SOBHA

Date: June 26, 2026

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

Dear Sir / Madam,

Sub: Annual Report of the Company for the Financial Year 2025-26

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith the Annual Report of the Company along with the Notice and the Explanatory Statement of the 31st Annual General Meeting scheduled to be held on Saturday, July 18, 2026, at 9:00 A.M. (IST) through Video Conference/Other Audio-Visual Means ("VC/OAVM").

The Annual Report for the Financial Year 2025-26 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: 2026.06.26 17:30:16 +05'30'

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

SOBHA

ANNUAL REPORT 2026

STRENGTH in *MOTION*

Clubhouse, SOBHA Altair, Bengaluru

From legacy rooted, steadfast and clear,
Strength finds expression, year after year.

Where quality leads and standards guide,
Precision moves in measured stride.

In detail refined by hand and mind,
Craftsmanship, distinct and defined.

With passion at work and trust made sure,
Excellence is built to endure.

The present calls for resolve held true,
The future takes shape in all we pursue.

SOBHA advances, with values instilled,
Strength in Motion, resolute still.

Swimming pool and Clubhouse, SOBHA Meadows – Whispering Hill, Thiruvananthapuram

Contents

Built on Trust

Three decades of quality, delivery and discipline.

The strength of the Sobha brand lies in the trust it has earned through quality, consistency and disciplined delivery.

Founded in 1995 and headquartered in Bengaluru, Sobha today is recognised for its quality-led approach, customer focus and precision in execution. Its reputation has been built over three decades through thoughtful planning, enduring construction quality and timely delivery.

What began as a founder's vision has developed into a consistent working model that brings together design intent, construction rigour and delivery accountability. This approach has supported Sobha's presence across 30 cities in 14 states, with cumulative delivery of 152.69 million square feet across residential, commercial and institutional segments. This scale reflects Sobha's presence across diverse markets and formats, supported by a consistent focus on quality, transparency and execution discipline.

The company's portfolio includes homes, commercial spaces and institutional projects. Its backward-integrated model strengthens execution control, enabling greater consistency across key stages of development. This breadth gives the brand a deeper understanding of how people live, work and interact with built environments. Exposure to different segments informs product thinking, service expectations and market relevance, helping the company respond to changing needs with clarity.

Sobha's philosophy of 'Passion at Work' supports a culture of accountability, customer centricity and ethical conduct. These principles shape the way teams plan, build and engage with customers, partners and stakeholders. As aspirations and market conditions evolve, the company continues to adapt its offerings while reinforcing the values that have shaped its reputation.

Across this journey, continuity, customer confidence and a consistent way of working have remained central to Sobha's identity. As the company marks 30 years of sustained growth, it remains focused on creating well-planned, enduring built environments that reflect the discipline associated with the brand.

30

Years of legacy

30

Cities across India

14

States across India

589

Developments

244

Residential projects

345

Contractual projects

152.69 mn sft

Completed area

Capability at Work

Skilled teams, clear ownership and continuous training uphold Sobha's standards.

At Sobha, capability becomes strength through ownership, skill and a shared commitment to consistent performance.

Sobha's ability to deliver at scale is anchored in its people. The organisation builds this capability through talent development, role clarity and performance alignment, enabling office and project-site teams to stay prepared for evolving business and project requirements.

A clear people framework provides continuity across functions. Competency models, defined reporting lines and aligned team structures strengthen coordination, improve accountability and help teams respond to changing priorities with greater clarity.

Learning remains central to this approach. Employees participate in structured programmes across technical, behavioural and leadership competencies, supported by workshops and site-based learning that build practical understanding and day-to-day application. In Bengaluru, the Sobha Academy supports workforce readiness and workmanship standards across trades. Engagement platforms, feedback mechanisms and participation-led initiatives create channels for dialogue within the organisation. The Genesis initiative further encourages innovation and collaborative problem-solving, allowing teams to contribute ideas that improve work practices.

The company's workplace practices and culture have been recognised through the Great Place To Work® Certification™. Based on a formal assessment framework, the recognition serves as a respected benchmark of workplace excellence and reflects Sobha's focus on a high-trust environment.

Employee well-being and safety remain important priorities, with specific attention to contract workers at project sites. The company's people philosophy is rooted in responsibility, continuous improvement and respect for individuals, supporting sustained delivery, organisational continuity and stable performance across office and site environments over the long term.

4,450+

Total employees

25,000+

Total workforce

13%

Women in the workforce

63,000+

Training hours delivered

>12%

Employees with 10+ years' service

Great Place To Work® Certification™

Integrated by Design

Complete in-house expertise ensures control from concept to completion.

Sobha's strength lies in an integrated model that brings control, coordination and quality across the value chain.

Sobha's backward-integrated framework brings design, engineering, manufacturing and construction into a single operating system. This gives the company closer control over the development lifecycle and enables technical inputs to align with project requirements from the earliest stages.

As the only real estate company in India with this level of integration, Sobha maintains in-house capabilities across key stages of development. These include architectural and engineering design, MEP services, landscaping, interiors, glazing and metal works, concrete products and precast manufacturing. This breadth supports oversight of materials, processes and workmanship, reducing dependence on fragmented external execution.

Specialised divisions and advanced manufacturing facilities work in close alignment with core real estate operations. Their contribution improves planning efficiency, resource deployment and technical control, enabling projects of varying scale, specification and complexity to be delivered with greater consistency.

The Sobha Design Studio further strengthens this structure by combining architectural, structural and engineering expertise on a coordinated platform. Supported by technology systems and interdisciplinary collaboration, it improves design development, technical accuracy and alignment between disciplines.

This integrated approach also gives the organisation greater adaptability as market needs and project formats evolve. With specialised capabilities retained within one operating framework, Sobha can respond to varied development requirements while maintaining standards in planning, manufacturing and execution.

The in-house model continues to serve as a long-term strategic advantage, strengthening self-reliance, operational depth and coordinated delivery across its business verticals.

46+ acres

Total manufacturing area

Unique

Backward integration model

250+

In-house design professionals

11+ acres

Manufacturing area
Glazing and Metal Works

16+ acres

Manufacturing area
Concrete Products

19 acres

Manufacturing area
Interiors

Precision in Execution

Defined processes, site-level rigour and quality checks ensure execution precision.

Sobha's execution strength lies in defined systems, disciplined planning and rigorous quality checks.

Sobha manages execution as a connected process across engineering, scheduling and site delivery. Responsibilities are defined before work begins and reviewed as activity progresses, giving teams clarity on scope, sequencing and decisions through the construction cycle. This helps align technical inputs, work methods and resource deployment across project stages.

The internally developed Delivery Model sets team structures according to construction area and project requirements. It guides the allocation of project heads, engineers, supervisors, technicians and support staff, ensuring each location has appropriate capacity, oversight and on-site accountability. It also strengthens continuity between work fronts, reducing ambiguity in supervision and escalation.

Execution standards are further supported by the Sobha Technology Manual. Covering 72 critical construction activities and 1,456 checkpoints, it sets out procedures, inspection methods, laboratory testing requirements and equipment usage. The manual provides a common technical reference for teams working across project types and site conditions.

Quality assurance gives these standards practical discipline on the ground. Stage-wise inspections, audits and monitoring mechanisms help identify deviations early, improve accuracy and strengthen feedback between design, engineering and site teams. This also improves consistency across locations without diluting site-level accountability.

Technology adoption, mechanised processes and structured training programmes add operational depth. Training builds competency in key activities, while advanced systems improve visibility, coordination and productivity in daily work.

Together, these practices help projects move from design intent to delivery with clarity, accountability and control. The approach supports reliable progress, consistent workmanship and greater certainty around timelines.

41.93 mn sft

Area under development

7 mn sft

Annual delivery run-rate

6.04 mn sft

New launches in FY26

5.40 mn sft

Completed in FY26

5.45 mn sft

Handed over in FY26

20.67 mn sft

Forthcoming pipeline

Growth with Discipline

Financial strength is built on resilience, disciplined growth and market trust.

Sobha's financial strength lies in disciplined growth, resilient performance and the ability to sustain momentum.

Strong market response and sustained sales momentum helped Sobha deliver another year of financial and operational progress in FY26. Customer confidence remained central to this performance, supported by premium positioning, timely delivery and execution discipline. Results were also backed by pricing strength, absorption, collections and measured capital deployment.

The year marked Sobha's entry into Mumbai and Greater Noida, extending its presence in important real estate markets. The company also achieved its highest-ever annual sales value. Sobha's share of sales value also reached its highest level to date, reflecting demand across the portfolio, the strength of its launch strategy and a broader opportunity base beyond existing core markets.

Bengaluru remained a major contributor to overall sales. Improved average price realisation further indicated pricing strength and continued customer preference for the brand. Collections remained healthy, strengthening liquidity and enabling continued investment across developments.

A diversified pipeline across residential and commercial segments provides visibility for the next phase of growth. The focus remains on scale backed by cash flows, execution readiness and portfolio depth, giving Sobha a stronger base to pursue planned expansion across new and established markets.

₹81.36 Bn
Highest-ever sales value

30%
Sales value growth

₹67.06 Bn
Sobha's share of sales value

35%
Growth in Sobha's share

₹14,675 per sq. ft.
Average price realisation

9%
Price realisation growth

6.04 mn sft
New launch area

9
Projects launched

₹77.98 Bn
Operational cash inflow

₹53.84 Bn
Total revenue

₹1.93 Bn
Profit after tax

AA- Positive
Credit rating

Responsibility in Practice

Sustainability, safety and community action reflect accountable progress.

Sobha's strength in responsible growth is reflected through ESG discipline and community impact.

Sobha applies environmental, social and governance principles through practices linked to the development lifecycle. From planning and construction to ongoing operations, this helps the company manage growth with clearer controls, regulatory alignment and defined priorities. Resource efficiency is addressed through rainwater harvesting, wastewater treatment and waste management systems across projects. Defined targets guide emissions reduction, energy efficiency, recycled water use and responsible waste utilisation, giving environmental performance a practical operating framework.

Climate resilience is supported by sustainable design and lifecycle-based planning. The organisation continues to adopt responsible materials and processes where relevant. It also strengthens supply chain practices to meet project requirements, evolving standards and future operating needs.

Social priorities include workplace safety, employee well-being and community responsibility. Structured safety programmes and site training reinforce awareness, discipline and accountability among teams and workers, supporting the objective of zero-incident performance over time. Community initiatives extend this responsibility beyond worksites, linking growth with local development needs.

Governance practices are founded on transparency, ethical conduct and regulatory compliance. Business ethics and data privacy policies are supported by training and monitoring mechanisms, with continued focus on strengthening data protection and compliance across sites and corporate functions.

The ESG approach is rooted in continuous improvement and controlled implementation. By linking environmental management, social safeguards and governance controls to daily operations, Sobha reinforces a development approach that is efficient, compliant and accountable as scale and regulatory expectations continue to evolve.

246.7 ML

Water recycled

13.2 MLD

STP capacity installed over five years

24.6 tonnes

Capacity of organic waste management plants installed over the past five years

1,732 MWh

Energy from renewable sources

10%

Reduction in GHG emissions (Scope 1 & 2) by 2030

First

India's first Net Water Positive (Platinum) Rating, SOBHA City, Thrissur, Kerala

Floating Lanai, SOBHA Rivana, Greater Noida

Depth, Scale and Delivery

Designed for Performance

Sobha's corporate structure brings together Real Estate, Contracting, Manufacturing and Retail within a closely connected business model. Each domain serves a defined role in the company's operations, helping the organisation manage scale, project complexity and customer requirements across multiple markets.

Within this structure, the Real Estate business covers residential and commercial developments, while the Contracting business includes institutional and commercial projects. Manufacturing capabilities span interiors, glazing and metal works, and concrete products. Retail initiatives such as metercube and Restoplus extend the company's presence into customer-oriented segments.

Customer engagement is supported through systems that manage the lifecycle from enquiry and booking to handover and post-handover support. This approach strengthens responsiveness, improves service continuity and helps maintain a consistent experience across projects and customer touchpoints.

Alongside customer-facing systems, the organisation uses technology-enabled tools to improve visibility across project progress, procurement, site coordination and internal monitoring. These systems support timely decision-making and help teams track key operational parameters across geographies and development formats.

Defined safety and quality standards guide project activity across sites and functions. Internal benchmarks, regular monitoring and documented processes support consistency in implementation. These practices help maintain discipline across the organisation while reinforcing the company's focus on reliability and customer confidence.

This operating base is reflected in the project portfolio, with completed, ongoing and upcoming developments across residential, commercial and institutional formats. It enables Sobha to serve varied market requirements at scale.

Project Portfolio

Particulars	Completed	Ongoing	Upcoming
Number of projects	589	53	14
Area (mn sft)	152.69	41.93	20.67

Diversified Portfolio

Core Verticals

Real Estate

Residential | Commercial

Contracting

Institutional | Commercial

Manufacturing

Glazing and Metal Works | Interiors | Concrete Products

Retail

metercube | Restoplus

Real Estate


SOBHA Aurum, Greater Noida

Sobha's real estate business is built around a diversified residential and commercial portfolio serving varied customer requirements across key urban markets. As of 31 March 2026, the Real Estate division had completed 244 projects, representing 92.55 million square feet of developable area, with a further 38.71 million square feet under development.

Operating across 13 cities, the portfolio spans apartments, villas, row houses, townships and plotted developments. Commercial and retail assets add depth to this presence, enabling the company to address multiple customer segments while responding to location-specific demand and market dynamics.

A backward-integrated operating model strengthens control across design, engineering and construction. By retaining these capabilities in-house, Sobha is able to manage the development lifecycle with greater discipline, supporting consistency from planning through to handover.

The business continues to advance through calibrated expansion, disciplined project planning and a focus on value creation. Its development pipeline reflects evolving market requirements, diversified formats and long-term growth priorities, while reinforcing the relevance of its portfolio to homebuyers and commercial occupiers.

Contracting

Complex projects require coordinated execution across technical disciplines, defined scopes, specialised requirements and firm timelines. Sobha's Contracting business serves as the delivery arm for large commercial and institutional developments, undertaking projects across technology, healthcare, hospitality, research and education.

The division brings together capabilities in design, engineering, civil and structural works, MEP, interior fit-outs, aluminium and glazing systems and landscaping. This integrated approach supports closer coordination, stronger schedule control and disciplined execution across each stage of project delivery.

Long-standing associations with organisations such as Infosys, Dell, LuLu, Biocon, Taj, ITC and others reflect the confidence placed in its ability to manage scale and complexity. Its portfolio includes large institutional facilities and technically demanding structures that require precision, functional efficiency and delivery within defined parameters.

As of 31 March 2026, the Contracting division had completed 345 projects covering 60.14 million square feet. This record reflects its engineering depth and established ability to execute complex projects at scale.


Infosys, Mysuru

Glazing and Metal Works

Efficiency in action

Architectural expression and structural performance rely on components manufactured to exacting specifications. Sobha's Glazing and Metal Works operations support this requirement through precision fabrication for projects across India, with units in Bengaluru, Chennai and Sonipat. The facilities together span more than 11 acres, providing scale for specialised metal and glazing work.

Equipped for profile cutting, precision welding, milling and composite panel processing, the division fabricates aluminium doors and windows, structural glazing assemblies, stainless steel finishes and pre-engineered building modules. These products serve commercial and institutional applications where fit, finish and technical detailing are central to performance.

Production is guided by testing, inspection and component checks at defined stages, helping assemblies meet requirements for durability, compliance and performance. The Bengaluru facility also incorporates a 225 kW rooftop solar installation, supporting renewable energy use within operations.

This combination of fabrication capability, technical oversight and multi-location capacity enables the division to support projects that demand accuracy, facade performance and structural detailing.

Concrete Products

Sobha's Concrete Products Division operates manufacturing facilities in Bengaluru and Gurugram, supplying standardised inputs for construction and landscaping use. The facilities house automated production systems sourced from inter-alia Germany and the United Kingdom.

In FY26, a new facility was commissioned at Kelamangalam Dist. Krishnagiri, Tamil Nadu, taking the total manufacturing footprint of concrete products division to over 16 acres and improving operational responsiveness across key production activities and regional project requirements.

The portfolio includes concrete blocks, kerb stones, drainage channels and surface elements for commercial, residential and institutional developments. Raw materials are sourced from approved suppliers and tested in-house for durability and compliance with standards.

Annual production capacity of nearly 16 million blocks, 8 million sft landscaping products and 1 million kerb/drainage channels enables consistent output at scale. Centred on repeatability and site readiness, the products help maintain uniform edges, stable surfaces, planned drainage routes and durable landscaping details.

Delivering quality at scale

Interiors

Precision in woodwork

Established in 2000, Sobha Interiors supports the finishing stage of developments through project-aligned manufacturing and fit-out capability. Over more than two decades, it has built a specialised base across 19 acres, led by its woodworking facility in Bengaluru, with additional capacity from a unit in Bhiwadi, Rajasthan.

The division manufactures customised joinery and interior fit-outs for residential, commercial and institutional developments. Its offerings include doors and frames, modular kitchens, wardrobes, bespoke furniture, panelling systems, partitions and upholstered elements, developed to integrate with architectural layouts, site conditions and installed spaces.

Operations are supported by computerised kiln-drying, a robotised polishing line and multi-stage quality checks. Material sourcing follows defined standards, with wood procurement aligned to PEFC-certified sources for traceability and responsible forestry practices.

Material discipline, craftsmanship and installation readiness define the division's role in interior works. Coordinated joinery, controlled finishes and specification-led fit-outs support the transition from built form to finished spaces.

Precast

Sobha's Precast Division supports large-scale developments through modular structural elements produced in controlled factory conditions. Introduced in 2015 for SOBHA Dream Acres in Bengaluru, the facility uses German-engineered technology to improve uniformity, safety and speed in structural works.

The manufacturing system produces columns, beams, slabs, staircases and facade panels, developed for accurate alignment during on-site assembly. This enables key components to be sequenced more predictably while maintaining structural integrity and consistent finish standards.

Configured for high-volume building requirements, the facility improves construction cycle time through mechanised production. Project timelines can be reduced by up to 20%, while factory-led processes help minimise material wastage and support safer working conditions on active sites.

This precast capability is applied across multiple projects, including SOBHA Sentosa and other Bengaluru developments, along with supporting infrastructure works. Across towers, podiums and related structures, it strengthens structural uniformity, improves sequencing and supports controlled progress through more disciplined execution.

Engineered structural strength

metercube

Curated living spaces

metercube brings together premium home décor, furniture, furnishings and interior solutions for customers seeking a coordinated approach to living spaces. Positioned as a one-stop offering, it combines product choice with design-led assistance across individual selections and complete interior packages.

The portfolio spans more than 2,000 products across furniture, lighting, kitchen accessories, soft furnishings, home décor and seating for indoor and outdoor spaces. This curated range helps address different rooms, usage patterns and aesthetic preferences through products selected for quality, functionality and appeal.

Beyond individual purchases, metercube offers interior packages that can be tailored to a single room or an entire residence. These include partially configured options with kitchen and wardrobe installations, as well as comprehensive arrangements for living spaces and bedrooms. The emphasis is on continuity, spatial clarity and practical elegance, with support from concept to completion.

At 1 SOBHA Mall in Bengaluru, metercube provides an immersive environment for engaging with materials, finishes and spatial layouts. Digital platforms extend this journey, enabling customers to explore, compare and decide across physical and online channels with greater ease and clarity.

Restoplus

Focused on the design and manufacture of sleep solutions, Restoplus operates as Sobha's mattress division, bringing together material performance, durability and user comfort. Since 2007, it has built a portfolio of more than 36 mattress configurations, spanning pocketed spring systems, Bonnell structures, foam, coir, re-bonded layers, rolled formats and pure latex variants.

