11,335.45**
Term loans (Unsecured)	993.06	-
- from banks		
Less: Current maturities of long term borrowings	(4,513.39)	(5,749.32)
Total non-current borrowings	**6,716.09**	**5,586.13**
Current borrowings		
Term loans (Secured)		
- from banks	98.27	813.04
- from other parties	952.69	928.02
Loans repayable on demand		
- from banks	3,650.98	3,991.21
Cash credit from banks	2,655.18	2,326.64
Current maturities of long term borrowings	4,513.39	5,749.32
Total current borrowings	**11,870.51**	**13,808.23**

Note:

i) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

ii) The Company has not been declared willful defaulter by any bank, financial institution, government or any government authority.

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Non-current borrowings					
Term loans from banks	1,154.17	2,789.15	8%-10%	Secured by way of a. equitable mortgage on immovable properties of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances, other current assets and receivables (both present and future) of the project	Repayable in 10 equal quarterly installments, after a moratorium period of 39 months from the date of first disbursement.
Term loans from banks	1,394.52	1,475.98	8%-10%	Secured by way of a. mortgage of Investment Property and hypothecation of current assets and receivables relating to the Investment Property b. hypothecation of Escrow account and Debt Service Reserve account	Repayable in 153 monthly installments, after a moratorium period of 3 months from the date of first disbursement.

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Term loans from banks	179.55	1,387.87	8%-10%	Secured by way of a. first charge on the Company's share of Inventory in the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances, other current assets and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 10 equal quarterly installments, after a moratorium period of 42 months from the date of first disbursement.
Term loans from banks	372.03	558.39	8%-10%	Security charge by way of a. equitable mortgage of immovable property of the Subsidiary project b. first Charge on Escrow balances and all assets of the Subsidiary project c. Corporate security of the subsidiary	Repayable in 15 equal quarterly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from banks	1,168.74	462.51	8%-10%	Secured by way of a. equitable mortgage on immovable properties of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances, other current assets and receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 10 equal quarterly installments, after a moratorium period of 51 months from the date of first disbursement.
Term loans from banks	74.17	222.43	8%-10%	Secured by way of a. first charge on Property, Plant and Equipment b. equitable mortgage on vacant land parcels	Repayable in 16 equal quarterly installments from the date of first disbursement
Term loans from banks	46.84	195.78	8%-10%	Secured by way of a. equitable mortgage on immovable properties of the project b. hypothecation of receivables (both present and future)	Repayable in 48 quarterly installments, after a moratorium period of 30 months from the date of first disbursement.
Term loans from banks	374.47	684.96	8%-10%	Security charge by way of a. equitable mortgage of immovable property of the Subsidiary project b. first charge on all assets of the Subsidiary project	Repayable in 36 equal quarterly installments, after a moratorium period of 12 months from the date of first disbursement.
Term loans from banks	186.46	524.55	8%-10%	Secured by way of a. first charge on the Company's share of Inventory of the project b. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 24 monthly installments, after a moratorium period of 36 months from the date of first disbursement.
Term loans from banks	839.04	-	9%-10%	Secured by way of a. Registered mortgage on immovable properties of the project b. hypothecation of Escrow balances, other current assets and receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 36 monthly installments, after a moratorium period of 12 months from the date of first disbursement.
Term loans from banks	497.83	-	9%-10%	Secured by way of a. equitable mortgage on immovable properties of the project(both present and future) b. hypothecation of receivables of the projects (both present and future)	Repayable in 8 equal quarterly installments, after a moratorium period of 12 months from the date of first disbursement.
Term loans from banks	661.73	-	9%-11%	Secured by way of a. mortgage of property owned by Subsidiary Company b. mortgage of building owned by the Company c. corporate guarantee of Subsidiary Company	Repayable in 20 equal quarterly installments from the date of first disbursement.

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Term loans from banks	275.39	-	9%-10%	Secured by way of a. hypothecation of Escrow balances, other current assets and receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 11 equal quarterly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from other parties	386.32	603.81	8%-10%	Secured by way of a. mortgage of property owned by Subsidiary Company b. mortgage of building owned by the Company c. corporate security of Subsidiary Company	Repayable in 20 equal quarterly installments, after a moratorium period of 6 months from the date of first disbursement.
Term loans from other parties	826.41	1,012.98	8%-10%	Secured by way of a. first charge on the Company's share of Inventory of the project b. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project	Repayable in 24 monthly installments, after a moratorium period of 48 months from the date of first disbursement.
Term loans from other parties	420.71	797.90	8%-10%	Secured by way of a. equitable mortgage on the Company's share of Inventory of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project	Repayable in 24 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	147.06	595.47	8%-10%	Secured by way of a. equitable mortgage on the Company's share of Inventory of the project b. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project	Repayable in 24 monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	-	23.67	9%-11%	Secured by way of a. equitable mortgage on the Company's share of Inventory of the project b. first charge on the vacant land parcels c. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project	Repayable in 24 monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	325.17	-	9%-10%	Secured by way of a. equitable mortgage on vacant land parcels b. hypothecation of Escrow balances and Company's shareof receivables (both present and future) of the project c. corporate guarantee of Subsidiary Company	Repayable in 24 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	905.81	-	8%-10%	Secured by way of a. equitable mortgage on the Company's share of Inventory of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project	Repayable in 36 monthly installments, after a moratorium period of 36 months from the date of first disbursement.
Term loans from banks	993.06	-	9%-11%	Unsecured	Repayable in 30 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Sub - total	**11,229.48**	**11,335.45**			

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Current borrowings					
Loan from banks	-	1,178.53	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Loan from banks	695.76	696.42	8%-10%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Term loans from banks	-	551.03	8%-10%	Secured by way of a. equitable mortgage of immovable property of the project b. equitable mortgage on vacant land parcels c. hypothecation of other current assets and receivables (both present and future) of the project	Repayable in 10 quarterly installments, after a moratorium period of 30 months from the date of first disbursement.
Loan from banks	-	406.26	8%-11%	Secured by way of a. first charge on the Company's share of Inventory in the project b. hypothecation of Escrow balances, other current assets and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable on demand
Loan from banks	1,475.87	1,490.25	8%-10%	Secured by way of a. first charge on inventory of the project b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Term loans from banks	98.27	262.01	8%-10%	Secured by way of a. first charge on the Company's share of Inventory of the project b. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project and Debt Service Reserve account c. fund shortfall undertaking by the director of the Company towards funding of underlying projects (*)	Repayable in 24 monthly installments, after a moratorium period of 36 months from the date of first disbursement.
Loan from banks	479.35	219.75	8%-10%	Secured by way of a. first charge on the Company's share of Inventory of the project b. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable on demand
Loan from banks	1,000.00	-	8%-10%	Secured by way of a. first charge on inventory of the project receivables and inventory of contractual business b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Term loans from other parties	-	678.68	8%-10%	Secured by way of a. equitable mortgage on immovable properties of the project b. hypothecation of receivables (both present and future) of the project.	Repayable in 30 monthly installments, after a moratorium period of 24 months from the date of first disbursement.

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Term loans from other parties	581.07	249.34	8%-10%	Secured by way of a. equitable mortgage on the Company's share of Inventory of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project	Repayable in 24 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	371.62	-	9%-10%	Secured by way of a. equitable mortgage on vacant land parcels b. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project c. corporate guarantee of Subsidiary Company	Repayable in 24 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Cash credit	1,815.15	838.68	9%-11%	Secured by way of a. equitable mortgage on vacant land parcels b. hypothecation of receivables (both present and future) of projects	Repayable on demand
Cash credit	301.28	707.77	8%-10%	Secured by way of receivables of the projects	Repayable on demand
Cash credit	126.60	276.72	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	163.39	85.00	7%-9%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	-	20.09	8%-11%	Secured by way of a. first charge on the Company's share of Inventory in the project b. hypothecation of Escrow balances, other current assets and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable on demand
Cash credit	8.14	4.92	7%-9%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	-	7.40	7%-9%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.39	9.93	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	-	3.65	8%-10%	Secured by way of a. first charge on receivables (both present and future) of the project b. equitable mortgage on the vacant lands	Repayable on demand

(All amounts in ₹ millions, unless otherwise stated)

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Cash credit	-	0.72	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.32	0.04	7%-9%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	124.22	272.54	8%-10%	Secured by way of a. first charge on the Company's share of Inventory of the project b. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable on demand
Cash credit	30.00	50.20	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	58.30	30.00	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	10.22	18.98	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	1.52	-	8%-10%	Secured by way of a. first charge on inventory of the project receivables and inventory of contractual business b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	15.00	-	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.05	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Sub - total	**7,357.12**	**8,058.91**			
Total borrowings	**18,586.60**	**19,394.36**			

(*) Refer Note 35

21 Other financial liabilities

	As at 31 March 2024	As at 31 March 2023
Current		
Payable to land owner for acquisition of land/developmental rights	2,484.38	3,133.03
Security deposit received towards		
-Maintenance services	1,683.36	2,026.89
-Lease deposit	97.10	90.57
Letter of credit payable	521.78	1,346.96
Book overdraft	427.28	1,025.86
Revenue share payable under joint development agreement (refer note 35)	205.36	604.00
Interest accrued but not due on borrowings	16.23	28.15
Deferred lease rental	13.63	9.23
Unclaimed dividend (*)	2.00	2.00
Capital creditors	2.04	2.19
Payable to related parties (refer note 35)	3.68	1.89
Others	214.08	314.38
Total other financial liabilities	**5,670.92**	**8,585.15**

(*) Investor Protection and Education Fund is credited for unclaimed dividends when due.

22 Provisions

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits				
Provision for gratuity (refer note 37)	245.54	228.85	98.15	85.68
Provision for compensated absence	-	-	124.97	117.09
	245.54	**228.85**	**223.12**	**202.77**

This space is intentionally left blank

(All amounts in ₹ millions, unless otherwise stated)

23 Trade payables

	As at 31 March 2024	As at 31 March 2023
Dues of micro enterprises and small enterprises	-	-
Dues of creditors other than micro enterprises and small enterprises (refer note 35)	6,133.05	5,956.15
	6,133.05	**5,956.15**

Trade Payable Ageing

As at 31 March 2024	Accrued	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,097.73	1,067.88	3,767.60	107.49	40.04	52.31	6,133.05
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	1,097.73	**1,067.88**	**3,767.60**	**107.49**	**40.04**	**52.31**	**6,133.05**

As at 31 March 2023	Accrued	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	930.80	1,358.27	3,348.16	103.65	61.65	153.62	5,956.15
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	930.80	**1,358.27**	**3,348.16**	**103.65**	**61.65**	**153.62**	**5,956.15**

Note

A Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

	Particulars	31 March 2024	31 March 2023
i.	Principal amount remaining unpaid to any supplier as at the year end	-	-
ii.	Interest due thereon	-	-
iii.	Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
iv.	Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED, 2006	-	-
v.	Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

24 Other liabilities

	As at 31 March 2024	As at 31 March 2023
Contract liabilities		
-Advance from customers	66,420.42	50,878.07
-Mobilisation advance	833.92	621.99
-Liability under joint development agreement (*)	8,812.74	11,414.70
-Deferred revenue	165.18	168.70
Withholding taxes payable	98.82	120.54
Others	247.54	104.89
	76,578.62	**63,308.89**

(*) Represents amount payable to landowners where the Company has entered into joint development arrangements with landowners for joint development of properties on land in lieu of which, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, net of revenue recognised.

25 Revenue from operations (refer note 35)

		Year ended 31 March 2024	Year ended 31 March 2023
A	**Revenue from contract with customers**		
I	**Sale of products**		
	Income from constructed properties, plots and other development activities	22,217.88	23,512.01
	Income from sale of land and development rights (net)	159.51	-
	Income from glazing works	1,723.91	2,626.08
	Income from interior works	1,013.54	863.37
	Income from concrete blocks	843.15	649.08
II	**Sale of services**		
	Income from contractual activity	3,834.58	4,599.42
	Income from maintenance and other services	391.08	363.80
III	**Other operating revenue**		
	Forfeiture income	83.77	138.64
	Interest collected from customers	70.83	62.75
	Transfer fees	80.21	67.30
	Marketing fee	45.82	16.51
	Scrap sales	80.40	63.81
	Total (A)	**30,544.68**	**32,962.77**
B	**Rental income**		
	Rental income from operating leases (refer note 38)	374.80	318.09
	Total (A+B)	**30,919.48**	**33,280.86**

Additional disclosures required under Ind AS 115

A Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of goods or services

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue recognition at a point of time	21,498.52	22,451.00
Revenue recognition over period of time	9,046.16	10,511.77
	30,544.68	**32,962.77**

25 Revenue from operations (refer note 35) (cont'd)

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contract assets		
Unbilled revenue	1,686.48	1,801.76
Total contract assets	**1,686.48**	**1,801.76**
Contract liabilities		
Advance from customers (includes mobilisation advance)	67,254.34	51,500.06
Liability under joint development agreement	8,812.74	11,414.70
Deferred revenue	165.18	168.70
Total contract liabilities	**76,232.26**	**63,083.46**
Receivables		
Trade receivables (net of expected credit loss)	2,369.39	2,892.78
Total receivables	**2,369.39**	**2,892.78**

Unbilled revenue is initially recognised for revenue earned on account of contracts where revenue is recognised over the period of time as receipt of consideration is conditional on successful completion of performance obligations as per contract. Once the performance obligation is fulfilled and milestones for invoicing are achieved, contract assets are classified to trade receivables. Such unbilled revenue is classified as non-financial asset because the right to consideration depends on completion of contractual milestones.

Contract liabilities include advances received from customers as well as deferred revenue representing transaction price allocated to outstanding performance obligations.

Cost to obtain the contract:
(i) Amortisation in Statement of Profit and Loss: ₹463.10 (31 March 2023: ₹326.20)
(ii) Recognised as contract assets: ₹1,521.90 (31 March 2023:₹909.39)

C Significant changes in contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2024			As at 31 March 2023		
	Advances from customers (*)	Payable to land owner	Deferred Revenue	Advances from customers (*)	Payable to land owner	Deferred Revenue
Opening balance	**51,500.06**	**11,414.70**	**168.70**	**41,145.36**	**10,384.34**	**117.16**
Additions during the year (net)	34,959.80	885.71	165.18	31,608.40	4,316.63	168.70
Revenue recognised during the year	(19,205.52)	(3,487.67)	(168.70)	(21,253.70)	(3,286.27)	(117.16)
Closing balance	**67,254.34**	**8,812.74**	**165.18**	**51,500.06**	**11,414.70**	**168.70**

(*) Includes mobilisation advance

D Significant changes in unbilled revenue balances during the year are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	**1,801.76**	**3,324.71**
Revenue recognised during the year	5,604.31	7,242.01
Billed during the year	(5,719.59)	(8,764.96)
Closing balance	**1,686.48**	**1,801.76**

25 Revenue from operations (refer note 35) (cont'd)

E Reconciliation of revenue recognised with contract revenue:

Particulars	As at 31 March 2024	As at 31 March 2023
Contract revenue	30,544.68	32,962.77
Revenue recognised	**30,544.68**	**32,962.77**

The performance obligation of the Company in case of sale of residential plots, villas, apartments, commercial space and development management of such properties is satisfied once the project is completed and control is transferred to the customers. The customer makes the payment for contract price as per installment stipulated in customer's agreement which can be cancelled by the customer for convenience.

The transaction price of the remaining performance obligation (unsatisfied or partly satisfied) as at 31 March 2024 is ₹140,915.27 (31 March 2023 is ₹117,002.90). The same is expected to be recognised within 1 to 5 years

26 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on		
-Bank deposits	246.88	43.66
-Loans to related parties (Refer note 35)	62.15	39.85
-Unwinding of discount on refundable deposits	324.05	231.29
-Refundable deposits	9.36	38.87
-Other financial assets	109.19	14.73
Share in profits of partnership firm investments (post tax)	43.40	19.06
Other non-operating income (net of expenses directly attributable to such income)		
-Liabilities no longer required written back	197.63	327.54
-Sub-contractor facilitation charges	245.63	179.50
-Gain on foreign exchange difference (net)	2.12	1.16
-Profit on sale of property, plant and equipment (net)	2.41	0.92
-Reversal of impairment of refundable deposit	-	50.55
-Others	64.15	30.66
	1,306.97	**977.79**

27 Cost of material consumed

	Year ended 31 March 2024	Year ended 31 March 2023
Inventory at the beginning of the year	717.54	636.87
Add: Purchases during the year	2,773.65	3,740.46
Less: Inventory at the end of the year	600.70	717.54
Cost of material consumed	**2,890.49**	**3,659.79**

28 Changes in inventories of raw materials, land stock, work in progress and finished goods

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year		
Building materials	1,525.16	1,336.47
Land stock	4,436.99	5,635.90
Work-in-progress	75,958.03	61,157.66
Stock of units in completed real estate projects	5,911.19	13,957.80
Finished goods	53.03	61.53
	87,884.40	**82,149.36**
Inventories at the beginning of the year		
Building materials	1,336.47	75.80
Land stock	5,635.90	3,232.70
Work-in-progress	61,157.66	57,836.05
Stock of units in completed real estate projects	13,957.80	10,990.05
Finished goods	61.53	58.91
	82,149.36	**72,193.51**
Add: EDC/IDC charges transferred from other financial assets	1,054.70	-
	(4,680.34)	**(9,955.85)**

29 Employee benefits expense (refer note 35)

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	3,191.54	2,664.55
Contribution to provident and other funds (refer note 37)	97.48	89.79
Gratuity expenses (refer note 37)	44.67	40.24
Compensated absence	52.68	69.72
Staff welfare expenses	139.83	80.45
	3,526.20	**2,944.75**

30 Finance costs (*)

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense		
-on borrowings	1,896.12	1,968.52
-unwinding of discount on land cost payable	255.20	189.01
-on lease liability	25.12	27.26
-on others	133.83	104.38
Other borrowing cost		
-letter of credit charges	24.85	85.08
-bank guarantee charges	32.13	18.88
-bank and other charges	31.85	30.67
Total	**2,399.10**	**2,423.80**
(*) Includes finance expense capitalised to inventory (The rate used to determine the amount of borrowing costs eligible for capitalisation is the effective interest rate of the underlying borrowings which is in the range of 7% to 11%) Capitalisation rate 31.03.2024 - 9% (31.03.2023 - 10%)	2,012.75	2,165.96

31 Depreciation and amortization expense

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment	586.47	492.21
Depreciation of investment properties	94.92	77.02
Depreciation of right of use assets	60.39	69.40
Amortization of intangible assets	0.06	0.08
	741.83	**638.71**

32 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
License fees and plan approval charges	633.90	646.13
Power and fuel	568.04	588.69
Freight and forwarding charges	278.18	266.45
Rent (refer note 35)	437.79	157.90
Rates and taxes	124.04	192.39
Insurance	133.72	129.16
Property maintenance expenses	140.57	107.44
Repairs and maintenance		
Plant and machinery	57.69	52.62
Others	108.66	70.53
Advertising and sales promotion	484.84	409.48
Brokerage and discounts	479.78	324.49
Donation	-	0.95
Corporate Social Responsibility expenditure (refer note 'B' below)	150.00	199.50
Travelling and conveyance (refer note 35)	212.37	305.37
Printing and stationery	49.71	38.72
Software and subscription charges	81.12	75.45
Water charges	52.87	28.66
Legal and professional fees	512.69	369.63
Payment to auditor (refer note 'A' below)	15.75	17.66
Allowance for credit loss on doubtful trade receivables	20.66	313.83
Provision for land advances	82.63	168.16
Other advances written off	50.21	60.95
Security and house keeping	263.83	203.48
Impairment of property, plant and equipment	29.47	58.70
Miscellaneous expenses	316.43	358.85
	5,284.95	**5,145.19**

A Payment to the auditor

	Year ended 31 March 2024	Year ended 31 March 2023
Audit fees (including limited review's)	14.20	14.10
Certification fees	-	1.65
Reimbursement of expenses	1.55	1.91
	15.75	**17.66**

32 Other expenses (cont'd)

B Details of CSR expenditure:

		Year ended 31 March 2024	Year ended 31 March 2023
a.	Amount required to be spent by the Company during the year	29.16	44.56
b.	Amount approved by the Board to be spent during the year	150.00	199.50
c.	Amount spent during the year		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than above	150.00	199.50
d.	Shortfall at the end of the year	Nil	Nil
e.	Nature of CSR activities	Social empowerment	Social empowerment
f.	Details of related party transactions	150.00	199.50
	- Sri Kurumba Educational and Charitable Trust (refer note 35)		

33 Income tax

The significant components of income tax expense for the years ended 31 March 2024 and 31 March 2023 are -

A Amounts charged to statement of profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current income tax:		
Current income tax charge	1,176.95	300.31
In respect of prior years	11.87	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(970.87)	63.90
Income tax expense reported in the statement of profit and loss	**217.95**	**364.21**

B Income tax recognised in other comprehensive income

Deferred tax credit on net loss on remeasurements of defined benefit plans	4.23	13.43
Income tax charge to other comprehensive income	**4.23**	**13.43**

C Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate for 31 March 2024 and 31 March 2023

	Year ended 31 March 2024	Year ended 31 March 2023
Accounting profit before income tax	683.64	1,317.10
Tax on accounting profit at statutory income tax rate 25.17% (31 March 2023: 25.17%)	172.05	331.47
Adjustments in respect of current income tax of previous years	11.87	-
Permanent adjustments	44.95	37.54
Tax impact on profit from partnership firm	(10.92)	(4.80)
	217.95	**364.21**

33 Income tax (cont'd)

D Deferred tax

Deferred tax assets and liabilities relates to the following- [DTA/(DTL)]

Particulars	Balance as at 01 April 2023	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2024
Deferred tax assets arising out of				
Property, plant and equipment and investment property	40.57	(22.23)	-	18.34
Provision for compensated absence	29.47	1.98	-	31.45
Provision for gratuity	79.17	3.10	4.23	86.50
Provision for exgratia	18.64	(2.47)	-	16.17
Expected credit losses	153.49	(8.49)	-	145.00
Others	14.47	(0.14)	-	14.33
On account of difference in IndAS 115 and ICDS III	(197.01)	999.12	-	802.11
Net deferred tax assets	**138.80**	**970.87**	**4.23**	**1,113.90**

Particulars	Balance as at 01 April 2022	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2023
Deferred tax assets arising out of				
Property, plant and equipment	66.01	(25.44)	-	40.57
Provision for compensated absence	20.50	8.97	-	29.47
Provision for gratuity	65.41	0.33	13.43	79.17
Provision for exgratia	11.62	7.02	-	18.64
Expected credit losses	80.30	73.19	-	153.49
Others	6.00	8.47	-	14.47
	249.84	72.54	13.43	335.81
Deferred tax liabilities arising out of				
On account of difference in IndAS 115 and ICDS III	(60.57)	(136.44)	-	(197.01)
	(60.57)	(136.44)	-	(197.01)
Net deferred tax assets	**189.27**	**(63.90)**	**13.43**	**138.80**

E The Company has not entered into any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

F Income tax assets (net)

Particulars	31 March 2024	31 March 2023
Income tax assets (net)	307.02	70.96
	307.02	**70.96**

G Current tax liabilities (net)

Particulars	31 March 2024	31 March 2023
Provision for tax (net of advance tax)	587.68	-
	587.68	**-**

34 Earnings per share ['EPS']

Particulars	31 March 2024	31 March 2023
Net Profit after tax attributable to equity shareholders	465.69	952.89
Weighted average number of equity shares used in calculating basic and diluted EPS	94,845,853	94,845,853
Nominal value per equity share (in ₹)	10	10
Earnings per share (in ₹)		
- Basic and diluted	4.91	10.05

The Company does not have any potential diluted equity shares and therefore basic and diluted EPS are same.

35 Related party disclosures

A) Name of the related parties and the nature of its relationship with the Company's as below

Subsidiaries

Sobha City
Sobha Highrise Ventures Private Limited
Sobha Developers (Pune) Limited
Sobha Assets Private Limited
Sobha Tambaram Developers Limited
Sobha Nandambakkam Developers Limited
Sobha Construction Products Private Limited
C.V.S.Tech Park Private Limited (with effect from 14 February 2024)

Subsidiaries of Sobha City

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

Subsidiaries of Sobha Highrise Ventures Private Limited

Sobha Contracting Private Limited

Subsidiaries of Sobha Developers (Pune) Limited

Kilai Builders Private Limited
Kuthavakkam Builders Private Limited
Kuthavakkam Realtors Private Limited
Sobha Interiors Private Limited

Joint Venture

Kondhwa Projects LLP

Associate

C.V.S.Tech Park Private Limited (till 14 February 2024)

35 Related party disclosures (cont'd)

A) Name of the related parties and the nature of its relationship with the Company's as below (cont'd)

Key Shareholder

Mr. P. N. C. Menon
Mrs. Sobha Menon

Key Management Personnel ('KMP')

Mr. Ravi PNC Menon - Chairman
Mr. Jagadish Nangineni - Managing Director

Additional related parties ('KMP's) as per Companies Act, 2013 with whom transactions have taken place

Mr. Yogesh Bansal - Chief Financial Officer
Mr. Bijan Kumar Dash - Company Secretary (with effect from 1 December 2023)
Mr. Vighneshwar G Bhat - Company Secretary (till 19 October 2023)

Other Directors

Mr. Anup Shah
Mr. R V S Rao
Mrs. Srivathsala KN
Mr. Raman Mangalorkar

Relatives of key management personnel

Mrs. Sudha Menon
Mr. P N Haridas

Post employment-benefit plan entity

Sobha Developers Employees Gratuity Trust

Other related parties with whom transcation has taken place

Puzhakkal Developers Private Limited
Sobha Glazing & Metal Works Private Limited
Sobha Projects & Trade Private Limited
Sobha Puravankara Aviation Private Limited
Sri Durga Devi Property Management Private Limited
Sri Kurumba Educational and Charitable Trust
Sri Parvathy Land Developers Private Limited
Technobuild Developers Private Limited
Mapedu Realtors Private Limited
Mapedu Builders Private Limited
Chikmangaloor Properties Private Limited
Chikmangaloor Developers Private Limited
Chikmangaloor Realtors Private Limited
Rusoh Marina Properties Private Limited
Rusoh Modern Builders Private Limited
Rusoh Modern Properties Private Limited
Thakazhi Developers Private Limited
Thakazhi Realtors Private Limited
Tirur Cyber Real Estates Private Limited
Kilai Super Developers Private Limited

35 Related party disclosures (cont'd)

B) Details of the transactions with the related parties:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
I. Transaction with subsidiaries		
Income from constructed properties, plots and other development activities		
Sobha Highrise Ventures Private Limited	56.79	71.29
Sobha Developers (Pune) Limited	2.19	-
Income from contractual activity		
Sobha City	125.65	10.52
Sobha Highrise Ventures Private Limited	390.71	416.08
Kilai Builders Private Limited	-	50.52
Sobha Contracting Private Limited	230.29	272.19
Other operating income		
Sobha Highrise Ventures Private Limited	26.57	-
Sobha Contracting Private Limited	3.68	-
Income from interior and mattress works		
Sobha Highrise Ventures Private Limited	28.35	31.87
Rental income from operating lease		
Sobha Highrise Ventures Private Limited	44.55	62.44
Land purchase and related cost		
Sobha Highrise Ventures Private Limited	-	263.88
Sobha Developers (Pune) Limited	428.19	-
Purchase of project material		
Sobha Highrise Ventures Private Limited	29.69	0.19
Share in profit of partnership firm		
Sobha City	43.40	19.06
Interest income on unsecured loans to related parties		
Sobha Highrise Ventures Private Limited	4.38	8.22
Sobha Developers (Pune) Limited	22.30	5.64
Sobha Assets Private Limited	-	9.82
Sobha Contracting Private Limited	17.37	16.03
Kuthavakkam Builders Private Limited	3.67	0.14
Kilai Builders Private Limited	14.43	-
Amount contributed to partnership current account		
Sobha City	177.80	273.78

35 Related party disclosures (cont'd)

B) Details of the transactions with the related parties: (cont'd)

I. Transaction with subsidiaries (cont'd)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount withdrawn from partnership current account		
Sobha City	24.00	170.69
Rent paid		
Kilai Builders Private Limited	0.35	-
Sobha City	1.64	-
Purchase of equity		
C.V.S.Tech Park Private Limited	0.05	-
Sale of land		
Kuthavakkam Builders Private Limited	14.62	-
Allowance for credit loss		
Sobha Assets Private Limited	-	8.34
Security deposit adjusted towards rent		
Sobha Interiors Private Limited	14.00	14.00
Security deposit		
Sobha Highrise Ventures Private Limited	0.50	-
Refundable deposits paid towards joint development		
Sobha Highrise Ventures Private Limited	-	20.00
Sobha Developers (Pune) Limited	20.00	-
Refundable deposits adjusted towards joint development		
Sobha Highrise Ventures Private Limited	12.41	4.32
Sobha Developers (Pune) Limited	0.91	-
Unsecured loans - Loan given to		
Sobha Highrise Ventures Private Limited	100.60	116.47
Sobha Developers (Pune) Limited	314.43	226.75
Sobha Assets Private Limited	0.50	461.89
Sobha Contracting Private Limited	44.04	23.00
Kuthavakkam Builders Private Limited	17.03	21.89
Kilai Builders Private Limited	386.02	-
Unsecured loans - Loan repaid by		
Sobha Highrise Ventures Private Limited	108.48	223.94
Sobha Developers (Pune) Limited	138.49	63.38
Sobha Assets Private Limited	-	250.05
Kilai Builders Private Limited	116.86	-
Sobha Contracting Private Limited	14.43	12.47

35 Related party disclosures (cont'd)

B) Details of the transactions with the related parties: (cont'd)

I. Transaction with subsidiaries (cont'd)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Corporate guarantee received		
Sobha Interiors Private Limited	700.00	-
Sobha City	1,500.00	-
Sobha Highrise Ventures Private Limited	-	750.00
Security extinquised		
Sobha Assets Private Limited	-	227.32
Sobha City	75.37	-
Sobha Interiors Private Limited	3.53	-
Corporate guarantee extinquised		
Kilai Builders Private Limited	-	5,750.00
Security received		
Sobha Contracting Private Limited	11.71	1,238.20
Sobha Highrise Ventures Private Limited	36.19	-
II. Transaction with Joint venture		
Amount contributed to partnership current account		
Kondhwa Projects LLP	-	0.60
III. Transaction with other related parties / KMP		
Income from constructed properties, plots and other development activities		
Mr. Jagadish Nangineni	5.02	-
Other income		
Mr. Jagadish Nangineni	0.16	-
Income/(loss) from sale of land and development rights		
Chikmangaloor Properties Private Limited	0.14	0.97
Chikmangaloor Developers Private Limited	(0.01)	-
Chikmangaloor Realtors Private Limited	0.06	-
Thakazhi Developers Private Limited	22.27	16.25
Thakazhi Realtors Private Limited	15.68	6.64
Rusoh Marina Properties Private Limited	(0.10)	(0.01)
Rusoh Modern Builders Private Limited	(1.39)	-
Rusoh Modern Properties Private Limited	0.23	-
Mapedu Realtors Private Limited	-	(0.15)
Mapedu Builders Private Limited	-	(0.14)
Kilai Super Developers Private Limited	(0.79)	-
Tirur Cyber Real Estates Private Limited	8.81	-
Income from glazing works		
Sri Kurumba Educational and Charitable Trust	0.49	0.30
Mr. R V S Rao	0.10	-