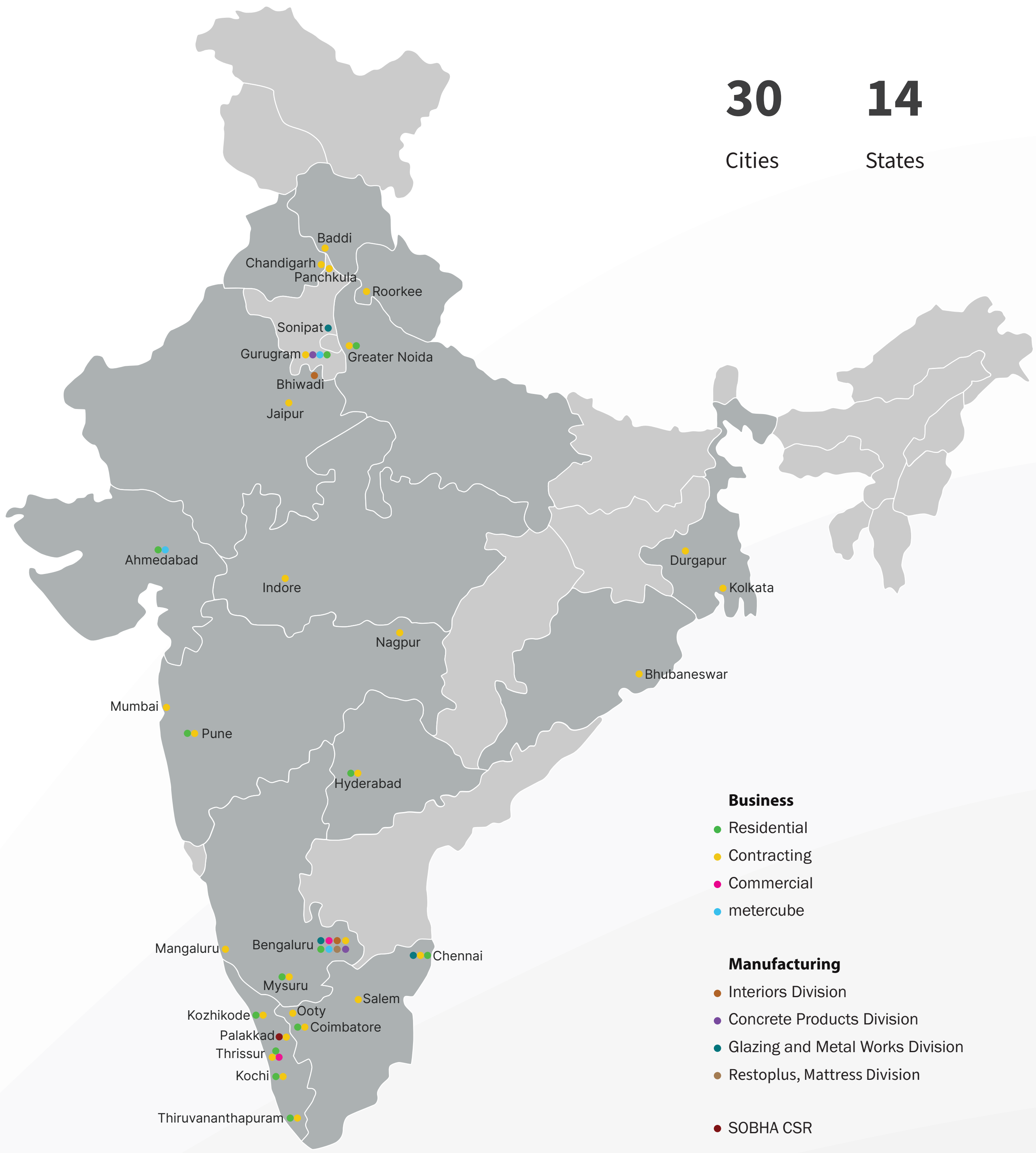
The range addresses varied comfort and support requirements, with offerings from ₹10,000 to ₹4,00,000, including fully customised specifications. Materials are sourced from established suppliers and assessed against defined standards for reliability, durability and consistent performance.

Quality assurance covers the full production cycle, from raw material testing to final inspection. A dedicated Sleep Laboratory enables periodic evaluation of materials and finished products, supporting established benchmarks while informing material selection, testing feedback and product refinement.

Manufacturing operations use advanced processes and precision European equipment to maintain consistency across configurations and production batches. Across a broad product range, Restoplus sleep solutions combine tested inputs, defined comfort parameters and consistent support, with a clear emphasis on product depth and quality.

Quality in every layer

National Presence



30 Cities

14 States

Business
- Residential
- Contracting
- Commercial
- metercube

Manufacturing
- Interiors Division
- Concrete Products Division
- Glazing and Metal Works Division
- Restoplus, Mattress Division

- SOBHA CSR

India map not to scale. For reference only. Presence as of 31 March 2026

Launch Portfolio

SOBHA AURUM
3 & 4 BED LUXURY RESIDENCES
Sector 36, Greater Noida

SOBHA MAGNUS
BANNERGHATTA MAIN ROAD

SOBHA Whispering Hill
Akkulam, Thiruvananthapuram

SOBHA RIVANA
SECTOR 1, GREATER NOIDA

SOBHA ALTAIR
OFF SARJAPUR ROAD

SOBHA INIZIO
PAREL, MUMBAI

STRADA
SERVICED RESIDENCES & PLAZA BY SOBHA
SOBHA Downtown, Sector 106, Gurugram

MARINA ONE
PURAVANKARA • SOBHA
MARINE DRIVE, KOCHI

Corporate Social Responsibility

A Structured Approach

Sobha's Corporate Social Responsibility approach is anchored in inclusive and sustainable community development. This commitment is carried through the Sri Kurumba Educational and Charitable Trust, the philanthropic Wing of SOBHA Group, established in 1994 to drive structured interventions across rural communities in Kerala.

For over three decades, the Trust has worked with resource-limited families in rural India, with a primary focus on the Kizhakkencherry, Vadakkencherry and Kannambra Grama Panchayats of Palakkad District, Kerala. Its efforts are centred on women-led development and cover education, healthcare, housing, women's empowerment, care for the elderly and vulnerable groups and environmental sustainability.

Education remains a central pillar. The SOBHA Academy and SOBHA Icon have expanded access to quality learning for underprivileged students, supported by transport, meals and learning resources. SOBHA Health Care addresses medical needs through consultations, camps and outreach services for beneficiary families.

The Trust also works to improve quality of life through housing, elder care and assistance to vulnerable groups. Initiatives focused on women's empowerment provide financial and social support, helping build self-reliance and stability. A structured framework underpins CSR activities, supporting transparency, measurable progress and sustained, locally focused delivery. This long-term model gives the work continuity across service areas while keeping implementation focused on defined beneficiary communities. Over time, this work has helped improve living conditions, access to essential services and community well-being across the focus panchayats.

Health Care

SOBHA Health Care

Established in 2007, SOBHA Health Care provides accessible and dependable primary medical care for families with limited resources. Over the years, it has grown into a community facility serving 4,500 families through free healthcare across essential areas, including primary consultations, health camps, home-based care programmes and specialised eye treatment camps.

More than 3.5 lakh outpatient consultations have been conducted to date, while over 140 individuals have received free cataract surgeries through dedicated eye care initiatives. The facility is supported by an in-house pharmacy and minor procedure capabilities, enabling a timely response to routine medical needs, including basic procedural requirements locally. Its beneficiaries include residents of SOBHA Hermitage, students of The SOBHA Academy, resource-limited families from nearby communities and members of the Trust. The outreach network extends beyond the hospital through medical camps, home care visits and palliative care for construction workers and residents across local panchayats. This structure keeps consultations, procedures and outreach connected with local beneficiary needs across hospital and field settings.

During FY26, the hospital attended to 36,544 patients across its service areas. General consultations accounted for 24,548 patients, while medical and eye camps reached 3,250 and 2,020 patients respectively. Physiotherapy accounted for 1,957 patients, followed by dental services at 1,782 and paediatric care at 1,753, indicating steady demand across both routine and specialised requirements. Additional areas, including ophthalmology, home care visits and specialised consultations, further widened access for the community.

The institution's role remains rooted in practical, primary healthcare delivery: regular consultation, preventive outreach, essential procedures and continuity of care for communities that depend on an accessible local facility.

Education

SOBHA ICON

Education shapes possibility, and SOBHA Icon was founded on this belief. Designed to support students during some of the most defining years of their academic journey, the institution offers free Kerala State syllabus education to learners from Classes 8 to 12. With a focus on accessibility, dignity and structured learning, SOBHA Icon ensures that students from underserved backgrounds have the support they need to pursue meaningful futures with clarity and confidence.

Each year, close to 250 students study at SOBHA Icon, receiving not only academic instruction but also mentorship and guidance that help them navigate the transition towards higher studies. Over the years, more than 960 students have completed their education here and secured admissions to universities and colleges. The institution continues to encourage confidence, discipline and academic progression among its students.

The SOBHA Academy

Established in 2007, The SOBHA Academy is a CBSE institution providing free education to children from socio-economically constrained families across Kizhakkencherry, Vadakkencherry and Kannambra panchayats. The academy supported 1,148 students from pre-kindergarten to Class 12 during the year, with approximately 90 students admitted annually.

Education, along with transportation, meals, uniforms and learning materials, is provided free of cost through a transparent admission process, including screening and selection through an open draw. Academic development is supported through structured learning and co-curricular activities, contributing to consistent performance and overall development. Residential support is provided at SOBHA Hermitage, accommodating 145 girls from Classes 9 to 12, ensuring continuity in education within a safe and structured environment.

Elder Care and Nutrition

SOBHA Hermitage

SOBHA Hermitage extends Sobha's community initiatives by providing dignity, comfort and dependable care for elderly residents from underprivileged backgrounds. What began as a home for senior citizens has developed into a supportive environment that offers stability, safety, emotional care, companionship and a sense of belonging. Its purpose goes beyond residential support, enabling residents to retain independence while remaining part of a structured and caring community. Designed with respect for individual needs, it reflects the belief that people deserve care and comfort in later life, supported by daily routines that encourage security and reassurance.

The environment at SOBHA Hermitage is shaped to feel personal and secure. Each resident has an independent room, allowing privacy and personal space, while shared areas such as the library, television room and open spaces encourage interaction and community life. These facilities help residents maintain dignity, choice and connection in their daily routine.

Feed A Stomach Today (FAST) Programme

At Sri Kurumba Auditorium, Moolamcode, the Trust provides two nutritious meals daily to vulnerable elderly residents of Kizhakkencherry panchayat. Currently, 57 individuals are supported under the programme, with the capacity to serve 100 persons daily. Another component ensures meal delivery to 350 persons across Palakkad, 25 senior citizens in Alathur, 60 patients in the Government Ayurveda Hospital, Palakkad and 25 children at the Government Lower Primary School, Kadappara, a school for tribal children in Kizhakkencherry panchayat. To date, 1,97,041 meals have been served. The Trust also plans to extend the programme to an additional 650 students, with meals prepared at Sri Kurumba Auditorium and distributed in containers.

The menu includes dishes such as lemon rice, tomato rice, coconut rice and idli, along with two side dishes and boiled eggs. Staff members are encouraged to volunteer for food packing, delivery and support activities, strengthening community participation.

Women's Empowerment

SOBHA Rural Women Empowerment Programme

The SOBHA Rural Women Empowerment Programme is a sustained community intervention of the Trust, created to assist widowed mothers and their children within the project area. Focused on restoring dignity and household stability, it provides families facing difficult circumstances with consistent, practical assistance.

Currently, 50 widowed mothers and their children benefit from the initiative. Each mother receives a monthly living allowance of ₹5,000, helping meet essential household needs with greater security and independence. The programme also provides clothing, medical care and personal essentials, ensuring continued access to everyday necessities.

The initiative is designed to ease day-to-day pressures for families during periods of hardship. By combining direct household support with care for essential needs, it helps beneficiaries maintain resilience and a stronger sense of security.

SOBHA Young Mother Rehabilitation Programme

The SOBHA Young Mother Rehabilitation Programme supports young widows as they rebuild their lives with stability and dignity. Based at SOBHA Hermitage, the programme provides a safe residential environment where mothers and children can live together, with accommodation and essential living support provided free of cost.

Each family resides in living spaces designed for comfort and security. The structure brings residence, education, skill-building and employment into a single support system for families in transition. Mothers are encouraged to continue their education and develop skills through structured guidance and access to practical learning opportunities. Employment opportunities at The SOBHA Academy further support income generation and social confidence. Their children receive CBSE education at the academy, helping build an academic foundation for future progress.

Social Support and Shelter

SOBHA No Dowry Social Wedding

Marriage marks an important milestone in a family's life, yet for many parents in rural communities, financial hardship often stands in the way of this celebration. The burden of wedding expenses, cultural expectations and the pressure to provide dowry can push families into debt, forcing them to mortgage assets, sell property or take loans they cannot afford. In response to this long-standing social challenge, the SOBHA No Dowry Social Wedding initiative was created to offer a respectful and financially secure path for couples embarking on married life.

Introduced in 2003, this initiative supports parents who struggle with the costs associated with marriage, ensuring that young couples can begin their lives together without imposing financial strain on their families. To date, 710 marriages have been successfully organised under this programme, each one conducted with care, fairness and a deep sense of responsibility.

Devi Home

Expanding its efforts to provide shelter for those in need, the Trust laid the foundation for Devi Home in Moolamcode, Palakkad, in December 2024. Being developed on a 26,000-square-foot site, the facility will provide safe residential accommodation for women aged over 50, selected in accordance with government criteria. It is planned to be managed entirely by an all-women team, reflecting the Trust's focus on women's empowerment and inclusive, sustainable development.

The initiative is designed to create a secure environment that enables stability, care and long-term well-being for its residents, while encouraging personal development and independence. It also reinforces a gender-sensitive care model by aligning the facility's purpose, staffing approach and resident profile around women's needs. This dedicated infrastructure will support safe accommodation, daily care and structured community living.

Infrastructure and Sustainability

Sri Kurumba Auditorium

Since 1997, Sri Kurumba Auditorium has served as a central venue for the Trust's social initiatives, including the SOBHA No Dowry Social Wedding ceremonies. Established as a community-focused facility, it provides a structured and accessible setting for large-scale programmes that support families across surrounding communities.

The auditorium has enabled welfare activities, awareness programmes and community gatherings, while also functioning as a coordination centre for CSR initiatives across nearby panchayats. Its infrastructure supports planning, participation, volunteer coordination, beneficiary movement and on-ground preparation during programmes requiring scale and access. The facility also provides a dependable venue for recurring social activities that require orderly execution. As a long-standing part of the Trust's ecosystem, it continues to facilitate community engagement and social development initiatives.

Green Initiatives

Sobha's commitment to sustainability is reflected in the development and operation of its CSR campuses, where environmental responsibility is integrated into everyday practices. Construction has been undertaken with minimal impact on the natural landscape, supported by rainwater harvesting systems and the planting of over 3,000 trees and herbs, while preserving existing flora and fauna. This approach ensures that development remains aligned with long-term ecological balance.

Sustainable practices extend across campus operations, including organic cultivation of vegetables and fruits, structured waste management systems and the maintenance of plastic-free, smoke-free and alcohol-free environments. Energy conservation is supported through solar installations at SOBHA Hermitage, contributing approximately 30% of total energy consumption. These initiatives collectively promote a self-sustaining, environmentally responsible ecosystem.

Rural Housing

SOBHA Community Home Project

Access to a safe and permanent home is central to family stability. For many low-income households, however, ownership remains difficult because of financial hardship, limited opportunity and everyday pressures. To address this need, SOBHA and the Sri Kurumba Educational and Charitable Trust launched the SOBHA Community Home Project, known as Griha SOBHA, for economically resource-limited families in the Kizhakkencherry, Vadakkencherry and Kannambra Grama Panchayats of Palakkad District. The Trust is also planning to expand the project to Puzhakkal and Ollukara Block Panchayats in Thrissur District.

The initiative is structured as a multiphase housing project for women-led households that are homeless or living in inadequate conditions. Each home spans 700 sq. ft. and follows a 2 BHK layout, providing families with security, dignity and a more stable base for the future. The approach addresses not only physical shelter but also the insecurity created when families lack a reliable place from which to plan education, work and care. The pilot phase in 2022 covered 10 families, with houses built on their own land. In the first phase, 100 families were identified as beneficiaries, with all homes handed over in March 2024.

The second phase was taken up alongside the completion of the first phase and covered 120 additional homes, including 13 landless families who were each provided 5 cents of land. These homes were handed over in February 2025. The third phase added another 120 homes, completed and handed over in 2026, taking total delivery to 350 homes.

Planned for completion by 2030, the project targets 1,000 homes. Its phased structure gives the initiative continuity, scale and accountability while advancing the Trust's long-term commitment to stable, dignified living for beneficiary families.

Amphitheatre, SOBHA Aurum, Greater Noida

Awards and Recognitions

Impactful CSR Leader of India 2025
Mr. Ravi PNC Menon

ET Champions of CSR Awards

Forbes India Developers A-List 2025
SOBHA Limited

Forbes India

India's Top Architects and Builders
SOBHA Limited

CWAB 20 Years Celebration

MarCom Awards 2025 - Platinum
Annual Report 2025, Corporate

MarCom Awards 2025, AMCP, USA

MarCom Awards 2025 - Platinum
ESG Report 2025

MarCom Awards 2025, AMCP, USA

MarCom Awards 2025 - Gold
STOREYS, Consumer Magazine

MarCom Awards 2025, AMCP, USA

MarCom Awards 2025 - Gold
Innerve, Employee Publication

MarCom Awards 2025, AMCP, USA

Builder of the Year - Large
SOBHA Limited

BAM Awards 2025

ET NOW's 'Best Brands 2025'
SOBHA Limited

ET NOW Best Brands

Serenity Creek, SOBHA Rivana, Greater Noida

Awards and Recognitions

Residential Project Development 2025
SOBHA Elysia, GIFT City

Pride of Gujarat 2025

IGBC Near Net Zero Water (Design) Certification - SOBHA Townpark 3

Indian Green Building Council

Project of the Year Award - Real Estate
SOBHA City, Gurugram

Construction World Awards - 2025

Harit Bharat Projects - Residential
SOBHA Aranya

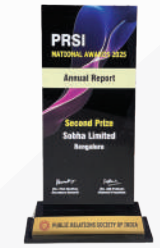
Realty+ Harit Bharat Award

ICMA 2026 - Bronze
STOREYS, Custom Media

International Creative Media Award 2026, Germany

ICMA 2026 - Silver
STOREYS, Typography and Layout

International Creative Media Award 2026, Germany



Best Annual Report - FY25
SOBHA Limited

Public Relations Society of India (PRSI) National Awards 2025

Corporate Social Responsibility -
SOBHA Limited

ET Champions of CSR Awards

Fair Business Practices Award - Sri Kurumba Educational and Charitable Trust

38th CFBP Jamnalal Bajaj Awards

MESSAGE FROM THE CHAIRMAN

DEAR SHAREHOLDERS AND FRIENDS OF SOBHA,

For Sobha, the horizon ahead extends beyond growth alone. Growth is meaningful only when it is accompanied by scale, quality and consistency. At its core lies the ability to multiply reach while keeping delivery dependable and standards intact.

Preparedness and institutional depth across talent, design, delivery and manufacturing will be central to achieving this balance. Learning and leadership development are being advanced for larger and more complex operational demands. Digital project controls are refining scheduling and resource readiness across the project cycle. Virtual design environments, including BIM-led review, bring model precision and clash detection closer to the planning stage. Architectural distinctiveness comes through sharper attention to facade articulation, spatial composition and material detailing. Across the organisation, technology will play a more embedded role in customer engagement and decision support. In construction, AI-enabled monitoring improves site safety and progress visibility, while robotics-led applications add uniformity to repetitive processes. Within Sobha's backward-integration model, investment in new machinery and specialised production capability will support tighter adherence to quality benchmarks and timelines.

In FY26, Sobha continued to deliver exceptional progress. Amid persistent volatility in the external environment, it recorded its highest-ever annual sales value. Market expansion into new geographies was matched by substantial advances in launches and completions. The significance of these outcomes lies in what they reinforced about Sobha: the ability to keep advancing with discipline, to expand with rigour and to convert capability into sustained momentum. This resilience embodies Strength in Motion.

Performance remained robust on key measures. Annual sales value increased from ₹62.77 billion in FY25 to ₹81.36 billion, representing growth of 30%. Sobha's share of sales value rose by 35% to ₹67.06 billion. Annual new sales area increased from 4.68 million square feet to 5.54 million square feet, a rise of about 19%, indicating sustained demand.

The year demonstrated strong execution, with completions reaching 5.40 million square feet. Average price realisation stood at ₹14,675 per sq. ft., an increase of 9%. The company launched 6.04 million square feet of saleable area across 9 projects in 6 cities. It expanded its real estate presence to 13 cities, entering Greater Noida through SOBHA Aurum and Mumbai through SOBHA Inizio.

Customers in growing and mature markets alike continue to place a premium on quality and reliability. Sobha's backward-integration model enables the company to meet and exceed these expectations. By bringing design, engineering, manufacturing and execution within a single framework, the company maintains close control over standards, coordination and delivery. A customer-centric outlook also shapes its approach to design, lifestyle experiences and community-building in its projects. This integrated model keeps the development cycle aligned as the portfolio expands and underpins the trust that has long set Sobha apart.

This distinction depends on sound systems and the capability of the people who sustain them. Sobha continues to invest in human capital through multiple learning programmes, focusing on technical and behavioural skills. Training at the Sobha Academy and on site deepens the expertise needed to uphold standards in daily execution. The commitment is not limited to workforce well-being alone. It extends to supporting underserved communities through focused CSR activities with an emphasis on healthcare, education and housing. These initiatives are grounded in our belief that business growth must translate into enduring social impact.

This responsibility to pursue meaningful progress carries greater weight in the present environment. While geopolitical challenges have persisted for some time, recent shifts have added to this complexity. Such conditions demand financial prudence, steadiness in execution and clarity of purpose. During FY26, the company remained in a net cash position. Its development pipeline stands at 20.67 million square feet, comprising 13 forthcoming residential projects across 7 cities and an upcoming commercial asset. Over the past decade, the company has maintained a delivery run-rate of 7 million square feet. Together, these strengths speak to the tenor of the period, the demands of the present and the way Sobha is positioned to move through both.

On behalf of the Board, I extend my sincere gratitude to our shareholders, customers, employees, partners and all other stakeholders for their continued confidence and support. This trust has shaped Sobha's journey thus far and will continue to anchor its future. We move ahead with conviction, guided by the principles that have defined the company's legacy: uncompromising quality, transparent conduct and steady creation of long-term value.

Mr. Ravi PNC Menon
Chairman, SOBHA Group

Board of Directors

Sitting from left to right

MS. SRIVATHSALA K N
Independent Director

MR. RAVI PNC MENON
Chairman

MR. RAMAN MANGALORKAR
Independent Director

Standing from left to right

MR. JAGADISH NANGINENI
Managing Director

MR. GOPAL BHIMRAO HOSUR
Independent Director

MR. SUBBA RAO AMARTHALURU
Independent Director

MR. NISANTH M.N
Deputy 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 22 years of experience in the field of construction and real estate development.

As a Non-Executive Chairman, he acts 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 24 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. NISANTH M.N
Deputy Managing Director
Mr. Nisanth MN is the Deputy Managing Director of the Company. He completed his B.Tech - Civil Engineering degree from Government Engineering College, Thrissur in 2002 and has been associated with the Company since October 2002. He displayed exceptional project execution skills, managing large teams in multiple projects.

He was awarded the Best Project Execution Head in 2015 and became Area Head in 2016. He was promoted to a Regional Head—Kerala in 2020.

He has expertise in Business Development, Product Design and Development, Land purchase & Legal, Litigations & Court Proceedings, Customer Relations, Sales & Collections, Marketing, Facility Management, Human Resource Management, Statutory approvals, Liaison, Procurement, Commercial Mall Management & Leasing, Corporate Communication & Media and Public Relations.

MS. SRIVATHSALA K N
Independent Director
Ms. Srivathsala K N is an Independent Director with over 18 years of experience in financial services, entrepreneurship, and corporate governance. She is a seasoned entrepreneur, governance expert, financial planner, angel investor, and mentor. Her expertise includes financial strategy, wealth management, business advisory, and stakeholder engagement. Ms. Srivathsala participates in boards and committees of various listed and unlisted companies, focusing on audit, governance, CSR, and stakeholder relations. She has played key roles in corporate initiatives such as capital raising and strategic growth plans. Additionally, she mentors aspiring entrepreneurs through well-known institutions, which host programs on entrepreneurship and financial literacy. She holds a Master's degree in Commerce from Bangalore University.

MR. RAMAN MANGALORKAR
Independent Director
Mr. Raman Mangalorkar is an Independent Director of the Company. He has over thirty three years of industry, consulting, and private equity experience and worked across the globe on a wide range of strategic, operational and organization issues. He is an entrepreneur and is currently focused on the life extension and cancer care sector. His areas of expertise include formulating business strategies, transforming supply chains, and managing large scale program implementations especially in the Retail and Consumer industries. He has worked as Chief Executive Officer (CEO) of Jubilant Retail 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 was handling the Corporate Finance and Treasury functions with Federal Mogul in Detroit. Mr. Raman Mangalorkar completed his Masters in Business Administration from Indiana University (Kelley School of Business) with specializations in Finance and MIS. He also has a Masters in Commerce from Bangalore University.

MR. SUBBA RAO AMARTHALURU
Independent Director
Mr. Subba Rao Amarthaluru is an Independent Director of the Company. He is a Chartered Accountant with a distinguished 36-year career, has served on the Institute of Chartered Accountants of India (ICAI) Committee and subsequently on the ICAI Accounting Standards Board. As Group CFO at GMR Group, he was instrumental in the company's transformation into a premier infrastructure conglomerate, achieved through strategic initiatives such as IPOs, QIPs, and debt financing. His leadership extended to roles as Group CFO and Management Board member at RPG Group, as well as Managing Director at Sanamar Group. Currently, Mr. Amarthaluru serves as an Independent Director in GMR Group companies, including GMR Airports Infrastructure Limited (formerly GMR Infrastructure Limited). Mr. Subba Rao Amarthaluru's extensive financial expertise cultivated through leadership roles in major corporations, underscores his business acumen. He has track record in guiding companies through complex financial initiatives, deep understanding of allied sectors, combined with his tenure

as a member of the ICAI Accounting Standards Board, provide valuable insights and guidance to the company. He has also been a key participant in several Government of India initiatives focused on infrastructure financing.

MR. GOPAL BHIMRAO HOSUR

Independent Director

Mr. Gopal B. Hosur is an Independent Director of the Company and a former Indian Police Service (IPS) officer of the Karnataka cadre. During his distinguished career, he held several senior leadership positions in law enforcement, intelligence, internal security, and public administration. He is a recipient of the Police Medal for Gallantry (twice), the President's Police Medal for Distinguished Service, and the Police Medal for Meritorious Service. He played a key role in addressing terrorism, left-wing extremism, organized crime, and major law-and-order challenges. As Head of State Intelligence, he was closely involved in governance, policy formulation, administrative reforms, disaster response, and crisis management. He also served as Deputy Commander of the Special Task Force constituted to apprehend Veerappan, displaying exceptional courage and sustaining a bullet injury during operations. Following his retirement from the IPS, Mr. Hosur has been actively engaged in governance advisory, public policy, social service, sports administration, and institutional leadership. Leveraging his extensive experience across government, business, and society, he advises organizations on stakeholder engagement, regulatory matters, risk assessment, crisis management, and strategic government relations. He is widely respected for his integrity, sound judgment, and ethical leadership.

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,
Bangalore-560093.

BANKERS AND FINANCIAL INSTITUTIONS

Aditya Birla Housing Finance Limited
Axis Bank
Bajaj Housing Finance Limited
Bandhan Bank
Bank of Baroda
Catholic Syrian Bank
DCB Bank Limited
Federal Bank
HDFC Bank
ICICI Bank
IDBI Bank Limited
Indian Bank
IndusInd Bank
J & K Bank
Kotak Mahindra Bank Limited
Punjab National Bank
RBL Bank Limited
SBM BANK (INDIA) 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. Jagadish Nangineni
Ms. Srivathsala K N
Mr. Subba Rao Amarthaluru

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

NOMINATION, REMUNERATION AND GOVERNANCE COMMITTEE

Mr. Raman Mangalorkar (Chairman)
Mr. Ravi PNC Menon
Ms. Srivathsala K N
Mr. Subba Rao Amarthaluru

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Srivathsala K N (Chairperson)
Mr. Jagadish Nangineni
Mr. Gopal Bhimrao Hosur
Mr. Nisanth M N

RISK MANAGEMENT COMMITTEE

Mr. Subba Rao Amarthaluru (Chairman)
Mr. Ravi PNC Menon
Mr. Jagadish Nangineni
Mr. Yogesh Bansal

REGISTERED AND CORPORATE OFFICE

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

Director's Report

Dear Members,

The Board of Directors are pleased to present the 31st Annual Report on the Business and Operations of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2026.

Financial Highlights

(₹ In million)

Particulars	Standalone		Consolidated	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Total Revenue	55,869.80	42,024.79	53,837.65	41,627.59
Operating Expenditure	49,463.49	37,743.88	48,800.48	37,443.66
Earnings before Interest, Depreciation and Amortisation	6,406.31	4,280.77	5,037.17	4,183.93
Depreciation and Amortisation	1,024.70	858.57	1,060.25	898.25
Finance Cost	1,337.58	1,884.79	1,374.09	1,955.67
Profit Before Tax	4,044.03	1,537.55	2,602.83	1,330.01
Tax Expenses	1,030.94	415.23	664.57	383.15
Profit after Tax	3,013.09	1,122.32	1,934.08	946.86
Other comprehensive income / loss for the year, net of tax	(26.12)	(22.55)	(26.12)	(22.55)
Total comprehensive income for the year	2,986.97	1,099.77	1,907.96	924.31
Earnings per equity share [nominal value of ₹ 10 per share] Basic	28.18	10.99	18.09	9.28
Earnings per equity share [nominal value of ₹ 10 per share] Diluted	28.18	10.99	18.09	9.28

COMPANY'S PERFORMANCE

Standalone

During the Financial Year 2025-26, the Company, on a standalone basis, earned total revenue of ₹ 55,869.80 million as compared to ₹ 42,024.79 million in the previous year thereby registering a growth of 32.94 percent. The Profit Before Tax during the year was ₹ 4,044.03 million as against ₹ 1,537.55 million in the previous year, and Profit After Tax during the year was ₹ 3,013.09 million as against ₹ 1,122.32 million in the previous year. The Profit After Tax registered a growth of 168.47 percent.

Consolidated

On a consolidated basis the revenue of the Company during the Financial Year 2025-26 was ₹ 53,837.65 million, an increase of 29.33 percent from the previous year. The Profit Before Tax increased by 95.39 percent and Profit After Tax (after considering minority interest) increased by 104.26 percent as compared to the Financial Year 2024-25.

Transfer to Reserves

Your Directors propose to transfer ₹ 301.31 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 **(AGM)**, are pleased to recommend a dividend of ₹ 6/- (six) per equity share of face value ₹ 10/- (Rupees Ten only) each fully paid-up equity shares of the Company and pro-rata dividend on partly paid-up equity shares for the Financial Year ended March 31, 2026.

Nature of Business

SOBHA primarily operates across the following business verticals:

- Real Estate – Development of residential and commercial properties under the brand name of SOBHA.
- Contractual– EPC (Engineering, procurement and construction) contracts catering to external institutional clients.
- Manufacturing – Construction sector related production capabilities like Concrete Products, Glazing and Metal and Interiors etc., supporting in-house projects as well as servicing external clients.

During the year under review, there has been no change in the nature of business of the Company.

Completed Projects

During the year under review, the Company executed and handed over 8.24 million square feet real estate projects and 0.80 million square feet of contractual projects resulting in an aggregate development of 9.04 million square feet.

The Company has completed construction of 152.69 million square feet of area since its inception.

Ongoing Projects

The Company currently has projects aggregating 41.93 million square feet of developable area including 3.23 million square feet of ongoing contractual projects which are in various stages of construction.

The Company has a geographic footprint in 30 cities across 14 states in India.

Management Discussion and Analysis Report

In accordance with the requirements of Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, (**"SEBI LODR 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.

Material Changes and Commitments

In terms of Section 134(3) of the Companies Act, 2013, except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's Financial Position have occurred between the end of the Financial Year to which the Financial Statements relate and the date of the report.

Subsidiaries, Joint Ventures, and Associates

Financial Position and Performance of Subsidiaries, Joint Ventures, and Associates

During the year, the Board of Directors of the Company reviewed the affairs of the Subsidiaries, Joint Ventures, and Associates. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared the Consolidated Financial Statements of the Company, which form part of this Annual Report. In terms of Section 134 of the Companies Act, 2013 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, also forms part of the Notes to the Financial Statements. The highlights of the performance of Subsidiaries, Joint Ventures, and Associates and their contribution to the overall performance of the Company are included as part of the Annual Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013 read with Regulation 46 of the SEBI LODR 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 wholly owned subsidiaries and six step-down subsidiaries. The Company also has an economic interest in a partnership firm, Sobha City, which has 6 subsidiaries. The Company has one Joint Venture with Kondhwa Projects LLP. During the year under review, Sobha Highrise Ventures Private Limited ("**SHVPL**"), a wholly owned subsidiary of the Company acquired 20.03% equity shares of Constrobot Robotics Private Limited ("**CRPL**") on October 17, 2025. With the acquisition of the said equity shares, CRPL has become an associate of SHVPL.

Additionally, pursuant to approval received from the Ministry of Corporate Affairs on May 01, 2025, the name of BNB Builders Private Limited (one of the step down subsidiaries of the Company) has been changed to Sobha Commercial Private Limited. During the year under review, Registered Office of Sobha Commercial Private Limited has been shifted from Delhi to Karnataka.

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 paid-up capital was ₹ 1,069,362,925.00 divided into 106,918,751 fully paid-up equity shares of ₹ 10 each and 35,083 partly paid-up shares of ₹ 5 each. During the year under review, the Company issued reminder notice for receipt of call money and allotted up to 14,226 partly paid-up equity shares of face value of ₹ 10 each of the company ("rights equity shares") for cash at a price of ₹ 1,651 per rights equity share (including a premium of ₹ 1,641 per rights equity share) ("issue price"). As on March 31, 2026, the Company's issued, subscribed, and paid-up capital of the Company remained at ₹ 1,069,434,055.00 divided into 106,932,977 fully paid-up equity shares of ₹ 10 each and 20,857 partly paid-up shares of ₹ 5 each. Further, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise (including sweat equity shares) to employees of the Company under any scheme, 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.

B. Rights Issue

During the Financial Year 2025–26, the Company continued actions in relation to the Rights Issue of equity shares approved in the previous Financial Year, particularly with respect to receipt of pending call monies, conversion into fully paid-up equity shares, and obtaining requisite listing and trading approvals. After First and Final Call and subsequent reminder-cum-forfeiture notices issued to shareholders during the Financial Year 2024-25, 35,083 partly paid shares were pending as on March 31, 2025. The Company has further issued two more reminder cum forfeiture notices and received call money in respect of 6,881 and 7,345 partly paid-up equity shares during the year under review. These shares were converted into fully paid-up equity shares on May 15, 2025 and October 17, 2025 respectively.

The Board informs the Members that the Rights Issue proceeds have been utilized for the purposes stated in the Letter of Offer, and there has been no deviation or variation in the utilization of proceeds. The balance partly paid-up equity shares, in respect of which call money remains unpaid, are being dealt with in accordance with the terms of the Issue and applicable provisions of the Companies Act, 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018, as applicable. The Board places on record its appreciation to the Members for their continued support and participation in the Rights Issue of the Company. The Company envisaged the proposed rights issue to be completed in the Financial Year 2026-27.

C. Debentures

The Company has not issued debentures or bonds during the year under review. There were no outstanding debentures as on March 31, 2026.

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 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review. Accordingly, no principal or interest was outstanding as on the date of this report, and the requirement to furnish details of non-compliant deposits under Chapter V of the Act is not applicable to the Company.

E. Particulars of Loans, Guarantees, and Investments

The particulars of loans, guarantees, and investments made by the Company under Section 186 of the Companies Act, 2013, during the year under review are detailed in Notes to Accounts of the Financial Statements.

F. Transfers to the Investor Education and Protection Fund

In compliance with Section 124 of the Companies Act, 2013 the dividends pertaining to Financial Year 2017-18 which were lying unclaimed with the Company were transferred to the Investor Education and Protection Fund during Financial Year 2025-26. 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 Companies Act, 2013 and the Rules made thereunder, 5,219 (Five thousand and two hundred nineteen) 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.

Board of Directors and its Committees

A. Composition of the Board of Directors

As on March 31, 2026, the Board of Directors of the Company comprises seven Directors, four are Non-Executive Independent Directors including one-Woman Independent Director, One Non-Executive Non-Independent Director and Two Whole Time Directors designated as Managing Director and Deputy Managing Director. The composition of the Board of Directors is in compliance with Regulation 17 of SEBI LODR Regulations and Section 149 of the Companies Act, 2013.

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.

In accordance with the provisions of Sections 2(94), 196, 197, 198, 203 and Schedule V and other applicable provisions of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI LODR Regulations, the Board of Directors, based on the recommendation of the Nomination, Remuneration and Governance Committee at its meeting held on May 04, 2026, has approved the re-appointment of Mr. Jagadish Nangineni (DIN: 01871780) as Whole-time Director designated as Managing Director and Key Managerial Personnel (KMP), for a further period of five years commencing from April 1, 2027 to March 31, 2032, liable to retire by rotation, on such terms and conditions including remuneration as recommended by the Nomination, Remuneration and Governance Committee and approved by the Board, subject to the approval of the Members at the ensuing AGM. The Board has also approved the revision in remuneration payable to Mr. Jagadish Nangineni with effect from April 1, 2027, subject to the approval of the Members at the ensuing Annual General Meeting.

Accordingly, the resolution seeking approval of the Members for the re-appointment and revision in remuneration of Mr. Jagadish Nangineni forms part of the Notice convening the ensuing AGM, along with his brief profile and other details as required under applicable provisions.

Further, pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI LODR Regulations, the Board of Directors of the Company, based on the recommendation of the Nomination, Remuneration and Governance Committee and considering the performance evaluation, skills, experience, knowledge and the valuable contributions made by Mr. Raman Mangalorkar during his tenure, is of the view that his continued association would be beneficial to the Company. Accordingly, Board at its meeting held on May 4, 2026, has approved the re-appointment of Mr. Raman Mangalorkar (DIN: 01866884) as a Non-Executive Independent Director of the Company for a second term of five consecutive years commencing from April 1, 2027 to March 31, 2032, subject to the approval of the Members at the ensuing AGM.

Accordingly, the resolution seeking approval of the Members for the re-appointment of Mr. Raman Mangalorkar as a Non-Executive Independent Director forms part of the Notice convening the ensuing AGM, along with his brief profile and other details as required under applicable provisions.

Pursuant to the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 Mr. Jagadish Nangineni, Managing Director, Mr. Yogesh Bansal, Chief Financial Officer ('CFO') and Mr. Bijan Kumar Dash, Company

Secretary are the Key Managerial Personnel ('KMP') of the Company as on March 31, 2026. There was no change in the KMP during the year under review.

C. Re-appointment of Directors Retiring by Rotation

Pursuant to the provision of the Section 152 of the Companies Act, 2013, Mr. Ravi PNC Menon (DIN: 02070036), Chairman and Non-executive Non-Independent Director of the Company is liable to retire by rotation at the ensuing AGM 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 AGM 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 AGM. Specific information about the nature of Mr. Ravi PNC Menon 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 AGM.

D. Number of meetings of the Board

During the year under review, the Board of Directors duly met four times on May 29, 2025, July 25, 2025, October 17, 2025, and January 16, 2026. The maximum interval between any two consecutive meetings did not exceed 120 days, as prescribed under the Companies Act, 2013 and SEBI LODR Regulations.

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 Companies Act, 2013 and SEBI LODR Regulations, namely:

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

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 10, 2026.

G Performance Evaluation

In terms of Section 134 (3) (p) read with Articles VII and VIII of Schedule IV of the Companies Act, 2013, the Rules made thereunder and the SEBI LODR Regulations, as amended from time to time, the formal annual evaluation has been made by the Board of its own performance 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 during the Financial Year 2025-26.

In order to evaluate the performance of the Board, Committees and individual directors the NRGC has formulated criteria pursuant to provisions of the Companies Act, 2013, the Rules made thereunder and the SEBI LODR Regulations, as amended from time to time. Evaluation was conducted through an internal questionnaire covering various aspects of the Board's functioning and effectiveness circulated amongst the Board members. While the Board evaluated its own performance and that of its committees as per the parameters laid down by the NRGC, the evaluations of Individual Directors was conducted in an objective manner. The Board assessed the performance, integrity, independence and expertise of the Independent Directors with a view to ensuring continued effectiveness and 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 Companies 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 2025-26 and of the profit and loss 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 Companies Act, 2013 and Regulation 16(1)(b) of the SEBI LODR Regulations. Further, the Board is of the opinion that the Independent Directors of the Company uphold highest standards of integrity and possess requisite expertise, experience and proficiency required to fulfil their duties as an Independent Directors.

In compliance with rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have included their names in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs. All those Independent Directors who are required to undertake the online proficiency self-assessment test as contemplated under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, have passed such test.

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, 2026. Further, Whole-time Directors 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, 2026, 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 Audit

At the Twenty-seventh AGM 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 five years from the conclusion of twenty-seventh AGM till the conclusion of the thirty-second AGM.

The Statutory Auditors performed the audit during the Financial Year 2025-26 and expressed an Unmodified Opinion in the audit reports with respect to audited Financial Statements for the Financial Year ended March 31, 2026. There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors.

B. Secretarial Audit

At the Thirtieth AGM of the Company held on July 24, 2025, the members appointed Nagendra D Rao and Associates LLP, a peer reviewed Company Secretary Firm (firm Registration no AAK – 4698 Peer review certificate no 5827/2024) as Secretarial Auditor of the Company, for a period of five years from the conclusion of thirtieth AGM till the conclusion of the thirty-fifth AGM.

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 as **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 Audit

The Company is required to maintain cost records and have the cost records audited by a cost auditor as specified by the Central Government in accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. Requisite Cost accounts and records have been prepared and maintained by the Company for Financial Year 2025-26.

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 2025-26. In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for Financial Year 2025-26 is subject to ratification by the shareholders of the Company. The notice convening the AGM contains the proposal for ratification of the remuneration payable to the Cost Auditors.

The Cost Audit Report for the Financial Year 2024-25 was filed with the Registrar of Companies, 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 actions taken on the deviations are 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 Companies Act, 2013.

Corporate Governance and Policies

A. Corporate Governance

In accordance with Regulation 34(3) read with Schedule V of the SEBI LODR 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 SEBI LODR 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 SEBI LODR 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 2025-26 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. In terms of the requirement of Section 178(1) of the Companies Act, 2013 and SEBI LODR Regulations, 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/2025/03/nomination-and-remuneration-policy-v2.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 lays 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/2025/03/sobha-CSR-policy-v2.pdf

In terms of Section 134 of the Companies Act, 2013 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. The details of CSR Committee including composition, terms of reference etc. are provided in the Corporate Governance Report, which forms part of this Report.

F. Dividend Distribution Policy

As per Regulation 43A of the SEBI LODR Regulations, Top 1,000 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/2025/03/sobha-dividend-distribution-policy-v2.pdf

G. Vigil Mechanism

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and Regulation 22 of the SEBI LODR Regulations, 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

During the year under review, the Secretarial Standards issued by the Institute of Company Secretaries of India have been complied with pursuant to the Companies Act, 2013 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.

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, 2026, the Company had an organizational strength of 4468 employees.

D. Remuneration Details of Directors, Key Managerial Personnel, and Employees

The statement containing particulars in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report and is appended herewith as **Annexure E** to the Board's Report.

The statement containing particulars in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. However, considering the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the aforesaid information, is being sent to the members of the Company and others entitled thereto. The said information is available for inspection at the registered office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. Any shareholder interested in obtaining a copy thereof, may write to the secretarial team at investors@sobha.com of the Company in this regard.