35 Related party disclosures (cont'd)

B) Details of the transactions with the related parties: (cont'd)

III. Transaction with other related parties / KMP (cont'd)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Income from interior works		
Sri Kurumba Educational and Charitable Trust	1.00	0.44
Mr. Anup Shah	-	0.04
Mr. Jagadish Nangineni	0.18	-
Income from concrete blocks		
Sobha Projects & Trade Private Limited	5.96	11.57
Sub-contractor cost		
Sobha Projects & Trade Private Limited	318.34	382.96
Rent		
Sri Kurumba Educational and Charitable Trust	0.12	-
Mr. Ravi PNC Menon	9.00	-
Travelling and conveyance - Aircraft hire charges		
Sobha Puravankara Aviation Private Limited	49.65	129.37
Corporate Social Responsibility expenditure		
Sri Kurumba Educational and Charitable Trust	150.00	199.50
Land advance paid		
Technobuild Developers Private Limited	-	200.00
Advances recoverable in kind		
Sobha Puravankara Aviation Private Limited	-	105.00
Sri Parvathy Land Developers Private Limited	-	0.01
Sri Durga Devi Property Management Private Limited	-	0.06
Land advance refunded		
Technobuild Developers Private Limited	189.60	247.43
Puzhakkal Developers Private Limited	-	52.20
Sri Parvathy Land Developers Private Limited	-	106.48
Sri Durga Devi Property Management Private Limited	-	43.10
Provision for land advances		
Sri Parvathy Land Developers Private Limited	-	60.51
Security deposit adjusted towards rent		
Sobha Glazing & Metal Works Private Limited	5.50	5.50
Contribution to plan assets		
Sobha Developers Employees Gratuity Trust	32.30	26.90
Guarantee or security received		
Sri Durga Devi Property Management Private Limited	900.00	1,100.00
Sri Parvathy Land Developers Private Limited	900.00	1,100.00

35 Related party disclosures (cont'd)

B) Details of the transactions with the related parties: (cont'd)

III. Transaction with other related parties / KMP (cont'd)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Guarantees extinguished		
Sri Durga Devi Property Management Private Limited	-	1,500.00
Sri Parvathy Land Developers Private Limited	-	1,500.00
Directors' remuneration		
Mr. Ravi PNC Menon	-	92.49
Mr. Jagadish Nangineni	22.88	33.08
Dividend paid (payment basis)		
Mr. Ravi PNC Menon	9.56	9.56
Mr. Jagadish Nangineni	0.01	-
Mr. Anup Shah	0.01	0.01
Mr. R V S Rao	-	0.05
Mrs. Sudha Menon	0.00	0.00
Mr. P N Haridas	0.14	0.14
Salary (including perquisites)		
Mr. Yogesh Bansal	8.87	6.74
Mr. Bijan Kumar Dash	1.94	-
Mr. Vighneshwar G Bhat	4.50	5.18
Directors' sitting fees and commission		
Mr. Anup Shah	2.19	2.14
Mr. R V S Rao	2.18	2.18
Mrs. Srivathsala KN	2.25	2.23
Mr. Raman Mangalorkar	2.22	2.16
IV. Transaction with key shareholders		
Dividend paid (payment basis)		
Mr. P. N. C. Menon	37.02	36.18
Mrs. Sobha Menon	86.18	86.18
Mr. P. N. C. Menon and Mrs. Sobha Menon (jointly held shares)	15.87	15.87

C) Details of balances receivable from and payable to related parties are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
I. Balances receivable from and payable to subsidiaries		
Advances recoverable in cash or in kind		
Sobha Assets Private Limited	88.88	88.88
Sobha Interiors Private Limited	56.66	51.41
Sobha Nandambakkam Developers Limited	-	0.78

35 Related party disclosures (cont'd)

C) Details of balances receivable from and payable to related parties (cont'd)

I. Balances receivable from and payable to subsidiaries (cont'd)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Trade receivables		
Sobha Highrise Ventures Private Limited	0.12	255.26
Sobha Contracting Private Limited	392.51	307.80
Sobha Developers (Pune) Limited	-	0.01
Contract asset (Unbilled Revenue)		
Sobha Highrise Ventures Private Limited	1.53	21.36
Sobha Contracting Private Limited	39.96	50.14
Sobha City	0.31	1.97
Liability under joint development agreement		
Sobha Highrise Ventures Private Limited	135.87	192.58
Sobha Developers (Pune) Limited	425.99	-
Advance from customers		
Sobha Tambaram Developers Limited	35.40	39.27
Kilai Builders Private Limited	-	1.41
Sobha Highrise Ventures Private Limited	147.29	-
Security deposit received		
Sobha Highrise Ventures Private Limited	0.80	-
Revenue share payable		
Sobha Highrise Ventures Private Limited	11.64	14.79
Sobha Developers (Pune) Limited	3.73	-
Refundable deposits towards joint development		
Sobha Highrise Ventures Private Limited	3.27	15.68
Sobha Developers (Pune) Limited	19.09	-
Right of use assets		
Sobha Interiors Private Limited	70.00	84.00
Land advance		
C.V.S.Tech Park Private Limited	11.12	-
Unsecured loan		
Sobha Highrise Ventures Private Limited	35.75	58.11
Sobha Developers (Pune) Limited	379.77	172.46
Sobha Assets Private Limited	247.20	246.94
Sobha Contracting Private Limited	189.19	175.98
Kuthavakkam Builders Private Limited	42.22	22.01
Kilai Builders Private Limited	327.89	-

35 Related party disclosures (cont'd)

C) Details of balances receivable from and payable to related parties (cont'd)

I. Balances receivable from and payable to subsidiaries (cont'd)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Allowance for credit loss		
Sobha Assets Private Limited	8.34	8.34
Guarantees and collaterals provided		
Sobha City	998.78	998.78
Guarantees received		
Sobha Interiors Private Limited	1,800.00	1,100.00
Sobha Contracting Private Limited	700.00	700.00
Sobha Highrise Ventures Private Limited	750.00	750.00
Sobha City	1,500.00	-
Security received		
Sobha Interiors Private Limited	1,798.79	1,802.32
Sobha Highrise Ventures Private Limited	1,274.39	1,238.20
Sobha Contracting Private Limited	1,161.52	1,149.81
Sobha City	1,480.51	1,555.88
Balance in partners current account		
Sobha City	1,535.37	1,381.57
II. Balances receivable from and payable to joint ventures		
In partners current account		
Kondhwa Projects LLP	1,149.28	1,149.28
III. Balances receivable from and payable to other related parties		
Land advance		
Technobuild Developers Private Limited	7,962.80	8,152.41
Sri Parvathy Land Developers Private Limited	-	60.51
Provision for land advances		
Sri Parvathy Land Developers Private Limited	-	60.51
Right of use assets		
Sobha Glazing & Metal Works Private Limited	27.50	33.00
Advances recoverable in cash or in kind		
Sobha Puravankara Aviation Private Limited	177.24	215.25
Sobha Glazing & Metal Works Private Limited	11.06	10.02
Trade receivables		
Sri Kurumba Educational and Charitable Trust	0.62	0.03
Sobha Projects & Trade Private Limited	192.17	212.01

35 Related party disclosures (cont'd)

C) Details of balances receivable from and payable to related parties (cont'd)

III. Balances receivable from and payable to other related parties (cont'd)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Thakazhi Developers Private Limited	-	2.57
Thakazhi Realtors Private Limited	8.05	-
Mapedu Realtors Private Limited	-	0.35
Mr. Anup Shah	0.23	0.73
Advance from customers		
Sri Parvathy Land Developers Private Limited	-	1.90
Mr. Jagadish Nangineni	1.51	-
Trade payables		
Sri Parvathy Land Developers Private Limited	-	2.53
Mapedu Builders Private Limited	-	0.11
Rusoh Marina Properties Private Limited	-	0.02
Sobha Projects & Trade Private Limited	86.75	83.10
Sri Durga Devi Property Management Private Limited	0.00	1.89
Mr. Ravi PNC Menon	1.07	-
Guarantee or security received		
Sri Durga Devi Property Management Private Limited	2,000.00	1,100.00
Sri Parvathy Land Developers Private Limited	2,000.00	1,100.00

D Payable to key management personnel/director of the Company

Particulars	As at 31 March 2024	As at 31 March 2023
Commission to independent directors	8.00	8.00
Commission to Chairman and Managing Director	9.40	41.10
	17.40	**49.10**

E Compensation of key management personnel of the Company

Particulars	As at 31 March 2024	As at 31 March 2023
Short-term employee benefits	38.19	137.49
Other benefits (*)	9.40	41.10
	47.59	**178.59**

(*) As the liability for gratuity and leave encashment is provided on actuarial basis for the Company as whole, the amount pertaining to the directors are not included above.

Note: The director of the Company has given fund shortfall undertaking for cetain borrowings towards funding of the respective underlying projects. Refer note 20

36 Segment information

Basis of segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director (MD) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different marketing strategies. For each of the business units, the Company's MD reviews internal management reports on at least a quarterly basis.

The MD monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the company has identified following as its reportable segment for the purpose of Ind AS 108:

a) Real estate segment;

b) Contractual and manufacturing segment.

Real Estate segment (RE) comprises development, sale, management and operation of all or any part of townships, housing projects, also includes leasing of self owned commercial premises.

The operation of the Contractual and Manufacturing segment (CM) comprises development of commercial premises and other related activities, also includes manufacturing activities related to interiors, glazing and metal works and concrete products.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a overall basis and are not allocated to operating segments.

The following tables present revenue and profit information for the Company's operating segments for the year ended 31 March 2024 and 31 March 2023 respectively:

Business segments

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Segment revenue		
Real estate	23,504.30	24,542.91
Contractual and manufacturing	8,800.89	10,339.95
Total segment revenue	**32,305.19**	**34,882.86**
Inter segment revenues	(1,385.71)	(1,602.00)
Net revenue from operations	**30,919.48**	**33,280.86**
Segment result		
Real estate	3,990.74	5,441.85
Contractual and manufacturing	767.14	131.10
Total segment results	**4,757.88**	**5,572.95**
Finance costs	(2,399.10)	(2,423.80)
Other unallocable expenditure	(2,648.70)	(2,528.00)
Share of profits in a subsidiary partnership firm	43.40	19.06
Other income (including finance income)	930.16	676.89
Profit before taxation	**683.64**	**1,317.10**
Income taxes	(217.95)	(364.21)
Profit after taxation	**465.69**	**952.89**

36 Segment information (cont'd)

The following table presents assets and liabilities information for the Company's operating segments as at 31 March 2024 and 31 March 2023 respectively:-

Particulars	As at 31 March 2024	As at 31 March 2023
Segment assets		
Real estate	108,030.86	99,713.48
Contractual and manufacturing	8,078.19	6,518.76
Total segment assets	**116,109.05**	**106,232.24**
Unallocated assets	15,757.99	15,087.42
Total assets	**131,867.04**	**121,319.66**
Segment liabilities		
Real estate	82,396.35	64,975.03
Contractual and manufacturing	6,124.60	6,239.37
Total segment liabilities	**88,520.95**	**71,214.40**
Unallocated liabilities	19,766.82	26,694.58
Total liabilities	**108,287.77**	**97,908.98**
Capital employed		
Real estate	25,634.51	34,738.35
Contractual and manufacturing	1,953.59	279.39
Unallocated capital employed	(4,008.83)	(11,607.16)
Total capital employed	**23,579.27**	**23,410.58**

Current taxes, deferred taxes and certain financial assets and liabilities are considered as unallocated as they are also managed on a Company basis.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Capital expenditure		
Real estate	1,034.77	407.72
Contractual and manufacturing	71.14	84.74
Unallocated capital expenditure	127.47	732.01
Total capital expenditure	**1,233.38**	**1,224.47**

Capital expenditure consists of additions of property, plant and equipment, intangible assets, investment property, investment property under development and intangible assets under development.

Information of revenue and non-current operating assets based on location has not been furnished since there are no revenue generated from business activities outside India and there are no non-current operating assets held by the Company outside India.

36 Segment information (cont'd)

Reconciliations to amounts reflected in the financial statements

(i) Reconciliation of assets

Particulars	As at 31 March 2024	As at31 March 2023
Segment assets	**116,109.05**	**106,232.24**
Investment (refer note 8)	4,675.06	4,521.29
Prepaid expenses (refer note 13)	1,629.35	1,013.08
Balances with statutory/ government authorities (refer note 13)	749.68	982.03
Cash and bank balances (refer note 14 and 15)	6,548.03	4,404.83
Non-current bank balances (refer note 12)	207.37	151.04
Other unallocable assets	1,948.50	4,015.15
Total assets	**131,867.04**	**121,319.66**

(ii) Reconciliation of liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Segment liabilities	**88,520.95**	**71,214.40**
Borrowings (refer note 20)	18,586.60	19,394.36
Provisions (refer note 22)	468.66	431.62
Current tax liabilities (net) (refer note 33)	280.66	-
Withholding taxes payable (refer note 24)	98.82	120.54
Others payable (refer note 24)	247.54	104.89
Other unallocable liabilities	84.54	6,643.17
Total liabilities	**108,287.77**	**97,908.98**

37 Employment benefit plans

A) Defined benefit plan

The Company has gratuity as defined benefit retirement plans for its employees. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. As at 31 March 2024 and 31 March 2023 the plan assets were invested in insurer managed funds.

It is exposed to the following types of risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

37 Employment benefit plans (cont'd)

A) Defined benefit plan (cont'd)

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company.

The following tables set out the funded status of gratuity plans and amount recognised in the balance sheet for the respective plans:

	Particulars	31 March 2024	31 March 2023
1	**The amounts recognized in the Balance Sheet are as follows:**		
	Present value of defined benefit obligation at the end of the year	348.03	318.74
	Less: Fair value of plan assets as at the end of the year	(4.34)	(4.21)
	Net liability recognised in the balance sheet	**343.69**	**314.53**
2	**Changes in the present value of defined benefit obligation**		
	Defined benefit obligation as at beginning of the year	318.73	251.17
	Current service cost	22.03	24.35
	Interest cost	22.95	16.10
	Benefits paid	(32.71)	(26.04)
	Actuarial loss due to demographic assumption changes	-	6.06
	Actuarial (gain) / loss due to financial assumption changes	(10.07)	26.70
	Actuarial loss due to experience adjustments	27.10	20.39
	Defined benefit obligation as at the end of the year	**348.03**	**318.73**
3	**Changes in the fair value of plan assets**		
	Fair value as at the beginning of the year	4.21	3.35
	Interest on plan assets	0.30	0.21
	Actuarial gain / (loss)	0.24	(0.21)
	Contributions	32.30	26.90
	Benefits paid	(32.71)	(26.04)
	Fair value as at the end of the year	**4.34**	**4.21**
4	**Net gratuity cost for the reporting years comprises of following components**		
	Current service cost	22.02	24.35
	Interest cost	22.95	16.10
	Interest income	(0.30)	(0.21)
	Net Gratuity cost	**44.67**	**40.24**
5	**Other comprehensive income**		
	Actuarial loss on defined benefit obligation	(17.03)	(53.15)
	Return on plan assets excluding interest income	0.24	(0.21)
	Loss recognised in other comprehensive income	**(16.79)**	**(53.36)**
6	**Experience adjustment:**		
	On plan defined benefit obligation loss	27.10	20.39
	On plan assets gain / (loss)	0.24	(0.21)

37 Employment benefit plans (cont'd)
A) Defined benefit plan (cont'd)

7 Investment Details

The major categories of plan assets as a percentage of the fair value of the total plan assets are as follows:

Particulars	31 March 2024	31 March 2023
Investment in insurance fund	100%	100%

8 Actuarial assumptions

Particulars	31 March 2024	31 March 2023
Discount rate (p.a)	7.14%	7.20%
Future salary growth (p.a)	10.00%	12.00%
Weighted Average Duration of the Defined Benefit Obligation (years)	3	3
Attrition rate (p.a)	35.00%	35.00%

9 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (+ / -1%)	6.01	6.33	5.63	5.94
Salary growth rate (- / + 1%)	5.07	5.18	4.64	4.74
Attrition rate (+ / -1%)	0.83	0.86	1.09	1.14

The sensitivity analyses above have been determined based on a method that extrapolates the impact on projected benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

10 Maturity profile of defined benefit obligation

Particulars	31 March 2024	31 March 2023
Within the next 12 months	116.70	108.32
Between 2 and 5 years	219.88	197.18
Between 6 and 10 years	56.02	54.73
Beyond 10 years	9.50	10.01
Total expected payments	**402.10**	**370.24**

Expected contribution in the next year ₹98.15

B) Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. The Company has recognized the following amounts in the Statement of Profit and Loss under defined contribution plan whereby the Company is required to contribute a specified percentage of the payroll costs to fund the benefits:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employer's contribution to provident fund	96.27	88.45
Employer's contribution to Employees' state insurance scheme	1.01	0.99
Contribution to Superannuation Fund	0.20	0.35
Total	**97.48**	**89.79**

38 Leases

A The Company as a lessor

Assets given on operating lease:

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 ₹374.80 (31 March 2023: ₹318.09)

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

Year	As at 31 March 2024	As at 31 March 2023
FY 2023-24	-	294.16
FY 2024-25	283.82	273.95
FY 2025-26	146.57	126.15
FY 2026-27	119.84	85.44
FY 2027-28	107.57	75.19
FY 2028-29	48.41	-
More than 5 years	59.09	100.30
Total	**765.30**	**955.19**

B The Company as a lessee

The Company has leases for building, vehicles and plant and machinery. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability except for lease on buildings for which it was agreed that the company shall pay a security deposit which shall be adjusted to the minimum lease payments and due to which no lease liability in the same was created and the amount given as security deposit is treated as Right of use asset depreciated on a straight line basis over the lease period. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company has presented its right-of-use assets in the balance sheet separately from other assets.

Lease arrangements for vehicles contain an option to extend the lease for a further term till the vehicle is handed over to the lessor after the end of lease term as per agreement or for a fixed tenure of 3 to 9 months as the case may be as per the requirement of Lessee. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over Factory buildings, the Company must repair and maintain those properties in a good state and return the properties with all connections, sanitary, water and drainage fittings and fixtures as it may exist on the relevant date.

a. Right of use assets

	Other buildings	Vehicles	Plant and machinery	Total
Cost				
As at 1 April 2022	**175.50**	**147.30**	**90.33**	**413.13**
Additions during the year	-	31.42	-	31.42
Disposal during the year	-	(14.90)	-	(14.90)
As at 31 March 2023	**175.50**	**163.82**	**90.33**	**429.65**
Additions during the year	-	17.36	60.96	78.32
Disposal during the year	-	(12.01)	(90.33)	(102.34)
As at 31 March 2024	**175.50**	**169.17**	**60.96**	**405.63**

38 Leases (cont'd)

a. Right of use assets (cont'd)

Accumulated amortisation				
As at 1 April 2022	**39.00**	**78.05**	**66.83**	**183.88**
Charge for the year	19.50	28.95	20.95	69.40
Disposal during the year	-	(10.99)	-	(10.99)
As at 31 March 2023	**58.50**	**96.01**	**87.78**	**242.29**
Charge for the year	19.50	26.77	14.12	60.39
Disposal during the year	-	(12.01)	(90.33)	(102.34)
As at 31 March 2024	**78.00**	**110.77**	**11.57**	**200.34**
Carrying amount				
As at 31 March 2024	**97.50**	**58.40**	**49.39**	**205.29**
As at 31 March 2023	**117.00**	**67.81**	**2.55**	**187.36**

b. Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Amount
As on 1 April 2022	**253.49**
Additions during the year	31.42
Interest expense for the year	27.26
Payment of lease liabilities	(79.36)
As on 31 March 2023	**232.81**
Additions during the year	78.32
Interest expense for the year	25.12
Payment of lease liabilities	(74.01)
As on 31 March 2024	**262.24**

Particulars	As at 31 March 2024	As at 31 March 2023
Current	48.80	28.04
Non Current	213.44	204.77

c. The following are the amounts recognised in the profit & loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expenses of right-of-use assets	60.39	69.40
Interest expenses on lease liabilities	25.12	27.26
Expenses relating to short-term leases	357.53	156.36
Expenses relating to lease of low-value assets	80.26	1.54
Total amount recognised in the profit & loss	**523.30**	**254.56**
Total cash out flows towards leases	**511.80**	**237.26**

Lease term of the above referred leases range from 11 months to 63 years

d. Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension options	Number of leases with purchase option	Number of leases with termination option
Other buildings	2.00	5.00	5.00	2.00	-	-
Plant and Machinery	11.00	1.46 to 1.94	1.70	-	11	-
Vehicles	60.00	0.18 to 4.65	2.41	60.00	60	60

e. The maturity profile for lease liabilities has been provided in note 41 (C)

39 Contingent liabilities and commitments

A) Contingent liabilities (to the extent not provided for)

	Particulars	31 March 2024	31 March 2023
i	Income tax matters in dispute (Refer Note 1 & 5)	326.83	-
ii	Value added tax, Service tax and customs matters in dispute (Refer Note 2)	1,290.33	1,288.38
iii	Customer related cases and complaints (Refer Note 3)	2.00	2.00
iv	Matters before prevention of money laundering adjudicating authority (Refer Note 4)	2,016.05	2,016.05
		3,635.21	**3,306.43**

Note: Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

The Company does not expect the outcome of these proceeding to have a material adverse effect on its financial position. The Company does not expect any reimbursement in respect of above contingent liability.

1) The Income Tax Authorities have disputed the tax computation for certain years, which are pending before various forums. Based on the grounds of the appeals, the management believes that there is a reasonably strong likelihood of obtaining a favourable order. Any income, which may arise out of such litigations will be recognised only on the receipt basis/ or where right to receive such income is clearly established. Pending the final decisions on the above matter, no adjustment has been made in these standalone financial statements.

2) There are various disputes pending with the authorities of customs, service tax and value added tax. The Company is contesting these demands raised by authorities and are pending at various appellate authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

3) There are various litigations going on/ complaints filed against the Company primarily in Consumer Redressal Forum and under the Real Estate Regulation Act 2016. The Company is contesting such litigations with the respective appellate authorities. The management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required in its separate financial statements. For most number of litigations/ complaints, based on the grounds of the appeals, the management believes that there is a reasonably strong likelihood of succeeding before these authorities and hence, pending the final decisions on the above matters, no adjustment has been made in these standalone financial statements.

4) The Company had entered into a Joint Development Arrangement with certain land owners in Gurugram, Haryana, in earlier years. In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('AA-PML'), alleging certain irregularities in respect of the manner of allotment and pricing of certain plots under this project or payment of applicable fees and charges by the Company or the landowners, with respect to the terms and conditions mentioned in the development policy of Haryana Development and Regulation of Urban Areas Act (HDRUAA), 1975 and the bilateral agreement between the land owners and Directorate of Town and Country Planning, Haryana (DTCP) resulting in provisional attachment under the Prevention of Money Laundering Act, 2002 ('PMLA') of land parcels with value of ₹2,016.05 , held by Technobuild Developers Private Limited ('TDPL'). The Company has entered into a Memorandum of Understanding ('MoU') with TDPL for acquiring land parcels using advances extended by the Company. As per the MoU, TDPL and its affiliates cannot transfer land parcels without prior approval of the Company and the Company has absolute rights over land parcels acquired by TDPL and its affiliates acquired from such advance given by the Company.

During the previous year, the Company was in receipt of Show Cause Notice (SCN) under the PMLA from AA-PML and the Company had duly filed detailed responses to allegations made in SCN. During the current year, AA-PMLA has passed an order confirming the provisional attachment of the aforesaid land parcels and the Company has duly filed an appeal before The Appellate Tribunal against the AA-PML order under Section 26 of the PMLA.

The management, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement and has not

39 Contingent liabilities and commitments (cont'd)

A) Contingent liabilities (to the extent not provided for) (cont'd)

identified any adverse material impact to the standalone financial statement as at 31 March 2024 or for earlier periods including the recoverability of land advance given against such provisionally attached ₹2,016.05 land parcels held by TDPL.

5) The Income Tax Department ("the Department") conducted a Search under Section 132 of the Income Tax Act ('IT Act') ("the Search") on the Company and certain group companies during March 2023. The Company and certain group companies at the time of search and subsequently has co-operated with the department and responded to the necessary clarifications, data and details as sought by the Department. The Company has received notices under Section 148 of the IT Act requiring the management to re-file the Income Tax returns for the Assessment Years (AY) 2015-16, AY 2017-18, AY 2018-19, AY 2019-20, 2020-21 and AY 2021-22. The Company has filed the returns for AY 2020-21 and AY 2021-22, and is in the process of filing the returns for the other years.

Additionally, during the current year ended 31 March 2024, the Company has received demand orders for AY 2016-17 under Section 147 read with Section 143(3) and Section 148B of the IT Act, dated 29 March 2024 raising a demand of ₹131.23 (subsequently reduced to Nil vide rectification order under Section 154 of the IT Act, dated 14 May 2024 on account of adjustment of credit under Section 115JAA of the IT Act of tax paid in earlier years) and AY 2022-23 under Section 143(3) of the IT Act, dated 30 March 2024 raising a demand of ₹ 326.83 , by disallowing certain expenses and adding certain incomes during such periods, against which the Company has filed an appeal on 29 April 2024 before the Hon'ble Commissioner of Income Tax (Appeals), Bengaluru ('CIT appeals').

While the uncertainty exists regarding the outcomes of the legal proceedings, the management of the Company has evaluated the demand orders after considering all available records and facts known to it and based on an independent legal review and opinion from external legal counsels and believes that the Company can succeed in the appeals filed against the aforesaid demand orders and accordingly has not identified any adjustments to the current or prior period standalone financial statements.

6) During the previous year, one of the customers of Sobha Assets Private Limited (SAPL), a wholly owned subsidiary of the Company has terminated a project development contract entered by it and demanded compensation of ₹2,956.13 in addition to forfeiture of ₹227.32 performance guarantee and ₹26.00 of deposits alleging that SAPL has not commenced the contract work. The carrying value of aforesaid project related assets/receivables as at 31 March 2024 in the book of the Company and SAPL is₹24.10 and ₹ 330.00 respectively. SAPL has filed arbitration petition before the arbitrator challenging the termination and its grounds, against the customer towards business loss and other receivables. The Company based on its overall assessment and independent legal opinion, believes that the aforesaid termination is illegal and will not have any adverse impact to the standalone financial statement and accordingly no provision has been made.

7) In earlier year, the Company, during the process of renewal of fire clearances for one of the project, procured by an entrusted person, found the fire NOC and fire clearances submitted to local municipal body to be defective. On becoming aware of this fact, the Company had immediately taken remedial steps and obtained renewed fire NOC and fire clearances, which were then resubmitted with the local municipal body for regularization. During the previous year, the local municipal body had passed an order dated 21 January 2023 revoking/cancelling the modified sanction plan ('Plan') and occupancy certificate ('OC') for the project, based on a complaint being filed upon by one of the unit holders of such project. The Company had immediately filed an appeal with Karnataka Appellate Tribunal ('KAT') challenging the above order, and KAT had passed an interim order dated 1 February 2023 granting stay of revocation/cancellation of Plan and OC.

During the current year, the Chief Civil Metropolitan Magistrate ('CMM'), Bengaluru, has passed an order dated 19 September 2023 ('impugned order') to register a calendar case for the offences punishable under Indian Penal Code ('IPC') against the Company and few employees of the Company, based on a separate complaint filed with the CMM by the aforementioned unit holder. The Company has filed a petition before Hon'ble High court of Karnataka praying for quashing of the complaint, the impugned order and the calendar case, wherein, the High court of Karnataka has passed an interim order dated 11 October 2023 staying the impugned order and the calendar case. The management, based on its overall assessment and independent legal opinion obtained, believes that allegations made by the unit holder are baseless, false and not sustainable and the impugned order suffers from arbitrariness and liable to be quashed under section 482 of the code of criminal procedure, 1973. Accordingly, the Company believes that outcome of the above proceedings will not result in any adverse impact on the standalone financial statement.

39 Contingent liabilities and commitments (cont'd)

A) Contingent liabilities (to the extent not provided for) (cont'd)

8) The Company is involved in certain litigations for lands being developed/ acquired by it for construction purposes, either through a Joint Development Agreement or through outright purchases. These cases are pending with the Civil Courts and scheduled for hearings. After considering the facts and circumstances of each case in detail, and post consideration of the opinions of the in-house legal council, management believes that these litigations will not have a material effect on the standalone financial statements.

9) The Company has certain litigations pending at various forums/ courts against various authorities including the Forest department, Karnataka State Pollution Control Board (PCB), local municipal departments on certain projects undertaken by it. Also, certain claims have been laid upon the company under the Land acquisition act, against which the Company has filed writ petitions and obtained stay orders from the Honourable High Courts. The impact of all such litigations and claims is not quantifiable. Based on internal assessment, and post consideration of the opinion of its in-house legal counsel, the management is confident that the matter would be decided in its favour, accordingly no adjustment has been made in these standalone financial statements.

B) Commitments

(a) The contractual commitments pending for the acquisition of property, plant and equipment and intangible assets as at 31 March 2024 is ₹502.18 (31 March 2023: ₹263.96)

(b) The Company has entered into an aircraft usage agreement with a party wherein the Company along with certain other parties has committed minimum usage of aircraft. During the year ended 31 March 2024, the Company incurred ₹49.65 (31 March 2023 - ₹129.37) towards aircraft usage as per the agreement.

40 Fair value measurements

a. The carrying amounts of financial instruments by categories is as follows:

Particulars	Note	As at 31 March 2024			As at 31 March 2023		
		At cost	Fair value through profit or loss	At amortised cost	At cost	Fair value through profit or loss	At amortised cost
Financial assets							
Investments (*)	8	-	-	-	-	-	0.08
Trade receivables	10	-	-	2,369.39	-	-	2,892.78
Loans	11	-	-	1,213.68	-	-	667.17
Cash and bank balances	14 & 15	-	-	6,548.03	-	-	4,404.83
Other financials assets	12 & 16	-	-	5,072.01	-	-	5,092.34
Total		**-**	**-**	**15,203.11**	**-**	**-**	**13,057.20**
Financial liabilities							
Borrowings	20	-	-	18,586.60	-	-	19,394.36
Lease Liabilities	38			262.24			232.81
Trade payables	23	-	-	6,133.05	-	-	5,956.15
Other financial liabilities	21	-	-	5,670.92	-	-	8,585.15
Total		**-**	**-**	**30,652.81**	**-**	**-**	**34,168.47**

(*) Investment in equity shares of subsidiaries are measured as per Ind AS 27, 'separate financial statements'and have been excluded above.

40 Fair value measurements (cont'd)

b. Fair value hierarchy

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

Particulars	As at 31 March 2024				As at 31 March 2023			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Investment property (disclosure)	2,725.20	-	1,443.60	4,557.00	2,767.92	-	1,394.10	4,484.00
	2,725.20	**-**	**1,443.60**	**4,557.00**	**2,767.92**	**-**	**1,394.10**	**4,484.00**

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 year.
Financial instruments such as trade receivables, loans, cash and other financial assets, borrowings, lease liabilities, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature. For financial assets and liabilities that are measured at amortised cost, the carrying amounts are equal to the fair values.

Valuation method used for Level 3 valuations -

Particulars	Valuation technique	Unobservable input	Relationship of unobservable input with fair value
Fair value of Investment property (disclosure only)	Income approach (Discounted cash flow method)	Discount rate	Increase/decrease in discount rate would result in decrease/ increase in fair value
		Expected vacancy rates	Increase/decrease in vacancy rate would result in decrease/ increase in fair value
		Rental growth rate	Increase/decrease in rental growth rate would result in increase/ decrease in fair value

41 Financial risk management

The Company's principal financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include instruments, trade and other receivables, cash and bank balances, land advances and refundable deposits that derive directly from its operations. The Company has exposure to the following risks arising from financial instruments.

Risk	Exposure arising from
Market Risk-Interest rate risk (A)	Borrowings
Credit Risk (B)	Trade receivables, cash and cash equivalents, bank balances, and other deposits and investments
Liquidity Risk (C)	Borrowings, trade payables and other financial liabilities

Risk Management policy

The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The risk management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks.

41 Financial risk management (cont'd)

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. Market risk comprises of: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. The Company has a foreign currency exposure as at balance sheet date, which is not material.

The sensitivity analysis in the following sections relate to the position as at 31 March 2024 and 31 March 2023. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations.

The below assumption has been made in calculating the sensitivity analysis:

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 31 March 2024 and 31 March 2023.

(i) 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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate of borrowings. The Company does not enter into any interest rate swaps.

Below is the overall exposure of the Company to interest rate risk:

	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	18,586.60	18,715.68

Interest rate sensitivity

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

	Increase/ decrease in interest rate	Effect on profit before tax (*)
31 March 2024		
INR	+1%	(185.86)
INR	-1%	185.86
31 March 2023		
INR	+1%	(187.16)
INR	-1%	187.16

(*) determined on gross basis i.e. without considering inventorisation of such borrowing cost.

(ii) Currency risk

Foreign currency risk is the risk arising from exposure to foreign currency movement that will impact the Company's future cash flows and profitability in the ordinary course of business. The Company's exposure to the risk of changes in foreign exchange rates relates primarily relates to its import in foreign currency. The details of trade payables,denominated in foreign currency and in ₹ are as follows:

Trade payables	As at 31 March 2024		As at 31 March 2023	
Particulars	**EUR**	**USD**	**EUR**	**USD**
Amount in foreign currency	0.16	0.02	0.36	0.15
Amount in ₹	14.39	1.67	32.08	12.33

41 Financial risk management (cont'd)

(ii) Currency risk (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023
EUR	89.95	89.11
USD	83.37	82.18

Sensitivity analysis

Particulars	Change in foreign currency rate by	Impact on profit or loss and equity			
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
		Increase in FC exchange rate by		Decrease in FC exchange rate by	
USD	5%	(0.08)	(0.62)	0.08	0.62
EUR	5%	(0.72)	(1.60)	0.72	1.60

(iii) Price risk

The Company's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets. There are no investments held by the company which are measured at fair value either through profit and loss or fair value through other comprehensive income, hence the Company is not exposed to price risk.

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 Company is exposed to credit risk primarily from trade receivables (net of advances/ payables), refundable joint development deposits, security deposits, loans and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The carrying amounts of financial assets, unbilled revenue and contract assets represent the maximum credit exposure.

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial/ contract assets based on the assumptions, inputs and factors specific to the class of financial/ contract assets.

(a) Low credit risk
(b) Moderate credit risk
(c) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

The Company provides for expected credit loss based on the following:

Category	Asset class exposed to credit risk	Allowance for expected credit loss
Low credit risk/ medium credit risk	Loans, trade receivables (Category A and B), cash and cash equivalents, other financial assets measured at amortised cost	12 Months expected credit loss or specific allowance whichever is higher/ Lifetime expected credit loss
High credit risk	Trade receivables (Category C)	Life time expected credit loss or specific allowance

a. *Management of Credit risk*

i. Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only selecting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

41 Financial risk management (cont'd)

B. Credit risk (cont'd)

ii. Trade receivables

The Company divides its receivables in the following categories based on the credit risk associated with such categories

Category 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 Company's credit risk in this respect. Company recognises impairment on a specific identification basis for debtors where no security exists.

Category B - Receivables from related parties: The Company has performs construction services for its subsidiaries which have individual real estate projects. Credit risk in such cases is managed as control is established; Also, such subsidiaries manage their credit risks by requiring their customers to pay in advance, before transfer of ownership. For other related parties, the Company actively manages such credit risk by an established process of inter-party reconciliations, follow ups and active business at an arms length price.

Category C - Receivables resulting from other than sale of properties: Credit risk is managed by each business unit (primarily pertaining to the contractual and manufacturing business subdivisions) subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients, who have a history of prompt payment for more than 5 years with the Company. For other customers, impairment is tested collectively based on the business sub-segment in which they operate. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company's credit period generally ranges from 30-90 days.

No single customer individually accounted for more than 10% of the trade receivable balance of the company as at 31 March 2024 and 31 March 2023.

iii. Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes refundable deposits paid under joint development arrangements, security deposits, loans to related parties, and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

b. Recognition of Expected credit losses

i. Financial assets with credit risk classified as 'low'/ 'medium'

Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

For cash & cash equivalents, other bank balances and derivative financial instruments - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.

For refundable deposits (RD) under joint development arrangements (JDA) and security deposits - Credit risk is considered low because the Company is in possession of the underlying asset.

For trade receivables (category A and B) and other financial assets - Credit risk is evaluated based on Company knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses/ specific allowance upon significant increase in credit risk.

Particulars	Note no.	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment allowance
31 March 2024					
Cash and bank balances	14 & 15	6,548.03	0.00%	-	6,548.03
Trade receivables (Category A and B)	10	841.70	0.00%	29.12	812.58
Loans	11	1,222.02	0.00%	8.34	1,213.68
Refundable deposits under JDA	12 & 16	3,247.95	0.00%	-	3,247.95
Other financials assets	12 & 16	1,824.06	0.00%	-	1,824.06
Unbilled revenue	13	1,686.48	0.00%	-	1,686.48

41 Financial risk management (cont'd)

B. Credit risk (cont'd)

31 March 2023					
Cash and bank balances	14 & 15	4,404.83	0.00%	-	4,404.83
Trade receivables (Category A and B)	10	909.35	0.00%	29.12	880.23
Loans	11	675.51		8.34	667.17
Refundable deposits under JDA	12 & 16	3,406.74	0.00%	-	3,406.74
Other financials assets	12 & 16	1,685.60	0.00%	-	1,685.60
Unbilled revenue	13	1,801.76	0.00%	-	1,801.76

ii. Financial assets with credit risk classified as 'high'

For trade receivables (Category C) - The Company uses an allowance matrix to measure the expected credit losses of such trade and finance receivables. The measurement is made collectively based on the business sub-segment in which the respective customers operate. Loss rates are separately measured for customers which have a history of prompt payment, and are not significantly past due from payment. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables and loans are in default (credit impaired) if the payments are more than 730 days past due (Net of advances/ payables). Loss rates are based on actual credit loss experience over the past eleven quarters. In the current year, the Company has revised its estimation of loss rates.

Expected credit losses measured on the simplified approach

31 March 2024	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
Current (Not past due)	2%	606.49	10.56	595.93
Upto 90 days past due	2%	575.08	13.66	561.42
91 - 180 days past due	4%	175.15	6.68	168.47
181 - 270 days past due	18%	201.12	35.26	165.86
271 - 360 days past due	25%	35.19	8.80	26.39
361 - 730 days past due	71%	124.86	89.04	35.82
More than 730 days past due	99%	385.88	382.95	2.93

31 March 2023	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
Current (Not past due)	1%	1,226.92	12.56	1,214.36
Upto 90 days past due	3%	641.55	18.09	623.46
91 - 180 days past due	5%	49.86	2.64	47.22
181 - 270 days past due	22%	78.32	17.23	61.09
271 - 360 days past due	31%	16.50	5.11	11.39
361 - 730 days past due	65%	90.81	59.07	31.74
More than 730 days past due	95%	480.94	457.64	23.30

Movement in allowance for credit losses of Trade receivables

Particulars	31 March 2024	31 March 2023
Opening balance	601.47	319.05
Amounts written off	(46.04)	(23.08)
Net remeasurement of loss allowance	20.66	305.50
Closing balance	**576.09**	**601.47**

41 Financial risk management (cont'd)

B. Credit risk (cont'd)

Movement in allowance for credit losses of others

Particulars	Other financial assets		Loans	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Opening balance	-	50.55	8.34	-
Amounts written off	-	-	-	-
Amounts written back	-	(50.55)	-	-
Net remeasurement of loss allowance	-	-	-	8.34
Closing balance	**-**	**-**	**8.34**	**8.34**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company'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 Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. 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 Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2024 and 31 March 2023 is the carrying amounts.

C. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The Company'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 Company's financial liabilities based on contractual undiscounted payments:

	On demand	Less than one year	1 to 5 years	> 5 years	Total
31 March 2024					
Borrowings (refer note 20)	6,306.16	4,322.12	9,632.47	805.85	21,066.60
Trade payables (refer note 23)	-	6,133.05	-	-	6,133.05
Other financial liabilities (refer note 21)	-	5,670.92	-	-	5,670.92
Lease liabilities (refer note 38)	-	72.80	136.41	704.29	913.50
Financial guarantee contracts (*)	-	998.78	-	-	998.78
	6,306.16	**17,197.67**	**9,768.88**	**1,510.14**	**34,782.85**
31 March 2023					
Borrowings (refer note 20)	6,321.46	5,499.11	8,767.22	1,342.27	21,930.06
Trade payables (refer note 23)	-	5,956.15	-	-	5,956.15
Other financial liabilities (refer note 21)	1.89	8,583.26	-	-	8,585.15
Lease liabilities (refer note 38)	-	49.85	113.92	734.57	898.34
Financial guarantee contracts (*)	-	998.78	-	-	998.78
	6,323.35	**21,087.15**	**8,881.14**	**2,076.84**	**38,368.48**

(*) Based on the maximum amount that can be called for under the financial guarantee contract.

42 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings.

	As at 31 March 2024	As at 31 March 2023
Borrowings (long-term and short-term) (Note 20)	18,586.60	19,394.36
Other financial liabilities (interest accrued but not due) (Note 21)	16.23	28.15
Net debt	**18,602.83**	**19,422.51**
Equity share capital (Note 17)	948.46	948.46
Other equity (Note 18)	22,630.81	22,462.22
Total capital	**23,579.27**	**23,410.68**
Capital and net debt	**42,182.10**	**42,833.19**
Gearing ratio	44.10%	45.34%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

43 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at 31 March 2024	As at 31 March 2023
A. Non-current		
Property, plant and equipment	908.50	395.95
Investment property	1,796.95	1,907.47
Financial assets		
Trade receivables	393.45	795.18
Other financial assets		
Fixed deposits with banks with maturity more than 12 months	10.11	64.81
Total non-current assets	**3,109.01**	**3,163.41**
B. Current		
Inventories	39,441.95	39,737.39
Financial assets		
Trade receivables	1,906.89	1,393.16
Cash and cash equivalents	5.80	82.17
Bank balance other than cash and cash equivalents	91.20	39.88
Other current assets	1,297.98	1,594.70
Total current assets	**42,743.82**	**42,847.30**
Total assets pledged as security	**45,852.83**	**46,010.71**

44 Ratios

Ratios	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% of Change	Explanation for change in ratio of more than 25%
Liquidity ratio						
Current ratio	Current Assets	Current Liabilities	1.06	1.09	(2.75%)	NA
Solvency ratio						
Debt-Equity ratio	Total Debt (*)	Total Equity	0.79	0.83	(4.91%)	NA
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.40	0.46	(14.24%)	NA
Profitability ratio						
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.02	0.04	(51.96%)	Due to higher margin in land sale in the previous year
Net Profit ratio	Net Profits after taxes	Revenue from operations	0.02	0.03	(47.40%)	Due to higher margin in land sale in the previous year
Return on Capital Employed	Earnings before interest (^^) and taxes	Net Worth + Total Debt (*) + Deferred Tax Liability	6%	7%	(14.86%)	NA
Return on Investment	Interest income on bank deposits	Fixed deposit with bank	4%	2%	81.37%	Due to increase in the closing balance of fixed deposits as at the year end
Utilisation ratio						
Trade Receivable Turnover Ratio	Revenue from operations (^)	Average Trade Receivable	3.31	2.77	19.35%	NA
Inventory Turnover ratio	Cost of goods sold	Average Inventory	0.31	0.36	(14.21%)	NA
Trade Payable Turnover Ratio	Purchase of project materials, sub contractor cost, other expenses	Average Trade Payables	4.49	5.11	(12.15%)	NA
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets–Current liabilities	4.73	3.82	23.77%	NA

(*) Includes Interest accrued but not due on borrowings
(^) Excludes Income from constructed properties, plots and other development activities
(^^) Net of inventorisation

45 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf

of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year

(vii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

46 As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company.

47 No material events have occurred between the Balance Sheet date to the date of issue of these standalone financial statements that could affect the values stated in the financial statements as at 31 March 2024.

48 Previous year's figures have been regrouped or reclassified wherever necessary to conform with the current year figures. The impact of such reclassification / regrouping is not material to the standalone financial statement.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

INDEPENDENT AUDITORS' REPORT

To the Members of Sobha Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Sobha Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and joint venture, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 39(5) of the accompanying consolidated financial statement, regarding the search operation carried out by the Income Tax Department ('the department') at various business premises of the Holding Company and certain other group companies during March 2023. During the current year, the Holding Company has received demand orders from the department for AY 2016-17 and AY 2022-23, in respect of disallowances of certain expenses and addition of certain incomes, against which subsequent to the year end the Holding Company has filed an appeal before the Hon'ble Commissioner of Income Tax (Appeals), Bengaluru. Given the uncertainty and pending outcome of the legal proceedings, the Holding Company, considering all available records and facts known to it including the independent legal review and opinion from external legal counsels obtained by it, has determined that no adjustments are required to the consolidated financial statement in respect of the aforesaid demand orders. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associate and joint venture, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
1. Revenue recognition for sale of residential units	
The Group applies Ind AS 115, Revenue from Contracts with Customers ("Ind AS 115") for recognition of revenue from sale of residential units and revenue from joint development agreements. Refer note 2.2(a)(I)(i) and 25 to the consolidated financial statements for accounting policy and related disclosures. Revenue is recognised upon transfer of control of residential units to customers for an amount which reflects the consideration the Group expects to receive in exchange for those units. The point of revenue recognition is normally based on the terms as included in the intimation for the handover of unit to the customer on completion of the project, and substantial collection is received. The Group recognises the revenue at a point in time upon handover/deemed handover of the residential units. For revenue contracts forming part of joint development arrangements that are not jointly controlled operations ('JDA'), the revenue from the development and transfer of constructed area/revenue share with corresponding land/ development rights received by the Group is measured at the fair value of the estimated construction service rendered by the Group to the landowner under JDA. Such revenue is recognised over a period of time in accordance with the requirements of Ind AS 115. Ind AS 115 requires significant judgment in determining when 'control' of the residential units is transferred to the customer. Further, for projects executed through JDA, significant estimate is undertaken by management for determining the fair value of the estimated construction service. Considering the significance of management judgements and estimates involved and the materiality of amounts involved, aforementioned revenue recognition is identified as a key audit matter.	Our audit procedures on revenue recognised from sale of residential units included, but were not limited to the following: • Evaluated the appropriateness of accounting policy for revenue recognition on sale of residential units in terms of principles enunciated under Ind AS 115; • Obtained and understood the revenue recognition process, evaluated the design and performed test of controls over revenue recognition including determination of point of transfer of control and completion of performance obligations on a sample basis; • Inspected, on a sample basis, underlying customer contracts and handover documents, evidencing the transfer of control of the residential units to the customer based on which revenue is recognised at a point in time; • For projects executed during the year in accordance with JDAs, we have performed the following additional procedures on a sample basis: o Obtained and examined the computation of the fair value of the construction service under JDA with reference to project cost estimates and mark up considered by the management; o Obtained the JDAs entered into by the Holding Company, including addendums thereto and compared the ratio of constructed area/ revenue sharing arrangement between the Holding Company and the landowner as mentioned in the agreement to the computation statement prepared by the management; and o Tested the computation for recognition of revenue over a period of time for revenue contracts forming part of JDA and management's assessment of stage of completion of projects and project cost estimates. • Assessed the adequacy of disclosures included in the consolidated financial statements in compliance with the requirements of Ind AS 115.

Key Audit Matter (cont'd)

Key audit matter	How our audit addressed the key audit matter
2. Revenue recognition for contractual construction and glazing projects	
The Group recognises revenue over a period of time in accordance with Ind AS 115, Revenue from Contracts with Customers ("Ind AS 115"). Refer note 2.2(a)(I)(ii)(iv) and 25 to the consolidated financial statements for accounting policy and related disclosures. The Group recognises revenue from construction contracts on the basis of stage of completion over a period of time. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract, which involves judgement. Significant judgments are also involved in determining when the underlying performance obligations are satisfied and also determining expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Group, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate. Considering the significance of management judgements and estimates involved and the materiality of amounts involved, revenue recognition from contractual construction and glazing projects are identified as a key audit matter.	Our audit procedures on revenue recognition for contractual construction and glazing projects included, but were not limited to the following: • Evaluated the appropriateness of accounting policy on revenue recognition for contractual construction and glazing projects in terms of principles enunciated under Ind AS 115; • Evaluated the design and tested operating effectiveness of key controls around computation of stage of work completed, raising of invoices and estimating the cost to complete the project; • On a sample basis, tested costs incurred by examining underlying invoices and other applicable documents; • For sample contracts active during the year, verifying the underlying documents including work orders, last invoice, and customer acceptance on the latest RA bills/ Completion letter where applicable; • Verified the mathematical accuracy of management's computation of stage of Completion with respect to Contractual and Glazing projects. • Assessed the adequacy of disclosures included in the consolidated financial statements in compliance with the requirements of Ind AS 115.
3. Assessing the recoverability of carrying value of Inventories, advances paid towards land procurement and deposits paid under joint development arrangements ("JDA")	
Refer note 2.2(c), 2.2(d), 2.2(o), 10, 14 and 13 to the consolidated financial statements for accounting policies on inventories, advances paid towards land procurement and deposits paid under JDA (financial asset) and related financial disclosures. As at 31 March 2024, the carrying value of the inventory comprising of Work in progress, Stock of residential units in completed projects and land stock is	Our procedures in assessing the carrying value of the inventories, land advances and deposits paid under JDA included, but were not limited to the following: • Evaluated the appropriateness of accounting policies with respect to inventories, land advances and deposits paid under JDA in terms of principles enunciated under applicable accounting standards;

Key audit matter	How our audit addressed the key audit matter
3. Assessing the recoverability of carrying value of Inventories, advances paid towards land procurement and deposits paid under joint development arrangements ("JDA") (cont'd)	
₹90,882.32 million, land advances is ₹9,428.44 million and refundable deposits paid under JDA is ₹3,225.59 million, represents a significant portion of the Group's total assets. The inventories are carried at lower of cost and net realisable value ('NRV'). The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price, cost to complete projects and selling costs. Advances paid by the Group to the seller/ intermediary towards outright purchase of land is recognised as land advance under other assets during the course of transferring the legal title to the Group, whereupon it is transferred to land stock under inventories. Further, deposits paid under joint development arrangements are in the nature of non-refundable/refundable deposits, for acquiring the development rights. On the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress. The aforesaid deposits and advances are carried at the lower of the amount paid/payable and net recoverable value, which is based on the management's assessment including the expected date of commencement and completion of the project and the estimate of sale prices and construction costs of the project. We identified the assessment towards recoverability of carrying value of inventory, land advances and deposits paid under JDA as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole and the involvement of estimates and judgement in the assessment.	• Evaluated the design and tested operation of internal controls related to comparing NRV/ net recoverable value with carrying amount of inventory, land advances and deposits paid under JDA; • Inquired with management to understand key assumptions used in determination of the NRV/ net recoverable value; • For inventory balance: o Compared the NRV to recent sales in the project or to the estimated selling price; o Compared the estimated construction costs to complete each project with the Holding Company's updated budgets; and o For land stock, on a sample basis, obtained the fair valuation reports or the guidance values and reviewed the valuation methodology, key estimates and assumptions adopted in the valuation. Involved auditor's valuation expert, where such fair valuation reports were obtained. • For land advances/ deposits paid under JDA: o Obtained an update on the status of the land acquisition/ project progress from the management and verified the underlying documents for related developments; o For land advances, compared the acquisition cost of the underlying land with the guidance values; and o Carried out external confirmation procedures on sample basis to obtain evidence supporting the carrying value of land advance and deposits paid under JDA. • Assessed the adequacy of disclosures included in the consolidated financial statements in compliance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
4. Assessment of certain transactions entered into by the Holding Company and recoverability of balances, on which regulatory proceedings are ongoing	
The Holding Company had entered into a joint development arrangement with certain landowners in Gurugram, Haryana, in earlier years. In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('AA-PML'), alleging certain irregularities in respect of the manner of allotment and pricing of certain plots under this project or payment of applicable fees and charges by the Holding Company or the landowners, with respect to the terms and conditions mentioned in the development policy of Haryana Development and Regulation of Urban Areas Act (HDRUAA), 1975 and the bilateral agreement between the land owners and Directorate of Town and Country Planning, Haryana (DTCP) resulting in provisional attachment under the Prevention of Money Laundering Act, 2002 ('PMLA') of land parcels with value of ₹2,016.05 million held by Technobuild Developers Private Limited ('TDPL') disclosed under Note 39. The Holding Company has entered into a Memorandum of Understanding ('MoU') with TDPL for acquiring land parcels using advances extended by the Holding Company, of equivalent value. As per the MoU, TDPL and its affiliates cannot transfer land parcels without prior approval of the Holding Company and the Holding Company has absolute rights over land parcels acquired by TDPL and its affiliates acquired from such advance given by the Holding Company. As part of the inquiry process, the Holding Company and its officers have been asked to provide contracts, documents and justification in respect of this transaction by the concerned authorities. The Holding Company and its officers have been responding to the queries raised / documents sought from time to time. During the previous year, the Holding Company is in receipt of Show Cause Notice (SCN) under the PMLA from AA-PML and the Holding Company has duly filed the detailed responses to allegations made in SCN. During the current year, AA-PML had passed an order confirming the provisional attachment of the aforesaid	Our audit procedures on this matter included, but were not limited to the following: • Obtained an understanding from the management with respect to process and controls followed by the Holding Company for identification, monitoring of significant developments and impact analysis in relation to the litigations, including completeness thereof; • Gaining an understanding of the ongoing regulatory proceedings through discussions with the management, and reading the underlying case related documents, communications and legal opinions to ensure consistency with the explanations provided to us and we have also assessed the objectivity, experience, competence and independence of management's expert; • Evaluated and challenged the Holding Company's assessment of recoverability of the balances outstanding as at the balance sheet date, the business rationale for entering these transactions, including considering the developments on the matter subsequent to the balance sheet date; • Engaged auditor's expert, who obtained an understanding of the current status of the litigation, reviewed independent legal opinion obtained by the management and considered relevant legal provisions and available precedents to validate the conclusions made by the management's expert;

Key audit matter	How our audit addressed the key audit matter
Assessment of certain transactions entered into by the Holding Company and recoverability of balances, on which regulatory proceedings are ongoing (cont'd)	
land parcels, to which the Holding Company had appealed before the Appellate Tribunal. The Holding Company, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement and has not identified any adverse material impact to the consolidated financial statements. Considering the significance of the matter which involves uncertainty of outcome due to ongoing proceedings in AA-PML and significant judgements and estimates by the Holding Company on the assessment of the legality and outcome of the above case, this is considered as a key audit matter. Considering this matter is also fundamental to the understanding of the user of consolidated financial statement, we draw attention to Note 39 of the consolidated financial statements.	• Communicated and discussed periodic updates on these transactions with those charged with governance, including the recoverability and management's business rationale aspects for these transactions; and • Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the consolidated financial statements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give

a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate and joint venture in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.

12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated 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. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements 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 Board of Directors' 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 ability of the Group and its associate and joint venture 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 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 Group and its associate and joint venture to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, and its associate and joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. We did not audit the financial statements of 19 subsidiaries, whose financial statements reflects total assets of ₹11,703.32 million, total revenues of ₹1,044.32 million and net cash inflows amounting to ₹20.35 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive loss) of ₹0.05 million for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of 1 associate and 1 joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associate and joint venture, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries, we report that the Holding Company has paid remuneration to their directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 18 subsidiaries incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiaries, covered under the Act, none of the directors of the Group companies and its associate company, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

    f) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 19(b) above on reporting under section 143(3)(b) of the Act and paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries and associate company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

    h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture as detailed in Note 39 to the consolidated financial statements;

ii. The Holding Company, its subsidiaries, associate and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and the associate company covered under the Act, during the year ended 31 March 2024;

iv. a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in note 45 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries, associate and joint venture ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 45 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries, associate and joint venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The final dividend paid by the Holding Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. Further, the subsidiary companies, associate company and joint venture have not declared or paid any dividend during the year ended 31 March 2024.

As stated in note 19 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and that performed by the respective auditors of the 18 subsidiaries of the Holding Company which are companies incorporated in India and audited under the Act, the Holding Company, its 18 subsidiaries in respect of financial year commencing on 01 April 2023, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that, the accounting software used for maintenance of payroll records of the Holding Company is operated by a third-party software service provider. The 'Independent Service Auditor's Report on a Description of the Service Organization's System and the Suitability of the Design and Operating Effectiveness of Controls' (based on the criteria for a description of a service organization's system as set forth in DC Section 200, 2018 Description Criteria for a Description of a Service Organization's System in a SOC 2 Report, in AICPA Description criteria), does not provide information on retention of audit trail (edit logs) for any direct changes made at the database level. Accordingly, we are unable to comment on whether audit trail feature with respect to the database of the said software was operated throughout the year.

Further, during the course of our audit we and respective auditors of the above referred 18 subsidiaries did not come across any instance of audit trail feature being tampered with, in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000
UDIN: 24507000BKDHOT4218

New Delhi
17 May 2024

This space is intentionally left blank

Annexure I

List of entities consolidated in the consolidated financial statements of Sobha Limited for the year ended 31 March 2024 (in addition to the Sobha Limited, the Holding Company)

S. No.	Name of the Company/Entity	Relationship
1	Sobha City	Subsidiary
2	Sobha Highrise Ventures Private Limited	Subsidiary
3	Sobha Developers (Pune) Limited	Subsidiary
4	Sobha Assets Private Limited	Subsidiary
5	Sobha Tambaram Developers Limited	Subsidiary
6	Sobha Nandambakkam Developers Limited	Subsidiary
7	Sobha Construction Products Private Limited	Subsidiary
8	Vayaloor Properties Private Limited	Step-down subsidiary
9	Vayaloor Builders Private Limited	Step-down subsidiary
10	Vayaloor Developers Private Limited	Step-down subsidiary
11	Vayaloor Real Estate Private Limited	Step-down subsidiary
12	Vayaloor Realtors Private Limited	Step-down subsidiary
13	Valasai Vettikadu Realtors Private Limited	Step-down subsidiary
14	Sobha Contracting Private Limited	Step-down subsidiary
15	Kilai Builders Private Limited	Step-down subsidiary
16	Kuthavakkam Builders Private Limited	Step-down subsidiary
17	Kuthavakkam Realtors Private Limited	Step-down subsidiary
18	Sobha Interiors Private Limited	Step-down subsidiary
19	CVS Tech Park Private Limited	Subsidiary (effective 14 February 2024 until which Associate)
20	Kondhwa Projects LLP	Joint Venture

This space is intentionally left blank

Annexure II to the Independent Auditor's Report of even date to the members of Sobha Limited on the consolidated financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Sobha Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint venture as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A Company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements include those policies and procedures

that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, associate company and joint venture, the Holding Company, its subsidiary companies and its associate Company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 18 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹8,219.67 million, total revenues of ₹617.44 million and net cash inflows amounting to ₹5.38 million for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, have been audited by other auditors whose report have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No: 507000
UDIN: 24507000BKDHOT4218

New Delhi
17 May 2024

SOBHA LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,652.74	4,129.98
Investment property	5	4,433.13	4,518.72
Investment property under development	6	67.89	67.89
Intangible asset under development	7	54.36	17.62
Goodwill	8	171.67	171.67
Other intangible assets	8	2.39	2.55
Right of use assets	38	135.29	103.27
Investments accounted for using the equity method	9A	1,149.33	1,149.38
Financial assets			
(i) Investments	9B	-	0.08
(ii) Trade receivables	11	393.45	795.18
(iii) Other financial assets	13	907.48	382.60
Income tax assets (net)	33	531.73	217.46
Deferred tax asset (net)	33	1,256.31	222.38
Other non-current assets	14	10,781.67	9,297.99
		24,537.44	**21,076.77**
Current assets			
Inventories	10	93,764.13	87,609.75
Financial assets			
(i) Trade receivables	11	1,645.25	1,580.16
(ii) Cash and cash equivalents	15	1,137.31	2,793.86
(iii) Bank balance other than (ii) above	16	5,595.64	1,720.18
(iv) Loans	12	-	9.00
(v) Other financial assets	13	4,161.42	4,711.51
Other current assets	14	6,123.72	6,381.20
		112,427.47	**104,805.66**
Total assets		**136,964.91**	**125,882.43**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	948.46	948.46
Other equity	18	24,192.28	23,998.25
Equity attributable to owners of the Holding Company		**25,140.74**	**24,946.71**
Non-controlling interest		-	-
Total equity		**25,140.74**	**24,946.71**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20	7,163.49	6,134.59
(ii) Lease liabilities	38	213.44	204.77
Provisions	22	245.54	228.85
Deferred tax liabilities (net)	33	149.39	125.82
		7,771.86	**6,694.03**
Current liabilities			
Financial liabilities			
(i) Borrowings	20	11,971.60	13,900.90
(ii) Lease liabilities	38	48.80	28.04
(iii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises; and	23	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	6,165.47	5,986.75
(iv) Other financial liabilities	21	6,001.84	8,970.44
Other current liabilities	24	78,984.68	65,152.80
Provisions	22	223.12	202.76
Current tax liabilities (net)	33	656.80	-
		104,052.31	**94,241.69**
Total liabilities		**111,824.17**	**100,935.72**
Total equity and liabilities		**136,964.91**	**125,882.43**
Summary of material accounting policies	2.4		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