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 and relevant Rules made thereunder, the Company has in place an Internal Complaints Committee for prevention and redressal of complaints of sexual harassment of women at the workplace. Details of complaints under the Act during the year under review are mentioned below:

a) number of complaints of sexual harassment received in the year: NIL

b) number of complaints disposed of during the year: NIL

c) number of cases pending for more than ninety days: NIL

F. Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. The details of credit ratings are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

G. Related Party Transactions

During the year, the Company did not enter into any contracts / arrangements / transactions with 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 SEBI LODR 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 2025-26 are detailed in the Notes to Accounts of the Financial Statements.

In terms of clause (h) of Section 134(3) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the Company did not enter into any related party contracts or arrangements requiring disclosure under Section 188(1) of the Act. Therefore, there is no requirement to report any transaction in Form AOC-2.

H. Annual Returns

In accordance with the Companies Act, 2013, the annual returns in the prescribed format are available under the link https://www.sobha.com/wp-content/uploads/2026/06/2025-26-Annual-return-MGT-7.pdf

I. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgoings

In terms of Section 134(3) of the Companies Act, 2013 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 (BRSR)

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 Annual Report and this report is available on the website of the Company (www.sobha.com).

K. Awards and Recognitions

During Financial Year 2025-26, 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.

M. Details under Insolvency & Bankruptcy Code, 2016

No application is made, or any proceeding is pending against the Company under Insolvency and Bankruptcy Code, 2016 during or as at the end of the year under review.

N. Details of One Time Settlement and Valuation of Assets

During the Financial Year under review, the Company did not avail any One Time Settlement from Banks or Financial Institutions and hence giving disclosures on valuation of assets/securities at the time of borrowing and at the time of OTS does not become applicable.

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: Bangalore
Date: May 04, 2026

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Annexure A

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

Our 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. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for our opinion.
3. Wherever required, we 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.

Nagendra D. Rao
Partner
Membership No. FCS – 5553
Certificate of Practice – 7731

Place: Bangalore
Date: May 4, 2026

Peer Review Certificate No.: 5827/2024 Date
UDIN: F005553H000219800

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended 31st March 2026

[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,
Bangalore – 560 103.

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2026** 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2026** 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.
- (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 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.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

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. There were no changes in the composition of the Board of Directors during the period of review.

Adequate notice is 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.

We 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.

We report that the Company had entered into a Joint Development Agreement ('JDA') in which the counter party, i.e. land owners had obtained a license for setting up a residential township on land parcels. The license is based on the Bilateral Agreement which was entered into between the land owners and District Town and Country Planner (DTCP), Haryana and is governed under the development policy of Haryana Development and Regulation of Urban Areas Act, 1975 (HDRUM).

In respect of this transaction, the Enforcement Directorate ('ED') after due investigation has filed a complaint with Adjudicating Authority, Prevention of Money Laundering ('M-PML'), alleging certain irregularities in the manner of allotment and pricing of certain plots under this project by the Company, with respect to the terms and conditions of the license and HDRUM regulations and also non-payment of concerned charges pursuant to the change in beneficial interest, 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 Techno-build Developers Private Limited (TDPL) over which the Company has absolute rights through a Memorandum of Understanding entered with Techno-build Developers Private Limited TDPL

During the previous years, M-PML had passed an order confirming the provisional attachment of aforesaid land parcels and the Company had duly filed an appeal before The Appellate Tribunal against the M-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. Pending outcome of the ongoing regulatory proceedings including the duration of such proceedings and recoverability of land advance given against such provisionally attached ₹ 2,016.05/- million, land parcels are presently uncertain.

We further report that -

1. During the period under review, the Company has sent:

   A. Second Reminder-Cum-Forfeiture Notice for the First and Final call on the outstanding 35,083 partly paid-up Rights Equity Shares of Rs. 825.50/- each. The period for payment of the first and final call money pursuant to the Second Reminder-cum-Forfeiture Notice was from April 18, 2025, to May 02, 2025 (both days inclusive). On receipt of call money the Company converted 6,881 partly paid shares to fully paid shares on May 15, 2025.

   B. Third and Final Reminder-Cum-Forfeiture Notice in respect of First and Final Call on the outstanding 28,202 partly paid-up Rights Equity Shares of the Company amounting to ₹ 825.50/- each. The period for payment of the first and final call money pursuant to the Third and Final Reminder-cum-Forfeiture Notice was from September 12, 2025 to September 26, 2025 (both days inclusive). On receipt of call money the the Company converted 7,345 partly paid shares to fully paid shares on October 17, 2025.

2. During the review period, the Company has entered entering into Power Purchase Agreement and Share Subscription and Share Holding Agreement with Altilium Energie Private Limited for supply of solar power to the Company and its associates for captive consumption, as per the terms and conditions as laid down under the respective Agreements, for investment for an amount not exceeding ₹ 60 Lakh only towards equity in the SPV, created out of agreements, in one or more tranches.

3. During the review period, the Company has set up additional facility for manufacture of Concrete Products Division (Plant) in Kelamangalam, Krishnagiri District, Tamil Nadu.

We further report that during the audit period, the company has passed following Special Resolution at the Annual General Meeting held on July 24, 2025.

1. Issue of Non-Convertible Debentures on private placement basis.

Nagendra D. Rao
Partner
Membership No. FCS – 5553
Certificate of Practice – 7731
Peer Review Certificate No.: 5827/2024
UDIN: F005553H000219800

Place: Bangalore
Date: May 4, 2026

Annexure B

Corporate Governance Compliance Certificate

To
The Members,
Sobha Limited,
"Sobha", Sarjapur-Marathahalli,
Outer Ring Road, Devarabisanahalli,
Bellandur Post,
Bangalore – 560103.

We have examined the compliance of the conditions of Corporate Governance by **Sobha Limited** ('the Company') for the year ended on **March 31, 2026**, as stipulated under Regulations 17 to 27, clauses (a) to (m), (o) to (z) 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. Our 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 our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, **we 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, 2026.**

We 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.

Nagendra D. Rao
Partner
Membership No. FCS – 5553
Certificate of Practice – 7731
Peer Review Certificate No.: 5827/2024
UDIN: F005553H000220372

Place: Bangalore
Date: May 4, 2026

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:
   - Re-appointment of any executive and non-executive director at the conclusion of their specified term of office.
   - Re-election by members of any director who are 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.
7. To formulate a policy relating to the remuneration of directors, key managerial personnel and other employees.
8. 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.
9. To receive reports, investigate, discuss and make recommendations in respect of breaches or suspected breaches of the Company's Code of Conduct.
10. 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.
11. To perform such functions as may be detailed in the Listing Agreement, 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 possess 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, Managing 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 previous 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; and

B. 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);

X. Rural development projects;

XI. Slum area development;

XII. Disaster management, including relief, rehabilitation and reconstruction activities.

XIII. 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

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
Mrs. Srivathsala K N	(Chairperson) Non-Executive – Independent Director	4	4
Mr. Jagadish Nangineni	(Member) Executive – Managing Director	4	4
Mr. Gopal Bhimrao Hosur	(Member) Non-Executive – Independent Director	4	4
Mr. Manakulamparambil Narayanan Nisanth	(Member) Executive – Deputy 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/2025/03/sobha-CSR-policy-v2.pdf
- Composition of CSR Committee: https://www.sobha.com/wp-content/uploads/2025/02/Committee-Composition.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: ₹ 1,658.12 Million

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 33.16 Million

(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: NIL

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 33.16 Million

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 48.53 Million.

(b) Amount spent in Administrative Overheads: ₹ 1.47 Million.

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

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 50.00 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
₹ 50.00	-	-	-	-	-

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

S. No.	Particular	Amount (in Rs. Million)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	33.16
(ii)	Total amount spent for the Financial Year	50.00
(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-2022-23	-	-	-	-	-	-
FY-2023-24	-	-	-	-	-	-
FY-2024-25	-	-	-	-	-	-

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. 35

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

S. No.	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		
1	2	3	4	5	6		
					CSR Registration Number	Name	Registered Address
1	CCTV Accessories (Cable)	678684	31-05-2025	1,42,608	CSR00003295	Sri Kurumba Educational and Charitable Trust	Sobha Hermitage, Building No. 455/19, Panniyankara P.O., Vadakkencherry, Palakkad Pincode – 678683
2	Air conditioner	678684	14-07-2025	67,856	CSR00003295	Sri Kurumba Educational and Charitable Trust	Sobha Hermitage, Building No. 455/19, Panniyankara P.O., Vadakkencherry, Palakkad Pincode – 678683
3	Vikas SHC Software	678683	10-10-2025	1,77,000	CSR00003295	Sri Kurumba Educational and Charitable Trust	Sobha Hermitage, Building No. 455/19, Panniyankara P.O., Vadakkencherry, Palakkad Pincode – 678683
4	CCTV	678683	Multiple dates	2,43,009	CSR00003295	Sri Kurumba Educational and Charitable Trust	Sobha Heritage, Building No. 455/19, Panniyankara p.o, Vedakkencherry, Palakkad Pincode-678683
5	COSMO round Bollard light set	678683	31-05-2025	1,99,603	CSR00003295	Sri Kurumba Educational and Charitable Trust	Sobha Hermitage, Building No. 455/19, Panniyankara P.O., Vadakkencherry, Palakkad Pincode – 678683
6	Refrigeration System	678683	30-06-2025	1,18,590	CSR00003295	Sri Kurumba Educational and Charitable Trust	Sobha Hermitage, Building No. 455/19, Panniyankara P.O., Vadakkencherry, Palakkad Pincode – 678683
7	Vehicle Body Structure Work TATA Yodha	678683	17-06-2025	2,80,840	CSR00003295	Sri Kurumba Educational and Charitable Trust	Sobha Hermitage, Building No. 455/19, Panniyankara P.O., Vadakkencherry, Palakkad Pincode – 678683

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 Sobha Limited

Place: Bangalore
Date: May 04, 2026

Mrs. Srivathsala K N
Chairperson, CSR Committee
DIN: 06465469

Mr. Jagadish Nangineni
Member, CSR Committee
DIN: 01871780

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 of each director, CFO, CEO, CS or Manager if any in the Financial Year 2025-26.

S. 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 increased by ₹ 13,845.01 million the Profit before Tax and Profit after Tax have increased by ₹ 2,506.48 million and ₹ 1,890.77 million respectively on a standalone basis.
2	Mr. Jagadish Nangineni	Managing Director	112.20	82.90	On a consolidated basis, the revenues increased by ₹ 12,210.06 million, Profit before Tax by ₹ 1,268.84 million and Profit after Tax by ₹ 987.22 million as compared to the previous Financial Year 2024-25.
3	Mr. Nisanth MN	Deputy Managing Director	18.92	303.73	Not applicable.
4	Mr. Subba Rao	Independent Director	3.92	56.89	
5	Mr. Gopal Bhimrao	Independent Director	3.85	57.41	
6	Ms. Srivathsala KN	Independent Director	4.03	00.00	
7	Mr. Raman Mangalorkar	Independent Director	-2.67	3.96	
8	Mr. Yogesh Bansal	Chief Financial Officer	27.79	30.00	
9	Mr. Bijan Kumar Das	Company Secretary & Compliance Officer	11.33	9.44	

ii. The median remuneration of employees during the financial year was ₹ 5,53,140 (Rupees Five Lakhs Fifty Three Thousand One Forty only)

iii. The percentage increase in the median remuneration of employees in the Financial Year 2025-26 was 7.39%.

iv. The number of permanent employees on the rolls of the Company as on March 31, 2026, was 4,451 plus 17 consultants.

v. The average increase in median remuneration during the financial year 2025-26 was 7.39%. During the same period, the revenues increased by ₹ 13,845.01 million the Profit before Tax and Profit after Tax have increased by ₹ 2,506.48 million and ₹ 1,890.77 million respectively on a standalone basis. On a consolidated basis, the revenues were increased by ₹ 12210.06 million, the Profit before Tax by ₹ 1,268.84 million and Profit after Tax by ₹ 987.22 million as compared to the previous financial year 2024-25.

vi. Average percentile increase in the salaries of employees other than the managerial personnel during 2025-26 was 10.13%. The percentile increase in managerial remuneration during the same period was 10.90%. 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.

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

Place: Bangalore
Date: May 04, 2026

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Annexure F

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgoings

(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 1.7 million units of solar power utilized across the Sobha facilities resulted in 1200 tons 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

iv. 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:

1. Introduction of laser plummets for accurate marking.
2. Introduction of "Scaff board" for safety of workforce who work at heights.
3. Software for BBS to generate fast and accurate bar bending schedules.
4. "Grab & Trolley" for block shifting.
5. "Debris Crusher" for crushing & recycling the debris generated at the site.
6. Instead of cast – in-situ coping for the terrace parapet and compound walls, precast methodology has been introduced and implemented.
7. Adoption of power feeders for spindle machine instead of manual feeding.
8. 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.
9. Introduction of EV Charging points at some of the projects.
10. For Water Treatment Plants, Dual Media Filter (combining sand and carbon media) is being used instead of a conventional sand filter, significantly improving water filtration quality.
11. Sobha Windsor features a system to treat surface rainwater, enabling its use for domestic applications and reducing dependence on freshwater sources.
12. At the Coorg Villa project, we've designed an ECO STP that operates without power, offering a sustainable and low-maintenance alternative.
13. A new technology called Power Drain has been adopted in one of our projects to effectively manage and mitigate basement seepage.
14. Integration of Inline GTs in basements has allowed for a more streamlined layout and additional landscaping area above.
15. Use of FRP (Fibre Reinforced Plastic) manhole covers on Overhead Tanks enhances maintenance convenience and offers greater durability.
16. Readymade polymer concrete drains are now being used at ramp entrances to improve aesthetics and ensure smoother user experience.
17. Customized Ductile Iron (DI) gratings have been developed specifically for use in landscaped areas, ensuring both strength and design compatibility.
18. At Sobha Townpark 3 (Sobha Madison Heights & Sobha Hampton), sewage and sullage plants have been proposed. Sewage Treatment Plants are designed to collect wastewater from Kitchen and Toilet. While, wastewater generated from washing and other sources will be channelled to a Sullage Treatment Plant. The treated wastewater from the Sullage Treatment Plant will be recycled for washing (clothes).

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.

i. Imported Technology

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

ii. 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 Outgoings

Total expenditure in foreign exchange: ₹ 541.96 Million

Total income in foreign exchange: Nil

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

Place: Bangalore
Date: May 04, 2026

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Corporate Governance Report

The Corporate Governance Report has been prepared in compliance with the requirements of Regulation 17 to 27 read with Schedule V and Clause (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, **("SEBI LODR Regulations")** as amended.

Sobha's Philosophy on Corporate Governance

The cardinal principles such as independence, accountability, responsibility, transparency, fairness, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance. The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. The Company is focused on the 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 Company's commitment toward corporate governance principles has been reflected in three broad areas i) Ethics and Governance polices ii) Composition of its Board and Committees iii) Communication and disclosures to different stakeholders.

Ethics/Governance Policies

Your Company has adopted a set of policies and codes to ensure the business of your company is carried out in line with its core value systems. Your Company strives to conduct its business and strengthen the relationship with stakeholders in a manner that is dignified, distinctive and responsible. Your Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with stakeholders. Therefore, your Company have adopted various codes and policies to carry out business in an ethical manner.

Code of Conduct

In terms of Regulation 17 of the SEBI LODR Regulations, the Company has adopted a Code of Conduct for the Company's Board of Directors and senior management personnel. This code of conduct directs the Board Members and the Senior Management Personnel of the Company to ensure that:

1. The highest standards of integrity and honesty are promoted throughout the organization.
2. Protection of the assets of the Company.
3. Compliance with the existing laws and regulations affecting the business.
4. Maintain a climate whereby every personnel of the Company is valued and he contributes to fullest of his potential.
5. Creating value and wealth to all the stakeholders of the Company in long run.

The code is circulated to all the Directors and senior management personnel and their compliance is affirmed by them for the financial year 2025-26. The Code of Conduct adopted by the Company has been posted on its website.

Code of Conduct for Prevention of Insider Trading

The Company has adopted a Policy for Prohibition of Insider Trading ("**Policy/Code**") for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**the PIT Regulations**").

The Company is having in place the required IT infrastructure for maintaining Structured Digital Database and for monitoring the insider trading activities as per the applicable Regulations of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Policy is applicable to Promoters, Member of Promoter's Group, all Directors, designated persons and third parties such as auditors, consultants etc. who are expected to have access to unpublished price sensitive information relating to the Company.

The trading window of the Company is closed from the first day of every quarter and it opens after the 48 hours of the declaration of financial results and on occurrence of any material events as per the code. The Audit Committee of the company shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations.

Vigil Mechanism

A comprehensive vigil mechanism 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. The Audit Committee at quarterly intervals review the cases, if any, registered under the vigil mechanism. No personnel have been denied access to the Audit Committee. The details of the policy can be accessed with the following link: https://www.sobha.com/wp-content/uploads/2025/03/vigil-mechanism-v2.pdf

Other Policies

Besides the above codes and policies, the Company also have below policies to regulate the affairs of the Company in a transparent manner. The members may also refer Board Report and visit company website accessing the policies.

- Policy on Materiality of Related Party Transactions
- Corporate Social Responsibility Policy
- Nomination & Remuneration Policy
- Board Evaluation Framework
- Policy for Determining Material Subsidiaries
- Risk Management Policy
- Familiarization Program for Independent Directors
- Policy on Preservation of Documents
- Policy on Determination of Materiality of Events
- Dividend Distribution Policy

Subsidiary Monitoring Framework

The Company does not have any material subsidiary as defined under the SEBI LODR Regulations. The policy on material subsidiaries has been disclosed on the Company's website at https://www.sobha.com/wp-content/uploads/2025/03/material-subsidiary-policy-v2.pdf. The Company monitors the performance of subsidiary companies, inter alia, by the following means:

a. Financial statements, in particular investments made by the subsidiaries are reviewed by the Company's Audit Committee.

b. All the minutes of Board meetings of the subsidiaries are placed before the Company's Board regularly.

c. A statement of all significant transactions and arrangements entered by the subsidiaries.

Related Party Transactions

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI LODR Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee and by the shareholders of the Company, where required, in terms of the provisions of the SEBI LODR Regulations. Certain transactions which were repetitive in nature were approved through omnibus route by the Audit Committee. The Company has not entered into any materially significant related party transaction that have potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board of Directors from time to time is uploaded on the Company's website at https://www.sobha.com/wp-content/uploads/2025/03/sobha-related-party-transaction-policy-v2.pdf

Board And Committees

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, goals and the strategy for achieving these.

The Company meets the requirements of the SEBI LODR Regulations in terms of the composition of its Board. The strength of the Board as on March 31, 2026, was seven Directors. The Board is led by a Non-Executive Chairman and comprises eminent personalities with expertise across diverse fields. As on the date of this report, there are seven Directors (including one woman Independent Director) on the Board. The composition of the Board as on March 31, 2026 comprised four Non-Executive Independent Directors, one Non-executive Non-Independent Director and two Executive Directors. The Company does not have any Nominee Director. Detailed profile of our Directors is available in our website https://www.sobha.com/leadership/#leader

Selection of New Directors and Board Membership Criteria

The Nomination, Remuneration and Governance Committee (**"NRGC"**) formulates and recommends to the Board the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The Policy for appointment and removal of Directors and determining Directors' independence is available on our website at https://www.sobha.com/wp-content/uploads/2025/03/nomination-and-remuneration-policy-v2.pdf

Key Board Qualifications, Expertise and Attributes

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarises the key skills, expertise, competencies and attributes which are taken into consideration by the NRGC while recommending appointment of Directors to the Board:

As required under Schedule V of the SEBI LODR Regulations, the skills/ expertise/ competence of Board members are provided below:

Name	Designation	Category	Skills/ expertise/ competence
Mr. Ravi PNC Menon	Chairman	Non-Executive	Business development, corporate strategy, 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	Business development, corporate strategy, expertise in construction and real estate, consulting and technology.
Mr. Nisanth M N	Deputy Managing Director	Executive	Expertise in project execution, business development & strategy, Sales & Marketing, Customer relationship.
Ms. Srivathsala K N	Independent Director	Non-Executive	Expertise in finance and investment, Accounting, Business Strategy, Risk Management, Corporate governance.
Mr. Raman Mangalorkar	Independent Director	Non-Executive	Business Strategy, Finance & financial Management, accounts and assurance, Risk Management, Corporate governance
Mr. Subba Rao Amarthaluru	Independent Director	Non-Executive	Business development, corporate strategy, corporate governance, finance & financial Management, accounts and assurance, risk management, merger acquisitions and joint venture, Environmental Social & Governance
Mr. Gopal Bhimrao Hosur	Independent Director	Non-Executive	Leadership experience and expertise in areas relating to organizational skills, decision making, human resources & administration, crisis management, business transformation, Environmental Social & Governance.

Inter-se relationships among Directors

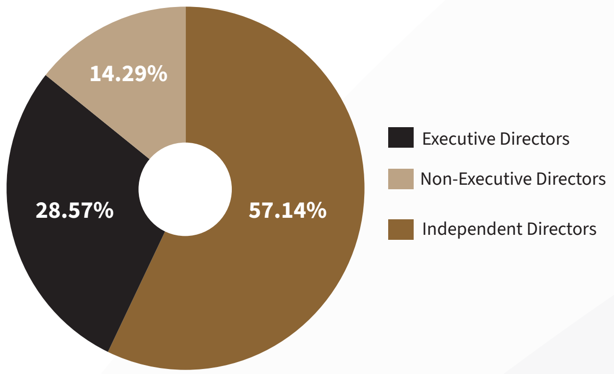
There are no inter-se relationship between our Board members.