SOBHA LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	25	30,969.46	33,101.14
Other income	26	1,209.36	923.19
Total income		**32,178.82**	**34,024.33**
Expenses			
Land purchase and related cost		2,236.52	10,528.43
Cost of materials consumed	27	2,890.49	3,659.79
Purchase of project materials		9,907.75	9,554.69
Changes in inventories of raw materials, land stock, work in progress and finished goods	28	(5,216.51)	(11,013.29)
Sub-contractor cost		9,230.17	8,291.69
Employee benefits expense	29	3,526.30	2,944.75
Finance costs	30	2,455.06	2,490.24
Depreciation and amortisation expense	31	782.21	678.37
Other expenses	32	5,624.51	5,439.91
Total expenses		**31,436.50**	**32,574.58**
Profit before tax and share of loss in associate/joint venture		**742.32**	**1,449.75**
Share of loss in associate / joint venture		(0.05)	-
Profit before tax		**742.27**	**1,449.75**
Tax expenses			
Current tax	33	1,245.40	360.46
Tax adjustments relating to earlier year	33	11.87	-
Deferred tax (credit) / charge	33	(1,006.13)	47.24
Tax expense		**251.14**	**407.70**
Profit for the year		**491.13**	**1,042.05**
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Re-measurement on defined benefit plan	37	(16.79)	(53.36)
Income tax relating to above	33	4.23	13.43
Other comprehensive income / (loss) for the year, net of tax		**(12.56)**	**(39.93)**
Total comprehensive income for the year		**478.57**	**1,002.12**
Profit attributable to:			
Owners of the Holding Company		491.13	1,042.05
Non-controlling interests		-	-
Other comprehensive income / (loss) attributable to:			
Owners of the Holding Company		(12.56)	(39.93)
Non-controlling interests		-	-
Total comprehensive income attributable to:			
Owners of the Holding Company		478.57	1,002.12
Non-controlling interests		-	-
Earnings per equity share [nominal value of ₹ 10 per share]			
Basic and diluted (in ₹)	34	5.18	10.99
Summary of material accounting policies	2.4		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

SOBHA LIMITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A.	**Cash flows from operating activities**		
	Profit before tax	**742.27**	**1,449.75**
	Adjustments to reconcile profit before tax to net cash flows from operating activities		
	Depreciation and amortisation expense	782.21	678.37
	Gain on sale of property, plant and equipment and investment property	(2.41)	(1.00)
	Finance costs (including fair value change in financial instruments)	2,455.06	2,490.24
	Finance income (including fair value change in financial instruments)	(686.84)	(293.32)
	Reversal of impairement loss on financial assets	-	(50.55)
	Impairment of property, plant and equipment	29.47	58.71
	Allowance for credit loss	12.32	372.10
	Provision for doubtful land advances	82.63	168.16
	Other advances written off	50.21	60.85
	Liabilities written back	(198.52)	(327.96)
	Operating profit before working capital changes	**3,266.40**	**4,605.35**
	Working capital adjustments		
	Changes in trade receivables	324.32	1,412.63
	Changes in inventories	(6,361.06)	(11,093.95)
	Changes in other current and non-current financial assets	299.05	1,098.10
	Changes in other current and non-current assets	(1,543.55)	766.56
	Changes in trade payables	377.24	1,844.86
	Changes in provisions	20.26	102.36
	Changes in other current financial liabilities	(2,809.42)	1,512.52
	Changes in other current liabilities	13,672.83	11,932.69
	Cash generated from operating activities	**7,246.07**	**12,181.12**
	Income tax paid (net of refund)	(771.65)	(679.00)
	Net cash flows from operating activities (A)	**6,474.42**	**11,502.12**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment, investment property and intangible assets	(1,247.17)	(1,234.05)
	Proceeds from sale of property, plant and equipment and investment property	10.42	68.00
	Investments in fixed deposits (net)	(3,875.38)	(1,326.76)
	Interest income	362.79	124.39
	Net cash flows used in investing activities (B)	**(4,749.34)**	**(2,368.42)**
C.	**Cash flow from financing activities**		
	Repayments of current borrowings (net)	(701.79)	(6,438.83)
	Proceeds from non-current borrowings	6,645.38	2,723.80
	Repayment of non-current borrowings	(6,843.99)	(1,404.12)
	Repayment of principal portion of lease liabilities	(48.89)	(52.10)
	Repayment of interest portion of lease liabilities	(25.12)	(27.26)
	Interest paid	(2,122.68)	(2,246.65)
	Dividend paid on equity shares	(284.54)	(285.32)
	Net cash flows used in financing activities (C)	**(3,381.63)**	**(7,730.48)**
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,656.55)	1,403.21
	Cash and cash equivalents at the beginning of the year	2,793.86	1,390.65
	Cash and cash equivalents at the end of the year (Refer Note 15)	**1,137.31**	**2,793.86**
	Less: Book overdraft from scheduled banks (Refer Note 21)	(427.70)	(1,026.00)
	Net Cash and cash equivalents at the end of the year	**709.61**	**1,767.86**
	Changes in liabilities arising from financing activities (Refer Note 15)		

Summary of material accounting policies 2.4

The above Consolidated Statement of Cash Flow has been prepared under the "Indirect Method' as set out in the Ind AS 7, 'Statement of Cash flow'

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

SOBHA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

A.Equity share capital (*)

	Amount
Balance as at 1 April 2022	**948.46**
Changes in equity share capital during the year	-
Balance as at 31 March 2023	**948.46**
Balance as at 1 April 2023	**948.46**
Changes in equity share capital during the year	-
Balance as at 31 March 2024	**948.46**

B. Other equity (**)

	Attributable to owners of the Holding Company					
	Reserves and Surplus				Items of OCI	Total
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Other items of OCI	
Balance as at 1 April 2022	**119.47**	**9,328.92**	**4,348.50**	**9,492.29**	**(8.51)**	**23,280.67**
Profit for the year	-	-	-	1,042.05	-	**1,042.05**
Other comprehensive income/(loss)	-	-	-	-	(39.93)	(39.93)
Total comprehensive income for the year	**-**	**-**	**-**	**1,042.05**	**(39.93)**	**1,002.12**
Transfer to other reserves						
General reserve	-	-	104.20	(104.20)	-	-
Total transfer to other reserves	**-**	**-**	**104.20**	**(104.20)**	**-**	**-**
Transaction with owners, recorded directly in equity						
Dividend	-	-	-	(284.54)	-	(284.54)
Total distribution to owners	**-**	**-**	**-**	**(284.54)**	**-**	**(284.54)**
Balance as at 31 March 2023	**119.47**	**9,328.92**	**4,452.70**	**10,145.60**	**(48.44)**	**23,998.25**
Profit for the year	-	-	-	491.13	-	**491.13**
Other comprehensive income/(loss)	-	-	-	-	(12.56)	(12.56)
Total comprehensive income for the year	**-**	**-**	**-**	**491.13**	**(12.56)**	**478.57**
Transfer to other reserves						
General reserve	-	-	49.11	(49.11)	-	-
Total transfer to other reserves	**-**	**-**	**49.11**	**(49.11)**	**-**	**-**
Transaction with owners, recorded directly in equity						
Dividend	-	-	-	(284.54)	-	(284.54)
Total distribution to owners	**-**	**-**	**-**	**(284.54)**	**-**	**(284.54)**
Balance as at 31 March 2024	**119.47**	**9,328.92**	**4,501.81**	**10,303.08**	**(61.00)**	**24,192.28**

(*) Refer Note 17

(**) Refer Note 18

Summary of material accounting policies 2.4

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

1 Corporate information

Sobha Limited (the 'Company' or the 'Holding Company ') was incorporated on 07 August 1995 under the provision of erstwhile Companies Act, 1956. The Holding Company along with its subsidiaries, associate and joint venture (collectively referred to as 'the Group') is engaged in the business of real estate construction, development, sale, management and operation of all or any part of townships, housing projects, commercial premises and other related activities. The Group is also engaged in manufacturing activities related to interiors, glazing and metal works and concrete products which also provides backward integration to Sobha's turnkey projects.

The Holding Company is a public limited company, incorporated and domiciled in India and has its registered office at, Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bengaluru - 560 103. The Holding Company's equity shares are listed on two recognized stock exchanges in India namely National Stock Exchange of India Limited and BSE Limited.

2.1 Basis of preparation

a. Statement of Compliance

The consolidated financial statements of the Group are prepared in accordance with the Indian Accounting Standards (Ind-AS) specified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 and other accounting principles generally accepted in India.

The consolidated financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 17 May 2024.The revision to consolidated financial statements is permitted by Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of Companies Act, 2013.

b. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupee (₹') which is also the functional and presentation currency of the Group. All amounts have been rounded-off to the nearest million (two decimals), unless otherwise indicated.

c. Basis of measurement

These consolidated financial statements have been prepared on going concern basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

d. Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The Management believes that, although these estimates used in preparation of the financial statements are prudent and reasonable and are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively. Significant management judgement in applying accounting policies and estimation uncertainty have been disclosed in note 2.5.

2.1 Basis of preparation (cont'd)

e. Fair value measurement

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, regardless of whether that price is

directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2, 'Inventories', or value in use in Ind AS 36, 'Impairment of assets'.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques have been disclosed in note 2.4(p)(xi).

f. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is 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 classified as current when –

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The real estate development projects undertaken by the Group generally run over a period ranging up to 5 years. Based on the nature of service and the time between the acquisition of assets for development and their realization in cash and cash equivalents, Operating assets and liabilities relating to such projects are classified as current based on an operating cycle as 5 years. For all other assets and liabilities the Group has considered twelve months.

2.2 Group information

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name of investee	Principal activities	Country of incorporation	Percentage of ownership/ voting rights	
			31 March 2024	31 March 2023
Subsidiaries				
Sobha City ['Partnership firm']	Real estate development	India	100%	100%
Sobha Contracting Pvt Ltd	Real estate development	India	100%	100%
Sobha Developers (Pune) Limited	Real estate development	India	100%	100%
Sobha Assets Private Limited	Real estate development	India	100%	100%
Sobha Highrise Ventures Private Limited	Real estate development	India	100%	100%
Sobha Interiors Private Limited	Real estate development	India	100%	100%
Sobha Nandambakkam Developers Limited	Real estate development	India	100%	100%
Sobha Tambaram Developers Limited	Real estate development	India	100%	100%
Sobha Construction Products Private Limited	Real estate development	India	100%	100%
C.V.S.Tech Park Private Limited (*)	Real estate development	India	100%	49%
Kilai Builders Private Limited	Real estate development	India	100%	100%
Kuthavakkam Builders Private Limited	Real estate development	India	100%	100%
Kuthavakkam Realtors Private Limited	Real estate development	India	100%	100%
Vayaloor Properties Private Limited	Real estate development	India	100%	100%
Vayaloor Builders Private Limited	Real estate development	India	100%	100%
Vayaloor Developers Private Limited	Real estate development	India	100%	100%
Vayaloor Real Estate Private Limited	Real estate development	India	100%	100%
Vayaloor Realtors Private Limited	Real estate development	India	100%	100%
Valasai Vettikadu Realtors Private Limited	Real estate development	India	100%	100%

(*) Subsidiary with effect from 14 February 2024

The consolidated financial statements also includes the result of a joint venture, Kondhwa Projects LLP, which has been accounted for under the equity method of accounting.

The consolidated financial statements also includes the result of associate, C.V.S.Tech Park Private Limited (till 14 February 2024), which has been accounted for under the equity method of accounting.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries, an associate company and a joint venture. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee and
- The ability to use its power over the investee to affect its returns

2.3 Basis of consolidation (cont'd)

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2024.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) Include the results, i.e.profit or loss from the joint venture in the consolidated Statement of profit and loss.

Investments accounted for using the equity method

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing

2.3 Basis of consolidation (cont'd)

control. The Group's investments in its joint ventures and associates are accounted for using the equity method.

Under the equity method, the investment in a joint venture or associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill, if any, relating to the joint venture or associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture or associate.Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture or associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture or associate are eliminated to the extent of the interest in the joint venture or associate.

If an entity's share of losses of a joint venture or associate equals or exceeds its interest in the joint venture or associate (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture or associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate. If the joint venture or associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture or associate is shown on the face of the statement of profit and loss.

The financial statements of joint venture or associate used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31st and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture or associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture or associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture or associate and its carrying value, and then recognises the loss as 'Share of profit in joint venture or associate' in the statement of profit or loss.

Upon loss of significant influence over the joint venture or associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture or associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.4 Material accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Impairment of Goodwill

Goodwill recognized on business combination are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit to which these pertain is less than the carrying value. The recoverable amount of the asset or the cash generating units is higher of value-in-use and fair value less cost of disposal. The calculation of value in use of an asset or a cash generating unit involves use of significant estimates and assumptions which include turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

b) 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 Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Group presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Group 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 Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The Group has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the consolidated financial statements. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or

2.4 Material accounting policies (cont'd)

b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c) The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time or over a period of time based on various conditions as included in the contracts with customers.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Revenues in excess of billing are classified as unbilled revenue, while billing in excess of revenues is classified as contract liabilities (which we refer to as deferred revenues).

i) Recognition of revenue from sale of real estate property

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 transfer of physical possession of the residential unit to the customer ie., handover/ deemed handover of the residential units. Deemed handover of the residential units is considered upon intimation to the customers about receipt of occupancy certificate and receipt of substantial sale consideration.

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Group as a single performance obligation, as they are highly interrelated/ interdependent.

Further, for projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/ possessor provides land and the Group undertakes to develop properties on such land and in lieu of land owner providing land, the Group has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. Revenue is recognised over time, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as mentioned above.

For contracts involving sale of real estate unit, the Group receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Group under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Group has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

ii) Recognition of revenue from contractual projects

Revenue from contractual project is recognised over time, with reference to the stage of completion

2.4 Material accounting policies (cont'd)

of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

The Group recognises revenue only when it can reasonably measure its progress in satisfying the performance obligation. Until such time, the Group recognises revenue to the extent of cost incurred, provided the Group expects to recover the costs incurred towards satisfying the performance obligation.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately when such probability is determined.

iii) Recognition of revenue from sale of land and development rights

Revenue from sale of land and development rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from sale of land and development rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

iv) Recognition of revenue from glazing works

Revenue from glazing projects is recognised over time, with reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of the budgeted cost associated to the units produced/ installed for work performed to date relative to the total contractual obligation of production/ installation of such units.

The Group recognises revenue only when it can reasonably measure its progress in satisfying the performance obligation. Until such time, the Group recognises revenue to the extent of cost incurred, provided the Group expects to recover the costs incurred towards satisfying the performance obligation.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately when such probability is determined.

v) Recognition of revenue from interior works and sale of concrete products and scrap

Revenue is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Revenue excludes indirect taxes and is after deduction of any trade discounts.

vi) Recognition of revenue from maintenance and other services

Revenue in respect of maintenance services and other services is recognised on an accrual basis, in accordance with the terms of the respective contract as and when the Group satisfies performance obligations by delivering the services as per contractual agreed terms.

vii) Other operating income

Interest on delayed receipts, cancellation/ forfeiture income, transfer fees, marketing fee from customers are recognised based upon underlying agreements with customers and when reasonable certainty of collection is established.

viii) Contract balances

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

2.4 Material accounting policies (cont'd)

Trade receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

ix) Cost to obtain a contract

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The Group incurs costs such as sales commission when it enters into a new contract, which are directly related to winning the contract. The asset recognised is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

II. Rental income from operating leases

Rental income receivable under operating leases (excluding variable rental income) is recognized in the statement of profit and loss 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.

c) Borrowing cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Group treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

d) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined based on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

I. *Related to real estate and contractual activity*

Direct expenditure relating to real estate 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 real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

2.4 Material accounting policies (cont'd)

i)	Work-in-progress (Real estate)	Represents cost incurred in respect of projects where the revenue is yet to be recognized and includes cost of land (including development rights and non-refundable deposits paid, if any under joint development arrangements ('JDA')), internal development costs, external development charges, construction costs, overheads, borrowing cost etc. Land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project.
ii)	Stock of units/plots in completed real estate projects	Represents cost incurred in respect of completed real estate project net cost of revenue.
iii)	Building materials	Cost comprises of purchase price and other costs incurred in bringing the inventories to their present location and condition. Building materials are valued at cost computed on weighted average basis.
iv)	Land stock	Represents land other than area transferred to work-in-progress at the commencement of construction. Cost comprises of purchase price under agreement to purchase, stamp duty, registration charges, brokerage cost and other incidental expenses.

II. *Related to glazing, interiors and concrete products activity*

i)	Raw material, components and stores	Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Raw material, components and stores are valued at cost computed on weighted average basis.
ii)	Work-in-progress and Finished goods	Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

e) Advance paid towards land procurement

Advances paid by the Group to the seller/ intermediary towards outright purchase of land is recognised as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Group, whereupon it is transferred to land stock under inventories. Management is of the view that these advances are given under normal trade practices and are neither in the nature of loans nor advance in the nature of loans. (refer note 14)

f) Foreign currency transactions and balances

i) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

2.4 Material accounting policies (cont'd)

ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange differences

The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

g) Property, plant and equipment

i) Recognition and initial measurement

Property, plant and equipment at their initial recognition are stated at their cost of acquisition. Cost of an item of property, plant and equipment comprises its purchase price, borrowing costs (if capitalization criteria are met), import duties, non-refundable taxes and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. the Group identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour, borrowing costs (if capitalization criteria are met) and any other costs directly attributable to bringing the asset to working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

ii) Subsequent measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

iv) Derecognition

An item of Property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition 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 de-recognized.

2.4 Material accounting policies (cont'd)

h) Investment property

i) Recognition and initial measurement

Investment property is property held either to earn rental income or for capital appreciation or for both. Upon initial recognition, an investment property is measured at cost, including related transaction costs. The cost comprises purchase price, cost of replacing parts, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

The cost of a self-constructed item of Investment property comprises the cost of materials, direct labour, borrowing costs (if capitalization criteria are met) and any other costs directly attributable to bringing the asset to working condition for its intended use.

ii) Subsequent measurement

Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

iii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

iv) Derecognition

Investment property is derecognised either when control of the same is transferred to the buyer or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

v) Reclassification from / to investment property

Transfers to (or from) investment property are made only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

vi) Fair value disclosure

Though the Group 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 valuation performed by an accredited external independent valuer.

This space is intentionally left blank

2.4 Material accounting policies (cont'd)

i) Depreciation on property, plant and equipment and Investment property

Depreciation is calculated on written down value basis using the following useful lives prescribed under Schedule II of the Act, except where specified.

Particulars	Useful lives estimated by the management (in years)
Property, plant and equipment	
Factory buildings	30
Buildings - other than factory buildings	60
Buildings - temporary structure for precast plant	8
Buildings - temporary structure	3
Plant and machinery	
i. General plant and machinery	15
ii. Plant and machinery - Civil construction	12
iii. Plant and machinery - Electrical installations	10
iv. Plant and machinery - Precast plant	8
v. Plant and machinery - Others	3-5
Furniture and fixtures	10
Motor vehicles - Two wheelers	10
Motor vehicles - Four wheelers	8
Computers	
i. Computer equipment	3
ii. Servers and network equipment	6
Office equipment	5
Investment property	
Buildings - other than factory buildings	60
Buildings - One Sobha	46-48
Plant and machinery	
i. General plant and machinery	15
ii. Plant and machinery	12
Office equipments	5
Furniture and fixtures	10

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building and plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Steel scaffolding items are depreciated using straight line method over a period of 6 years, which is estimated to be the useful life of the asset by the management based on planned usage and technical advice thereon. These lives are higher than those indicated in Schedule II.

Leasehold land is amortized on a straight-line basis over the balance period of lease

Freehold land is not depreciated and is stated at cost less impairment loss, if any.

2.4 Material accounting policies (cont'd)

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.

j) Capital work-in-progress and intangible assets under development

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/ intangible assets under development which are not yet ready for their intended use and are carried at cost less accumulated impairment loss, if any.

Depreciation/ amortisation is not provided on capital work-in-progress and intangible assets under development until construction/ installation are complete and the asset is ready for its intended use.

k) 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. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

l) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

I. Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, if any and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.4(q)(ii) on impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value

2.4 Material accounting policies (cont'd)

guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

II. Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Assets subject to operating leases are included under Investment property.

Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease including lease income on fair value of refundable security deposits, unless the lease agreement explicitly states that increase is on account of inflation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. 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.

m) Retirement and other employee benefits

i) Employee Provident Fund and Employee State Insurance

Retirement benefits in the form of state governed Employee Provident Fund and Employee State Insurance are defined contribution schemes (collectively the 'Schemes'). The Group has no obligation, other than the contribution payable to the Schemes. The Group recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

ii) Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/ obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service

2.4 Material accounting policies (cont'd)

cost and net interest expense on the Group's defined benefit plan is included in statement of profit and loss. Actuarial gains/ losses resulting from re-measurements of the liability are included in other comprehensive income in the period in which they occur and are not reclassified to profit or loss in subsequent periods.

The Group makes contributions to Sobha Developers Employees Gratuity Trust ('the Trust') to discharge the gratuity liability to employees. Provision towards gratuity, a defined benefit plan, is made for the difference between actuarial valuation by an independent actuary and the fund balance, as at the year-end.

iii) Compensated absences

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

iv) Other short-term benefits

Short-term employee benefits comprising employee costs including performance bonus is recognized in the statement of profit and loss on the basis of the amount paid or payable for the period during which services are rendered by the employee.

n) Provisions, contingent assets and contingent liabilities

i) Provisions

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made at the reporting date. Provisions are discounted to their present values, where the time value of money is material, 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.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

ii) Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e. the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

iii) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group 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.

2.4 Material accounting policies (cont'd)

The Group does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

iv) Contingent assets

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

o) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i) 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.

ii) Deferred income tax

Deferred income 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.

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.

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.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

p) 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.

i) Initial recognition and measurement of financial assets and liabilities

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, however, trade receivables

2.4 Material accounting policies (cont'd)

and trade payables that do not contain a significant financing component are measured at transaction value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

ii) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

v) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

vi) 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. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

vii) Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. 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.

2.4 Material accounting policies (cont'd)

viii) De-recognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

ix) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial instruments.

x) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

xi) Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized 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 recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) Impairment

i) Financial assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets (except financial assets valued through fair value through profit or loss) is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes 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.

The presumption under Ind AS 109 with reference to significant increases in credit risk since initial recognition (when financial assets are more than 30 days past due), has been rebutted and is not applicable to the Group, as the Group is able to collect a significat portion of its receivables that exceed the due date.

2.4 Material accounting policies (cont'd)

ii) Non-financial assets

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The 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. Where 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized 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.

iii) Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase .

r) Segment reporting

i) Identification of segments

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Results of the operating segments are reviewed regularly by the Managing Director who has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance.

ii) Inter-segment transfers

The Group generally accounts for intersegment sales and transfers at appropriate margins.

iii) Unallocated items

Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

iv) Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

s) Cash dividend to equity holders of the Group or Holding Company

The Group recognizes a liability to make cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

2.4 Material accounting policies (cont'd)

t) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

u) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

2.5 Significant accounting judgements, estimates and assumptions

Significant accounting judgements, estimates and assumptions used by management are as below

Determination of performance obligations and timing of revenue recognition on revenue from real estate development [Refer note 2.4(b)(I)(i)]

Accounting for revenue and land cost for projects executed through joint development arrangement [Refer note 2.4(b)(I)(i)]

Computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates [Refer note 2.4(b)(I)(i),(ii)(iv)]

Estimation of net realizable value for inventory [Refer note 2.4(d)], land advance and refundable deposits paid under JDA

Provision for litigations and contingencies [Refer note 2.4(n)]

Useful life and residual value of property, plant and equipment, investment property and intangible assets [Refer note 2.4(i)]

Evaluation of indicators and impairment of financial and non-financial assets [Refer note 2.4(q)]

Classification of property as investment property or inventory [Refer note 2.4(d) and (h)]

Fair value measurement disclosures [Refer note 2.4(p)]

Provision for tax [Refer note 2.4(o)]

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2024.

(All amounts in ₹ millions, unless otherwise stated)

4. Property, plant and equipment

	Freehold land	Factory buildings	Other buildings	Plant and machinery	Scaffolding items	Furniture and fixtures	Vehicles	Computers	Office equipment	Total
Cost										
As at 1 April 2022	**1,826.41**	**708.54**	**1,085.03**	**1,962.83**	**1,980.75**	**54.76**	**12.63**	**199.21**	**40.75**	**7,870.91**
Additions during the year	-	-	43.82	61.21	383.57	4.33	3.63	35.26	6.44	**538.26**
Disposal during the year	-	-	-	(24.40)	(12.52)	(0.18)	(0.01)	(2.72)	(0.34)	**(40.17)**
As at 31 March 2023	**1,826.41**	**708.54**	**1,128.85**	**1,999.64**	**2,351.80**	**58.91**	**16.25**	**231.75**	**46.85**	**8,369.00**
Additions during the year	12.54	71.78	84.62	89.67	815.04	17.91	6.37	52.06	6.97	**1,156.96**
Disposal during the year	-	-	-	(12.92)	(0.39)	(0.05)	-	(0.08)	(0.07)	**(13.51)**
As at 31 March 2024	**1,838.95**	**780.32**	**1,213.47**	**2,076.39**	**3,166.45**	**76.77**	**22.62**	**283.73**	**53.75**	**9,512.45**
Accumulated depreciation and impairment loss										
As at 1 April 2022	**-**	**475.44**	**389.17**	**1,306.66**	**1,309.60**	**37.72**	**8.73**	**153.23**	**29.43**	**3,709.98**
Charge for the year	-	71.82	46.85	140.57	199.58	4.43	1.04	31.41	5.13	**500.83**
Impairment loss	2.85	-	55.62	0.24	-	-	-	-	-	**58.71**
Disposal during the year	-	-	-	(20.13)	(7.48)	(0.14)	(0.01)	(2.43)	(0.31)	**(30.50)**
As at 31 March 2023	**2.85**	**547.26**	**491.64**	**1,427.34**	**1,501.70**	**42.01**	**9.76**	**182.21**	**34.25**	**4,239.02**
Charge for the year	-	53.85	58.20	133.68	295.84	6.86	2.17	39.01	7.13	**596.74**
Impairment loss	-	1.35	3.36	15.76	-	1.36	1.39	5.18	1.07	**29.47**
Disposal during the year	-	-	-	(4.94)	(0.39)	(0.04)	-	(0.08)	(0.07)	**(5.52)**
As at 31 March 2024	**2.85**	**602.46**	**553.20**	**1,571.84**	**1,797.15**	**50.19**	**13.32**	**226.32**	**42.38**	**4,859.71**
Carrying amount										
As at 31 March 2024	**1,836.10**	**177.86**	**660.27**	**504.55**	**1,369.30**	**26.58**	**9.30**	**57.41**	**11.37**	**4,652.74**
As at 31 March 2023	**1,823.56**	**161.28**	**637.21**	**572.30**	**850.10**	**16.90**	**6.49**	**49.54**	**12.60**	**4,129.98**

Note:

a) **Contractual obligations**
The contractual commitments pending for the acquisition of property, plant and equipment as at 31 March 2024 is ₹493.42 (31 March 2023: ₹250.03).

b) **Property, plant and equipment pledged as security**
Refer Note.43 for details of Property, plant and equipment pledged as security for borrowings.

c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), are held in the name of the Group.

d) The Company has not revalued its property, plant and equipment during the current or previous year.

5 Investment property

Particulars	Freehold land	Right of use - Land	Other assets forming part of Building: Other buildings	Plant and machinery	Furniture and fixtures	Office equipment	Total
Cost							
As at 1 April 2022	**132.47**	**142.84**	**3,760.60**	**307.94**	**36.81**	**0.17**	**4,380.83**
Additions during the year	-	-	671.30	1.66	0.22	3.52	**676.70**
Disposal during the year	-		-	-	-	-	**-**
As at 31 March 2023	**132.47**	**142.84**	**4,431.90**	**309.60**	**37.03**	**3.69**	**5,057.53**
Additions during the year	-	-	50.60	0.01	-	1.73	**52.34**
Disposal during the year	-	-	-	(0.11)	-	-	**(0.11)**
As at 31 March 2024	**132.47**	**142.84**	**4,482.50**	**309.50**	**37.03**	**5.42**	**5,109.76**
Accumulated depreciation and amortisation							
As at 1 April 2022	**-**	**3.01**	**274.16**	**124.25**	**17.23**	**0.16**	**418.81**
Charge for the year	-	3.01	84.58	28.32	3.56	0.53	**120.00**
Disposal during the year	-	-	-	-	-	-	**-**
As at 31 March 2023	**-**	**6.02**	**358.74**	**152.57**	**20.79**	**0.69**	**538.81**
Charge for the year	-	3.02	104.17	25.38	3.30	2.04	**137.91**
Disposal during the year	-	-	-	(0.09)	-	-	**(0.09)**
As at 31 March 2024	**-**	**9.04**	**462.91**	**177.86**	**24.09**	**2.73**	**676.63**
Carrying amount							
As at 31 March 2024	**132.47**	**133.80**	**4,019.59**	**131.64**	**12.94**	**2.69**	**4,433.13**
As at 31 March 2023	**132.47**	**136.82**	**4,073.16**	**157.03**	**16.24**	**3.00**	**4,518.72**

a. One investment property is constructed/ developed on a leasehold land where the Group is the lessee and the lease agreement is duly executed in favour of the lessee. The Right-of-use assets meet the definition of investment property, and hence is presented within 'investment property'.

b. Investment property comprises of various commercial properties and club houses that is leased to third parties. Each of the leases contains an initial non-cancellable period of 2-3 years. The Group has no restrictions on the realisability of its investment property.

c. **Fair value of investment property**

The fair value of Investment property is ₹9,198.60 (31 March 2023: ₹9,054.10). The valuations is based on valuation performed by an accredited independent valuer and is a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value of the Group's investment properties have been arrived at using discounted cash flow method, direct comparison approach, and depreciated replacement cost method. Under discounted cash flow method, cash flow projections based on reliable estimates of cash flow are discounted. The main inputs used are rental growth rate, expected vacancy rates, discount rates, and transacted values of similar properties which are based on comparable transactions and industry data. The fair value measurement of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. (refer note 40b)

d. **Investment property pledged as security**

Refer Note.43 for details of investment property pledged as security for borrowings.

e. **Amounts recognised in profit or loss**

Particulars	31 March 2024	31 March 2023
Rental income derived from investment properties (refer note 25B)	**618.27**	**478.24**
Direct operating expenses (including repairs and maintenance) generating rental income	(170.14)	(173.77)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(19.34)	(19.37)
Profit arising from investment properties before depreciation and indirect expenses	**428.79**	**285.10**
Less:- Depreciation	(137.91)	(120.00)
Profit arising from investment properties before indirect expenses	**290.88**	**165.10**

6 Investment property under development

	Amount
As at 1 April 2022	**65.03**
Additions during the year	2.86
Disposal during the year	-
Capitalised during the year	-
As at 1 April 2023	**67.89**
Additions during the year	-
Disposal during the year	-
Capitalised during the year	-
As at 31 March 2024	**67.89**

As at 31 March 2024

Particulars	Amount of Investment property under construction for the period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended (*)	-	2.86	6.75	58.28	67.89
Total	**-**	**2.86**	**6.75**	**58.28**	**67.89**

As at 31 March 2023

Particulars	Amount of Investment property under construction for the period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	2.86	6.75	2.27	56.01	67.89
Projects temporarily suspended	-	-	-	-	-
Total	**2.86**	**6.75**	**2.27**	**56.01**	**67.89**

(*) Refer note 39(6)

Note: The Management is of the view that the fair value of investment properties under development cannot be reliably measured and hence fair value disclosures pertaining to investment properties under development have not been provided.