Composition of the Board

The composition of the Board of Directors satisfies the requirements of Regulation 17 of the SEBI LODR Regulations 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 2025-26, pursuant to Regulation 17A of the SEBI LODR Regulations. Also, the membership of Directors in the committees (Audit Committee and the Stakeholders' Relationship Committee) does not exceed more than 10 committees and/or are acting as chairpersons in not more than five committees in terms of Regulation 26 of the SEBI LODR Regulations.

Board Composition



The Company has obtained Directors and Officers' insurance for all its Directors of such quantum and for such risks as determined by its Board of Directors in accordance with Regulation 25 (10) of the SEBI LODR Regulations.

Details of other directorships, committee memberships and chairmanships

None of the Directors hold directorship, committee memberships or chairmanships in excess of the limits permitted under the law. As per the declarations received from the Directors:

a) None of the Directors on the Board is a Director in more than seven listed entities;

b) None of the Non-Executive Directors is an Independent Director in more than seven listed entities;

c) The Managing Director and the Executive Director do not serve as Independent Directors in any other listed company;

d) None of the Directors held directorships in more than twenty Indian companies, with more than ten public limited companies;

e) None of the Directors on the Board is a member of more than ten committees or Chairman of five committees (committees being Audit Committee and Stakeholders Relationship Committee) across all public companies in India, in which he/ she is a Director.

The details of number of directorships or committee positions as a member or chairman held by the Directors of the Company in other public companies, along with the names of the listed entities where the person is a director indicating the category of such directorship as on March 31, 2026, are as under:

Name	Designation	Category	Date of appointment/ Re-appointment	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 8, 2004	1 listed entity	-	1	Sobha Limited Non-Executive Non-Independent Director
Mr. Jagadish Nangineni	Managing Director	Executive	April 1, 2022	5 (1 listed entity)	-	2	Sobha Limited Managing Director
Mr. Nisanth M N	Deputy Managing Director	Executive	January 1, 2025	8 (1 listed entity)	-	-	Sobha Limited Deputy Managing Director

Name	Designation	Category	Date of appointment/ Re-appointment	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
Ms. Srivathsala K N	Independent Director	Non-Executive	January 3, 2025	12 (2 listed entity)	3	4	1. Sobha Limited 2. Bluspring Enterprises Limited Non-Executive Independent Director
Mr. Raman Mangalorkar	Independent Director	Non-Executive	April 1, 2022	3 (1 listed entity)	1	2	Sobha Limited Non-Executive Independent Director
Mr. Subba Rao Amarthaluru	Independent Director	Non-Executive	August 08, 2024	8 (3 listed entity)	4	8	1. Sobha Limited 2. GMR Airports Limited 3. Linde India Limited Non-Executive Independent Director
Mr. Gopal Bhimrao Hosur	Independent Director	Non-Executive	August 08, 2024	3 (2 listed entity)	2	2	1. Sobha Limited 2. Dwarikesh Sugar Industries 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.

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, 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.

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

Certificate pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the SEBI LODR Regulations

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 report as **Annexure A**.

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 terms and conditions of appointment of Independent Directors 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.

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/2026/05/Familiarization-Programme-2025-26.pdf

Directors' Compensation

The Board of Directors, based on the 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, 2026, the Company had two Executive/ Whole-time Directors. Remuneration for Whole-time Director(s) consists of a fixed salary and/or performance incentive/ commission on the profits earned by the Company. The Executive Directors of the Company is not entitled to sitting fees for attending Board or Committee meetings.

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 SEBI LODR Regulations. 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.

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 29th Annual General Meeting held on August 7, 2024, approved paying remuneration / commission 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, 2024.

The following are remuneration paid/payable to the Directors and the details of the shares held by the Directors for Financial Year 2025-26:

(Amount in ₹)

Name	Salary	Perquisites	Contribution to Provident Fund	Commission / Incentive	Sitting fees	Total	Shares Held
Mr. Ravi PNC Menon	-	-	-	-	-	-	35,96,301
Mr. Jagadish Nangineni	1,74,62,000	39,600	21,600	3,74,09,608	-	5,49,32,808	2,515
Mr. Nisanth M N	1,04,42,984	-	21,600	-	-	1,04,64,584	197
Ms. Srivathsala K N	-	-	-	20,00,000	2,30,000	22,30,000	-
Mr. Raman Mangalorkar	-	-	-	20,00,000	1,90,000	21,90,000	1,141
Mr. Subba Rao Amarthaluru	-	-	-	20,00,000	1,70,000	21,70,000	-
Mr. Gopal Bhimrao Hosur	-	-	-	20,00,000	1,30,000	21,30,000	-

Notes:

1. None of the Executive Directors are eligible for payment of any severance fees and the contracts with Executive Directors may be terminated by either party giving the other party three months' notice in accordance with terms of appointment.
2. The Company does not have any stock options plan. Accordingly, none of our directors hold Stock options as on March 31, 2026.
3. The Company has not issued any convertible instruments. Accordingly, none of our directors hold any convertible instruments as on March 31, 2026.

BOARD MEETINGS

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 SEBI LODR Regulations are covered to the fullest extent. Extensive information and presentations are made to the Board on the following matters among others:

- 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 SEBI LODR 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 on 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.

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 SEBI LODR 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.

Attendance of the Board of Directors

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

Director	May 29, 2025	July 25, 2025	October 17, 2025	January 16, 2026	AGM July 24, 2025
Mr. Ravi PNC Menon	✓	✓	✓	✓	✓
Mr. Jagadish Nangineni	✓	✓	✓	✓	✓
Mr. Nisanth M N	✓	✓	✓	✓	✓
Ms. Srivathsala K N	✓	✓	✓	✓	✓
Mr. Raman Mangalorkar	✓	✓	✓	✓	✓
Mr. Subba Rao Amarthaluru	✓	✓	✓	✓	✓
Mr. Gopal Bhimrao Hosur	✓	✓	✓	✓	✓

Annual performance evaluation

As per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, as amended from time to time the Nomination and Remuneration Committee laid down criteria for performance evaluation of individual director(s), the board and its committee(s). Accordingly, an annual evaluation was carried out for the Board's performance, its Committees and individual director(s). The Board performance evaluation is carried out through a structured questionnaire which provides a clear and valuable feedback for Board effectiveness and highlighting areas for further development. The Performance Evaluation of the Independent Directors has been carried out by the entire Board.

Resolutions Passed by Circulation

During the financial year 2025-26 following circular resolutions were passed:

1. Audit Committee passed a circular resolution on March 04, 2026 with regard to the related party transaction with relative of promoter.
2. Rights Issue Committee passed a circular resolution on August 22, 2025 with regards to approval for issue of third and final reminder cum forfeiture notice to partly paid-up equity shareholders.
3. Rights Issue Committee passed a circular resolution on May 12, 2025 with regard to Conversion of 6,881 partly paid equity shares into fully paid equity shares.
4. Audit Committee passed a circular resolution on May 06, 2025 with regard to the utilisation of issue proceeds of right issue for the quarter ended March 31, 2025.
5. The Board of Directors passed a circular resolution on May 06, 2025 with regards to the utilisation of issue proceeds of right issue for the quarter ended March 31, 2025.

Independent directors and their meeting

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI LODR Regulations and Section 149(6) of the Act along with rules framed thereunder. The Board includes four Independent Directors, including a woman director.

In accordance with Section 149 read with Schedule IV of the Act and Regulation 25(3) of the SEBI LODR Regulations, the Independent Directors of the Company met on March 10, 2026 without the presence of Non-Independent Directors of the Company and members of the management. The meeting was attended by all the Independent Directors and Mr. Raman Mangalorkar, Independent Director, chaired the said meeting.

At the aforesaid meeting, the Independent Directors:

a) reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;

b) reviewed the performance of the Chairman of the

Company, considering the views of Executive Directors and Non-Executive Directors;

c) assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The Independent Directors appreciated the effort of management to bring overall improvement across organizations including the corporate governance standards.

Confirmation by the board that the independent directors fulfill the conditions specified in SEBI LODR regulations, and are independent of the management

The Company has received declarations on criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations from all the Independent Directors of the Company as on March 31, 2026. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI LODR Regulations and are independent of the management.

Further, in terms of Regulation 25(8) of the SEBI LODR Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties.

The Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs and that their registration is active.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his / her tenure along with a confirmation by such director that there are no other material reasons other than those provided

During the year under review, none of the Independent Directors resigned from the Company before the expiry of his / her tenure.

Compliances Related to Board/ Committee Meetings

The Company is in compliance with the provisions of the SEBI LODR 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

Committees of the Board of Directors

As required under the Companies Act, 2013 and SEBI LODR 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.

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination, Remuneration and Governance Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Rights Issue 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 SEBI LODR Regulations, the Committee should comprise of at least three directors as members of which at least two-third should be independent. As on March 31, 2026 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 SEBI LODR 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 a 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.
- 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, 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 SEBI LODR 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 SEBI LODR Regulations.

As required under Regulation 18 of the SEBI LODR 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 for audit committee meeting is either two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

The Audit Committee met four times during Financial Year 2025-26. There was no gap of more than 120 days between two meetings. The dates of meeting, composition and attendance of the members of the Audit Committee are as follows:

Name	Position in Committee	Category	Audit Committee Meetings			
			May 28, 2025 *	July 25, 2025	October 17, 2025	January 16, 2026
Mr. Raman Mangalorkar	Chairman	Non-Executive Independent Director	✓	✓	✓	✓
Mr. Jagadish Nangineni	Member	Managing Director	✓	✓	✓	✓
Ms. Srivathsala K N	Member	Non-Executive Independent Director	✓	✓	✓	✓
Mr. Subba Rao Amarthaluru	Member	Non-Executive Independent Director	✓	✓	✓	✓

***Note:** Audit Committee held on May 28, 2025 got adjourned to May 29, 2025 to consider inter alia the financial results and financial statement (Standalone and Consolidated) for the financial year ended March 31 2025

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 2025-26 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 SEBI LODR Regulations read with Section 178 of the Companies Act, 2013, the committee comprises of four Directors. The Chairman of the Committee, Ms. Srivathsala K N, is a Non-Executive Independent Director. The Company Secretary and Compliance Officer of the Company acts as the Secretary to the 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 SEBI LODR 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. Bijan Kumar Dash, Company Secretary & Compliance Officer, is the Compliance Officer for complying with requirements of securities laws.

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 2025-26. The dates of the meeting, composition and attendance of the members of the Stakeholders' Relationship Committee are:

Name	Position in Committee	Category	Stakeholders' Relationship Committee's Meetings			
			May 28, 2025	July 25, 2025	October 17, 2025	January 16, 2026
Ms. Srivathsala K N	Chairperson	Non-Executive Independent Director	✓	✓	✓	✓
Mr. Ravi PNC Menon	Member	Non-Executive Director	✓	✓	✓	✓
Mr. Jagadish Nangineni	Member	Managing Director	✓	✓	✓	✓
Mr. Raman Mangalorkar	Member	Non-Executive Independent Director	✓	✓	✓	✓

Investor Complaints

The queries received and resolved to the satisfaction of the investors during Financial Year 2025-26 are:

Opening as on April 1, 2025	-
Received during the year	6
Resolved during the year	6
Closing as on March 31, 2026	-
Total	-

3.Nomination, Remuneration and Governance Committee (“NRGC”)

The NRGC 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, 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 NRGC met two times during financial year 2025-26. The dates of the meeting, composition and attendance of the members of the Nomination, Remuneration and Governance Committee are as follows:

Name	Position in Committee	Category	Nomination, Remuneration and Governance Committee’s Meetings	
			May 28, 2025	October 17, 2025
Mr. Raman Mangalorkar	Chairman	Non-Executive Independent Director	✓	✓
Ms. Srivathsala K N	Member	Non-Executive Independent Director	✓	✓
Mr. Ravi PNC Menon	Member	Non-Executive Chairman	✓	✓
Mr. Subba Rao Amarthaluru	Member	Non-Executive Independent Director	✓	✓

As required under Regulation 19 of the SEBI LODR Regulations, the NRGC committee comprises of four Directors. The Chairman of the Committee, Mr. Raman Mangalorkar, is a Non-Executive Independent Director. The Company Secretary and Compliance Officer of the Company acts as the Secretary to the committee.

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/2025/03/nomination-and-remuneration-policy-v2.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/2025/03/sobha-CSR-policy-v2.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 2025-26. The dates of meeting, composition and attendance of the members of the Corporate Social Responsibility Committee are as follows:

Name	Position in Committee	Category	Corporate Social Responsibility Committee Meetings			
			May 28, 2025	July 25, 2025	October 17, 2025	January 16, 2026
Ms. Srivathsala K N	Chairperson	Non-Executive Independent Director	✓	✓	✓	✓
Mr. Jagadish Nangineni	Member	Managing Director	✓	✓	✓	✓
Mr. Gopal Bhimrao Hosur	Member	Non-Executive Independent Director	✓	✓	✓	✓
Mr. Nisanth M N	Member	Executive Director	✓	✓	✓	✓

The Company Secretary and Compliance Officer of the Company acts 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, 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 present for the meeting.

The committee met two times during financial year 2025-26. The dates of meeting, composition and attendance of the members of the Risk Management Committee are:

Name	Position in Committee	Category	Risk Management Committee Meetings	
			July 02, 2025	December 18, 2025
Mr. Subba Rao Amarthaluru	Chairman	Non-Executive Independent Director	✓	✓
Mr. Ravi PNC Menon	Member	Chairman	✓	✓
Mr. Jagadish Nangineni	Member	Managing Director	✓	✓
Mr. Yogesh Bansal	Member	Chief Financial Officer	✓	✓

6. Rights Issue Committee

The Rights Issues Committee was constituted on January 22, 2024 to ensure that matters relating to the rights issues are monitored effectively. Broad terms of reference of the rights issue committee is as under

Terms of Reference

- Issue and allot Equity Shares in consultation with the Lead Managers, the registrar, the Designated Stock Exchange and to do all necessary acts and execute documents and undertakings with National Securities Depository Limited and Central Depository Services (India) Limited in connection with the Issue;
- Take all such actions and give all such directions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise in regard to the creation, offer, issue and allotment of the Equity Shares;
- Take any and all action in connection with obtaining approvals and consents (or entering into any arrangement or agreement in respect thereof) in connection with the Issue, including, but not limited to, approvals from the lenders of the Company, other third parties, SEBI, RBI, the RoC and the Stock Exchanges (including in-principle approval and final listing and trading approval);
- To take all actions and give all such directions as may be necessary or desirable and to settle all questions, difficulties or doubts that may arise in relation to the Issue and matter incidental thereto as it may, in its absolute discretion deem fit; and
- Executing and delivering any and all other documents, papers or instruments and doing or causing to be done any and all acts, deeds or things as they may, in their discretion, deem necessary or desirable for the purpose of the Issue, including to carry out the purposes and intent of the foregoing or the Issue.

Meetings

The quorum for a meeting is any two members present for the meeting.

The committee met one time during financial year 2025-26. The date of meeting, composition and attendance of the members of the Rights Issue Committee are:

Name	Position in Committee	Category	Rights Issue Committee Meetings
			October 10, 2025
Mr. Jagadish Nangineni	Chairman	Managing Director	✓
Mr. Raman Mangalorkar	Member	Non-Executive Independent Director	✓
Ms. Srivathsala K N	Member	Non-Executive Independent Director	✓

Senior Management Personnel

Particulars of Senior Management Personnel ("SMP") as on March 31, 2026 are as follows:

S. No.	Name of SMP	Designation
1	Bijan Kumar Dash	Company Secretary and Compliance Officer
2	Devaraja T.H.	Business Head - Electrical
3	Gopan TP	Head – Administration
4	Harish Babu	Business Head - Interiors
5	Lalit Lahoty	Regional Head - Mumbai
6	Manish Verma	Regional Head - Pune
7	Manoj Rastogi	Business Head - CPD
8	Mohit Khandelwal	Head Internal Auditor
9	Prasanna Venkatesh G	Business Head - Plumbing
10	Prasun Basu	Chief Digital Officer
11	Raghu Balan	Chief Technology Officer
12	Rajesh C Nair	Business Head – Glazing & metal Works
13	Ravi K R	Regional Head - Tamil Nadu and Hyderabad
14	Satish Kamath	Head - Human Resources
15	Sumeet Suresh Chunkhare	Chief Marketing and Communications Officer
16	Vikram Kumar	Executive Vice President – Legal and Land Purchase
17	Yogesh Bansal	Chief Financial Officer

Note: The Board approved the revised Code of Conduct Policy with respect to Senior Management Personnel at their meeting held on October 17, 2025.

INFORMATION FOR SHAREHOLDERS

Share capital and shares related information

Share Capital History

Date of allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	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
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
July 11, 2024&	12,107,981	10	1651.00	Cash	Rights Issue	106,953,834	1,069,538,340

* 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 ₹ 425 per share.

&12,107,981 equity shares of ₹ 10 each were issued on rights basis to the shareholders at a price of ₹ 1651 per share

Shareholding Pattern: Distribution of Shareholding as on March 31, 2026

Range of equity shares held	No. of shareholders	% of total shareholders	Number of shares	% of Issued capital
1 – 500	1,26,709	98.26	62,03,000	5.80%
501 – 1,000	1,195	0.93	8,34,555	0.78%
1,001 – 2,000	525	0.41	7,33,192	0.69%
2,001 – 3,000	153	0.12	3,76,341	0.35%
3,001 – 4,000	70	0.05	2,44,652	0.23%
4,001 – 5,000	38	0.03	1,72,679	0.16%
5,001 – 10,000	94	0.07	6,64,164	0.62%
10,001 and above	173	0.13	9,77,25,251	91.37%
Total	**1,28,957**	**100.00**	**10,69,53,834**	**100.00**

Shares Held in Physical and Dematerialized Form

As on March 31, 2026, 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	65,332	95,207,864	89.02%
CDSL	63,621	11,745,952	10.98%
Physical	4	18	0.00%
Total	**1,28,957**	**106,953,834**	**100.00%**

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
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
2023-24	30.00%	3.00
2024-25	30.00%	3.00

Recommendation of Dividend and Dividend Payment Date

The Board of Directors has recommended a dividend of ₹ 6.00 per equity share of ₹ 10 each fully paid-up shares of the Company and pro-rata dividend on partly paid-up equity shares 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.

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 2025-26, the Company was required to transfer to the Investor Education and Protection Fund, the dividend declared in the Annual General meeting held on August 07, 2018. Accordingly, the Company transferred an amount of ₹ 4,95,978.00 (Rupees four lakh ninety-five thousand nine hundred seventy eight 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, 2026 (₹)	Due date for transfer to IEPF Fund
2018-19	August 09, 2019	September 11, 2026	3,98,531.00	October 10, 2026
2019-20	August 07, 2020	September 05, 2027	4,42,996.00	October 04, 2027
2020-21	August 13, 2021	September 12, 2028	1,83,217.00	October 11, 2028
2021-22	August 10, 2022	September 09, 2029	1,55,027.00	October 08, 2029
2022-23	August 08, 2023	September 07, 2030	1,52,033.00	October 06, 2030
2023-24	August 07, 2024	September 06, 2031	98,861.00	October 05, 2031
2024-25	July 25, 2025	August 24, 2032	129,267.00	September 23, 2032

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 SEBI LODR 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 and Ventura Securities 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, 2025.	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, 2026.	Depository Participant
2025-26	83 shareholders and 841 outstanding equity shares	1	1	82 shareholders and 831 outstanding equity shares	Geojit Investments Limited
2025-26	1 Shareholders and 12* outstanding shares	-	-	1 Shareholders and 12* outstanding shares	Ventura Securities Limited

*12 shares are pertaining to partly paid-up rights issue 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
2016-17	105	1722
2017-18	115	5,219

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.

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:

(i) For shares held in physical form, members are requested to give the nomination request to Registrar and Share Transfer Agents of the Company.

(ii) For shares held in a dematerialized form, members are requested to give the nomination request to their respective Depository Participants directly.

GENERAL MEETING AND POSTAL BALLOT RELATED INFORMATION

Annual General Meeting related information

The details of the Annual General Meetings convened during the last three years are as follows:

Financial Year	Date and Time	Venue	Special Resolutions
2024-2025	July 24, 2025 at 3:00 pm	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1. Issue of Non-Convertible Debentures on a private placement basis
2023-2024	August 07, 2024 at 3:00 pm	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1. Issue of Non-Convertible Debentures on a private placement basis
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

Extraordinary General Meeting

No Extraordinary General meeting was held during the financial year 2025-26.

Postal Ballot

During the financial year 2025-26, no special resolution was passed through postal ballot.

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 MUFG Intime India Private Limited (Formerly known as 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.

OTHER DISCLOSURES

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, 2026, issued by Mr. Nagendra D. Rao, Practicing Company Secretary in terms of the SEBI LODR Regulations is annexed to the Directors' Report and forms a part of the Annual Report.

Secretarial Audit Report

The Secretarial Audit Report for the year ended March 31, 2026, 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.

Recommendations of the Committees of the Board

During the Financial Year 2025-26, there has been no instance where any recommendation of the Committee(s) which was mandatory required, had not been accepted by the Board.

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, 2026, 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.

Place: Bangalore
Date: May 04, 2026

Jagadish Nangineni
Managing Director

CEO / CFO Certificate

The Chief Executive Officer (CEO) /Chief Financial Officer (CFO) certification in terms of the SEBI LODR Regulations forms part of the Annual Report.