7 Intangible asset under development

	Software	Amount
As at 1 April 2022	-	**-**
Additions during the year	17.62	17.62
Charged to cost of sale	-	-
As at 31 March 2023	**17.62**	**17.62**
Additions during the year	36.74	36.74
Charged to cost of sale	-	-
As at 31 March 2024	**54.36**	**54.36**

Contractual obligations

The contractual commitments pending for the acquisition of intangible asset under development as at 31 March 2024 is ₹8.75 (31 March 2023: ₹13.93)

Ageing of intangible assets under development as at 31 March 2024

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress *	36.74	17.62	-	-	54.36
Projects temporarily suspended	-	-	-	-	-
	36.74	**17.62**	**-**	**-**	**54.36**

7 Intangible asset under development (cont'd)

Ageing of intangible assets under development as at 31 March 2023

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress *	17.62	-	-	-	17.62
Projects temporarily suspended	-	-	-	-	-
	17.62	**-**	**-**	**-**	**17.62**

(*) There are no projects in progress under 'Intangible assets under development' whose completion is overdue or has exceeded its cost compared to its original plan.

8 Intangible assets

	Goodwill	Software	Intellectual property rights	Total
Cost				
As at 1 April 2022	**171.67**	**26.72**	**0.05**	**198.44**
Additions during the year	-	-	-	-
As at 31 March 2023	**171.67**	**26.72**	**0.05**	**198.44**
Additions during the year	-	1.00	-	1.00
As at 31 March 2024	**171.67**	**27.72**	**0.05**	**199.44**
Amortization and impairment				
As at 1 April 2022	**-**	**22.03**	**0.05**	**22.08**
Charge for the year	-	2.14	-	2.14
As at 31 March 2023	**-**	**24.17**	**0.05**	**24.22**
Charge for the year	-	1.16	-	1.16
As at 31 March 2024	**-**	**25.33**	**0.05**	**25.38**
Carrying amount				
As at 31 March 2024	**171.67**	**2.39**	**-**	**174.06**
As at 31 March 2023	**171.67**	**2.55**	**-**	**174.22**

Note:
The Group has not revalued its intangible assets during the current or previous year.

Allocation of goodwill to Cash Generating Units

Particulars	As at 31 March 2024	As at 31 March 2023
Sobha City	123.85	123.85
Kuthavakkam Builders Private Limited	47.82	47.82
	171.67	**171.67**

For impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which goodwill is monitored for internal management purposes. Goodwill is tested for impairment at least annually in accordance with the Group's procedure for determining the recoverable value of each CGU. The recoverable amount of the CGU is determined on the basis of Higher of value in use or Fair Value Less Cost of Disposal (FVLCD). The recoverable amount of the CGU is determined based on the discounted cash flow approach, using the discount rate and terminal income growth rate from unobservable market data by the Management for the year ended March 31, 2024. The discount rate applied to the cash flow projections is within the range of 17% (31 March 2023: 17%) and cash flows beyond the five-year period were extrapolated using a growth rate of 8% (31 March 2023: 8%), which was the same as the long term average growth rate of the real estate industry in the India. The fair value measurement is categorised as a level 3 fair value based on the inputs in the valuation techniques used. Goodwill acquired through business combinations have been allocated to the reporting units for impairment testing. As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

9A Investments accounted for using the equity method

Particulars	As at 31 March 2024	As at 31 March 2023
Investment in associates (refer note a below)	-	0.05
Investments in joint ventures (refer note b below)	1,149.33	1,149.33
	1,149.33	**1,149.38**

	Particulars	Principal activities	Place of regis-tration	% of voting rights 31 March 2024	% of voting rights 31 March 2023	Amount As at 31 March 2024	Amount As at 31 March 2023
a.	*Investment in associate*						
	Investment in equity instruments (Unquoted)						
	(i) C.V.S.Tech Park Private Limited (till 14 February 2024)	Real estate	India	NA	49%	-	0.05
b.	*Investments in joint venture*						
	In Limited Liability Partnership (LLP) firm						
	50% (31 March 2023 - 50%) share in the profits of partnership firm:						
	Kondhwa Projects LLP	Real estate	India	50%	50%		
	- Capital account					0.05	0.05
	- Current account					1,149.28	1,149.28
						1,149.33	**1,149.33**
						1,149.33	**1,149.38**
	Aggregate amount of quoted investments and market value thereof					**-**	**-**
	Aggregate amount of unquoted investments					**1,149.33**	**1,149.38**
	Aggregate amount of impairment in value of investments					**-**	**-**

The principle place of business of all the investments of the Holding Company is India

Investment in Joint venture (Kondhwa Projects LLP)

Particulars	As at 31 March 2024	As at 31 March 2023
Share of the joint venture's statement of financial position :		
Non current assets		
Property, Plant, and Equipment	2,285.56	2,292.06
Current assets		
Cash and Cash Equivalents	6.60	0.02
Other Current Assets	6.86	6.73
	2,299.02	2,298.81
Non current liabilities	-	-
Current liabilities	(0.37)	(0.16)
Equity	2,298.65	2,298.65
Proportion of group ownership (50%)	1,149.33	1,149.33
Revenue	-	-
Total comprehensive income	-	-
Group's carrying amount of the investment (50%)	1,149.33	1,149.33

Note: The Group has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

9B Investment

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in Government or trust securities	-	0.08
Investments at amortized cost		
Investment in Government or trust securities (unquoted)		
National savings certificates	-	0.08
Total investments carried at amortised cost	**-**	**0.08**

10 Inventories

(Valued at cost or net realisable value, which ever is lower)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials, components and stores	600.70	717.54
Building materials	1,525.16	1,336.47
Land stock (*)	5,909.67	7,225.32
Work-in-progress		
- Real estate projects (*)	79,017.98	63,484.04
- Others	624.45	491.94
Stock of units in completed real estate projects (*)	5,954.67	14,198.74
Finished goods	131.50	155.70
	93,764.13	**87,609.75**

(*) Refer note 43 for details of inventories pledged as security for borrowings.

Note: The write-down (net) of inventories to net realisable value for the year ended 31 March 2024 is ₹54.82 (31 March 2023: ₹124.00). This was recorded as an expense during the respective years and included in 'changes in inventories' in consolidated statement of profit and loss.

11 Trade receivables

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - unsecured	393.45	795.18	2,278.52	2,247.16
Trade receivables - credit impaired	-	-	29.12	29.12
	393.45	795.18	2,307.64	2,276.28
Less: Impairment allowance (allowance for credit loss)				
Trade receivables considered good - unsecured			(633.27)	(667.00)
Trade receivables - credit impaired	-	-	(29.12)	(29.12)
Net trade receivables	**393.45**	**795.18**	**1,645.25**	**1,580.16**
Note:				
a. Trade receivables due by firms or private companies in which the director of the Group is a partner or a director or a member (refer note 35)	-	-	192.17	212.01
b. Trade receivables from other related parties (refer note 35)	-	-	15.28	10.06
c. Refer Note 43 for details of Trade receivables pledged as security for borrowings				

11 Trade receivables (cont'd)

d. Trade receivable ageing schedule

As at 31 March 2024	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
A. Non-current							
Undisputed Trade receivables-considered good	373.74	2.99	4.20	1.79	0.57	10.16	393.45
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Non-current	**373.74**	**2.99**	**4.20**	**1.79**	**0.57**	**10.16**	**393.45**
B. Current							
Undisputed Trade receivables-considered good	235.84	934.41	254.10	135.79	159.09	469.73	2,188.96
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	29.12	29.12
Disputed Trade receivables-considered good	-	-	0.68	0.74	0.83	87.31	89.56
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Current	**235.84**	**934.41**	**254.78**	**136.53**	**159.92**	**586.16**	**2,307.64**

As at 31 March 2023	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
A. Non-current							
Undisputed Trade receivables-considered good	770.71	4.27	1.94	4.33	0.28	13.65	795.18
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Non-current	**770.71**	**4.27**	**1.94**	**4.33**	**0.28**	**13.65**	**795.18**
B. Current							
Undisputed Trade receivables-considered good	235.70	855.46	293.24	238.64	91.14	532.98	2,247.16
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	29.12	29.12
Disputed Trade receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Current	**235.70**	**855.46**	**293.24**	**238.64**	**91.14**	**562.10**	**2,276.28**

e. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

(All amounts in ₹ millions, unless otherwise stated)

12 Loans

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Loans to related parties (refer note 35)				
Loans receivables considered good – unsecured	-	-	-	9.00
Loans receivables – credit impaired	-	-	-	-
	-	**-**	**-**	**9.00**
Less: Allowances for credit loss				
Loans receivables – credit impaired	-	-	-	-
Net loans	**-**	**-**	**-**	**9.00**

There are no loans due from directors or other officers either severally or jointly with any other person.

13 Other financial assets

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good				
Refundable deposits towards joint development agreement	180.00	180.00	3,045.59	3,211.06
Security deposit	53.37	51.56	137.43	135.61
Earnest money deposit	466.74	-	-	-
External/Internal development charges (EDC/IDC)	-	-	144.36	1,284.84
Settlement share recoverable			599.87	-
Other receivables	-	-	234.17	80.00
Fixed deposits with maturity for more than 12 months				
- Pledged/ under lien/ earmarked/ margin money (^^)	207.37	151.04	-	-
	907.48	**382.60**	**4,161.42**	**4,711.51**

Note: Refer Note 43 for details of deposits pledged as security for borrowings.
(^^) Includes interest accrued but not due.

14 Other assets

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good				
Land advances (*)	9,115.49	9,021.93	312.95	683.59
Advances recoverable in kind	0.24	0.24	897.96	1,015.21
Prepaid expenses	-	-	1,625.57	1,017.99
Balances with statutory/ government authorities	-	-	878.46	1,127.67
Unbilled revenue (^)	-	-	1,736.87	1,764.53
Advances for joint development arrangements (#)	1,654.82	275.82	663.20	772.21
Other receivables	11.12	-	8.71	-
Unsecured, considered doubtful				
Land advances (^^)	82.63	168.16	-	-
Less: Provision for doubtful advances	(82.63)	(168.16)	-	-
	10,781.67	**9,297.99**	**6,123.72**	**6,381.20**

(*) Advances for land though unsecured, are considered good as the advances have been given based on arrangements/ memorandum of understanding executed by the Group and the Group/ seller/ intermediary has either already obtained a clear and marketable title, or is in the process of obtaining the same.

(^) Classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

14 Other assets (cont'd)

(#) Advances under Joint Development Arrangements (JDA) are paid predominantely under JDA agreement/MOU's where there are certain conditions precedent to execute and register a JDA agreement. On completion of such conditions precedent and registration of JDA, such advances are usually reclassified to refundable deposit based on the terms of the registered JDA.

(^^) Land advances amounting to ₹218.37 have been written off during the year. Out of such write off ₹168.16 was provided for as at 31 March 2023.

Note

		Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
a	Advances recoverable in kind from firms or private companies in which the director of the Holding Company is a partner or a director or a member	-	-	11.06	10.02
b	Includes from related parties				
	Land advances (refer note 35)	7,962.80	8,212.92	-	-
	Advances recoverable in kind (refer note 35)	-	-	177.24	215.25

15 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts (*)	1,082.91	2,659.65
Cash on hand	4.49	9.16
Cheques/ drafts on hand	49.91	125.05
	1,137.31	**2,793.86**
(*) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	576.19	1,758.76

Note:

(i) Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Liabilities	As at 1 April 2023	Cash flow	Non-cash changes: Amortization of transaction cost	Accrued Interest	Initial recognition of Lease Liability	As at 31 March 2024
Borrowings from bank and other parties	20,035.49	(900.40)	-	-	-	19,135.09
Interest on Borrowings	62.39	(2,122.68)	-	2,080.88	-	20.59
Unclaimed dividend	2.00	-	-	-	-	2.00
Lease liabilities	232.81	(74.01)	-	25.12	78.42	262.34

Liabilities	As at 1 April 2022	Cash flow	Non-cash changes: Amortization of transaction cost	Accrued Interest	Initial recognition of Lease Liability	As at 31 March 2023
Borrowings from bank and other parties	24,542.18	(4,624.06)	117.37	-	-	20,035.49
Non-convertible debentures	495.09	(495.09)	-	-	-	-
Interest on Borrowings	35.07	(2,246.65)	-	2,273.97	-	62.39
Unclaimed dividend	2.32	(0.32)	-	-	-	2.00
Lease liabilities	253.49	(79.36)	-	27.26	31.42	232.81

16 Bank balance other than cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Earmarked bank balances		
– On unclaimed dividend account	2.00	2.00
Fixed deposits with banks with maturity less than 12 months (#)(^)		
- Pledged/ under lien/ earmarked/ margin money (^^)	5,593.64	1,718.18
	5,595.64	**1,720.18**
(#) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	5,587.84	1,636.01

(^) Refer Note 43 for details of deposits pledged as security for borrowings.

(^^)Includes interest accrued but not due.

17 Equity share capital

	31 March 2024		31 March 2023	
	No of shares	Amount	No of shares	Amount
Authorised shares(*)				
Equity shares of ₹10 each (in ₹)	150,000,000	1,500.00	150,000,000	1,500.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹10 (in ₹) each fully paid up	94,845,853	948.46	94,845,853	948.46
Total issued, subscribed and fully paid-up share capital	**94,845,853**	**948.46**	**94,845,853**	**948.46**

(*) Excludes 5,000,000, 7% Redeemable preference shares of ₹100 each (in ₹) amounting to ₹500 (31 March 2023: ₹500)

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	31 March 2024		31 March 2023	
	No of shares	Amount	No of shares	Amount
Equity shares				
At the beginning of the year	94,845,853	948.46	94,845,853	948.46
Outstanding at the end of the year	**94,845,853**	**948.46**	**94,845,853**	**948.46**

(b) Terms/rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹10 per share (in ₹) fully paid up. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares would be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of equity shareholders holding more than 5% shares in the Holding Company

	31 March 2024		31 March 2023	
	No of shares	Holding %	No of shares	Holding %
Equity shares of ₹10 (in ₹) each fully paid up				
Mrs. Sobha Menon	28,726,420	30.29%	28,726,420	30.29%
Mr. P.N.C. Menon	12,339,259	13.01%	12,339,259	12.99%
Mr. P.N.C. Menon (inclusive of joint holding with Mrs. Sobha Menon)	5,289,054	5.58%	5,289,054	5.58%
Anamudi Real Estates LLP	9,475,096	9.99%	9,475,096	9.99%
Schroder International Selection Fund Emerging Asia (^)	355,638	0.37%	5,541,913	5.84%
Franklin India Focused Equity Fund (^)	2,805,879	2.96%	5,828,613	6.15%

(^) Held more than 5% as at 31 March 2023

17 Equity share capital (cont'd)

(d) Details of shares held by promoters

	31 March 2024			31 March 2023		
Promoter Name	**No.of shares**	**% of total shares**	**% change during the year**	**No.of shares**	**% of total shares**	**% change during the year**
Mrs. Sobha Menon	28,726,420	30.29%	-	28,726,420	30.29%	-
Mr. P.N.C. Menon	12,339,259	13.01%	0.02%	12,319,259	12.99%	0.27%
Mr. P.N.C. Menon (inclusive of joint holding with Mrs. Sobha Menon)	5,289,054	5.58%	-	5,289,054	5.58%	-
Mr. Ravi PNC Menon	3,185,930	3.36%	-	3,185,930	3.36%	-

(e) There have been no buy back of shares, issue of bonus shares and issue of shares pursuant to contract without payment being received in cash for the period of 5 years immediately preceding the reporting date.

(f) There are no shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestments.

18 Other equity

	As at 31 March 2024	As at 31 March 2023
Capital redemption reserve	119.47	119.47
Securities premium	9,328.92	9,328.92
General reserve	4,501.82	4,452.70
Retained earnings	10,242.06	10,097.15
	24,192.28	**23,998.25**

Nature and purpose of reserve

(a) Capital redemption reserve
The Group recognises profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital redemption reserve.

(b) Securities premium
Securities premium reserve is used to record the premium received on issue of shares by the Group. The reserve can be utilised in accordance with the provision of Section 52(2) of Companies Act, 2013.

(c) General reserve
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(d) Retained earnings
The cumulative gain or loss arising from the operations which is retained by the Group is recognised and accumulated under the heading of retained earnings.

19 Distribution made and proposed

	As at 31 March 2024	As at 31 March 2023
Final dividend on equity shares declared and paid		
₹ 3 per share for the year ended 31 March 2023	284.54	-
₹3 per share for the year ended 31 March 2022	-	284.54
	284.54	**284.54**
Details of proposed final dividend on equity shares (*)		
₹3 per share for the year ended 31 March 2024	284.54	-
₹3 per share for the year ended 31 March 2023	-	284.54
	284.54	**284.54**

(*) Proposed dividend on equity shares are subject to the approval of the shareholders at the ensuing annual general meeting and are not recognised as a liability as at respective balance sheet dates.

20 Borrowings

	As at 31 March 2024	As at 31 March 2023
Non-current borrowings		
Term loans (Secured)	7,773.41	8,942.75
- from banks	3,011.48	3,033.83
- from other parties	**10,784.89**	**11,976.58**
Term loans (Unsecured)		
- from banks	993.06	-
Less: Current maturities of long term borrowings	(4,614.46)	(5,841.99)
Total non-current borrowings	**7,163.49**	**6,134.59**
Current borrowings		
Term loans (Secured)		
- from banks	98.29	813.04
- from other parties	952.69	928.02
Loans repayable on demand		
- from banks	3,650.98	3,991.21
Cash credit from banks	2,655.18	2,326.64
Current maturities of long term borrowings	4,614.46	5,841.99
Total current borrowings	**11,971.60**	**13,900.90**

Note:

(i) The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

(ii) None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Non-current borrowings					
Term loans from banks	1,154.17	2,789.15	8%-10%	Secured by way of a. equitable mortgage on immovable properties of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances, other current assets and receivables (both present and future) of the project	Repayable in 10 equal quarterly installments, after a moratorium period of 39 months from the date of first disbursement.
Term loans from banks	1,394.52	1,475.98	8%-10%	Secured by way of a. mortgage of Investment Property and hypothecation of current assets and receivables relating to the Investment Property b. hypothecation of Escrow account and Debt Service Reserve account	Repayable in 153 monthly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from banks	179.55	1,387.87	8%-10%	Secured by way of a. first charge on the Holding Company's share of Inventory in the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances, other current assets and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 10 equal quarterly installments, after a moratorium period of 42 months from the date of first disbursement.

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Term loans from banks	548.47	641.13	8%-10%	Secured by way of a. mortgage of Investment Property of the Group b. hypothecation of receivables (both present and future) of the relation to the Investment Property c. corporate guarantee from the Group	Repayable in 126 monthly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from banks	372.03	558.39	8%-10%	Security charge by way of a. equitable mortgage of immovable property of the Subsidiary project b. first Charge on Escrow balances and all assets of the Subsidiary project c. Corporate guarantee of the subsidiary	Repayable in 15 equal quarterly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from banks	1,168.74	462.51	8%-10%	Secured by way of a. equitable mortgage on immovable properties of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances, other current assets and receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 10 equal quarterly installments, after a moratorium period of 51 months from the date of first disbursement.
Term loans from banks	74.17	222.43	8%-10%	Secured by way of a. first charge on Property, Plant and Equipment b. equitable mortgage on vacant land parcels	Repayable in 16 equal quarterly installments from the date of first disbursement
Term loans from banks	46.84	195.78	8%-10%	Secured by way of a. equitable mortgage on immovable properties of the project b. hypothecation of receivables (both present and future)	Repayable in 48 quarterly installments, after a moratorium period of 30 months from the date of first disbursement.
Term loans from banks	374.47	684.96	8%-10%	Security charge by way of a. equitable mortgage of immovable property of the Subsidiary project b. first charge on all assets of the Subsidiary project	Repayable in 36 equal quarterly installments, after a moratorium period of 12 months from the date of first disbursement.
Term loans from banks	186.46	524.55	8%-10%	Secured by way of a. first charge on the Holding Company's share of Inventory of the project b. hypothecation of Escrow balances and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 24 monthly installments, after a moratorium period of 36 months from the date of first disbursement.
Term loans from banks	839.04	-	9%-10%	Secured by way of a. Registered mortgage on immovable properties of the project b. hypothecation of Escrow balances, other current assets and receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 36 monthly installments, after a moratorium period of 12 months from the date of first disbursement.
Term loans from banks	497.83	-	9%-10%	Secured by way of a. equitable mortgage on immovable properties of the project(both present and future) b. hypothecation of receivables (both present and future)	Repayable in 8 equal quarterly installments, after a moratorium period of 12 months from the date of first disbursement.
Term loans from banks	661.73	-	9%-11%	Secured by way of a. mortgage of property owned by Group b. mortgage of building owned by the Holding Company c. corporate guarantee of Group	Repayable in 20 equal quarterly installments from the date of first disbursement.

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Term loans from banks	275.39	-	9%-10%	Secured by way of a. hypothecation of Escrow balances, other current assets and receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 11 equal quarterly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from other parties	386.32	603.81	9%-11%	Secured by way of a. mortgage of property owned by Group b. mortgage of building owned by the Holding Company c. corporate guarantee of Group	Repayable in 20 equal quarterly installments, after a moratorium period of 6 months from the date of first disbursement.
Term loans from other parties	826.41	1,012.98	8%-10%	Secured by way of a. first charge on the Holding Company's share of Inventory of the project b. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project	Repayable in 24 monthly installments, after a moratorium period of 48 months from the date of first disbursement.
Term loans from other parties	420.71	797.90	8%-10%	Secured by way of a. equitable mortgage on the Holding Company's share of Inventory of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project	Repayable in 24 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	147.06	595.47	8%-10%	Secured by way of a. equitable mortgage on the Holding Company's share of Inventory of the project b. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project	Repayable in 24 monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	-	23.67	9%-11%	Secured by way of a. equitable mortgage on the Holding Company's share of Inventory of the project b. first charge on the vacant land parcels c. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project	Repayable in 24 monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	325.17	-	9%-10%	Secured by way of a. equitable mortgage on vacant land parcels b. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project c. corporate guarantee of Group	Repayable in 24 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	905.81	-	8%-10%	Secured by way of a. equitable mortgage on the Holding Company's share of Inventory of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project	Repayable in 36 monthly installments, after a moratorium period of 36 months from the date of first disbursement.
Term loans from banks	993.06	-	9%-11%	Unsecured	Repayable in 30 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Sub - total	**11,777.95**	**11,976.58**			

Current borrowings

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Loans from banks	-	1,178.53	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Loans from banks	695.76	696.42	8%-10%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Term loans from banks	-	551.03	8%-10%	Secured by way of a. equitable mortgage of immovable property of the project b. equitable mortgage on vacant land parcels c. hypothecation of other current assets and receivables (both present and future) of the project	Repayable in 10 quarterly installments, after a moratorium period of 30 months from the date of first disbursement.
Loans from banks	-	406.26	8%-11%	Secured by way of a. first charge on the Holding Company's share of Inventory in the project b. hypothecation of Escrow balances, other current assets and Holding Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable on demand
Loans from banks	1,475.87	1,490.25	8%-10%	Secured by way of a. first charge on inventory of the project b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Term loans from banks	98.29	262.01	8%-10%	Secured by way of a. first charge on the Holding Company's share of Inventory of the project b. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project and Debt Service Reserve account c. fund shortfall undertaking by the director of the Holding Company towards funding of underlying projects (*)	Repayable in 24 monthly installments, after a moratorium period of 36 months from the date of first disbursement.
Loans from banks	479.35	219.75	8%-10%	Secured by way of a. first charge on the Holding Company's share of Inventory of the project b. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable on demand
Loans from banks	1,000.00	-	8%-10%	Secured by way of a. first charge on inventory of the project receivables and inventory of contractual business b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Term loans from other parties	-	678.68	8%-10%	Secured by way of a. equitable mortgage on immovable properties of the project b. hypothecation of receivables (both present and future) of the project.	Repayable in 30 monthly installments, after a moratorium period of 24 months from the date of first disbursement.

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Term loans from other parties	581.07	249.34	8%-10%	Secured by way of a. equitable mortgage on the Holding Company's share of Inventory of the project b. equitable mortgage on vacant land parcels c. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project	Repayable in 24 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from other parties	371.62	-	9%-10%	Secured by way of a. equitable mortgage on vacant land parcels b. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project c. corporate guarantee of Group	Repayable in 24 equal monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Cash credit	1,815.15	838.68	9%-11%	Secured by way of a. equitable mortgage on vacant land parcels b. hypothecation of receivables (both present and future) of projects	Repayable on demand
Cash credit	301.28	707.77	8%-10%	Secured by way of receivables of the projects	Repayable on demand
Cash credit	126.60	276.72	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	163.39	85.00	7%-9%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	-	20.09	8%-11%	Secured by way of a. first charge on the Holding Company's share of Inventory in the project b. hypothecation of Escrow balances, other current assets and Holding Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable on demand
Cash credit	8.14	4.92	7%-9%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	-	7.40	7%-9%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.39	9.93	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	-	3.65	8%-10%	Secured by way of a. first charge on receivables (both present and future) of the project b. equitable mortgage on the vacant lands	Repayable on demand

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Cash credit	-	0.72	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.32	0.04	7%-9%	Secured by way of a. first charge on inventory, receivables and other current assets of the manufacturing division. b. Equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	124.22	272.54	8%-10%	Secured by way of a. first charge on the Holding Company's share of Inventory of the project b. hypothecation of Escrow balances and Holding Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable on demand
Cash credit	30.00	50.20	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	58.30	30.00	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	10.22	18.98	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	1.52	-	8%-10%	Secured by way of a. first charge on inventory of the project receivables and inventory of contractual business b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	15.00	-	8%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand

20 Borrowings (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023	Effective interest rate	Security Details	Repayment terms
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.10	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Cash credit	0.05	-	9%-10%	Secured by way of a. first charge on receivables and inventory of the contracting business and concrete product division b. first charge on identified moveable fixed assets of the Holding Company c. hypothecation of receivables of project d. equitable mortgage on vacant land parcels	Repayable on demand
Sub - total	**7,357.14**	**8,058.91**			
Total borrowings	**19,135.09**	**20,035.49**			

(*) Refer Note 35

21 Other financial liabilities

	As at 31 March 2024	As at 31 March 2023
Current		
Payable to land owner for acquisition of land/developmental rights	2,495.50	3,133.03
Security deposit received towards		
-Maintenance services	1,736.93	2,087.41
-Lease deposit	182.62	152.37
Letter of credit payable	521.78	1,346.96
Book overdraft	427.70	1,025.86
Revenue share payable under joint development agreement	189.99	632.42
Interest accrued but not due on borrowings	20.59	62.39
Deferred lease rental	13.63	27.93
Unclaimed dividend (*)	2.00	2.00
Payable for purchase of property, plant and equipment	2.04	2.19
Payable to related parties (refer note 35)	192.41	170.53
Others	216.65	327.35
Total other financial liabilities	**6,001.84**	**8,970.44**

(*) Investor Protection and Education Fund is credited for unclaimed dividends when due.

22 Provisions

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits				
Provision for gratuity (refer note 37)	245.54	228.85	98.15	85.67
Provision for compensated absence	-	-	124.97	117.09
	245.54	**228.85**	**223.12**	**202.76**

This space is intentionally left blank

SOBHA LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

23 Trade payables

	As at 31 March 2024	As at 31 March 2023
Dues of micro enterprises and small enterprises	-	-
Dues of creditors other than micro enterprises and small enterprises (refer note 35)	6,165.47	5,986.75
	6,165.47	**5,986.75**

Trade Payable Ageing schedule

As at 31 March 2024	Accrued	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,097.73	1,067.88	3,794.81	110.18	40.31	54.56	6,165.47
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	1,097.73	**1,067.88**	**3,794.81**	**110.18**	**40.31**	**54.56**	**6,165.47**

As at 31 March 2023	Accrued	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	930.80	1,360.17	3,365.02	108.57	62.27	159.92	5,986.75
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	930.80	**1,360.17**	**3,365.02**	**108.57**	**62.27**	**159.92**	**5,986.75**

Note: Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

	Particulars	As at 31 March 2024	As at 31 March 2023
i.	Principal amount remaining unpaid to any supplier as at the year end	-	-
ii.	Interest due thereon	-	-
iii.	Amount of interest paid by the Group in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
iv.	Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED, 2006	-	-
v.	Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

24 Other liabilities

	As at 31 March 2024	As at 31 March 2023
Contract liabilities		
-Advance from customers	69,515.39	52,912.64
-Mobilisation advance	651.45	581.31
-Liability under joint development agreement (*)	8,250.87	11,222.11
-Deferred revenue	165.18	168.70
Withholding taxes payable	107.43	135.71
Others	294.36	132.33
	78,984.68	**65,152.80**

(*) Represents amount payable to landowners where the Holding Company has entered into joint development arrangements with landowners for joint development of properties on land in lieu of which, the Holding Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, net of revenue recognised.

25 Revenue from operations (refer note 35)

		Year ended 31 March 2024	Year ended 31 March 2023
A	**Revenue from contract with customers**		
I	**Sale of products**		
	Income from constructed properties, plots and other development activities	22,377.08	23,937.32
	Income from sale of land and development rights	286.10	-
	Income from glazing works	1,723.91	2,626.08
	Income from interior works	983.85	831.49
	Income from concrete blocks	843.15	649.08
	Income from retail sales	191.80	133.93
II	**Sale of services**		
	Income from contractual activity	3,088.42	3,622.51
	Income from maintenance and other services	519.37	470.50
III	**Other operating revenue**		
	Forfeiture income	83.77	140.96
	Interest collected from customer	71.05	63.01
	Transfer fees	80.21	67.30
	Marketing fee	15.67	16.51
	Scrap sales	86.81	64.21
	Total (A)	**30,351.19**	**32,622.90**
B	**Rental income**		
	Rental income from operating leases (refer note 38)	618.27	478.24
	Total (A+B)	**30,969.46**	**33,101.14**

Additional disclosures required under Ind AS 115

(a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers by timing of transfer of goods or services

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue recognition at a point of time	22,143.75	23,159.33
Revenue recognition over period of time	8,207.44	9,463.57
	30,351.19	**32,622.90**

25 Revenue from operations (refer note 35) (cont'd)

(b) Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contract assets		
Unbilled revenue	1,736.87	1,764.53
Total contract assets	**1,736.87**	**1,764.53**
Contract liabilities		
Advance from customers (includes mobilisation advance)	70,166.84	53,493.95
Liability under joint development agreement	8,250.87	11,222.11
Deferred revenue	165.18	168.70
Total contract liabilities	**78,582.89**	**64,884.76**
Receivables		
Trade receivables (net of expected credit loss)	2,038.70	2,375.34
Total receivables	**2,038.70**	**2,375.34**

Unbilled revenue is initially recognised for revenue earned on account of contracts where revenue is recognised over the period of time as receipt of consideration is conditional on successful completion of performance obligations as per contract. Once the performance obligation is fulfilled and milestones for invoicing are achieved, contract assets are classified to trade receivables. Such unbilled revenue is classified as non-financial asset because the right to consideration depends on completion of contractual milestones.

Contract liabilities include advances received from customers as well as deferred revenue representing transaction price allocated to outstanding performance obligations.

Cost to obtain the contract:
(i) Amortisation in Statement of Profit and Loss: ₹463.10 (31 March 2023: ₹326.20)
(ii) Recognised as contract assets: ₹1,521.90 (31 March 2023:₹909.39)

(c) Significant changes in contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2024			As at 31 March 2023		
	Advances from customers (*)	Payable to land owner	Deferred Revenue	Advances from customers (*)	Payable to land owner	Deferred Revenue
Opening balance	**53,493.95**	**11,222.11**	**168.70**	**42,460.59**	**10,384.34**	**117.16**
Additions during the year (net)	36,130.39	423.87	165.18	32,026.97	4,052.75	168.70
Revenue recognised during the year	(19,457.50)	(3,395.11)	(168.70)	(20,993.61)	(3,214.98)	(117.16)
Closing balance	**70,166.84**	**8,250.87**	**165.18**	**53,493.95**	**11,222.11**	**168.70**

(*) Includes mobilisation advance

(d) Significant changes in unbilled revenue balances during the year are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	**1,764.53**	**3,361.68**
Revenue recognised during the year	4,828.00	6,502.10
Billed during the year	(4,855.66)	(8,099.25)
Closing balance	**1,736.87**	**1,764.53**

25 Revenue from operations (refer note 35) (cont'd)

(e) Reconciliation of revenue recognised with contract revenue:

Particulars	As at 31 March 2024	As at 31 March 2023
Contract revenue	30,351.19	32,622.90
Revenue recognised	**30,351.19**	**32,622.90**

The performance obligation of the Group in case of sale of residential plots, villas, apartments, commercial space and development management of such properties is satisfied once the project is completed and control is transferred to the customers. The customer makes the payment for contract price as per installment stipulated in customer's agreement which can be cancelled by the customer for convenience.

The transaction price of the remaining performance obligation (unsatisfied or partly satisfied) as at 31 March 2024 is ₹142,188.67 (31 March 2023 is ₹115,536.09). The same is expected to be recognised within 1 to 5 years.

26 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on		
-Bank deposits	253.48	47.30
-Unwinding of discount on refundable deposits	324.05	231.29
-Refundable deposits	9.36	38.87
-Other financial assets	109.31	14.73
Other non-operating income (net of expenses directly attributable to such income)		
-Liabilities no longer required written back	198.52	327.96
-Sub-contractor facilitation charges	245.63	179.50
-Gain on foreign exchange difference (net)	2.12	1.16
-Profit on sale of property, plant and equipment (net)	2.41	0.92
-Reversal of impairement of refundable deposit	-	50.55
-Others	64.48	30.91
	1,209.36	**923.19**

27 Cost of material consumed

	Year ended 31 March 2024	Year ended 31 March 2023
Inventory at the beginning of the year	717.54	636.87
Add: Purchases during the year	2,773.65	3,740.46
Less: Inventory at the end of the year	600.70	717.54
Cost of material consumed	**2,890.49**	**3,659.79**

28 Changes in inventories of raw materials, land stock, work in progress and finished goods

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year		
Building materials	1,525.16	1,336.47
Land stock	5,909.67	7,225.32
Work-in-progress	79,642.43	63,975.98
Stock of units in completed real estate projects	5,954.67	14,198.74
Finished goods	131.50	155.70
	93,163.43	**86,892.21**
Inventories at the beginning of the year		
Building materials	1,336.47	75.80
Land stock	7,225.32	4,319.20
Work-in-progress	63,975.98	60,034.74
Stock of units in completed real estate projects	14,198.74	11,325.03
Finished goods	155.71	124.15
	86,892.22	**75,878.92**
Add: EDC/IDC charges transferred from other financial assets	1,054.70	-
	(5,216.51)	**(11,013.29)**

29 Employee benefits expense (refer note 35)

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	3,191.54	2,664.55
Contribution to provident and other funds (refer note 37)	97.48	89.79
Gratuity expenses (refer note 37)	44.67	40.24
Compensated absence	52.68	69.72
Staff welfare expenses	139.93	80.45
	3,526.30	**2,944.75**

30 Finance costs (*)

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense		
-on borrowings	1,922.21	2,032.87
-unwinding of discount on land cost payable	173.43	189.01
-on lease liability	25.12	27.26
-on others	133.83	104.38
Other borrowing cost		
-letter of credit charges	24.85	85.08
-bank guarantee charges	32.13	18.88
-bank and other charges	143.49	32.76
Total	**2,455.06**	**2,490.24**
(*) Includes finance expense capitalised to inventory (The rate used to determine the amount of borrowing costs eligible for capitalisation is the effective interest rate of the underlying borrowings which is in the range of 7% to 11%) Capitalisation rate 31.03.2024 - 9% (31.03.2023 - 10%)	2,034.63	2,260.65

31 Depreciation and amortization expense

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment	596.74	500.83
Depreciation of investment properties	137.91	120.00
Depreciation of right of use assets	46.40	55.40
Amortization of intangible assets	1.16	2.14
	782.21	**678.37**

32 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
License fees and plan approval charges	637.43	654.01
Power and fuel	657.33	663.35
Water charges	52.87	28.66
Freight and forwarding charges	279.16	267.59
Rent (refer note 35)	435.44	165.38
Rates and taxes	131.78	201.13
Insurance	136.30	132.19
Property maintenance expenses	211.43	160.46
Repairs and maintenance		
Plant and machinery	57.69	52.62
Others	125.30	87.05
Advertising and sales promotion	517.77	415.48
Brokerage and discounts	463.10	326.20
Donation	-	0.95
Corporate Social Responsibility expenditure (refer note 35)	151.55	199.62
Travelling and conveyance (refer note 35)	212.48	305.52
Printing and stationery	50.09	39.09
Software and subscription	81.12	75.45
Legal and professional fees	538.25	403.80
Payment to auditor	17.41	18.70
Allowance for credit loss on doubtful trade receivable	12.32	372.10
Provision for land advances	82.63	168.16
Other advances written off	50.21	60.85
Security and housekeeping	263.83	203.48
Impairment of property, plant and equipment	29.47	58.71
Miscellaneous expenses	429.55	379.36
	5,624.51	**5,439.91**

33 Income tax

The significant components of income tax expense for the years ended 31 March 2024 and 31 March 2023 are -

A Amounts charged to statement of profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current income tax:		
Current income tax charge	1,245.40	360.46
In respect of prior years	11.87	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(1,006.13)	47.24
Income tax expense reported in the statement of profit and loss	**251.14**	**407.70**

B Income tax recognised in other comprehensive income

Net loss on remeasurements of defined benefit plans	4.23	13.43
Income tax charge to other comprehensive income	**4.23**	**13.43**

C Reconciliation of tax expense and the accounting profit multiplied by Group's domestic tax rate for 31 March 2024 and 31 March 2023

	Year ended 31 March 2024	Year ended 31 March 2023
Accounting profit before income tax	742.27	1,449.75
Tax on accounting profit at statutory income tax rate applicable to the Holding Company 25.17% (31 March 2023: 25.17%)	186.83	364.90
Adjustments in respect of change in tax rate of subsidiary	6.59	0.94
Permanent adjustments	45.85	41.86
Adjustments in respect of current income tax of previous years	11.87	-
	251.14	**407.70**

D Deferred tax asset / Liability

Deferred tax assets relates to the following

Particulars	31 March 2024		31 March 2023	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Provision for compensated absence	31.45	-	29.46	-
Provision for gratuity	86.50	-	79.16	-
Provision for exgratia	16.17	-	18.64	-
Expected credit losses	145.00	-	145.05	-
Deferred tax asset on tax losses and unabsorbed depreciation	7.11	-	26.93	-
Others	14.33	-	55.79	-
Property, plant and equipment and investment property	19.23	-	40.70	-
On account of difference in IndAS 115 and ICDS III	936.52	-	-	(173.35)
Deferred tax asset/(liability)	**1,256.31**	**-**	**395.73**	**(173.35)**
Deferred tax asset (Net)	**1,256.31**	**-**	**222.38**	**-**

33 Income tax (cont'd)

Deferred tax liability relates to the following

Particulars	31 March 2024		31 March 2023	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Expected credit losses	30.16	-	30.16	-
Deferred tax asset on tax losses and unabsorbed depreciation	4.16	-	56.59	-
Others	-	(30.30)	-	(30.32)
Property, plant and equipment and investment property	-	(287.16)	-	(269.92)
On account of difference in IndAS 115 and ICDS III	133.75	-	87.67	-
	168.07	**(317.46)**	**174.42**	**(300.24)**
Deferred Tax (liability) (Net)	**-**	**(149.39)**	**-**	**(125.82)**

Following summarises the movement of Deferred tax asset/ (liability)

Year ended 31 March 2024	Balance as at 01 April 2023	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2024
Provision for compensated absence	29.46	1.99	-	31.45
Provision for gratuity	79.16	3.11	4.23	86.50
Provision for exgratia	18.64	(2.47)	-	16.17
Expected credit losses	175.21	(0.05)	-	175.16
Deferred tax asset on tax losses and unabsorbed depreciation	83.52	(72.25)	-	11.27
Others	25.47	(41.44)	-	(15.97)
Property, plant and equipment and investment property	(229.22)	(38.71)	-	(267.93)
On account of difference in IndAS 115 and ICDS III	(85.68)	1,155.95	-	1,070.27
Total	**96.56**	**1,006.13**	**4.23**	**1,106.92**

Year ended 31 March 2023	Balance as at 01 April 2022	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2023
Provision for compensated absence	20.49	8.97	-	29.46
Provision for gratuity	62.38	3.35	13.43	79.16
Provision for exgratia	11.62	7.02	-	18.64
Expected credit losses	86.66	88.55	-	175.21
Deferred tax asset on tax losses and unabsorbed depreciation	79.26	4.26	-	83.52
Others	13.87	11.60	-	25.47
Property, plant and equipment and investment property	(182.45)	(46.77)	-	(229.22)
On account of difference in IndAS 115 and ICDS III	38.54	(124.22)	-	(85.68)
Total	**130.37**	**(47.24)**	**13.43**	**96.56**

E The Group has not entered into any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

33 Income tax (cont'd)

F Income tax assets (net)

Particulars	31 March 2024	31 March 2023
Income tax assets (net)	531.73	217.46
	531.73	**217.46**

G Current tax liabilities (net)

Particulars	31 March 2024	31 March 2023
Provision for tax (net of advance tax)	656.80	-
	656.80	**-**

34 Earnings per share ['EPS']

Particulars	31 March 2024	31 March 2023
Net Profit after tax attributable to equity shareholders	491.13	1,042.05
Weighted average number of equity shares used in calculating basic and diluted EPS	94,845,853	94,845,853
Nominal value per equity share (in ₹)	10	10
Earnings per share (in ₹)		
- Basic and diluted	5.18	10.99

35 Related party disclosures

A) Name of the related parties and the nature of its relationship with the Group:

Joint Venture

Kondhwa Projects LLP

Associate

C.V.S.Tech Park Private Limited (till 14 February 2024)

Key Shareholder

Mr. P. N. C. Menon

Mrs. Sobha Menon

Key Management Personnel ('KMP')

Mr. Ravi PNC Menon - Chairman

Mr. Jagadish Nangineni - Managing Director

Additional related parties ('KMP's) as per Companies Act, 2013 with whom transactions have taken place

Mr. Yogesh Bansal - Chief Financial Officer

Mr. Bijan Kumar Dash - Company Secretary (with effect from 1 December 2023)

Mr. Vighneshwar G Bhat - Company Secretary (till 19 October 2023)

Other Directors

Mr. Anup Shah

Mr. R V S Rao

Mrs. Srivathsala KN

Mr. Raman Mangalorkar

35 Related party disclosures (cont'd)

A) Name of the related parties and the nature of its relationship with the Group (cont'd)

Relatives of key management personnel

Mrs. Sudha Menon
Mr. P N Haridas

Post employment-benefit plan entity

Sobha Developers Employees Gratuity Trust

Other related parties with whom transactions have taken place

Puzhakkal Developers Private Limited
Sobha Glazing & Metal Works Private Limited
Sobha Projects & Trade Private Limited
Sobha Puravankara Aviation Private Limited
Sobha Space Private Limited
Sri Durga Devi Property Management Private Limited
Sri Kurumba Educational and Charitable Trust
Sri Parvathy Land Developers Private Limited
Technobuild Developers Private Limited
Mapedu Realtors Private Limited
Mapedu Builders Private Limited
Chikmangaloor Properties Private Limited
Chikmangaloor Developers Private Limited
Chikmangaloor Realtors Private Limited
Rusoh Marina Properties Private Limited
Rusoh Modern Builders Private Limited
Rusoh Modern Properties Private Limited
Thakazhi Developers Private Limited
Thakazhi Realtors Private Limited
Tirur Cyber Real Estates Private Limited
Kilai Super Developers Private Limited

B) Details of the transactions with the related parties:

	Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
I.	**Transaction with Joint Venture**		
	Amount contributed to partnership current account		
	Kondhwa Projects LLP	-	0.60
II.	**Transaction with other related parties / KMP**		
	Income from constructed properties, plots and other development activities		
	Mr. Jagadish Nangineni	5.02	-
	Other income		
	Mr. Jagadish Nangineni	0.16	-

35 Related party disclosures (cont'd)

B) Details of the transactions with the related parties: (cont'd)

II. Transaction with other related parties / KMP (cont'd)

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
Income/(loss) from sale of land and development rights		
Chikmangaloor Properties Private Limited	0.14	0.97
Chikmangaloor Developers Private Limited	(0.01)	-
Chikmangaloor Realtors Private Limited	0.06	-
Thakazhi Developers Private Limited	22.27	16.25
Thakazhi Realtors Private Limited	15.68	6.64
Rusoh Marina Properties Private Limited	(0.10)	(0.01)
Rusoh Modern Builders Private Limited	(1.39)	-
Rusoh Modern Properties Private Limited	0.23	-
Mapedu Realtors Private Limited	-	(0.15)
Mapedu Builders Private Limited	-	(0.14)
Kilai Super Developers Private Limited	(0.79)	-
Tirur Cyber Real Estates Private Limited	8.81	-
Income from glazing works		
Sri Kurumba Educational and Charitable Trust	0.49	0.30
Mr. R V S Rao	0.10	-
Income from interior works		
Sri Kurumba Educational and Charitable Trust	1.00	0.44
Mr. Jagadish Nangineni	0.18	-
Mr. Anup Shah	-	0.04
Income from concrete blocks/works		
Sobha Projects & Trade Private Limited	5.96	11.57
Sub-contractor cost		
Sobha Projects & Trade Private Limited	318.34	382.96
Rent		
Sri Kurumba Educational and Charitable Trust	0.12	-
Mr. Ravi PNC Menon	9.00	-
Travelling and conveyance - Aircraft hire charges		
Sobha Puravankara Aviation Private Limited	49.65	129.37
Corporate social responsibility expenditure		
Sri Kurumba Educational and Charitable Trust	151.55	199.62
Land advance paid		
Technobuild Developers Private Limited	-	201.06
Advances recoverable in kind		
Sri Parvathy Land Developers Private Limited	-	0.01
Sri Durga Devi Property Management Private Limited	-	0.06
Sobha Puravankara Aviation Private Limited	-	105.00

35 Related party disclosures (cont'd)

II. Transaction with other related parties / KMP (cont'd)

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
Reimbursement of expenses		
Technobuild Developers Private Limited	12.27	-
Interest others		
Technobuild Developers Private Limited	0.09	-
Land advances refunded		
Technobuild Developers Private Limited	196.78	449.98
Puzhakkal Developers Private Limited	-	52.20
Sri Parvathy Land Developers Private Limited	-	106.48
Sri Durga Devi Property Management Private Limited	-	43.10
Advances received fom the related party		
Technobuild Developers Private Limited	1.92	1.06
Provision for land advances		
Sri Parvathy Land Developers Private Limited	-	60.51
Security deposit adjusted towards rent		
Sobha Glazing & Metal Works Private Limited	5.50	5.50
Contribution to plan assets		
Sobha Developers Employees Gratuity Trust	32.30	26.90
Gurantee or security received		
Sri Durga Devi Property Management Private Limited	900.00	1,100.00
Sri Parvathy Land Developers Private Limited	900.00	1,100.00
Guarantees extinguished		
Sri Durga Devi Property Management Private Limited	-	1,500.00
Sri Parvathy Land Developers Private Limited	-	1,500.00

III. Transaction with key managerial personnel

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
Directors' remuneration		
Mr. Ravi PNC Menon	-	92.49
Mr. Jagadish Nangineni (with effect from 01 April 2022)	22.88	33.08
Dividend paid (payment basis)		
Mr. Ravi PNC Menon	9.56	9.56
Mr. Jagadish Nangineni	0.01	-
Mr. Anup Shah	0.01	0.01
Mr. R V S Rao	-	0.05
Mrs. Sudha Menon	0.00	0.00
Mr. P N Haridas	0.14	0.14

35 Related party disclosures (cont'd)

III. Transaction with key managerial personnel (cont'd)

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
Salary (including perquisites)		
Mr. Yogesh Bansal	8.87	6.74
Mr. Bijan Kumar Dash - Company Secretary (with effect from 1 December 2023)	1.94	-
Mr. Vighneshwar G Bhat	4.50	5.18
Directors' sitting fees and commission		
Mr. Anup Shah	2.19	2.14
Mr. R V S Rao	2.18	2.18
Mrs. Srivathsala KN	2.25	2.23
Mr. Raman Mangalorkar	2.22	2.16
IV. Transaction with key shareholders		
Dividend paid (payment basis)		
Mr. P. N. C. Menon	37.02	36.18
Mrs. Sobha Menon	86.18	86.18
Mr. P. N. C. Menon and Mrs. Sobha Menon (jointly held shares)	15.87	15.87

C) Details of balances receivable from and payable to related parties are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
I. Balances receivable from and payable to joint venture		
In partners current account		
Kondhwa Projects LLP	1,149.28	1,149.28
II. Balances receivable from and payable to other related parties / KMP		
Land advance		
Technobuild Developers Private Limited	7,962.80	8,152.41
Sri Parvathy Land Developers Private Limited	-	60.51
Provision for land advances		
Sri Parvathy Land Developers Private Limited	-	60.51
Right of use assets		
Sobha Glazing & Metal Works Private Limited	27.52	33.00
Advances recoverable in cash or in kind		
Sobha Puravankara Aviation Private Limited	177.24	215.25
Sobha Glazing & Metal Works Private Limited	11.06	10.02
Trade receivables		
Sri Kurumba Educational and Charitable Trust	7.00	6.41
Sobha Projects & Trade Private Limited	192.17	212.01
Thakazhi Developers Private Limited	-	2.57
Thakazhi Realtors Private Limited	8.05	-
Mapedu Realtors Private Limited	-	0.35
Mr. Anup Shah	0.23	0.73

35 Related party disclosures (cont'd)

C) Details of balances receivable from and payable to related parties are as follows: (cont'd)

II. Balances receivable from and payable to other related parties / KMP (cont'd)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from customers		
Sri Parvathy Land Developers Private Limited	-	1.90
Mr. Jagadish Nangineni	1.51	-
Trade payables		
Sobha Projects & Trade Private Limited	86.75	-
Sobha Glazing & Metal Works Private Limited	-	0.00
Mapedu Builders Private Limited	-	0.11
Rusoh Marina Properties Private Limited	-	0.02
Sri Parvathy Land Developers Private Limited	-	2.53
Sobha Space Private Limited	-	14.05
Sri Durga Devi Property Management Private Limited	0.00	1.89
Mr. Ravi PNC Menon	1.07	-
Other current financial liabilities		
Technobuild Developers Private Limited	169.65	173.88
Sobha Space Private Limited	14.05	14.05
Sobha Glazing & Metal Works Private Limited	0.00	0.00
Sobha Projects & Trade Private Limited	7.01	7.01
Guarantee or security received		
Sri Durga Devi Property Management Private Limited	2,000.00	1,100.00
Sri Parvathy Land Developers Private Limited	2,000.00	1,100.00

D) Payable to key management personnel/director of the Company

Particulars	As at 31 March 2024	As at 31 March 2023
Commission to independent directors	8.00	8.00
Commission to Chairman and Managing Director	9.40	41.10
	17.40	**49.10**

E) Compensation of key management personnel of the Group

Particulars	As at 31 March 2024	As at 31 March 2023
Short-term employee benefits	38.19	137.49
Other benefits*	9.40	41.10
	47.59	**178.59**

*As the liability for gratuity and leave encashment is provided on actuarial basis for the Group as whole, the amount pertaining to the directors are not included above.

Note

The director of the Holding Company has given fund shortfall undertaking for cetain borrowings towards funding of the respective underlying projects. Refer note 20

36 Segment information

Basis of segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Managing Director (MD) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different marketing strategies. For each of the business units, the Group's MD reviews internal management reports on at least a quarterly basis.

The MD monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group has identified following as its reportable segment for the purpose of Ind AS 108:

a) Real estate segment;

b) Contractual and manufacturing segment.

Real Estate segment (RE) comprises development, sale, management and operation of all or any part of townships, housing projects, also includes leasing of self owned commercial premises.

The operation of the Contractual and Manufacturing segment (CM) comprises development of commercial premises and other related activities, also includes manufacturing activities related to interiors, glazing and metal works and concrete products.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Also, the Group's financing (including finance costs and finance income) and income taxes are managed on a overall basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The following tables present revenue and profit information for the Group's operating segments for the year ended 31 March 2024 and 31 March 2023 respectively:

Business segments

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
Segment revenue		
Real estate	24,138.33	25,372.14
Contractual and manufacturing	8,216.84	9,331.00
Total segment revenue	**32,355.17**	**34,703.14**
Inter segment revenues	(1,385.71)	(1,602.00)
Net revenue from operations	**30,969.46**	**33,101.14**
Segment result		
Real estate	4,257.43	5,872.01
Contractual and manufacturing	712.65	(45.34)
Total segment results	**4,970.08**	**5,826.67**
Finance costs	(2,455.06)	(2,490.24)
Other unallocable expenditure	(2,648.70)	(2,527.68)
Other income (including finance income)	875.95	641.00
Profit before taxation	**742.27**	**1,449.75**
Income taxes	(251.14)	(407.70)
Profit after taxation	**491.13**	**1,042.05**

36 Segment information (cont'd)

The following table presents assets and liabilities information for the Holding Company's operating segments as at 31 March 2024 and 31 March 2023 respectively:-

Particulars	As at 31 March 2024	As at 31 March 2023
Segment assets		
Real estate	112,986.25	104,150.24
Contractual and manufacturing	8,036.50	6,518.76
Total segment assets	**121,022.75**	**110,669.00**
Unallocated assets	15,942.16	15,213.43
Total assets	**136,964.91**	**125,882.43**
Segment liabilities		
Real estate	85,792.81	67,876.00
Contractual and manufacturing	5,942.12	6,239.00
Total segment liabilities	**91,734.93**	**74,115.00**
Unallocated liabilities	20,089.24	26,820.72
Total liabilities	**111,824.17**	**100,935.72**
Capital employed		
Real estate	27,193.44	36,274.24
Contractual and manufacturing	2,094.38	279.76
Unallocated capital employed	(4,147.08)	(11,607.29)
Total capital employed	**25,140.74**	**24,946.71**

Current taxes, deferred taxes and certain financial assets and liabilities are considered as unallocated as they are also managed on a Group basis.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Capital expenditure		
Real estate	1,034.77	468.32
Contractual and manufacturing	71.14	84.74
Unallocated capital expenditure	141.12	732.01
Total capital expenditure	**1,247.03**	**1,285.07**

Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment property under development.

Information of revenue and non-current operating assets based on location has not been furnished since there are no revenue generated from business activities outside India and there are no non-current operating assets held by the Group outside India.

36 Segment information (cont'd)

Reconciliations to amounts reflected in the financial statements

(i) Reconciliation of assets

Particulars	As at 31 March 2024	As at 31 March 2023
Segment assets	**121,022.75**	**110,669.00**
Investment (refer note 9A)	1,149.33	1,149.33
Prepaid expenses (refer note 14)	1,625.57	1,017.99
Balances with statutory/ government authorities (refer note 14)	878.46	1,127.67
Income tax assets (net) (refer note 33)	531.73	217.46
Deferred tax assets (net) (refer note 33)	1,256.31	222.38
Cash and bank balances (refer note 15 and 16)	6,732.95	4,514.04
Non-current bank balances (refer note 13)	207.37	151.04
Other unallocable assets	3,560.44	6,813.52
Total assets	**136,964.91**	**125,882.43**

(ii) Reconciliation of liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Segment liabilities	**91,734.93**	**74,115.00**
Borrowings (refer note 20)	19,135.09	20,035.49
Provisions (refer note 22)	468.66	431.61
Deferred tax liabilities (refer note 33)	149.39	125.82
Current tax liabilities (net) (refer note 33)	125.07	-
Withholding taxes payable (refer note 24)	107.43	135.71
Other unallocable liabilities	103.60	6,092.09
Total liabilities	**111,824.17**	**100,935.72**

37 Employment benefit plans

A Defined benefit plan

The Group has gratuity as defined benefit retirement plans for its employees. The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. As at 31 March 2024 and 31 March 2023 the plan assets were invested in insurer managed funds.

It is exposed to the following types of risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

37 Employment benefit plans (cont'd)

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company.

The following tables set out the funded status of gratuity plans and amount recognised in the balance sheet for the respective plans:

	Particulars	31 March 2024	31 March 2023
1	**The amounts recognized in the Balance Sheet are as follows:**		
	Present value of defined benefit obligation at the end of the year	348.03	318.73
	Less: Fair value of plan assets as at the end of the year	(4.34)	(4.21)
	Net liability recognised in the balance sheet	**343.69**	**314.52**
2	**Changes in the present value of defined benefit obligation**		
	Defined benefit obligation as at beginning of the year	318.73	251.17
	Current service cost	22.03	24.35
	Interest cost	22.95	16.10
	Benefits paid	(32.71)	(26.04)
	Actuarial loss due to demographic assumption changes	-	6.06
	Actuarial (gain) / loss due to financial assumption changes	(10.07)	26.70
	Actuarial loss due to experience adjustments	27.10	20.39
	Defined benefit obligation as at the end of the year	**348.03**	**318.73**
3	**Changes in the fair value of plan assets**		
	Fair value as at the beginning of the year	4.21	3.35
	Interest on plan assets	0.30	0.21
	Actuarial gain / (loss)	0.24	(0.21)
	Contributions	32.30	26.90
	Benefits paid	(32.71)	(26.04)
	Fair value as at the end of the year	**4.34**	**4.21**
4	**Net gratuity cost for the reporting years comprises of following components**		
	Current service cost	22.02	24.35
	Interest cost	22.95	16.10
	Interest income	(0.30)	(0.21)
	Net Gratuity cost	**44.67**	**40.24**
5	**Other comprehensive income**		
	Actuarial loss on defined benefit obligation	(17.03)	(53.15)
	Return on plan assets excluding interest income	0.24	(0.21)
	Loss recognised in other comprehensive income	**(16.79)**	**(53.36)**
6	**Experience adjustment:**		
	On plan defined benefit obligation loss	27.10	20.39
	On plan assets gain / (loss)	0.24	(0.21)

37 Employment benefit plans (cont'd)

7 Investment Details

The major categories of plan assets as a percentage of the fair value of the total plan assets are as follows:

Particulars	31 March 2024	31 March 2023
Investment in insurance fund	100%	100%

8 Actuarial assumptions

Particulars	31 March 2024	31 March 2023
Discount rate (p.a)	7.14%	7.20%
Future salary growth (p.a)	10.00%	12.00%
Weighted Average Duration of the Defined Benefit Obligation (years)	3	3
Attrition rate (p.a)	35.00%	35.00%

9 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount rate (+ / -1%)	6.01	6.33	5.63	5.94
Salary growth rate (- / + 1%)	5.07	5.18	4.64	4.74
Attrition rate (+ / -1%)	0.83	0.86	1.09	1.14

The sensitivity analyses above have been determined based on a method that extrapolates the impact on projected benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

10 Maturity profile of defined benefit obligation

Particulars	31 March 2024	31 March 2023
Within the next 12 months	116.70	108.32
Between 2 and 5 years	219.88	197.18
Between 6 and 10 years	56.02	54.73
Beyond 10 years	9.50	10.01
Total expected payments	**402.10**	**370.24**

Expected contribution in the next year ₹98.15

B Defined contribution plan

The Group makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. The Group has recognized the following amounts in the Statement of Profit and Loss under defined contribution plan whereby the Group is required to contribute a specified percentage of the payroll costs to fund the benefits:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employer's contribution to provident fund	96.27	88.45
Employer's contribution to Employees' state insurance scheme	1.01	0.99
Contribution to Superannuation Fund	0.20	0.35
Total	**97.48**	**89.79**

38 Leases

A The Group as a lessor

Assets given on operating lease:

The Group 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 ₹618.27 (31 March 2023: ₹478.24)

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

Year	As at 31 March 2024	As at 31 March 2023
FY 2023-24	-	441.32
FY 2024-25	471.41	480.56
FY 2025-26	326.22	305.80
FY 2026-27	279.48	245.08
FY 2027-28	256.22	223.85
FY 2028-29	162.83	-
More than 5 years	569.55	725.18
Total	**2,065.71**	**2,421.79**

B The Group as a lessee

The Group has leases for building, vehicles and plant and machinery. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability except for lease on buildings for which it was agreed that the Group shall pay a security deposit which shall be adjusted to the minimum lease payments and due to which no lease liability in the same was created and the amount given as security deposit is treated as Right of use asset depreciated on a straight line basis over the lease period. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group has presented its right-of-use assets in the balance sheet separately from other assets.