Remuneration to Statutory Auditors

During Financial Year 2025-26, the fees paid to the Statutory Auditors of the Company is as follows:

Particulars	Amount (₹ in million)
Audit fees [includes fees for limited reviews]	1,65,50,000
Out of pocket expenses	11,57,591
Other services	3,00,000
Total	**1,80,07,591**

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 endeavors 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 2025-26:

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**

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.

Loans and Advances in which Directors are interested

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.

Agreements Binding Listed Entities

During the Financial Year 2025-26, there were no agreement(s) impacting management or control of the Company or imposing any restriction or liabilities upon the Company pursuant to Regulation 30A of the SEBI LODR Regulations.

General Shareholder Information

Corporate Identification Number	L45201KA1995PLC018475
Registered and Corporate Office	SOBHA Limited, 'SOBHA', Sarjapur–Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bangalore – 560 103
Date and Venue of the Annual General Meeting (AGM)	Date: July 18, 2026 Time: 9:00 AM Venue: Pursuant to General Circular No. 03/2025 dated September 22, 2025, 09/2024 dated September 19, 2024, 09/2023 dated September 25, 2023, 10/2022 dated December 28, 2022 and other relevant circular issued by the Ministry of Corporate Affairs (MCA), SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, 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). 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 10, 2026
Dividend Payment Date	If approved by the shareholders in the ensuing Annual General meeting, the dividend will be paid on or before August 16, 2026.
Declaration of Financial Results for Financial Year 2025-26	• For quarter ending June 30, 2025 – July 25, 2025. • For quarter ending September 30, 2025 – October 17, 2025. • For quarter ending December 31, 2025 – January 16, 2026. • For year ending March 31, 2026 – May 04, 2026.
Tentative Dates for Declaration of Financial Results for 2026-27	• For quarter ending June 30, 2026 – Second week of August 2026. • For quarter ending September 30, 2026 – Second week of November 2026. • For quarter ending December 31, 2026 – Second week of February 2027. • For the year ending March 31, 2027 –Third week of May 2027.
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 – 400 051 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 – 400 051 Tel: +91 22 2659 8100 - 8114 Website: www.nseindia.com
BSE Limited	BSE Limited Floor 25, P.J Towers, Dalal Street, Mumbai – 400 001 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 – 400 013 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 – 400 001 Tel: +91 2272 8658 | +91 2272 8645 Website: www.cdslindia.com
R&T Agents	MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) (SEBI Registration no. INR000004058) C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India. Phone: +91 810 811 6767, Fax: +91 22 4918 6060 Tel.: +91 8108116767; Fax: +91 22 4918 6060; E-mail: investor.helpdesk@in.mpms.mufg.com

Other Information

Listing fee	The Company paid annual listing fees for Financial Year 2026-27 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. and G Akshay & Associates, 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, 2026, 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, Bangalore– 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.- Sonepat, Haryana – 131028. **Interiors Division:** Plot No.9, KIADB Industrial Area, Jigani-Bommasandra Link Road, Hennagara (Post), Anekal Taluk, Bommasandra, Bangalore– 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, Bangalore– 560 105. Sy No:- 799/3, 802/1, 802/2 of Kelamangalam Road, Kundumaranapalli Village, Denkanikottai Taluk, Krishnagiri District - 635113 Sector 106, 108, 109 Babupur, Near New Palam Vihar, Gurgaon, Haryana – 122017. **SOBHA Mattress Division:** Plot No: 9, KIADB Industrial Area, Jigani Bommasandra Link Road, Bommasandra, Hennagara Post, Anekal Taluk, Bangalore– 560 105.

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.
Earnings calls on financials results	Earnings calls on financials results are held with analysts and investors and their transcripts are published on the website. The presentations made to analysts and others are also made available on the Company's website at https://www.sobha.com/investor-relations/#concall
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	**ICRA Rating:** Term loans (ICRA) AA- / Stable Fund based cash credit (ICRA) AA- / Stable Non-Fund Based Limits (ICRA) AA- / Stable **India Ratings & Research:** Term loans IND AA-/Stable Fund based working capital facilities IND AA-/Stable/Ind A1+ Non-fund-based working capital IND AA-/Stable/Ind A1+

Compliance of Non-Mandatory Requirements

Part-E of Schedule-II of the SEBI LODR 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

(i) The Company is not maintaining any separate office for the Non-Executive Chairman of the Company.

(ii) Ms. Srivathsala K N is the Non-Executive Independent Director of the Company.

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 2025-26 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.

E. 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.

F. Independent Directors

A separate meeting of Independent Directors was held on March 10, 2026. All the Independent Directors were present at the meeting.

G. Compliance of regulations 17 to 27 of the SEBI LODR Regulations

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 LODR Regulations.

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.

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, Bangalore– 560 103
Board Line: +91 80 4932 0000
E-mail: investors@sobha.com

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,
Bangalore – 560 103.

We 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 us 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 our opinion and to the best of our information and according to the verifications (including DIN status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, its officers and Management Representation Letter of even date, **We hereby certify that none of the Directors who were on the Board of the Company as on 31st March, 2026 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.

We 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.

For Nagendra D Rao and Associates LLP
Practicing Company Secretaries
ICSI Firm Registration No: L2018KR004100

CS Nagendra D Rao
Partner
Membership No. FCS – 5553
Certificate of Practice – 7731

Place: Bangalore
Date : May 4, 2026

Peer Review Certificate: 5827/2024
UDIN: F005553H000220504

Annexure B

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, 2026 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, 2026;

(2) significant changes in accounting policies during the Financial Year ended March 31, 2026 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.

Bangalore	**Yogesh Bansal**	**Jagadish Nangineni**
Date: May 04, 2026	**Chief Financial Officer**	**Managing Director**

Management Report

INDUSTRY STRUCTURE AND DEVELOPMENT

Global Economy

In 2025, global economic activity displayed resilience despite high tariffs, elevated policy uncertainty and geopolitical tensions as the overall impact of tariff measures turned out to be less severe than initially anticipated. US trade deals with major partners provided relief, but the US Supreme Court's tariff ruling, and subsequent new tariff announcements in February, have rekindled uncertainty. The resilience of the global economy, already inflicted with trade tensions, is being tested by the conflict in West Asia. The near halt in tanker movements through the Strait of Hormuz has intensified pressures in the global supply chains. The durability and intensity of the conflict pose substantial uncertainty to the global growth prospects amidst broader supply chain disruptions and elevated energy prices. In its January 2026 World Economic Outlook update, the International Monetary Fund (IMF) revised up its global growth projection for 2026 by 20 bps to 3.3 per cent, mainly reflecting stronger AI-related investment and fiscal spending. It kept its 2027 projection unchanged at 3.2 per cent. After the outbreak of the conflict, the OECD presented a more cautious picture. In its March economic outlook, it retained its growth forecast at 2.9 per cent for 2026 as the adverse effects of the West Asia conflict are expected to be offset by strong momentum in tech related investment and supportive fiscal and monetary policies. However, it marginally lowered its 2027 projection by 10 bps to 3.0 per cent. (RBI Monetary policy report April, 2026)

Indian Economy

The Indian economy continues to hold its ground despite facing a major supply shock due to the conflict in West Asia. In March, available high-frequency indicators of economic activity displayed divergent trends: demand conditions remained resilient, despite some pockets of slowdown in economic momentum. RBI's forward looking surveys pointed towards softening consumer confidence on the current situation and moderation in business optimism along with buildup of cost pressures.

The Monetary Policy Committee (MPC), in its bi-monthly review of April 2026, unanimously voted to keep the policy repo rate unchanged at 5.25 per cent. The MPC also decided to continue with the neutral stance, retaining the flexibility to respond judiciously to incoming information. The decision was guided by the strong fundamentals of the Indian economy, which provided it with a greater resilience to withstand external shocks.

India's macroeconomic performance in FY 2025–26 was characterised by three concurrent positives that are directly relevant to the residential real estate sector: sustained GDP growth, meaningfully lower inflation, and a supportive monetary policy cycle. Together, they created the most favourable purchasing environment for housing in several years.

GDP Growth

According to the First Advance Estimates released by the Ministry of Statistics and Programme Implementation (MoSPI), India's real GDP is projected to grow at 7.4% in FY 2025–26, up from 6.5% in FY 2024–25. Nominal GDP is expected to reach ₹ 357.14 lakh crore, registering 8% growth. In the updated GDP series with base year 2022–23, the Second Advance Estimates further revised real growth to 7.6% for FY26, reflecting the economy's sustained expansion and India's structural momentum toward the Viksit Bharat vision.

Private Final Consumption Expenditure, the largest component of GDP at roughly 60% of total, is estimated to grow at 7.0%, supported by steady rural recovery, urban wage expansion, and the income tax relief announced in Union Budget 2025-26. Gross Fixed Capital Formation, which encompasses investment in construction, infrastructure, and machinery, is projected to expand by 7.8%, up from 7.1% in FY25, signalling that both public infrastructure spending and private capital formation are gaining momentum simultaneously.

The services sector is estimated to grow at 9.1% in FY26, up from 7.2% in FY25. Its share in GVA has reached a historic high of 56.4%, and its share of GDP rose to 53.6% in H1 FY26. The manufacturing sector also recorded strong GVA growth reflecting a structural recovery in industrial activity. The construction sector is estimated to grow at 7.5% at constant prices in FY26, reflecting the direct contribution of real estate and infrastructure activity to national output.

Government infrastructure spending remains elevated, with construction sector GVA growth of 7.5% in FY26 reflecting continued investment in roads, metros, and urban infrastructure across cities.

Inflation and Purchasing Power

CPI headline inflation averaged 2.7% in Q1 FY26 and fell to 1.7% in Q2 FY26, the lowest since the current CPI series began, anchored by declining food prices and moderate core inflation. Full-year CPI inflation for FY26 is projected at 3.7% by the RBI's June 2025 policy, well within the 2–6% tolerance band. Retail inflation touched a near eight-year low of 1.54% in September 2025. Subdued inflation preserves real household purchasing power and reduces construction input cost pressures of materials, labour, and logistics.

Monetary Policy and Home Loan Rates

The Reserve Bank of India (RBI) has played a pivotal role in maintaining a conducive environment for long-term investments like housing.

The Reserve Bank of India conducted four rate cuts over the course of FY 2025–26, reducing the policy repo rate by a cumulative 100 basis points — from 6.25% at the start of the fiscal year to 5.25% by December 2025. The monetary policy stance was shifted to 'neutral' in subsequent meetings, with the February 2026 policy maintaining the repo rate at 5.25% while signalling that the easing cycle remains data-dependent.

Home loan rates, benchmarked to the External Benchmark Lending Rate which is directly linked to the repo rate, have fallen materially across lenders. Total home loan originations in the first three quarters of FY26 amounted to ₹8.3 trillion across 2.6 million new loans, according to CRIF High Mark data.

Indicator	Value / Trend
Real GDP Growth	7.6%
Construction GVA Growth	7.2%
Retail Inflation (CPI)	3.48% (March '26)
RBI Repo Rate	5.25% (Unchanged)

Indian Real Estate Overview

The Indian real estate sector continues to be a pivotal driver of economic growth, urban transformation, and infrastructure development. Contributing approximately 7–7.5% to India's GDP, the sector is expected to significantly enhance its economic footprint, with projections indicating a rise to around 13–15% by the end of the decade. The industry is on a strong long-term trajectory, with its market size expected to reach US$ 1 trillion by 2030 and expand further to US$ 5.8 trillion by 2047.

Over the past few years, the sector has transitioned from a cyclical, sentiment-driven industry to a more formalised and institutionalised asset class. Regulatory reforms such as RERA, GST implementation, and the rise of REITs have significantly enhanced transparency, governance standards, and investor participation. This shift has repositioned real estate as a credible long-term investment avenue, both for domestic and global capital.

The sector spans multiple asset classes, including residential, commercial, retail, hospitality, and industrial real estate, each contributing to a broad-based ecosystem that supports employment generation and demand across allied industries such as cement, steel, banking, and logistics. Rapid urbanisation, favourable demographics, and increasing household incomes continue to underpin sustained demand for real estate across both ownership and rental markets.

Regulatory and Policy development

The National Real Estate Policy 2025 introduced a unified single-window clearance system for real estate project approvals, designed to reduce project timeline delays by up to 40% and eliminate the multi-ministry friction that has historically lengthened the gap between project inception and launch. The policy also provides tax incentives for green-certified developments, aligning the policy direction with broader sustainability goals.

The Union Budget 2025-26 revised income tax slabs, increasing disposable income for salaried buyers. The SWAMIH Special Window Fund targets completion of approximately 1,600 stalled projects across India, releasing pent-up buyer demand that has been locked in delayed projects. The Registration Bill 2025 aims to digitise and centralise land and property records, enabling Aadhaar-based online registration and simplifying cross-border property transactions for NRI buyers.

COMMERCIAL REAL ESTATE FY 2026

Office Market Overview

India's office real estate market delivered its strongest-ever performance in calendar year 2025, fundamentally reshaping the country's standing in global commercial real estate. According to JLL, gross leasing activity across the top seven cities reached 83.3 million sq. ft., a 7.8% increase over the prior peak year. Vestian placed overall pan-India absorption at 78.2 million sq. ft., an 11% YoY rise. Across all estimates, the direction is unambiguous: India's office market outperformed every prior record.

Global Capability Centres (GCCs) - The Defining Force

GCCs emerged as the single most dominant driver of India's office market, accounting for 37–45% of total absorption in 2025, with absolute GCC-led leasing reaching 31–35 million sq. ft., the highest annual figure ever recorded for this segment. Nearly 200 new GCCs entered India over the past two years, and GCCs now represent approximately 50% of all active office space requirements in the market.

Critically, GCCs are no longer back-office utilities, they are evolving into centres of product development, artificial intelligence, data engineering, and risk management. This evolution translates into demand for larger, higher-quality campuses with long-term lease commitments. India's deep talent pool, cost competitiveness, and regulatory environment continue to attract both established multinationals deepening their India footprint and new country entrants.

Flex & Co-Working — The New Occupancy Backbone

The flexible workspace segment continued its rapid expansion. Domestic flex operators leased approximately 18 million sq. ft. in 2025, their best performance on record, while flex space contributed 26.6% of Q4 2025 leasing, the highest quarterly share ever. The co-working segment in the top seven cities grew 48% year-on-year in H1 2025 alone. This demand is driven by enterprises seeking agile, scalable, and cost-optimised office solutions amid hybrid work models.

Office Market Metric	2025
Gross Leasing (JLL)	83.3 million sq. ft. (all-time high, +7.8% YoY)
Net Absorption (Cushman & Wakefield)	61 million sq. ft. (+25% YoY)
Pan-India Vacancy Rate	10.8% (5-year low, down 310 bps)
GCC Share of Absorption	37–45% of total; 31–35 mn sq. ft. (record)
New GCCs Entering India (2 years)	~200 new GCCs
Q1 CY2026 Leasing	29.9 million sq. ft. (all-time quarterly high)

Source: CBRE, Cushman & Wakefield, Vestian

Residential Real Estate Overview FY 2026

Residential real estate in FY26 maintained steady momentum across major metros: Mumbai, Delhi-NCR, Bangalore, and Hyderabad, with demand shifting decisively towards higher-ticket homes. According to Knight Frank India, homes priced above ₹1 crore accounted for 50% of total residential sales across the top eight cities in 2025, up from 44% a year earlier. Data further estimates that this premium share reached approximately 62% of total sales value, underscoring a structural preference shift towards quality, space, and lifestyle-centric living.

According to the Reserve Bank of India's House Price Index, residential prices rose 3.58% year-on-year in Q3 FY2025–26, with city-level growth notably stronger, particularly in NCR, Bangalore, and Hyderabad. The average ticket size across the top seven cities increased from ₹1.05 crore in FY25 to approximately ₹1.20 crore in FY26, a 15% rise, driven by buyers upgrading to larger formats, premium amenities, and branded developer offerings.

Mortgage penetration deepened during the year: the RBI's repo rate cut to 5.25% in December 2025 brought average home loan rates to approximately 8.10%, stimulating demand from first-time buyers and upgrade seekers alike. A total of 2.6 million new loans amounting to ₹8.3 trillion were granted in the first three quarters of FY2025–26, reflecting continued lender confidence.

Premiumisation & Luxury Segment

The premium and ultra-luxury segments defined FY26's residential story. Around 40–45% of new housing launches in H1 FY26 were in the luxury and ultra-luxury categories (typically ₹1.5 crore and above), compared to 36% a year earlier. Buyers, increasingly HNIs, NRIs, and senior professionals, are seeking not just homes but holistic lifestyle ecosystems integrating wellness, green spaces, and curated community living.

NRI demand provided an additional tailwind, supported by favourable exchange rates, post-RERA regulatory transparency, and improved digital platforms enabling remote investment. Cities such as Bangalore, Chennai, and Gurgaon continued to attract NRI capital, particularly in the villa and branded residences segments. Developers launched 47 villa projects totalling approximately 8,200 units during 2024–25, primarily on large land parcels of 50 acres and above.

Metric	FY25	FY26	Change
Housing Sales Value (Top 7 Cities)	~₹ 5.5L Cr	~₹ 6.65L Cr	+~20% YoY
Homes >₹ 1 Cr as % of Sales (Volume)	44%	50%	+6 ppts
Avg. Ticket Size (Top 7 Cities)	₹ 1.05 Cr	₹ 1.20 Cr	+15%
Luxury Share of New Supply	~36%	~42–45%	Structural shift
All-India House Price Index Growth (Q3 FY26)	—	+3.58% YoY	RBI Provisional

Source: CBRE–ASSOCHAM, Knight Frank India

Operational Performance of the Company

FY '26 has been an exceptional year for the company. The Company's real estate sales reached an all-time high of ₹ 81,359 million, with strong and consistent average quarterly run rate of approximately ₹ 20,000 million. The Company has achieved an average price realization of ₹ 14,675 per square feet compared to ₹ 13,412 previous year, which is reflecting a growth of around 9.4%. Bangalore recorded its highest ever annual sales of about ₹ 45,000 million, with both new launches and sustenance sales also doing well during the year. NCR region delivered the highest ever annual sales of about ₹ 24,500 million with our expansion into Greater Noida. Both Bangalore and NCR together contributed about 85% of our sales. Kerala region maintained steady momentum with about ₹ 8,000 million and other regions contributing about ₹ 4,000 million. Presence of SOBHA in Mumbai has been one of the remarkable aspects during the financial year. In terms of project launches, the Company launched about 6.04 million square feet during FY '26. Some of the planned launches were delayed due to multiple factors, both external and internal.

Our non-real estate businesses, which include manufacturing, contracting and retail have continued to perform steadily. These businesses also play a critical role in strengthening our backward integrated model and ensuring consistent delivery of world-class quality. Overall, the Company has Completed total developable area of 9.04 Million Square feet amounting to 6.54 Million square feet saleable area in 2025-26. In Real Estate the Company completed 7.74 million square feet of developable area translating to 5.40 million square feet of saleable built-up area comprising of 3,118 homes across 9 cities and in DM projects 0.50 million square feet of developable area translating to 0.34 million square feet of saleable built-up area comprising of 265 Units in Bangalore was completed in the financial year 2025-26. In contractual the Company delivered 0.80 million square feet of project in Bangalore and Sonepat. The Company launched 9 new projects across 6 cities with total saleable area of 6.04 Million square feet and as on 31st March 2026 SOBHA has 38.71 Million Square Feet of developable area under construction (saleable built-up area of 27.65 Million Square feet)

Since inception, SOBHA has developed a cumulative 152.69 million square feet in real estate and contractual verticals — spanning over 30 cities across India. As on March 31, 2026, the Company has total ongoing real estate developable area of 38.71 million square feet (27.65 million square feet saleable) spread across 11 cities, in addition to 3.23 million square feet of ongoing contractual projects.

Developed cumulative 152.69 million square feet across real estate and contractual verticals since inception

Development footprint spanning 30 cities across 14 states in India

Overall, the Company has Completed total developable area of 9.04 Million Square feet amounting to 6.54 Million square feet saleable area in 2025-26

Cumulative project completion (Developable area in Mn. Sft)					
Details	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Cumulative	121.60	128.00	136.25	143.65	152.69
Real Estate	4.07	5.78	6.76	7.21	8.25
Contracts	3.71	0.62	1.49	0.19	0.80

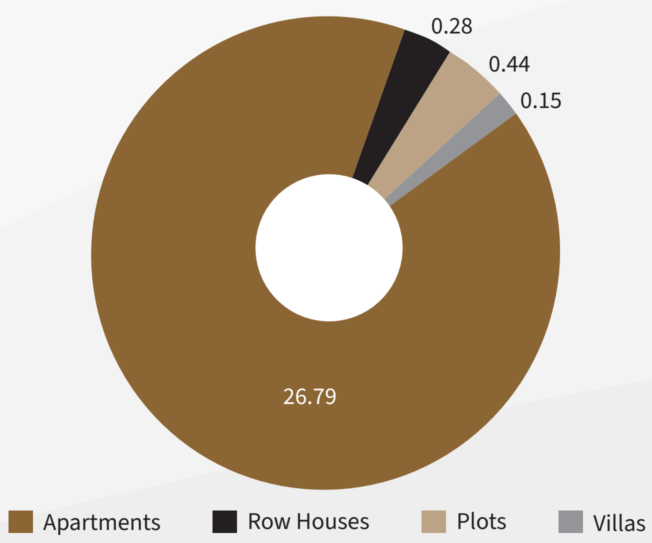
Region wise completed and ongoing projects

		SBA (Mn sft)
City/Region	**Ongoing Projects**	**Completed Projects FY 2025-26**
	Residential real estate	
Bangalore	13.18	3.72
Gurgaon	3.92	0.71
Greater Noida	3.27	-
Kochi	2.87	0.36
GIFT City	1.57	-
Thrissur	1.14	0.24
Hyderabad	0.65	-
Trivandrum	0.58	0.10
Pune	0.28	0.14
Mumbai	0.15	-
Chennai	0.04	0.44
Calicut	-	0.03
	Contractual	
Bangalore	3.23	0.80

Completed projects
In the financial year 2025-26 SOBHA Ltd. has completed 9.04 million square feet of developable area, which translates to 6.54 million square feet of saleable built-up area across Real Estate and Contractual projects.