Lease arrangements for vehicles contain an option to extend the lease for a further term till the vehicle is handed over to the lessor after the end of lease term as per agreement or for a fixed tenure of 3 to 9 months as the case may be as per the requirement of Lessee. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over Factory buildings, the Group must repair and maintain those properties in a good state and return the properties with all connections, sanitary, water and drainage fittings and fixtures as it may exist on the relevant date.

a. Right of use assets

	Other buildings	Vehicles	Plant and machinery	Total
Cost				
As at 1 April 2022	**71.12**	**147.60**	**90.33**	**309.05**
Additions during the year	-	31.02	-	31.02
Disposal during the year	-	(14.90)	-	(14.90)
Other Adjustments	(21.62)	-	-	(21.62)
As at 31 March 2023	**49.50**	**163.72**	**90.33**	**303.55**
Additions during the year	-	17.46	60.96	78.42
Disposal during the year	-	(12.01)	(90.33)	(102.34)
As at 31 March 2024	**49.50**	**169.17**	**60.96**	**279.63**

38 Leases (cont'd)

Accumulated depreciation				
As at 1 April 2022	**11.00**	**78.04**	**66.83**	**155.87**
Charge for the year	5.50	28.95	20.95	55.40
Disposal during the year	-	(10.99)	-	(10.99)
As at 31 March 2023	**16.50**	**96.00**	**87.78**	**200.28**
Charge for the year	5.50	26.78	14.12	46.40
Disposal during the year	-	(12.01)	(90.33)	(102.34)
As at 31 March 2024	**22.00**	**110.77**	**11.57**	**144.34**
Carrying amount				
As at 31 March 2024	**27.50**	**58.40**	**49.39**	**135.29**
As at 31 March 2023	**33.00**	**67.72**	**2.55**	**103.27**

b. Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Amount
Additions during the year	**253.49**
Interest expense for the year	31.42
Payment of lease liabilities	27.26
As on 31 March 2023	(79.36)
Additions during the year	**232.81**
Interest expense for the year	78.42
Payment of lease liabilities	25.12
As on 31 March 2024	(74.01)
As on 31 March 2024	**262.34**

Particulars	As at 31 March 2024	As at 31 March 2023
Current	48.80	28.04
Non Current	213.44	204.77

c. The following are the amounts recognised in the profit & loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expenses of right-of-use assets	46.40	55.40
Interest expenses on lease liabilities	25.12	27.26
Expenses relating to short-term leases	354.83	163.84
Expenses relating to lease of low-value assets	80.26	1.54
Total amount recognised in the profit & loss	**506.61**	**248.04**
Total cash out flows towards leases	**509.10**	**244.74**

Lease term of the above referred leases range from 11 months to 63 years

d. Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension options	Number of leases with purchase option	Number of leases with termination option
Other buildings	1.00	5.00	5.00	1.00	-	-
Plant and Machinery	11.00	1.46 to 1.94	1.70	-	11.00	-
Vehicles	60.00	0.18 to 4.65	2.41	60.00	60.00	60.00

e. The maturity profile for lease liabilities has been provided in note 41 (C)

39 Contingent liabilities and commitments

a Contingent liabilities (to the extent not provided for)

	Particulars	31 March 2024	31 March 2023
i	Income tax matters in dispute (Refer note 1 & 5)	432.38	82.07
ii	Value added tax, Service tax and customs matters in dispute (Refer note 2)	1,647.99	1,641.69
iii	Customer related cases and complaints (Refer note 3)	2.00	2.00
iv	Matters before prevention of money laundering adjudicating authority (Refer note 4)	2,016.05	2,016.05
v	Other litigation (Refer note 8 & 10)	15.50	15.50
		4,113.92	**3,757.31**

Note - Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

The Group does not expect the outcome of these proceeding to have a material adverse effect on its financial position. The Group does not expect any reimbursement in respect of above contingent liability.

1 The Income Tax Authorities have disputed the tax computation for certain years, which are pending before various forums. Based on the grounds of the appeals, the management believes that there is a reasonably strong likelihood of obtaining a favourable order. Any income, which may arise out of such litigations will be recognised only on the receipt basis/ or where right to receive such income is clearly established. Pending the final decisions on the above matter, no adjustment has been made in these consolidated financial statements.

During the current year, Kilai Builders Private Limited (one of the subsidiaries of the Holding Company) has received an Income Tax demand of ₹20.15 for the FY 2017-18, which was subsequently deleted in the reassessment proceedings. However, a show cause notice was issued for charging penalty under section 271D of the Income tax Act, 1961 for the said year. A suitable reply has been given and decision is pending. The Group is confident that there will be no liability on this account.

2 There are various disputes pending with the authorities of customs, service tax and value added tax. The Group is contesting these demands raised by authorities and are pending at various appellate authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

3 There are various litigations going on/ complaints filed against the Group primarily in Consumer Redressal Forum and under the Real Estate Regulation Act 2016. The Group is contesting such litigations with the respective appellate authorities. The management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required in its consolidated financial statements. For most number of litigations/ complaints, based on the grounds of the appeals, the management believes that there is a reasonably strong likelihood of succeeding before these authorities and hence, pending the final decisions on the above matters, no adjustment has been made in these consolidated financial statements.

4 The Holding Company had entered into a Joint Development Arrangement with certain land owners in Gurugram, Haryana, in earlier years. In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('AA-PML'), alleging certain irregularities in respect of the manner of allotment and pricing of certain plots under this project or payment of applicable fees and charges by the Holding Company or the landowners, with respect to the terms and conditions mentioned in the development policy of Haryana Development and Regulation of Urban Areas Act (HDRUAA), 1975 and the bilateral agreement between the land owners and Directorate of Town and Country Planning, Haryana (DTCP) resulting in provisional attachment under the Prevention of Money Laundering Act, 2002 ('PMLA') of land parcels with value of ₹2,016.05 held by Technobuild Developers Private Limited ('TDPL'). The Holding Company has entered into a Memorandum of Understanding ('MoU') with TDPL for acquiring land parcels using advances extended by the Holding

39 Contingent liabilities and commitments (cont'd)

a Contingent liabilities (to the extent not provided for) (cont'd)

Company. As per the MoU, TDPL and its affiliates cannot transfer land parcels without prior approval of the Holding Company and the Holding Company has absolute rights over land parcels acquired by TDPL and its affiliates acquired from such advance given by the Holding Company.

During the previous year, the Holding Company was in receipt of Show Cause Notice (SCN) under the PMLA from AA-PML and the Holding Company had duly filed detailed responses to allegations made in SCN. During the current year, AA-PMLA has passed an order confirming the provisional attachment of the aforesaid land parcels and the Holding Company has duly filed an appeal before The Appellate Tribunal against the AA-PML order under Section 26 of the PMLA.

The management, based on its overall assessment and independent legal opinion obtained, believes that these transactions have been carried out in accordance with all the applicable laws and regulations and the said bilateral agreement and has not identified any adverse material impact to the consolidated financial statement as at 31 March 2024 or for earlier periods including the recoverability of land advance given against such provisionally attached ₹2,016.05 land parcels held by TDPL.

5 The Income Tax Department ("the Department") conducted a Search under Section 132 of the Income Tax Act ('IT Act') ("the Search") on the Holding Company and certain group companies during March 2023. The Holding Company and certain group companies at the time of search and subsequently has co-operated with the department and responded to the necessary clarifications, data and details as sought by the Department. The Holding Company has received notices under Section 148 of the IT Act requiring the management to re-file the Income Tax returns for the Assessment Years (AY) 2015-16, AY 2017-18, AY 2018-19, AY 2019-20, AY2020-21 and AY 2021-22. The Company has filed the returns for AY 2020-21 and AY 2021-22, and is in the process of filing the returns for the other years.

Additionally, during the current year ended 31 March 2024, the Holding Company has received demand orders for AY 2016-17 under Section 147 read with Section 143(3) and Section 148B of the IT Act, dated 29 March 2024 raising a demand of ₹131.23 (subsequently reduced to Nil vide rectification order under Section 154 of the IT Act, dated 14 May 2024 on account of adjustment of credit under Section 115JAA of the IT Act of tax paid in earlier years) and AY 2022-23 under Section 143(3) of the IT Act, dated 30 March 2024 raising a demand of ₹326.83, by disallowing certain expenses and adding certain incomes during such periods, against which the Holding Company has filed an appeal on 29 April 2024 before the Hon'ble Commissioner of Income Tax (Appeals), Bengaluru ('CIT appeals').

While the uncertainty exists regarding the outcomes of the legal proceedings, the management of the Holding Company has evaluated the demand orders after considering all available records and facts known to it and based on an independent legal review and opinion from external legal councils and believes that the Holding Company can succeed in the appeals filed against the aforesaid demand orders and accordingly has not identified any adjustments to the current or prior period Consolidted Financial Statements.

6 During the previous year, one of the customers of Sobha Assets Private Limited (SAPL), a wholly owned subsidiary of the Holding Company has terminated a project development contract entered by it and demanded compensation of ₹2,956.13 in addition to forfeiture of ₹227.32 performance guarantee and ₹26.00 of deposits alleging that SAPL has not commenced the contract work. The carrying value of aforesaid project related assets/receivables as at 31 March 2024 is ₹354.10. SAPL has filed arbitration petition before the arbitrator challenging the termination and its grounds, against the customer towards business loss and other receivables. The Holding Company based on its overall assessment and independent legal opinion, believes that the aforesaid termination is illegal and will not have any adverse impact to the consolidated financial statement and accordingly no provision has been made.

7 In earlier year, the Holding Company, during the process of renewal of fire clearances for one of the project, procured by an entrusted person, found the fire NOC and fire clearances submitted to local municipal body to be defective. On becoming aware of this fact, the Holding Company had immediately taken remedial steps and obtained renewed fire NOC and fire clearances, which were then resubmitted with the local municipal body for regularization. During the previous year, the local municipal body had passed an order dated 21 January 2023 revoking/cancelling the modified

39 Contingent liabilities and commitments (cont'd)

a Contingent liabilities (to the extent not provided for) (cont'd)

sanction plan ('Plan') and occupancy certificate ('OC') for the project, based on a complaint being filed upon by one of the unit holders of such project. The Holding Company had immediately filed an appeal with Karnataka Appellate Tribunal ('KAT') challenging the above order, and KAT had passed an interim order dated 1 February 2023 granting stay on cancellation of Plan and OC.

During the current year, the Chief Civil Metropolitan Magistrate ('CMM'), Bengaluru, has passed an order dated 19 September 2023 ('impugned order') to register a calendar case for the offences punishable under Indian Penal Code ('IPC') against the Holding Company and few employees of the Holding Company, based on a separate complaint filed with the CMM by the aforementioned unit holder. The Holding Company has filed a petition before Hon'ble High Court of Karnataka praying for quashing of the complaint, the impugned order and the calendar case, wherein, the High Court of Karnataka has passed an interim order dated 11 October 2023 staying the impugned order and the calendar case. The management, based on its overall assessment and independent legal opinion obtained, believes that allegations made by the unit holder are baseless, false and not sustainable and the impugned order suffers from arbitrariness and liable to be quashed under section 482 of the code of criminal procedure, 1973. Accordingly, the Group believes that outcome of the above proceedings will not result in any adverse impact on the consolidated financial statement.

8 The Group is involved in certain litigations for lands being developed/ acquired by it for construction purposes, either through a Joint Development Agreement or through outright purchases. These cases are pending with the Civil Courts and scheduled for hearings. After considering the facts and circumstances of each case in detail, and post consideration of the opinions of the in-house legal council, management believes that these litigations will not have a material effect on the consolidated financial statements.

9 The Group has certain litigations pending at various forums/courts against various authorities including Forest department, Karnataka State Pollution Control Board (PCB), local municipal departments on certain real estate projects undertaken by it. Also, certain claims have been laid upon the Group under the Land acquisition act, against which the Group has filed writ petitions and obtained stay orders from the Honourable High Courts. The impact of all such litigations and claims is not quantifiable. These litigation/ claims are pending with various courts and are scheduled for hearings. Based on internal assessment, and post consideration of the opinion of its in-house legal counsel, the management is confident that the matter would be decided in its favour, accordingly no adjustment has been made in these consolidated financial statements.

10 In one of the subsidiaries, certain charges have been levied by the respective municipal authorities. The Group has contested against the charges with Honourable High Court of Karnataka and obtained stay on the same. The Group management is confident that the matter would be decided in favour of the Group, accordingly no provision has been made in this respect.

b. Commitments

(a) The contractual commitments pending for the acquisition of property, plant and equipment and intangible assets as at 31 March 2024 is ₹502.18 (31 March 2023: ₹263.96)

(b) The Group has entered into an aircraft usage agreement with a party wherein the Group along with certain other parties has committed minimum usage of aircraft. During the year ended 31 March 2023, the Group incurred ₹49.65 (31 March 2023 - ₹129.37) towards aircraft usage as per the agreement.

This space is intentionally left blank

40 Fair value measurements

a. The carrying amounts of financial instruments by categories is as follows:

Particulars	Note	As at 31 March 2024			As at 31 March 2023		
		At cost	Fair value through profit or loss	At amortised cost	At cost	Fair value through profit or loss	At amortised cost
Financial assets							
Investments	9B	-	-	-	-	-	0.08
Trade receivables	11	-	-	2,038.70	-	-	2,375.34
Loans	12	-	-	-	-	-	9.00
Cash and bank balances	15 & 16	-	-	6,732.95	-	-	4,514.04
Other financials assets	13	-	-	5,068.90	-	-	5,094.11
Total		**-**	**-**	**13,840.55**	**-**	**-**	**11,992.57**
Financial liabilities							
Borrowings	20	-	-	19,135.09	-	-	20,035.49
Lease Liabilities	38	-	-	262.24	-	-	232.81
Trade payables	23	-	-	6,165.47	-	-	5,986.75
Other financial liabilities	21	-	-	6,001.84	-	-	8,970.44
Total		**-**	**-**	**31,564.64**	**-**	**-**	**35,225.49**

b. Fair value hierarchy

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

Particulars	As at 31 March 2024				As at 31 March 2023			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Investment property (disclosure)	4,433.13	-	1,443.60	7,755.00	4,518.72	-	1,394.10	7,660.00
	4,433.13	**-**	**1,443.60**	**7,755.00**	**4,518.72**	**-**	**1,394.10**	**7,660.00**

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 year.

Financial instruments such as trade receivables, loans, cash and other financial assets, borrowings, lease liabilities, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature. For financial assets and liabilities that are measured at amortised cost, the carrying amounts are equal to the fair values.

Valuation method used for Level 3 valuations -

Particulars	Valuation technique	Unobservable input	Relationship of unobservable input with fair value
Fair value of Investment property (disclosure only)	Income approach (Discounted cash flow method)	Discount rate	Increase/decrease in discount rate would result in decrease/ increase in fair value
		Expected vacancy rates	Increase/decrease in vacancy rate would result in decrease/ increase in fair value
		Rental growth rate	Increase/decrease in rental growth rate would result in increase/ decrease in fair value

41 Financial risk management

The Group's principal financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets include instruments, trade and other receivables, cash and bank balances, land advances and refundable deposits that derive directly from its operations. The Group has exposure to the following risks arising from financial instruments

Risk	Exposure arising from
Market Risk-Interest rate risk (A)	Borrowings
Credit Risk (B)	Trade receivables, cash and cash equivalents, bank balances, and other deposits and investments
Liquidity Risk (C)	Borrowings, trade payables and other financial liabilities

Risk Management policy

The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The risk management committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks.

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. Market risk comprises of: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. The Group has a foreign currency exposure as at balance sheet date, which is not material.

The sensitivity analysis in the following sections relate to the position as at 31 March 2024 and 31 March 2023. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations.

The below assumption has been made in calculating the sensitivity analysis:

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 31 March 2024 and 31 March 2023.

(i) 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate of borrowings. The Group does not enter into any interest rate swaps.

Below is the overall exposure of the Group to interest rate risk:

	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	19,135.09	19,356.81

Interest rate sensitivity

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

41 Financial risk management (cont'd)

(i) Interest rate risk (cont'd)

on floating rate borrowings, as follows:

	Increase/ decrease in interest rate	Effect on profit before tax (*)
31 March 2024		
INR	+1%	(191.35)
INR	-1%	191.35
31 March 2023		
INR	+1%	(193.57)
INR	-1%	193.57

(*) determined on gross basis i.e. without considering inventorisation of such borrowing cost.

(ii) Currency risk

Foreign currency risk is the risk arising from exposure to foreign currency movement that will impact the Group's future cash flows and profitability in the ordinary course of business. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its import in foreign currency. The details of trade payables, denominated in foreign currency and in ₹ are as follows:

Trade payables	As at 31 March 2024		As at 31 March 2023	
Particulars	**EUR**	**USD**	**EUR**	**USD**
Amount in foreign currency	0.16	0.02	0.36	0.15
Amount in ₹	14.39	1.67	32.08	12.33

Particulars	As at 31 March 2024	As at 31 March 2023
EUR	89.95	89.11
USD	83.37	82.18

Sensitivity analysis

Particulars	Change in foreign currency rate by	Impact on profit or loss and equity			
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
		Increase in FC exchange rate by		Decrease in FC exchange rate by	
USD	5%	(0.08)	(0.62)	0.08	0.62
EUR	5%	(0.72)	(1.60)	0.72	1.60

(iii) Price risk

The Group's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets. There are no investments held by the Group which are measured at fair value either through profit and loss or fair value through other comprehensive income, hence the Group is not exposed to price risk.

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 Group is exposed to credit risk primarily from trade receivables (net of advances/ payables), refundable joint development deposits, security deposits, loans and other financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The carrying amounts of financial assets, unbilled revenue and contract assets represent the maximum credit exposure.

41 Financial risk management (cont'd)

B. Credit risk (cont'd)

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial/contract assets based on the assumptions, inputs and factors specific to the class of financial/ contract assets.

(a) Low credit risk

(b) Moderate credit risk

(c) High credit risk

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

The Group provides for expected credit loss based on the following:

Category	Asset class exposed to credit risk	Allowance for expected credit loss
Low credit risk/ medium credit risk	Loans, trade receivables (Category A and B), cash and cash equivalents, other financial assets measured at amortised cost	12 Months expected credit loss or specific allowance whichever is higher
High credit risk	Trade receivables (Category C)	Life time expected credit loss or specific allowance

a. *Management of Credit risk*

i. Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only selecting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

ii. Trade receivables

The Group divides its receivables in the following categories based on the credit risk associated with such categories

Category 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 Group's credit risk in this respect. Group recognises impairment on a specific identification basis for debtors where no security exists.

Category B - Receivables from related parties: For related parties, the Group actively manages such credit risk by an established process of inter-party reconciliations, follow ups and active business at an arms length price. Also the Group has been able to actively collect such receivables consistently in the past.

Category C - Receivables resulting from other than sale of properties: Credit risk is managed by each business unit (primarily pertaining to the contractual and manufacturing business subdivisions) subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients, who have a history of prompt payment for more than 5 years with the Group. For other customers, impairment is tested collectively based on the business sub-segment in which they operate. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security. The Group's credit period generally ranges from 30-90 days.

No single customer individually accounted for more than 10% of the trade receivable balance of the group as at 31 March 2024 and 31 March 2023.

iii. Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes refundable deposits paid under joint development arrangements, security deposits, loans to related parties, and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place ensure the amounts are within defined limits.

41 Financial risk management (cont'd)

B. Credit risk (cont'd)

b. Recognition of Expected credit losses

i. Financial assets with credit risk classified as 'low'/ 'medium'

Group provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

For cash & cash equivalents, other bank balances and derivative financial instruments - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, derivative financial instruments, other bank balances and bank deposits is evaluated as very low.

For refundable deposits (RD) under joint development arrangements (JDA) and security deposits - Credit risk is considered low because the Group is in possession of the underlying asset.

For trade receivables (category A and B) and other financial assets - Credit risk is evaluated based on Group's knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Group policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses/ specific allowance upon significant increase in credit risk.

Particulars	Note no.	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment allowance
31 March 2024					
Cash and bank balances	15 & 16	6,732.95	0.00%	-	6,732.95
Trade receivables (Category A and B)	11	431.84	0.00%	29.12	402.72
Refundable deposits under JDA	13	3,225.59	0.00%	-	3,225.59
Other financials assets	13	1,843.31	0.00%	-	1,843.31
Unbilled Revenue	14	1,736.87	0.00%	-	1,736.87
31 March 2023					
Cash and bank balances	15 & 16	4,514.04	0.00%	-	4,514.04
Trade receivables (Category A and B)	11	345.95	0.00%	29.12	316.83
Loans	12	9.00	0.00%	-	9.00
Refundable deposits under JDA	13	3,391.06	0.00%	-	3,391.06
Other financials assets	13	1,703.05	0.00%	-	1,703.05
Unbilled Revenue	14	1,764.53	0.00%	-	1,764.53

ii. Financial assets with credit risk classified as 'high'

For trade receivables (Category C) - The Group uses an allowance matrix to measure the expected credit losses of such trade and finance receivables. The measurement is made collectively based on the business sub-segment in which the respective customers operate. Loss rates are separately measured for customers which have a history of prompt payment, and are not significantly past due from payment. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables and loans are in default (credit impaired) if the payments are more than 730 days past due (Net of advances/ payables). Loss rates are based on actual credit loss experience over the past eleven quarters. In the current year, the Group has revised its estimation of loss rates.

Expected credit losses measured on the simplified approach

31 March 2024	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
Current (Not past due)	2%	606.49	10.55	595.94
Upto 90 days past due	2%	575.08	13.66	561.42
91 - 180 days past due	3%	219.24	6.68	212.56

41 Financial risk management (cont'd)

II. Financial assets with credit risk classified as 'high' (cont'd)

31 March 2024	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
181 - 270 days past due	18%	201.12	35.26	165.86
271 - 360 days past due	24%	35.94	8.80	27.14
361 - 730 days past due	70%	127.90	89.11	38.79
More than 730 days past due	93%	503.47	469.21	34.26

31 March 2023	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
Current (Not past due)	1%	1,226.92	12.56	1,214.36
Upto 90 days past due	4%	641.55	23.95	617.60
91 - 180 days past due	10%	52.24	5.12	47.12
181 - 270 days past due	16%	110.93	17.23	93.70
271 - 360 days past due	25%	20.51	5.11	15.40
361 - 730 days past due	65%	91.00	59.07	31.93
More than 730 days past due	93%	582.37	543.96	38.41

Movement in allowance for credit losses of Trade receivables

Particulars	31 March 2024	31 March 2023
Opening balance	696.12	347.11
Amounts written off	(46.05)	(23.09)
Net remeasurement of loss allowance	12.32	372.10
Closing balance	**662.39**	**696.12**

Movement in allowance for credit losses of others

Particulars	Other financial assets	
	31 March 2024	31 March 2023
Opening balance	-	50.55
Amounts written off	-	-
Amounts written back	-	(50.55)
Net remeasurement of loss allowance	-	-
Closing balance	**-**	**-**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group'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 Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. 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 Group's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2024 and 31 March 2023 is the carrying amounts.

41 Financial risk management (cont'd)

C. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The Group'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 Group's financial liabilities based on contractual undiscounted payments:

	On demand	Less than one year	1 to 5 years	> 5 years	Total
31 March 2024					
Borrowings (refer note 20)	6,306.16	4,470.26	10,136.42	834.17	21,747.01
Trade payables (refer note 23)	-	6,165.47	-	-	6,165.47
Other financial liabilities (refer note 21)	-	6,001.84	-	-	6,001.84
Lease liabilities (refer note 38)	-	72.80	136.41	704.29	913.50
	6,306.16	**16,710.37**	**10,272.83**	**1,538.46**	**34,827.82**
31 March 2023					
Borrowings (refer note 20)	6,317.85	5,645.20	9,347.82	1,433.96	22,744.83
Trade payables (refer note 23)	-	5,986.75	-	-	5,986.75
Other financial liabilities (refer note 21)	1.89	8,968.55	-	-	8,970.44
Lease liabilities (refer note 38)	-	49.85	113.92	734.57	898.34
	6,319.74	**20,650.35**	**9,461.74**	**2,168.53**	**38,600.36**

This space is intentionally left blank

42 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing borrowings.

	As at 31 March 2024	As at 31 March 2023
Borrowings (long-term and short-term) (Note 20)	19,135.09	20,035.49
Other financial liabilities (interest accrued but not due) (Note 21)	20.59	62.39
Net debt	**19,155.68**	**20,097.88**
Equity share capital (Note 17)	948.46	948.46
Other equity (Note 18)	24,192.28	23,998.25
Total capital	**25,140.74**	**24,946.71**
Capital and net debt	**44,296.42**	**45,044.59**
Gearing ratio	43.24%	44.62%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

43 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at 31 March 2024	As at 31 March 2023
A. Non-current		
Property, plant and equipment	942.81	433.79
Investment property	3,276.63	3,427.05
Financial assets		
Trade receivables	393.45	795.18
Other financial assets		
Fixed deposits with banks with maturity more than 12 months	10.11	64.81
Total non-current assets	**4,623.00**	**4,720.83**
B. Current		
Inventories	43,642.34	42,332.90
Financial assets		
Trade receivables	1,515.77	1,429.46
Cash and cash equivalents	5.80	82.17
Bank balance other than cash and cash equivalents	91.20	39.88
Other current assets	1,297.98	1,529.13
Total current assets	**46,553.09**	**45,413.54**
Total assets pledged as security	**51,176.09**	**50,134.37**

SOBHA LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(All amounts in ₹ millions, unless otherwise stated)

44 Additional information pursuant to para 2 of general instructions for the preparation of the consolidated financial statements for year ended 31 March 2024 and 31 March 2023

31 March 2024

Name of the entity	Net assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount	% of consolidated OCI	Amount	% of consolidated total comprehensive income	Amount
Parent								
Sobha Limited	78.97%	23,579.27	77.72%	465.69	100.00%	(12.56)	77.24%	453.13
Subsidiaries								
Indian								
Sobha City ['Partnership firm']	6.47%	1,931.86	7.32%	43.87	0.00%	-	7.48%	43.87
Vayaloor Properties Private Limited	0.01%	2.04	(0.00%)	(0.03)	0.00%	-	(0.00%)	(0.03)
Vayaloor Builders Private Limited	0.01%	3.44	0.00%	0.00	0.00%	-	0.00%	0.00
Vayaloor Developers Private Limited	0.01%	3.33	0.00%	0.00	0.00%	-	0.00%	0.00
Vayaloor Real Estate Private Limited	0.01%	3.93	0.00%	0.02	0.00%	-	0.00%	0.02
Vayaloor Realtors Private Limited	0.00%	0.67	(0.00%)	(0.02)	0.00%	-	(0.00%)	(0.02)
Valasai Vettikadu Realtors Private Limited	0.00%	1.45	(0.00%)	(0.01)	0.00%	-	(0.00%)	(0.01)
Sobha Developers (Pune) Limited	7.28%	2,172.67	2.69%	16.10	0.00%	-	2.74%	16.10
Sobha Assets Private Limited	0.00%	0.19	(0.12%)	(0.70)	0.00%	-	(0.12%)	(0.70)
Sobha Highrise Ventures Private Limited	1.99%	594.33	(7.17%)	(42.97)	0.00%	-	(7.33%)	(42.97)
Sobha Interiors Private Limited	(0.05%)	(13.58)	1.01%	6.03	0.00%	-	1.03%	6.03
Sobha Construction Products Private Limited	0.04%	11.20	0.09%	0.56	0.00%	-	0.10%	0.56
Sobha Contracting Private Ltd	0.00%	0.69	0.43%	2.55	0.00%	-	0.44%	2.55
Sobha Nandambakkam Developers Limited	0.27%	82.04	4.76%	28.51	0.00%	-	4.86%	28.51
Sobha Tambaram Developers Limited	0.57%	171.57	8.95%	53.65	0.00%	-	9.15%	53.65
Kilai Builders Private Limited	0.67%	199.34	4.35%	26.07	0.00%	-	4.44%	26.07
Kuthavakkam Builders Private Limited	(0.06%)	(18.88)	(0.02%)	(0.11)	0.00%	-	(0.02%)	(0.11)
Kuthavakkam Realtors Private Limited	(0.06%)	(17.62)	0.01%	0.05	0.00%	-	0.01%	0.05
C.V.S.Tech Park Private Limited	0.00%	0.04	(0.01%)	(0.06)	0.00%	-	(0.01%)	(0.06)
Joint ventures (Investment as per the equity method)								
Kondhwa Projects LLP	3.85%	1,149.33	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Sub total	**100.00%**	**29,857.31**	**100.00%**	**599.18**	**100.00%**	**(12.56)**	**100.00%**	**586.62**
Adjustments arising out of consolidation		(4,716.57)		(108.05)		-		(108.05)
Total		**25,140.74**		**491.13**		**(12.56)**		**478.57**

(All amounts in ₹ millions, unless otherwise stated)

44 Additional information pursuant to para 2 of general instructions for the preparation of the consolidated financial statements for year ended 31 March 2024 and 31 March 2023 (cont'd)

31 March 2023

Name of the entity	Net assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount	% of consolidated OCI	Amount	% of consolidated total comprehensive income	Amount
Parent								
Sobha Limited	79.51%	23,410.68	82.99%	952.89	100.00%	(39.93)	82.38%	912.96
Subsidiaries								
Indian								
Sobha City ['Partnership firm']	6.04%	1,777.73	1.64%	18.79	0.00%	-	1.70%	18.79
Vayaloor Properties Private Limited	0.01%	2.07	0.00%	-	0.00%	-	0.00%	-
Vayaloor Builders Private Limited	0.01%	3.44	0.00%	-	0.00%	-	0.00%	-
Vayaloor Developers Private Limited	0.01%	3.33	0.00%	-	0.00%	-	0.00%	-
Vayaloor Real Estate Private Limited	0.01%	3.91	0.04%	0.47	0.00%	-	0.04%	0.47
Vayaloor Realtors Private Limited	0.00%	0.69	(0.00%)	(0.01)	0.00%	-	(0.00%)	(0.01)
Valasai Vettikadu Realtors Private Limited	0.00%	1.47	0.00%	-	0.00%	-	0.00%	-
Sobha Developers (Pune) Limited	7.32%	2,156.57	1.52%	17.41	0.00%	-	1.57%	17.41
Sobha Assets Private Limited	0.00%	0.89	0.03%	0.32	0.00%	-	0.03%	0.32
Sobha Highrise Ventures Private Limited	2.16%	637.31	(3.87%)	(44.39)	0.00%	-	(4.01%)	(44.39)
Sobha Interiors Private Limited	(0.07%)	(19.61)	0.49%	5.67	0.00%	-	0.51%	5.67
Sobha Construction Products Private Limited	0.04%	10.64	0.04%	0.42	0.00%	-	0.04%	0.42
Sobha Contracting Private Ltd	(0.01%)	(1.86)	(0.03%)	(0.30)	0.00%	-	(0.03%)	(0.30)
Sobha Nandambakkam Developers Limited	0.18%	53.53	0.77%	8.82	0.00%	-	0.80%	8.82
Sobha Tambaram Developers Limited	0.40%	117.92	1.28%	14.68	0.00%	-	1.32%	14.68
Kilai Builders Private Limited	0.59%	173.26	15.11%	173.44	0.00%	-	15.65%	173.44
Kuthavakkam Builders Private Limited	(0.06%)	(18.77)	(0.00%)	(0.03)	0.00%	-	(0.00%)	(0.03)
Kuthavakkam Realtors Private Limited	(0.06%)	(17.66)	(0.00%)	(0.03)	0.00%	-	(0.00%)	(0.03)
Joint ventures (Investment as per the equity method)								
Kondhwa Projects LLP	3.90%	1,149.33	0.00%	-	0.00%	-	0.00%	-
Associates								
C.V.S.Tech Park Private Limited	0.00%	0.05	0.00%	-	0.00%	-	0.00%	-
Sub total	**100.00%**	**29,444.92**	**100.00%**	**1,148.15**	**100.00%**	**(39.93)**	**100.00%**	**1,108.22**
Adjustments arising out of consolidation		(4,498.21)		(106.10)		-		(106.10)
Total		**24,946.71**		**1,042.05**		**(39.93)**		**1,002.12**

45 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

46 As the Group is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Group.

47 No material events have occurred between the Balance Sheet date to the date of issue of these consolidated financial statements that could affect the values stated in the financial statements as at 31 March 2024.

48 Previous year's figures have been regrouped or reclassified wherever necessary to conform with the current year figures. The impact of such reclassification / regrouping is not material to the consolidated financial statement.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

New Delhi
17 May 2024

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer
ACS17222

Bengaluru
17 May 2024

Form AOC – I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries, Associate Companies / Joint Ventures

Part "A": Subsidiaries

Particulars	Sobha Developers (Pune) Limited	Sobha Highrise Ventures Private Limited	Sobha Assets Private Limited	Sobha Tambaram Developers Limited	Sobha Nandambakkam Developers Limited	Sobha Construction Products Private Limited	Sobha Contracting private Limited*	Kilai Builders Private Limited**	Sobha Interiors Private Limited**	Kuthavakkam Builders Private Limited**	Kuthavakkam Realtors Private Limited**	CVS Tech Park Private Limited***
Reporting Period	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24
Reporting Currency	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million
Share Capital	0.526	129.00	0.100	0.500	0.500	10.000	0.100	0.500	6.000	0.500	0.500	0.100
Reserve and Surplus	2,172.147	465.33	0.085	171.066	81.545	1.204	0.486	197.399	(19.582)	(19.378)	(18.118)	(0.062)
Total Assets	2,592.875	2,465.13	336.286	172.254	91.803	11.211	1,577.251	559.747	127.316	95.718	156.834	13.034
Total Liabilities	420.202	1,870.80	336.101	0.688	9.758	0.007	1,576.665	361.848	140.898	114.596	174.452	12.996
Investments	1,706.877	0.10	-	-	-	-	-	-	115.856	-	-	-
Turnover	24.560	218.81	-	86.319	54.061	0.745	136.498	82.122	14.051	-	0.175	-
Profit before Taxation	21.371	(57.79)	(0.668)	72.084	38.114	0.720	4.426	33.274	8.249	(0.110)	0.064	(0.062)
Provision for Taxation	5.268	(14.82)	0.037	18.437	9.603	0.158	1.980	8.639	2.220	-	0.017	-
Profit after Taxation	16.103	42.97	(0.705)	53.647	28.511	0.562	2.446	24.635	6.029	(0.110)	0.047	(0.062)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-
% Share Holding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

*Sobha Contracting Private Limited is a wholly owned subsidiary of Sobha Highrise Ventures Private Limited. Hence a stepdown subsidiary of Sobha Limited

**Kilai Builders Private Limited, Sobha Interiors Private Limited, Kuthavakkam Builders Private Limited and Kuthavakkam Realtors Private Limited are wholly owned subsidiary of Sobha Developers (Pune) Limited. Hence, a stepdown subsidiary of Sobha Limited.

***C.V.S. Tech Park Private Limited (Associate Company) has become the wholly owned subsidiary with effect from February 14, 2024.

Part "B": Subsidiaries

Particulars	Sobha City (Partnership firm)*	ValasaiVettikadu Realtors Private Limited**	vayaloor Properties Private Limited**	vayaloor Realtors Private Limited**	vayaloor Real Estate Private Limited**	vayaloor Developers Private Limited**	vayaloor Builders Private Limited**
Reporting Period	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24
Reporting Currency	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million
Share Capital/ Partners Capital	400***	0.100	0.100	0.100	0.100	0.100	0.100
Reserve and Surplus	1,531.859	1.355	1.944	0.566	3.830	3.230	3.342
Total Assets	3,503.062	1.475	2.053	5.949	3.941	3.341	3.449
Total Liabilities	1,571.203	0.020	0.009	5.283	0.011	0.011	0.007
Investments	0.600	-	-	-	-	-	-
Turnover	427.114	0.007	0.011	0.002	0.044	0.017	0.020
Profit before Taxation	67.440	(0.014)	(0.026)	(0.019)	0.030	0.003	0.001
Provision for Taxation	23.567	-	-	-	0.008	0.001	-
Profit after Taxation	43.873	(0.014)	(0.026)	(0.019)	0.022	0.002	0.001
Proposed Dividend	-	-	-	-	-	-	-
% Share Holding	100%	100%	100%	100%	100%	100%	100%

* Sobha City* (Partnership firm) is having 100% Investment of Sobha Limited.

** Sobha City Firm Holding 100% equity shares of the ValasaiVettikadu Realtors Private Limited, vayaloor Properties Private Limited, vayaloor Realtors Private Limited, vayaloor Real Estate Private Limited, vayaloor Developers Private Limited, and vayaloor Builders Private Limited.

*** ₹ 400 million (Partner's capital Rs. 400 million includes Partner's capital namely Sobha Limited & Sobha Developers(Pune) Limited.

Note:

1. Names of subsidiaries which are yet to commence business: **None**
2. Names of subsidiaries which have been liquidated or sold during the year: **None**

For and on behalf of the Board of Directors of **Sobha Limited**

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and Compliance Officer

Bengaluru
17 May 2024

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of Sobha Limited will be held on Wednesday, the 07th day of August, 2024 at 3:00 PM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt:**

   (a) The standalone financial statements of the Company for the financial year ended March 31, 2024 together with reports of the Board of Directors and the Statutory Auditors thereon.

   (b) The consolidated financial statements of the Company for the financial year ended March 31, 2024 together with the report of the Statutory Auditors thereon.

2. **To declare a dividend on equity shares for the financial year ended March 31, 2024 and in this regard, to consider and if thought fit, to pass the following resolution as an** *Ordinary Resolution:*

   "RESOLVED THAT a dividend at the rate of ₹3.00/- (30%) per equity share of ₹10.00/- (Ten rupees) each fully paid-up shares of the Company and pro-rata dividend on partly paid-up equity shares, if any, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2024 and the same be paid out of the profits of the Company."

3. **To appoint a director in place of Mr. Ravi PNC Menon (DIN: 02070036), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an** *Ordinary Resolution***:**

   "RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ravi PNC Menon (DIN: 02070036), who retires by rotation at this meeting, being eligible, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

4. **Ratification of remuneration payable to Cost Auditors of the Company for the financial year 2023-24:**

   To consider and if thought fit, to pass the following resolution as an *Ordinary Resolution:*

   "RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, including any amendment or re-enactment thereof and any other law for the time being in force, members of the Company do hereby ratify the remuneration not exceeding ₹2,20,000 (Rupees Two lakh Twenty thousand only) plus reimbursement of out of pocket expenses and taxes as may be applicable from time to time to M/s. Gudi Srinivas and Co., Cost Accountants (Firm Registration No: 004336), the Cost Auditors of the Company for the financial year 2023-24.

   RESOLVED FURTHER THAT Mr. Jagadish Nangineni, Managing Director and Mr. Bijan Kumar Dash, Company Secretary and Compliance Officer of the Company be and are hereby severally authorised to do all such acts, deeds, things, matters, and to execute all such documents as may be required to give effect to this Resolution."

5. **Payment of commissions to Non-executive Directors:**

   To consider and if thought fit, to pass the following resolution as an *Ordinary Resolution***:**

   "RESOLVED THAT pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, relevant rules made thereunder, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any amendment or re-enactment thereof, if any and subject to such other approvals as may be required, approval of the members be and is hereby accorded for payment of annual remuneration/commission, or otherwise, to the Non-executive Directors (i.e. who are not Managing or Whole-time Directors) of the Company for a period of 5 (five) years, a sum of not exceeding 1% (One percent) of the net profits of the Company, for each of the said financial year commencing from April 01, 2024, computed in accordance with the provisions of Section 198 of the Companies Act, 2013 or reimbursement of expenses, if any, and the said remuneration be paid to the Non-executive Non Independent Directors and Non-executive Independent Directors in such proportion and manner as may be determined by the Board of Directors of the

Company from time to time and in default of such determination equally.

RESOLVED FURTHER THAT Mr. Jagadish Nangineni, Managing Director and Mr. Bijan Kumar Dash, Company Secretary and Compliance Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed fit to give effect to this resolution."

6. **Issue of Non-Convertible Debentures on private placement basis:**

   To consider, and if thought fit, to pass the following resolution as a *Special Resolution:*

   "RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, relevant rules made thereunder and any other law for the time being in force and the provisions contained in the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021, the guidelines issued by the Securities and Exchange Board of India (SEBI), and subject to the approval, permissions and sanctions of the lenders of the Company, SEBI, Stock Exchanges, Reserve Bank of India (RBI), Government of India and other concerned authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the approval of the members be and is hereby accorded to the Board of Directors of the Company to offer or invite subscription for secured or unsecured redeemable non-convertible debentures including but not limited to other debt securities, in one or more series or tranches, aggregating up to ₹7,000,000,000 (Rupees Seven hundred crores only), on a private placement basis, on such terms and conditions as the Board of Directors may, from time to time, determine and consider proper and beneficial to the Company.

   RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the members hereby authorise the Board of Directors to do all such acts, deeds, matters and things, settle all question, difficulties or doubts that may arise in regard to the issue or allotment of such Debentures, utilisation of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board of Directors may in its absolute discretion deem fit."

By Order of the Board of Directors
For Sobha Limited

Sd/-
Bijan Kumar Dash
Company Secretary &
Compliance Officer

Place: Bangalore
Date: May 17, 2024

Registered Office:
"SOBHA",
Sarjapur-Marathahalli Outer Ring Road
Bellandur Post, Bangalore – 560103.
CIN: L45201KA1995PLC018475

NOTES:

1. Pursuant to General Circular No. 09/2023 dated September 25, 2023, General Circular 10/2022 dated December 28, 2022 and other relevant circular issued by the Ministry of Corporate Affairs (MCA), SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 07, 2023 and other relevant circular issued by the Securities and Exchange Board of India (hereinafter collectively referred to as 'Circulars'), the Annual General Meeting of the Company is ("AGM") is convened through Video Conferencing/ Other Audio-Visual Means (VC/OAVM).
2. Since this AGM is being held pursuant to the circulars through VC/OAVM, the physical attendance of members has been dispensed with. Accordingly, the facility for the appointment of proxies by the members will not be available for the AGM and hence, the proxy form, attendance slip and Route Map are not annexed to this notice.
3. Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 is annexed to and forms part of this Notice.

4. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing regulations") and Secretarial Standards issued by the Institute of Company Secretaries of India, additional information on directors seeking appointment/ re-appointment is provided separately.

PARTICIPATION AT THE ANNUAL GENERAL MEETING AND VOTING THROUGH ELECTRONIC MEANS

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

6. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), and the provisions of the Regulation 44 of the Listing Regulation, 2015 listed companies are required to provide members with the facility to exercise their votes electronically, through remote e-voting.. The Company has availed the services of M/s. Link Intime India Private Limited (Link Intime) for providing the necessary remote e-Voting platform to the members of the Company.

7. Members may note that the Notice of the Twenty-Ninth Annual General Meeting and the Annual Report 2024 will be available on the Company's website: www.sobha.com. The Notice of Annual General Meeting shall also be available on the website of Link Intime India Private Limited. The Company has published a Public Notice by way of advertisement in a Kannada newspaper and in an English newspaper with the required details of 29th AGM, for information of the Members.

8. **The e-voting period shall commence on Sunday, the 4th day of August, 2024 at 9:00 A.M. and ends on Tuesday, 6th day of August, 2024 at 5.00 P.M. Once the vote on a resolution is cast by a shareholder, it cannot be changed subsequently. The members can go through the e-voting process and instructions provided at point no 30 of the note.**

9. The Board of Directors has appointed Mr. Nagendra D Rao, Practising Company Secretary (Membership No. 5553, COP No. 7731) and in his absence Mr. Natesh K, Practising Company Secretary (Membership No. 6835, COP No. 7277) as the Scrutinizer for conducting the remote e-voting and e-voting during the AGM in accordance with law and in a fair and transparent manner. The Scrutinizer shall within a period of two working days from the conclusion of the annual general meeting, prepare a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit it forthwith to the Chairman of the Company.

10. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of Link Intime.

11. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

12. Members will be provided with Insta Meet facility wherein they shall register their details and attend the AGM as under:

    1. Open the internet browser and open the URL https://instameet.linkintime.co.in and clink on login.

    2. Select the "Company" and "Event date" and register with your following details:

        A. **Demat Account No**. or Folio No: Enter your 16 digit Demat Account No. or Folio No.

            (a) Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID

            (b) Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID

            (c) Members holding shares in physical form shall provide Folio Number registered with the Company

        B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their

PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company/RTA.

3. Click "Go to Meeting": You are now registered for InstaMeet and your attendance is marked for the meeting.

(Note: Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience. Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting).

13. Instructions for Members to Vote during the AGM:

(a) Only those Members, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

(b) If any Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

(c) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(d) Facility to vote shall be kept open till the expiry of 15 minutes after the conclusion of AGM.

Once the electronic voting is activated by the scrutinizer/moderator during the AGM, the Members who have not exercised their vote through the remote e-voting can cast the vote as under:

i. On the Members VC page, click on the link for e-Voting "Cast your vote"

ii. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on "Submit".

iii. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

iv Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

v. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

DIVIDEND

14. The record date is fixed as Friday the 26th day of July, 2024 and the Register of Members and the Share Transfer Books of the Company will remain closed on Friday the 26th day of July, 2024 for the purpose of this AGM and for determining the entitlement of Members to dividend for the financial year ended March 31, 2024, if approved at the AGM.

15. The dividend if approved by the members at the Annual General Meeting will be deposited in a separate bank account within 5 days from the date of the Annual General Meeting and the same will be paid to the shareholders as per the provisions of the Companies Act, 2013 and the Rules made thereunder, and Circulars issued from time to time.

INVESTOR CLAIMS

16. Members who have not yet encashed their dividend warrants for earlier years are requested to write to the

Secretarial Department at the Registered and Corporate Office of the Company or send an e-mail to: investors@ sobha.com to claim the dividend. Details of unclaimed dividend as on 31.03.2024 are available in the 'Investors Section' of the website of the Company www.sobha.com.

17. During the financial year 2024-25, the Company will be required to transfer to the Investor Education and Protection Fund, the dividend declared in the Annual General Meeting of the Company held on August 04, 2017 and which is lying unclaimed with the Company for a period of seven years from the date of transfer to the Unpaid Dividend Account.

18. Allottees who have not yet claimed the equity shares allotted to them during the Initial Public Offer (IPO) of the Company are requested to make their claim to the Secretarial Department at the Registered and Corporate Office of the Company or send an e-mail to investors@sobha.com. Details of unclaimed equity shares are available in the 'investors section' of the website of the Company www.sobha.com. You are requested to claim unpaid dividend on or before 10/09/2024 failing which the above said shares will be transferred to IEPF at appropriate date.

INVESTOR SERVICING

19. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Ltd for assistance in this regard.

20. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Sobha Limited in case the shares are held by them in physical form.

22. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Sobha Limited in case the shares are held in physical form.

23. All Investor Queries/Complaints/Grievances may be addressed to the Secretarial Department at the Registered and Corporate Office of the Company or by sending an e-mail to investors@sobha.com. Members can also write to M/s Link Intime India Private Limited, the Registrar and Share Transfer Agents of the Company, having their office at 247, LBS Marg, Vikhroli (West), Mumbai - 400083 or send an e-mail to rnt.helpdesk@linkintime.co.in.

OTHERS

24. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.sobha.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

25. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

26. Pursuant to the Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates.

    The Resident individual shareholders who have obtained Lower tax deduction certificate from tax authorities can submit the certificate for lower deduction of tax and Resident individuals with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to rnt.helpdesk@linkintime.co.in on or before Thursday, 25th day of July 2024. Further no tax shall be deducted on the dividend payable to a resident individual shareholder if the total amount of dividend to be received from the Company during the Financial Year 2023-24 does not exceed ₹5,000/-. Shareholders may note that in case PAN is not updated with the Depository Participant/Register of the Company, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial tax rates under Double Tax Avoidance Agreement [DTAA] i.e. tax treaty between India and their country of residence. Non- resident shareholders are required to provide details on applicability of beneficial tax rates and provide following documents:

- Self-attested copy of Permanent Account Number (PAN) if allotted, by the Indian Income Tax Authorities.
- Self-attested copy of Tax Residency Certificate (TRC) (of FY 2024-25 or calendar year 2024), valid as on the AGM date obtained from the tax authorities of the country of which the Member is resident;
- Electronically Filed Form 10F on Income Tax Portal as per Notification No. 03/2022 dated July 16, 2022 issued by the Income Tax Department
- Lower withholding Tax certificate, if any, obtained from the Indian Tax Authorities
- Self-declaration certifying that -
    i. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
    ii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
    iii. Member is the ultimate beneficial owner of the share(s) held in the Corporation as well as the dividend arising from such shareholding; and the member has the right to use and enjoy the dividend received/receivable from the above shares and such right is not constrained by any contractual and/or legal obligation to pass on such dividend to another person;
    iv. Member declares that it does not have and will not have any taxable presence, fixed base or permanent establishment in India as per the said tax treaty during the financial year 2024-25; and
    v. Member hereby confirms that the above declaration should be considered to be applicable for all the shares held in the Company under PAN/accounts declared in the form.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company/RTA, of the documents submitted by Non-Resident members.

The members/shareholders are required to provide above documents/declarations by sending an E-mail to rnt.helpdesk@linkintime.co.in/investors@sobha.com on or before Thursday, 25th day of July 2024. The aforesaid documents are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the rates mentioned in the Income Tax Act, 1961.

27. Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 directs listed companies to send soft copies of the annual report to those shareholders who have registered their e-mail addresses. Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014 permit prescribed companies to send a notice and financial statements through electronic mode. In view of the same, shareholders are requested to update their e-mail IDs with their Depository Participants where shares are held in dematerialised mode and where the shares are held in physical form to update the same in the records of the Company in order to facilitate electronic servicing of annual reports and other documents.

28. All documents referred to in the accompanying Notice and Statement annexed thereto shall be open for inspection at the Registered Office of the Company during normal business hours on all working day till the date of the Annual General Meeting.

29. Members who would like to express their views or ask questions during the AGM may register themselves as a

speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at investors@sobha.com from Thursday 1st day of August, 2024 (9:00 a.m. IST) to Monday 5th day of August, 2024 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

30. The details of the process and manner for remote e-voting are explained herein below:

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".

b) Enter user id and password. Post successful authentication, click on "Access to e-voting".

c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp "

b) Proceed with updating the required fields.

c) Post registration, user will be provided with Login ID and password.

d) After successful login, click on "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

a) Visit URL: https://www.evoting.nsdl.com/

b) Click on the "Login" tab available under 'Shareholder/Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/opted for Easi/Easiest

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com.

b) Click on New System Myeasi

c) Login with user id and password

d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration

b) Proceed with updating the required fields.

c) Post registration, user will be provided Login ID and password.

d) After successful login, user able to see e-voting menu.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

a) Visit URL: https://www.cdslindia.com/

b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.

c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: https://instavote.linkintime.co.in

2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

   A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

**Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

**Shareholders holding shares in NSDL form, shall provide 'D' above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

3. Click on 'Login' under 'SHARE HOLDER' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour/Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

a. **'Investor ID'**

i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

b. **'Investor's Name'** - Enter full name of the entity.

c. **'Investor PAN'** - Enter your 10-digit PAN issued by Income Tax Department.

d. **'Power of Attorney'** – Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

f) After selecting the desired option i.e., Favour/Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select 'View' icon for 'Company's Name/Event number '. E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour/Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: Tel: 022 – 49186000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll-free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'

o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

o Click on 'Login' under 'Corporate Body/Custodian/Mutual Fund' tab and further Click 'forgot password?'

o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

EXPLANATORY STATEMENT ANNEXED TO NOTICE

[PURSUANT TO PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013]

Item No. 4

In terms of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 as may be amended from time to time, the Company is required to get its cost records audited.

The Board of Directors, based on the recommendation of the Audit Committee, have appointed M/s. Gudi Srinivas and Co., Cost Accountants (Firm Registration No: 0004336) as the Cost Auditors of the Company for the financial year 2023-24. Further, the Board of Directors, on the recommendations of the Audit Committee, have approved the payment of remuneration not exceeding ₹220,000 (Rupees Two lakh and Twenty thousand only) plus out of pocket expenses and taxes as may be applicable from time to time to the Cost Auditors for undertaking the cost audit of the Company for the financial year 2023-24.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

None of the other Directors or Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise in this Resolution except to the extent of their shareholding in the Company.

The Board of Directors recommends the Ordinary Resolution set out in Item No. 4 for approval by the Members.

Item No. 5:

The Non-executive Non-Independent Directors and Non-executive Independent Directors of your Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as construction, real-estate, marketing, technology, business strategy, legal, finance and corporate strategy. Our Board consist of one Executive Director and five Non-executive Directors.

The Board is of the view that it is necessary that adequate remuneration should be paid to the Non-executive directors so as to compensate them for their time and efforts and also to retain and attract the pool of talent for the growth and prosperity of the Company.

Section 197 of the Companies Act, 2013 provides that the remuneration payable to Directors who are neither Managing Directors nor Whole-time Directors shall not exceed:

(A) 1% per cent of the net profits of the Company, if there is a managing or whole-time director or manager;

(B) 3% per cent of the net profits in any other case.

In accordance with Section 197 of the Companies Act, 2013, the members of the Company at the Annual General Meeting held on August 09, 2019, approved the payment of remuneration by way of commission to Non-Executive Directors, at a rate not exceeding 1% per annum of the net profits of the Company for a period of five years commencing from April 01, 2019. The said approval is valid till March 31, 2024.

The Board of Directors at its meeting held on May 17, 2024 has approved, the proposal for payment of commission not exceeding 1% of the net profit of the Company to the Non-Executive Directors for a further period of five years commencing from April 01, 2024 (to be divided amongst them in such proportion as may be determined by the Board of Directors from time to time and in default of such determination equally). The aforesaid remuneration to Non-Executive Directors shall be in addition to the sitting fees payable to them for attending meetings of the Board and Committees thereof.

All the Non-Executive Directors of the Company are interested in this resolution by virtue of their directorship and to the extent of their shareholding if any, and the payment that they receive by way of remuneration as a percentage of profits.

None of the other Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise in this resolution.

Accordingly, the Board recommends the resolution set forth in Item No. 5 relating to payment of remuneration/ commission to Non-executive Directors, for approval of the shareholders by way of Ordinary Resolution.

Item No. 6:

The Company in order to execute various projects, both residential and contractual, has to borrow money from banks and other financial institutions as a means of finance. The Company has currently availed project-specific or general-purpose borrowings from various banks and financial institutions to finance the execution of the projects of the Company.

The Board of Directors envisages a continued need for the funding requirements of the Company to be met through various components, i.e. equity, project loans, general purpose corporate loans, borrowings from financial institutions, debentures etc. A mix of these instruments will result in optimum utilisation of funds at an optimum cost and help meet the various business requirements of the Company. The Board is therefore, contemplating the feasibility of borrowing money through further issue of Non-Convertible Debentures.

In terms of Rule 14 of The Companies (Prospectus and Allotment of Securities) Rules, 2014, the issue of Non-Convertible Debentures on a private placement basis requires previous approval of the members of the Company by way of a Special Resolution and such an approval shall be valid for all the offers or invitation for such Debentures during the year.

Accordingly, approval of the members is being sought to enable the Board of Directors to offer or invite subscriptions for non-convertible debentures aggregating up to ₹700,00,00,000 (Rupees Seven hundred crores only) as may be required and such approval shall be valid for a year.

None of the Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise, in this Resolution except to the extent of their shareholding in the Company.

The Board recommends the Special Resolution set-out in Item 6 of the Notice for approval by the members.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT (ITEM NO 3) AT THE ANNUAL GENERAL MEETING PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS:

Name of Director	Mr. Ravi PNC Menon
Age	43 Years
Date of First Appointment	June 08, 2004
Qualifications	Bachelor of Science in Civil Engineering from Purdue University, USA.
No. of Board Meetings attended during the financial year 2023-2024	5
Experience	20 years in a Company
Expertise in specific functional areas	He supports as a mentor and guides the Senior Management in the areas of business strategy, quality assurance, technology advancement, design and engineering, sales and marketing, product delivery, project execution, risk mitigation, process and information technology and customer satisfaction.
Details of remuneration	Company didn't pay remuneration to Mr. Ravi PNC Menon for the financial year 2023-24 and the same is disclosed in the Corporate Governance Report that forms part of the Annual Report.
Directorship and membership of Committees of the Board held in other listed companies	None
Directorships held in other public limited Companies	None
Relationship with other Directors and Key Managerial Personnel	None
Number of shares held as on March 31, 2024	3,185,930 equity shares of ₹10 each. 46,399,763 equity shares of ₹10 each held by relatives.
Terms and conditions of appointment	The terms and conditions of appointment shall be governed by the approval of shareholders as set out in the Notice of the Annual General Meeting.

KEY DETAILS OF 29TH ANNUAL GENERAL MEETING AT A GLANCE

Sr. No.	Particulars	Details
1	Day, date and time of AGM	Wednesday, August 07, 2024 at 03.00 p.m. (IST)
2	Mode of AGM	Through Video Conferencing / Other Audio-Visual Means (VC/ OAVM)
3	Participation through VC / OAVM	The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice.
4	Technical Assistance for VC Participation	Contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000
5	Submission of Questions/Queries before AGM	Questions with regard to financial statements or any other matter to be placed at the 29th AGM can be submitted from registered email address to investors@sobha.com on or before 5.00 p.m. (IST) on Monday, August 05, 2024.
6	Speaker Pre-Registration	On or before 5.00 p.m. (IST) on Monday, August 05, 2024. Members may register themselves as a speaker by sending a request mentioning their name, demat account number/folio number, email id, mobile number at investors@sobha.com
7	Dividend details	Rate: 30% i.e., ₹3 per equity share of face value of ₹10 each Record date: Friday, July 26, 2024 Book closure dates: Friday, July 26, 2024 Payment date: within 30 days from Wednesday, August 07, 2024
8	TDS on Dividend and Submission of Forms	Submit forms by Thursday, July 25 2024 before 5.00 p.m. (IST).
9	EVENT of the Company	240314
10	Cut-off date for remote e-voting period	Thursday, August 01, 2024
11	Remote e-voting period	From 9.00 a.m. (IST) on Sunday, August 4, 2024 and ends at 5.00 p.m. (IST) on Tuesday, 06 August, 2024.
12	Registration of email address to receive Credentials for remote e-voting and Notice of 29th AGM	Members whose email addresses are not registered and wish to receive the credentials for remote e-voting along with the Notice of the 29th AGM and Annual Report 2023-24 can get their email addresses registered with DP/RTA. Alternatively, member may send an e-mail request to enotices@linkintime.co.in

GLOSSARY

ADR	American Depository Receipts
BBS	Bar Bending Schedule
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CPD	Concretes Product Division
CREDAI	Confederation of Real Estate Developers Association of India
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
Demat	Dematerialised Account
DG	Diesel Generator
DIN	Director Identification Number
EBITDA	Earnings before Interest, Depreciation and Amortisation
ECS	Electronic Clearing System
EHS	Environment, Healt & Safety
EPS	Earnings Per Share
ERP	Enterprise Resource Planning
EVEN	E-Voting Event Number
FII	Foreign Institutional Investors
FSI	Floor Space Index
GDP	Gross Domestic Product
GDR	Global Depository Receipts
HUF	Hindu Undivided Family
HVAC	Heating, Ventilating and Air Conditioning
ICRA	ICRA Limited [Formerly Investment Information and Credit Rating Agency of India Limited]
IEPF	Investor Education and Protection Fund
IPO	Initial Public Offer
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
IT / ITES	Information Technology / Information Technology Enabled Services
JD / JV	Joint Development / Joint Venture
KMP	Key Managerial Personnel
LED	Light-emitting diode
Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
MCA	Ministry of Corporate Affairs, New Delhi
MD&A	Management Discussion & Analysis
MEP	Mechanical, Electrical and Plumbing
NCR	National Capital Region
NEAPS	NSE Electronic Application Processing System
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OHSAS	Occupational Health Safety Assessment Series
PAT	Profit after Tax
PBDIT	Profit before Depreciation, Interest and Tax
PBIT	Profit before Interest and Tax
PBT	Profit before Tax
PV Cells	Photovoltaic Cells
QST	Quality, Safety and Technology
R&D	Research and Development
R&T Agents	Registrar and Share Transfer Agents
RBI	Reserve Bank of India
RERA	Real Estate (Regulation and Development) Act, 2016
ROCE	Return on Capital Employed
ROE	Return on Equity
RTGS	Real Time Gross Settlement
SBA	Super Built-up Area
SCORES	SEBI Complaint Redress System
SEBI	Securities and Exchange Board of India
VFD	Variable Frequency Drive
WTD	Whole-time Director
Y-O-Y	Year-on-Year

FISCAL 2024 HIGHLIGHTS

Q1-24

- Revenues of ₹9,392 million with a PBT of ₹173 million and PAT of ₹121 million.
- Collections of ₹13,551 million.
- Average cost of debt as end of Q1-24 stood at 9.11%.
- Sold 1.39 million square feet of area total valued at ₹14,647 million (Sobha Share value of ₹11,304 million).
- Completed 0.97 million square feet of Real Estate projects and 0.06 million square feet of Contractual projects, totalling 1.45 million square feet of developable area during Q1-24.

Q2-24

- Revenues of ₹7,736 million with a PBT of ₹247 million and PAT of ₹149 million.
- Collections of ₹14,500 million.
- Average cost of debt as end of Q2-24 stood at 9.14%.
- Sold 1.69 million square feet of area, total valued at ₹17,238 million (Sobha Share of ₹12,756 million).
- Completed 0.68 million square feet of Real Estate projects and 1.44 million square feet of Contractual projects, totalling 2.45 million square feet of developable area during Q2-24.

Q3-24

- Revenues of ₹7,137 million with a PBT of ₹214 million and PAT of ₹151 million.
- Collections of ₹14,931 million.
- Average cost of debt as end of Q3-24 stood at 9.26%.
- Sold 1.66 million square feet of area, total valued at ₹19,516 million (Sobha Share of ₹17,355 million).
- Launched a new luxury project, SOBHA Neopolis in Bangalore with total residential SBA of 3,440,634 square feet.
- Launched another project, SOBHA Metropolis Phase III in Thrissur with total Residential SBA of 399,243 square feet.
- Completed 1.04 million square feet of Real Estate projects with total 1.58 million square feet of developable area during Q3-24.

Q4-24

- Revenues of ₹7,913 million with a PBT of ₹109 million and PAT of ₹70 million.
- Collections of ₹14,983 million.
- Average cost of debt as end of Q4-24 stood at 9.35%.
- Sold 1.34 million square feet of area total valued at ₹15,040 million (Sobha Share of ₹12,735 million).
- Launched Luxury project, SOBHA Crystal Meadows in Bangalore with total Residential SBA of 1,251,549 square feet.
- Launched another Luxury project, Sobha Ridge – Whispering Hill, Trivandrum with total residential SBA of 232,441 square feet.
- Launched Luxury project, Sobha Elysia, Gift City with total residential SBA of 1,249,985 square feet.
- Launched project, Sobha Atlantis Phase II in Kochi with total residential SBA of 445,138 square feet.
- Completed 1.69 million square feet of Real Estate projects, total 2.66 million square feet of developable area during Q4-24.

Notes:

Notes:

Read the online edition
of this Annual Report