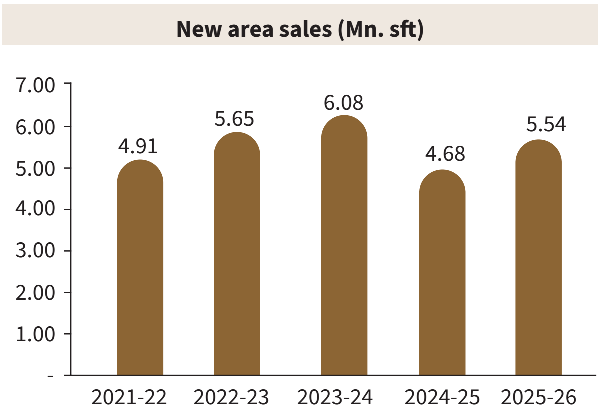
Ongoing projects
The Company is currently executing 41.93 million square feet of developable area amounting to 30.88 million square feet of saleable built-up area in real estate and contractual verticals put together.

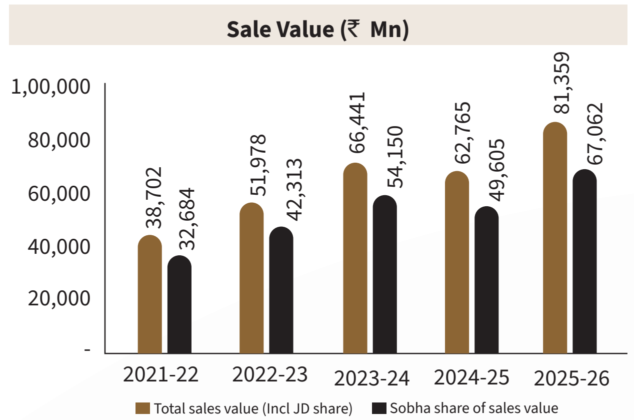
Ongoing Projects Product Mix
saleable area (Mn sft)



New Area Sales in 2025-26

During the financial year, the Company registered new sales SBA of 5.54 Million Square Feet total valued at ₹ 81,359 Million.





Marketing Initiatives FY 2025-26

FY 2025 - 26 was a landmark year for SOBHA Across all verticals - Digital & MarTech, Brand & Communication, and Pre-Sales. The Company has demonstrated measurable growth, accelerated its adoption of artificial intelligence, and laid a strong operational foundation for national expansion. The pages that follow present a department-wise account of our performance, key milestones, and the strategic initiatives that will define FY 2026–27.

Digital & Martech

Driving Demand at Scale Through Data and Technology

AI-Powered Content at Scale

The integration of ChatGPT into the content workflow enabled the team to scale blog publishing to over 50 articles per month, contributing to the cumulative total of 684 blogs published during the year. This content volume has materially strengthened organic search visibility, with monthly organic traffic reaching approximately 1.8 lakh sessions.

AI-Driven Creative Production

Google Gemini was deployed for the generation of both static and video creatives, leveraging Nano Banana Pro and Veo 3 capabilities. The Leonardo tool was used to enhance output quality from Nano Banana, while the Topaz AI tool was used to upscale the resolution of video assets — enabling production-quality outputs at significantly reduced cost and turnaround time.

Brand & Communication

Entering New Markets. Elevating an Enduring Brand.

The Brand & Communication team is responsible for articulating SOBHA's brand promise across markets, campaigns, and channels. FY 2025–26 was a year of significant creative ambition — marked by new market entries, major project launches, the establishment of in-house video production capabilities, and the accelerated adoption of AI-powered creative tools.

New Market Entries

This financial year marked SOBHA's entry into two new markets — Mumbai and Greater Noida. Both markets received bespoke brand campaigns, purpose-built for their respective audiences and project offerings. The Mumbai campaign, anchored on the proposition 'Mumbai, Meet Perfection', introduced SOBHA's signature language of quality and discernment to a new buyer segment.

Tactical & Festive Campaigns

Eighteen tactical and festive campaigns were rolled out over the course of the year, each designed to drive short-term lead generation and conversion while reinforcing brand equity. These campaigns played a meaningful role in opportunity generation across all active markets.

In-House Video Production Capability

A dedicated Video Team was constituted during the year, comprising an in-house cinematographer, video editor, motion graphics specialist, and VFX and CGI professionals. This team now handles Ad Films, live-event coverage, corporate films, and audio-visual presentations — significantly reducing dependence on external agencies and enabling faster, higher-quality content turnaround.

AI Adoption in Creative Workflows

AI technologies were integrated systematically into the creative process, enabling a higher volume of digital assets at improved quality and reduced production timelines. Tools such as Google Gemini, Nano Banana Pro, and Veo 3 were adopted for static and video creative generation, complementing the team's in-house production capabilities.

Martech: AI at the Core

Building an Intelligent Marketing Infrastructure

SOBHA's MarTech strategy in FY 2025–26 was defined by a deliberate shift from tool adoption to AI integration - embedding intelligence across the marketing funnel, from content creation and campaign management to quality monitoring and lead nurturing.

AI Integration Across the Marketing Funnel

The breadth of AI deployment in FY 2025–26 represents a structural upgrade to how the Marketing Division operates:

Funnel Stage	AI Tool / Initiative	Impact
Content & SEO	ChatGPT for blog writing	Scaled monthly output to 50+ articles; 684 blogs published in FY26
Creative Production	Google Gemini, Veo 3, Nano Banana Pro	Faster, higher-volume static and video creative output
Video Quality	Topaz AI, Leonardo	Production-quality resolution enhancement at reduced cost
Automation & Engagement	WebEngage, AiSensy	Personalised WhatsApp and multi-channel journey automation
ORM & Brand Monitoring	Brandwatch	Real-time sentiment tracking and online reputation management
Pre-Sales Quality	Ozonetel Conversational AI	Real-time call scoring, language insights, quality monitoring

Pre-Sales

More Output. Leaner Operations. Smarter Conversations.

Key Milestone: Ozonetel Conversational AI Implementation

A pivotal milestone in FY 2025–26 was the deployment of the Ozonetel Conversational AI platform across the Pre-Sales function. This tool has transformed the team's ability to monitor, measure, and improve call quality at scale.

Channel Partner Relations

Building a Partner Ecosystem That Performs and Feels Valued.

Scaling a partner network built on trust:

- Implementation of SOBHA Prosper app that recorded 3,354 downloads across Bangalore, Mumbai, and Ahmedabad, becoming the primary digital interface for partner engagement.
- Average commission payout timelines were cut from 60–90 days to 30 working days.
- SOBHA's channel partner network grew from 674 registered partners to 4,359 across Bangalore, Gurgaon, Mumbai, and Ahmedabad, formalised through the introduction of a digital MOU across all four cities.
- Engagement quality improved sharply year-on-year - actively transacting partners grew by 300% in Ahmedabad, 81% in Gurgaon, and 46% in Bangalore, while performing CPs in Bangalore more than doubled.
- The Chairman's Elite Partner Club was launched for the top contributing partners nationally, and over 1,300 Preferred Channel Partner certificates were distributed to recognise consistent contributors across all four cities.

Performance in key markets

1. **Bangalore**

   Bangalore is often hailed as India's Silicon Valley. With its robust economic foundations driven by a booming IT sector, world-class startups and a diverse workforce, the city attracts professionals from across the globe. This influx has fuelled a vibrant residential property market in Bangalore, where demand for quality homes remains consistently high. Residential property in Bangalore is not just about finding a place to live, it's about embracing a lifestyle that blends urban convenience with green spaces and modern amenities. Financial year 2025-26 marked a pivotal point in Bangalore's residential market, characterized not just by continued growth, but also by key structural shifts.

   Bangalore remained SOBHA's flagship market and the single largest revenue contributor at 55.0% of total sales value. Three new projects were launched during the year aggregating 1.09 million square feet of saleable area, further strengthening the Company's dominant presence in the city's premium and luxury residential segment.

   - **SOBHA Lifestyle Grande –** Boutique luxury villa project, North Bangalore (near International Airport). 2.12 acres; 45,279 sft saleable area.
   - **SOBHA Magnus –** Luxury high-rise, South Bangalore. 5.78 acres; 5,89,150 sft saleable area; 294 homes in 3/4 BR (1,250–2,578 sft).
   - **SOBHA Altair –** Luxury project, East Bangalore (adjacent to SOBHA Royal Pavilion). 3.31 acres; 4,56,598 sft saleable area; 207 homes in 3/4 BR (1,507–2,571 sft).

Ongoing projects in Bangalore aggregate 18.70 million square feet of total developable area and 13.18 million square feet of saleable area across 18 projects (including DM projects).

S. No	Project	Type	Developable Area (in Million square feet)	Saleable Area (in Million square feet)
1	SOBHA Neopolis	Apartment	4.65	3.44
2	SOBHA Hamptons	Apartment	3.01	2.09
3	SOBHA Madison Heights	Apartment	2.28	1.58
4	SOBHA Ayana	Apartment	1.45	1.13
5	SOBHA Brooklyn Towers– Town Park	Apartment	1.44	1.01
6	SOBHA Royal Crest	Apartment	0.93	0.65
7	SOBHA Magnus	Apartment	0.86	0.59
8	SOBHA Infinia	Apartment	0.70	0.48
9	SOBHA Altair	Apartment	0.67	0.46
10	SOBHA Manhattan Towers	Apartment	0.49	0.44
11	SOBHA Oakshire	Row Houses	0.38	0.28
12	SOBHA Victoria Park	Apartment	0.36	0.22
13	SOBHA Dream Gardens	Apartment	0.20	0.12
14	SOBHA Lifestyle Legacy (Ph 2)	Villas	0.13	0.07
15	SOBHA Insignia	Apartment	0.12	0.08
16	SOBHA Galera	Villas	0.01	0.01
17	Chartered Birdsong (DM)	Plotted Development	0.86	0.44
18	Sterling Infinia (DM)	Apartment	0.16	0.11
	TOTAL		**18.70**	**13.18**

2. **NCR (Gurgaon and Greater Noida)**

The National Capital Region (NCR) is the fourth-largest residential real estate market among the top seven cities in India. Following three consecutive years of elevated residential launches and sales between 2022 and 2024, NCR's housing market saw a measured moderation in 2025. Much of the earlier postpandemic surge had been driven by pentup demand, which encouraged an aggressive launch pipeline and corresponding sales. The market now appears to be transitioning into a more stable phase, with demand-supply dynamics normalizing as investor activity moderates and genuine endusers take precedence.

NCR contributed 30.2% of total sales value of the Company in FY 2025-26. During the year, SOBHA significantly expanded its NCR footprint by entering Greater Noida with two residential project launches, while also launching a new service apartment in Gurgaon.

- **SOBHA Aurum (Greater Noida)** – Sector 36, Greater Noida. 3.46 acres; 7,01,051 sft saleable area; 420 homes in 1/2/3/4 BR (739–2,306 sft). Launched June 2025.
- **SOBHA Rivana (Greater Noida)** – Sector 1, Greater Noida. 11.72 acres; 25,72,523 sft saleable area; 1,364 homes in 2/3/4 BR (1,374–2,716 sft). Launched March 2026.
- **SOBHA Strada (Gurgaon)** – Sector 106, Gurgaon. 2.03 acres; 3,23,403 sft total development (Serviced Apartments + Retail); SOBHA saleable area 2,14,060 sft; 222 studio apartments (857–926 sft). Launched November 2025.

NCR has 7 ongoing projects aggregating 9.69 million square feet of total developable area and 7.19 million square feet of saleable area.

S. No	Project	Location	Type	Developable Area (in Million square feet)	Saleable Area (in Million square feet)
1	SOBHA Aranya	Gurgaon	Apartment	2.65	1.93
2	SOBHA Altus	Gurgaon	Apartment	1.16	0.81
3	SOBHA City – Gurgaon	Gurgaon	Apartment	1.14	0.79
4	SOBHA Strada	Gurgaon	Service Apt./Retail	0.48	0.32
5	SOBHA International City Ph 1 & 2	Gurgaon	Villas	0.10	0.07
6	SOBHA Rivana	Greater Noida	Apartment	3.23	2.57
7	SOBHA Aurum	Greater Noida	Apartment	0.93	0.70
	TOTAL			**9.69**	**7.19**

3. **Kerala (Kochi, Thrissur, Trivandrum)**

Kerala, known for its scenic beauty, high literacy rate and quality of life, continues to attract attention in the real estate sector in 2025. Whether it's urban buyers in Kochi, nature lovers seeking land in Wayanad or NRIs investing in holiday homes, Kerala's real estate market remains dynamic and diverse. After a period of cautious recovery post-COVID-19 and global inflationary pressures, Kerala's real estate sector is showing **stable and consistent growth in 2025**. Unlike volatile metros, Kerala has maintained moderate price increases, making it a relatively safe investment.

Kerala contributed 9.9% to overall sales value of the Company in FY 2025-26. The Company operates across three cities in Kerala. Two new projects were launched during the year.

Marina One (Kochi) – Launched the remaining four towers comprising 9,20,593 sft saleable area; 362 homes in 2/3/4 BR (2,006–3,061 sft).

SOBHA Woods Whispering Hills (Trivandrum) – Third in the Whispering Hills series. 2.51 acres; 2,52,255 sft saleable area; 110 homes in 3/4 BR (1,811–2,787 sft).

Kerala has 6 ongoing projects aggregating 6.88 million square feet of total developable area and 4.59 million square feet of saleable area.

S. No	Project	Location	Type	Developable Area (in Million square feet)	Saleable Area (in Million square feet)
1	Marina One	Kochi	Apartment	3.07	1.98
2	SOBHA Atlantis	Kochi	Apartment	1.34	0.89
3	SOBHA Metropolis	Thrissur	Apartment	1.63	1.14
4	SOBHA Woods Whispering Hills	Trivandrum	Apartment	0.40	0.25
5	SOBHA Ridge Whispering Hills	Trivandrum	Apartment	0.34	0.23
6	SOBHA Meadows Whispering Hills	Trivandrum	Apartment	0.11	0.10
	TOTAL			**6.88**	**4.59**

4. **GIFT City**
Ahmedabad continues to be perceived as one of the most affordable residential markets within the top eight cities, a distinction supported by sustained and strategic urban planning initiatives. Since 2006, the city's municipal area has increased from 186 sq km to nearly 500 sq km, allowing infrastructure expansion to align more effectively with demographic growth and alleviating congestion in the established urban core.
The Company has established a presence in Gujarat International Finance Tech-City (GIFT City) with two ongoing projects - **SOBHA Avalon and SOBHA Elysia**. Together, these developments aggregate 2.03 million square feet of developable area and 1.57 million square feet of saleable area.
   - SOBHA Avalon comprises 0.42 million square feet of developable area and 0.32 million square feet of saleable area, and
   - SOBHA Elysia accounts for 1.61 million square feet of developable area and 1.25 million square feet of saleable area.

5. **Tamil Nadu (Chennai)**
The Chennai residential market delivered a strong performance in 2025 with annual housing sales reflecting a 12% YoY increase. This robust full-year outcome underscores sustained end-user demand, supported by stable pricing, improving affordability in select segments, and continued buyer confidence across the city's key residential corridors.

In Chennai, the Company maintains a focused presence through its ongoing project, **SOBHA Arbor**, with a total developable and saleable area of 0.04 million square feet.

6. **Mumbai**
Mumbai Metropolitan Region (MMR) is the largest residential real estate market among the top seven cities in India, accounting for 24-25% of the area sold and 31-33% of the sales value in FY2024 and 9M FY2025 . Mumbai's residential market maintained steady momentum in the year 2025, reflecting the market's ability to hold demand levels despite rising prices and a higher base set over the past two year.

The Company marked its entry into the Mumbai market with the launch of **SOBHA Inizio**, a luxury residential development located in the Sewri–Parel micro-market.

The project is being developed on 1.03 acres of land, with Phase I comprising a total development area of 147,578 square feet, of which 128,961 square feet is saleable area. The development offers 134 homes across 1, 2, and 3 BHK configurations, with unit sizes ranging from 498 to 1,225 square feet.

7 **Hyderabad**
The Hyderabad residential market recorded a stable and demand-led performance in 2025, supported by steady end-user confidence and continued price appreciation. Annual housing sales registering a 4% YoY increase, reinforcing Hyderabad's position as a structurally strong residential market underpinned by employment growth, infrastructure expansion, and lifestyle-driven demand. Demand remained largely end-user driven, supported by income stability and improving financing conditions.

The Company's presence in Hyderabad is anchored by **SOBHA Waterfront**, a luxury residential development with a developable area of 0.81 million square feet and a saleable area of 0.65 million square feet.

8. **Pune**
Pune is one of India's top-selling residential markets, with high demand fueled by IT/ITeS,. In Pune, the Company has one ongoing project, **SOBHA Nesara**, aggregating 0.38 million square feet of developable area and 0.28 million square feet of saleable area.

Financial performance of the company

SOBHA recorded a total sales value of ₹ 81,359 million in FY 2026, with a new sales area of 5.54 million square feet and an average price of ₹ 14,675 per square foot. Bangalore contributed 55.0% and NCR 30.2% to the overall sales value. Kerala reported steady sales from provided inventory, contributing 9.9%, while Tamil Nadu and Other Region contributed 4.9% to the overall sales value. Expanding footprint in NCR with entry of Greater Noida with SOBHA Aurum and in Mumbai with SOBHA Inizio during the year.

FY '26 was characterized by strong operating execution and disciplined capital allocation. The Company delivered record sales while strengthening liquidity and reducing leverage, ending the year in a net debt negative position. Our focus has been to accelerate collection, fund the construction and land investment through operating cash flow and improve the quality of earnings through lower finance cost. During the full year, total collection was ₹ 77,985 million, recording a healthy 26.1% growth over last financial year. In real estate collections stood at ₹ 70,668 million, Contractual and manufacturing contributed ₹ 7,317 million during full financial year. At net operating cash flow level, the Company generated ₹ 16,367 million in full year, registering growth of 39.4% over FY '25. As on 31st March 2026, gross debt stood at ₹ 10,023 million, while cash and cash equivalents was ₹ 18,020 million, maintaining a net cash position.

During FY '26 total revenue was ₹ 53,838 million. Revenue recognition strengthened during the last quarter, aided by clearance for completion certificate for multiple projects. EBITDA for FY '26 was ₹ 5,033 million. PAT for FY '26 was recorded ₹ 1934 million. The cash balance provides resilience through cycles and enable us to fund launches, construction moment and land investments. A combination of strong collection, lower cost of funds and a net debt negative position strengthen our ability to execute our development pipeline with a disciplined financial posture.

Particulars	FY-26	FY-25
Real Estate Revenue	44,197	33,782
Contractual & Manufacturing Revenue	7,708	6,605
Other Income	1,933	1,241
Total Income	**53,838**	**41,628**
less: Total Expenditure	48,805	37,444
EBITDA	**5,033**	**4,184**
EBITDA Margin (%)	*9.30%*	*10.10%*
less: Depreciation	1,060	898
less: Finance Expenses	1,374	1,956
Profit Before Tax	**2,599**	**1,330**
PBT Margin (%)	*4.80%*	*3.20%*
less: Tax Expenses	665	383
Profit After Tax	**1,934**	**947**
PAT Margin (%)	*3.60%*	*2.30%*
Profit after OCI	**1,908**	**924**

Key financial highlights:
- Registered total income of ₹ 53,838 Million
  - » Real estate operations contributed ₹ 44,197 Million (82.1%)
  - » Contracts and manufacturing operations contributed ₹ 7,708 Million (16.7%)
  - » Other income contributed ₹ 1,933 Million
- PBT of ₹ 2,599 Million at a margin of 4.8%
- PAT of ₹ 1,934 Million at a margin of 3.6%
- Total operational cash inflow of ₹ 77,985 Million
  - » Real estate operations contributed ₹ 70,668 Million (90.6%)
  - » Contracts and manufacturing operations contributed ₹ 7,317 Million (9.4%)
- Net operational cash flows generated ₹ 16,367 Million
- Net cashflow generated for the period was ₹ 1,694 Million
- Debt Equity ratio as on March 31, 2026 was (0.17)

Segmentwise Performance

REAL ESTATE
Following is the performance of the Real Estate Vertical:

₹ in Million

Particulars	2025-26	2024-25	2023-24	2022-23	2021-22
Revenue – Real Estate	44,197	33,782	24,138	25,238	18,437
Share of total Revenue (%)	82.09%	81.15%	75.01%	74.18%	69.70%

a. Residential Real Estate

Residential real estate operations of the Company are currently spread across 11 cities with developable area of 38.72 Million Square feet under construction.

b. Commercial Real Estate

In addition to residential projects, company developed two commercial malls,

1. Sobha City Mall' at Thrissur 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. One Sobha Mall' in Bangalore has a total leasable area of 0.23 million square feet of which our share of leasable area being 0.16 million square feet

₹ in Million

Particulars	2025-26	2024-25	2023-24	2022-23	2021-22
Rental Income from Operating Losses	651.49	623.86	618.27	478.24	395.82

c. Contractual:

Following is the performance of the Contracts Vertical:

₹ in Million

Particulars	2025-26	2024-25	2023-24	2022-23	2021-22
Revenue – Contractual	3,716	3,150	3,088	3,622	4,633
Share of total Revenue (%)	6.90%	7.56%	9.60%	10.65%	19.09%

During the year 2025-26, revenue from this vertical contributed around 7% 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. Total ongoing contractual orders under execution is 3.23 million Square Feet.

d. Manufacturing & Retail Sales

Following is the performance of the Manufacturing and Retail Sales Vertical:

₹ in Million

Sales	2025-26	2024-25	2023-24	2022-23	2021-22
Glazing and Metal Works	1,893	1,575	1,724	2,626	1,208
Interiors	868	787	984	831	738
Concrete Products	980	914	843	649	520
Retail Sales	251	178	192	134	77
Total	**3,992**	**3,454**	**3,743**	**4,240**	**2,543**
Share of Revenue (%)	7.41%	8.30%	11.63%	9.61%	9.61%

SOBHA has pioneered complete vertical integration in Real Estate industry in India. It is the only Company with own manufacturing facilities to cater to building materials. 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 an absolute control over the product quality and execution timelines to meet requisite standards. Construction materials manufactured in our own facility help us to 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 the quality.

Our manufacturing divisions comprises of Glazing and Metal Works, Interiors and Furnishing Works and Concrete Works, which supplements our core business of real estate and contracting. Each of these manufacturing divisions is also a profit centre by itself and is efficiently servicing 3rd party clients as well.

Under retail sales division, Company manufactures wide range of mattresses and also provide one-stop solution for home buyers, 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 *metercube* sub-brand.

Glazing and Metal Works

The Company owns one of the largest Glazing and Metal factories in India operated in Bangalore. The facility is spread across 7.91 acres of land 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 Bangalore unit, the Company has established Glazing and Metal Works Divisions in Kancheepuram (Tamil Nadu) and Sonepat (Haryana). The Products manufactured in the 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 (2025)	Production (2025)	Installed capacity (2026)	Production (2026)
Unitized curtain wall (square meters)	153,500	40,100	1,78,200	90,222
Semi-unitized curtain wall (square meters)	21,000	6,500	40,000	17,037
M. Streel (meters)	12,000	5,450	3,500	1,230
S. Steel (meters)	100	50	156	110
Windows and Doors (square meters)	68,000	76,400	98,000	90,909
Solid Sheet Cladding (square meters)	40,000	23,000	40,000	22,555
Aluminum Fins (rmt)	6,000	2,000	9,000	12,010
Aluminum Louvers (square meters)	21,000	83,500	15,000	33,333

Interiors

The interior and furnishing division of the Company is one of the largest wood working /joinery facilities in India. The division has two highly mechanized factories with total floor area of 2,55,000 Sft. located at Bommasandra, Bangalore. The division is equipped with imported machineries from Spain, Italy, and Germany. The Company has Interiors Division in Alwar also. 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 (2025)	Production (2025)	Installed capacity (2026)	Production (2026)
Doors (number of units)	67,200	31,859	67,200	40,023
Furniture(3) (number of units)	26,000	6,002	26,000	7,509

Concrete Products

The Company has a fully automated concrete product division which uses remote controlling systems. The manufacturing facility in Bangalore spread over 32,374.56 sq. m. (8 acres) manufactures concrete products of international quality. The unit has the imported technologies from Germany (Masa Plant) and England. In addition, the Company has opened concrete products divisions in Gurgaon and Pune and newly added its unit in Hosur. The units are manufacturing 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 nos of Blocks/ day or 20 million nos of Landscaping products.

Products	Installed capacity (2025)	Production (2025)	Installed capacity (2026)	Production (2026)
Blocks (number of units)	9,855,000	6,469,237	9,855,000	50,33,140
Pavers (square feet)	4,726,750	4,703,248	4,726,750	44,61,945
Kerb (number of units)	1,022,000	796,518	1,189,000	9,10,417

Retail Sales

We manufacture mattresses under "Sobha Restoplus" brand which includes multiple mattress combinations. The mattresses come 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 home buyers, 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 for living rooms and bedrooms.

Products	Installed capacity (2025)	Production (2025)	Installed capacity (2026)	Production (2026)
Mattress (#)	30,000	17,333	30,000	9,678

Cash Flows

The cash flow summary for the financial year 2025-2026 under direct cash flow method is as follows:

₹ in Million

Particulars	2025-26
Operational Cash inflow	77,985
Operational Cash outflow	61,618
Net Operational Cashflow	16,367
Net Financial Cashflow	(1,189)
Net Cashflow after Financial activities	15,178
Net Cash flow	1,694

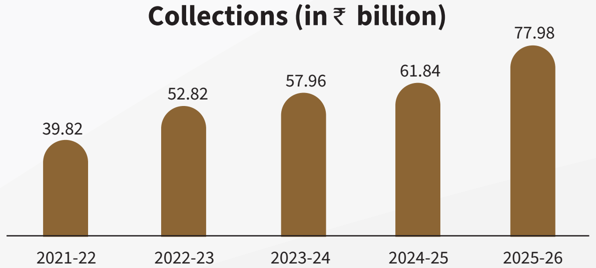
The Company has collected ₹ 77,985 Million during the year from real estate, contractual and manufacturing activities. After spending on construction expenses for real estate, contractual, manufacturing activities, overheads, etc. the net operating cashflows were ₹ 16,367 Million.

Out of the above, the Company has utilised Rs 879 Million towards payment of interest and ₹ 2,514 Million for income taxes & TDS and ₹ 322 Million for dividend (including tax).

The Company has spent ₹ 12,677 Million towards land payments during the year, and also collected ₹ 1,073 Million from sale of Land. In addition to this, the Company incurred ₹ 1,830 Million towards capex expenditure.

Company has recorded a Net positive Cashflow of ₹ 1,694 Million.

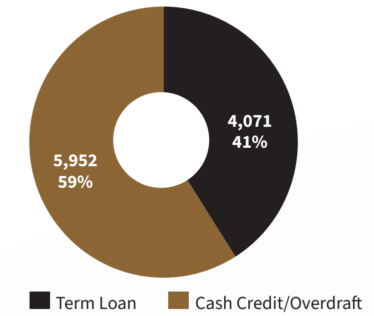
Collections (in ₹ billion)



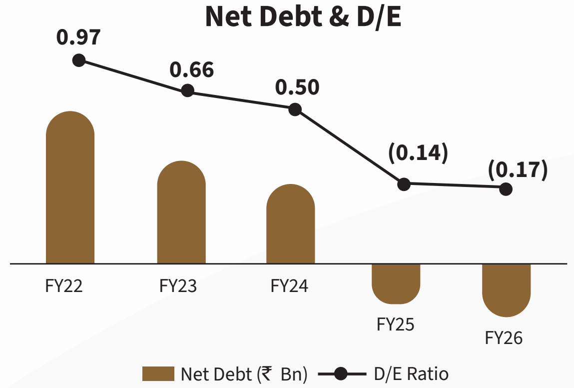
Debt

As on March 31, 2026, the net debt of the Company was ₹ (7,997) Million as compared to ₹ (6,304) Million in the previous year. The debt-equity ratio stood at (0.17) at the close of the financial year.

Composition of Borrowings (₹ Million, %)



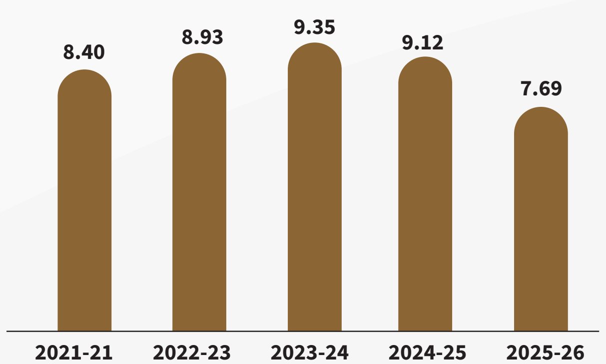
Net Debt & D/E



Borrowing Cost:

As of March 2026, the average borrowing cost stood at 7.69 %.

Borrowing Cost (%)



Credit Rating

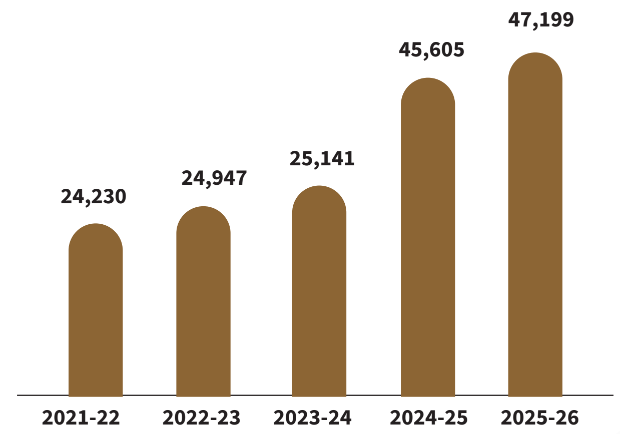
During the year the borrowings of the Company have been rated by:

- ICRA as 'AA-' (Positive)
- India Ratings and Research (Ind-Ra) as 'IND AA-' (Stable)

Net Worth

The net worth of the Company as on March 31, 2026 was ₹ 47,199 Million.

Net Worth (₹ Million)



Fixed Assets

During the financial year 2025-26, the gross addition to Fixed Assets was ₹ 1,197.79 Million. This is about 13% addition on Gross Fixed assets of FY 2023-24 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 ₹ 34,230.22 Million as compared to the previous year. This is mainly on account of increase in inventories by ₹ 18,758.36 Million and increase in Cash and bank balance by ₹ 11,355.72 Million

Current Liabilities

During the financial year 2023-24, the Current Liabilities increased by ₹ 13,038.89 Million, mainly due to increase in Advance from Customers and liabilities under JD agreements FY 2025, and decrease in borrowing.

STATEMENT OF CHANGE IN KEY FINANCIAL RATIOS PURSUANT TO REGULATIONREGULATION 34(3) AND 53 (F) READ WITH SCHEDULE v OF SEBI (LODR) REGULATIONS, 2015

	Consolidated Basis			Standalone Basis			Remarks
Particulars	**FY 2026**	**FY 2025**	**Change %**	**FY 2026**	**FY 2025**	**Change %**	
Inventory Turnover	0.39	0.35	10.17%	0.42	0.38	11.80%	NA
Current Ratio	1.14	1.25	-8.98%	1.15	1.25	-7.91%	NA
Debtors Turnover ratio	3.31	3.75	-11.65%	3.74	3.49	7.14%	NA
Interest Coverage Ratio (times)	2.89	1.68	72.09%	4.02	1.82	121.58%	As a result of significant reduction in borrowings and increase in earnings available to service interest cost.
Debt Equity ratio	0.21	0.25	-14.39%	0.21	0.25	-15.93%	NA
Net Profit Margin (%)	0.04	0.02	58.94%	0.06	0.03	103.40%	The growth is attributable to an increase in turnover and the recognition of revenue from higher-margin projects.
Operating Profit Margin (%)	0.08	0.08	-5.92%	0.10	0.08	19.14%	NA
Return on Net worth(%)	0.04	0.02	97.36%	0.06	0.03	153.16%	Due to increase in net profit during the year.

HUMAN RESOURCES

At the core of the Company's sustained growth and organizational resilience lies a dynamic and committed workforce. During the financial year 2025–26, the Human Resources function remained focused on attracting top talent, strengthening organizational capabilities, enhancing employee experience, and driving operational excellence in alignment with strategic priorities.

The year witnessed continued emphasis on attracting, retaining and developing talent across all levels. Strategic initiatives such as enhanced digital sourcing through LinkedIn integration and strong campus recruitments through 303 institutions strengthened the talent pipeline and ensured access to quality candidates.

In line with its commitment to employee experience, the Company continued to strengthen HR operations and HR service delivery. All new hires were provided with 100% Day-1 onboarding readiness, ensuring seamless integration into the organization. Initiatives such as welcome kits, team building activities, and the rollout of health check-ups contributed positively to employee satisfaction and well-being. The introduction of flexible work practices, including leave combinations and flexi-hours, further supported a balanced and inclusive work environment.

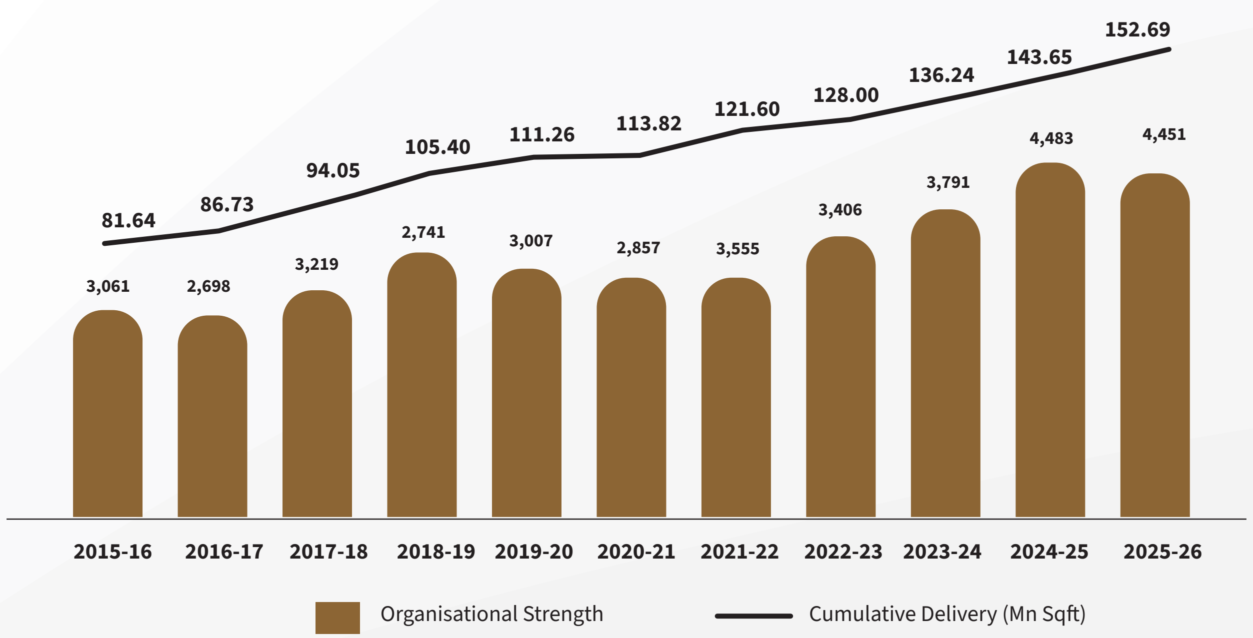
Talent management continued to be a key priority area during the year. The Company reinforced its employer brand by achieving **the Great Place to Work certification,** reflecting its commitment to building a positive and engaging workplace culture. Structured initiatives such as **the launch of "Sobha Shine**", a talent assessment and development program, and the strengthening of behavioural competency frameworks were undertaken to support capability building and leadership development. Technical competency mapping across functions is also in progress to ensure alignment with evolving business requirements. The performance management process was executed successfully, with 100% completion of performance cycles within stipulated timelines.

The Company maintained a strong focus on statutory compliance and governance, ensuring adherence to all applicable labour laws and regulations. The introduction of the new labour codes by the Government of India, marks a significant regulatory development. The Company is proactively taking necessary steps to ensure smooth transition and compliance with the new regulatory framework.

Looking ahead, the Human Resources function will continue to align closely with the Company's growth strategy, with a focus on building a future-ready organization. Key priorities include strengthening workforce planning, enhancing campus and lateral hiring frameworks, developing high-potential talent through structured competency models, and further improving managerial capabilities.

The Company remains committed to empowering its people, strengthening organizational capabilities and fostering a high-performance culture, thereby enabling sustainable growth and long-term value creation.

As of 31st March 2026, the Company's organizational strength stood at 4,451 employees, including 17 consultants, compared to 4,483 employees as of 31st March 2025.



Training and Development:

Training and developing employees is a must for any organization to be successful. 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.

The trainings provided to employees has 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:

Project Execution 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 2025-26, 44 technical training programmes were conducted in which 316 employees out of 391 nominated employees were trained. These trainings were conducted for employees working in Bangalore, Kerala, Chennai, Pune, NCR, Ahmedabad, Hyderabad and other locations where SOBHA has projects.

Management Trainee and Junior Management Trainee: A total of 6 batches aggregating to 158 employees were trained. (A total of 2027 employee count is considered for total duration of training)

Technician Supervisor Training: A total of **30** programs were conducted for both Sobha and non-Sobha Rolls in which 220 employees out of 244 nominated employees were trained during this year.

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 **2025-26, 122** behavioural training programmes were conducted for employees at different levels in which **1,135 employees out of 1,727 nominated employees** were trained.

In addition, Adhoc (Behavioural, Technical and Technician Supervisor) training programmes were also conducted during the year which were attended by **1,282** employees at different levels.

Sales Training:

A total of 63 programs aggregating to 156 training sessions covering 757 employees towards sales training, communications kills, channel partners training, interiors employees.

Other Training programs: A total of 71 training programs covering 1,363 employees towards department centric and induction training programs.

In all, a total 1,043 training programmes covering 13564 participants including employees of non-Sobha rolls (technician supervisors, foreman and technicians) including post effectiveness evaluation, during the year FY 2025-26.

Training, a continuous exercise

SOBHA's training wing, SOBHA Academy, conducts training on a regular basis. The Company assesses employee performance to gauge employee skills and provide them requisite training for enhancing their skills.

Outlook

Globally consumer sentiments have plummeted due to concerns over higher prices eroding purchasing power and weaker asset valuations. Business optimism too fell to a five month low in March, one of its weakest levels since the pandemic in 2020. The International Monetary Fund (IMF) has projected a moderation in global growth in 2026 alongside an increase in inflation. The growth slowdown and inflationary pressures are expected to be more pronounced in emerging market and developing economies (EMDEs).

The RBI projects the FY 27 GDP growth to be 6.9% with inflation moderating around 4%. As per the IMF's April 2026 World Economic Outlook, global growth is slated to moderate to 3.1% due to intensified geopolitical tensions and energy price volatility. However, India continues to demonstrate exceptional structural resilience. With the IMF upgrading India's FY27 growth forecast to 6.5%, citing robust domestic demand and improving trade dynamics

Metric	FY 2025-26 (Actual/Est.)	FY 2026-27 (Projected)
Real GDP Growth	7.6%	6.9%
Retail Inflation	~3.5%	4.6%
Fiscal Deficit	4.5%	4.3%
Capital Expenditure	₹ 10.96 Lac Cr	₹ 12.20 Lac Cr

Source: MOSPI, RBI Monetary Policy Reports

Input costs escalation, employment market moderation across India and West Asia, business sentiment downgrade, Inflation reacceleration remain prominent risks amidst the West Asia conflict and US trade and tariff uncertainty.

Looking ahead, company confidence is underpinned by strong operating momentum and high visibility across P&L performance, revenue, cash flow and land availability. Revenue yet to be recognized from sales done till 31st March stands at ₹ 18,647 crores. For a cash standpoint, projected marginal cash flow from completed ongoing is estimated ₹ 9,560 crores and forthcoming project add an additional projected marginal cash flow of ₹ 8,699 crores.

The Company is aiming in FY '27 net cash -- net operating cash flow close to INR2,000 crores. As the Company scale, the priorities remain the same, strengthen our balance sheet, improve cash flow and maintain speedy execution. With this operating framework, SOBHA will be well positioned for sustained long-term value creation.

Opportunities

India's real estate sector is experiencing renewed momentum, underpinned by strong urban demand, rising disposable incomes, and a favorable policy environment. Sobha Limited, backed by its established brand equity, proven execution capabilities, and strategic presence in key geographies, is well-positioned to leverage this upward trajectory. The growing preference for high-quality housing, consolidation within the sector favoring organized players, and the increasing adoption of digital sales channels further strengthen the Company's growth prospects. Moreover, sustained government focus on affordable housing and large-scale infrastructure development presents substantial long-term opportunities for expansion and value creation.

Threats

While the industry outlook remains optimistic, several challenges persist. Regulatory delays, policy uncertainties, and inflationary trends in construction materials continue to exert pressure on project costs and timelines. Prolonged approval processes and evolving compliance requirements can further impact operational efficiency. In addition, a tight labor market and rising input costs may affect the pace of execution. Interest rate fluctuations and tighter monetary policies also have the potential to dampen homebuyer sentiment and affect affordability, especially in price sensitive segments, thereby posing risks to sustained sectoral momentum.

Risks & Concerns

For more detailed information on Risks and Concerns, please refer to the Board's Report on page number 127.

Internal Controls

The Company has a robust internal financial control system, commensurate with the size, scale and complexity of its operations. This system encompasses adequate controls, procedures and policies designed to ensure the orderly and efficient conduct of business, adherence to established policies, the safeguarding of company assets and the establishment of a reasonable framework for the prevention and detection of fraud and errors, as well as the accuracy and completeness of accounting records. Appropriate framework is in place to ensure effective internal controls over financial reporting, thereby enhancing the integrity of the Company's financial statements.

The design of key processes and various policies is subject to periodic review to ensure the ongoing adequacy of controls. The Company has an Internal Audit function, headed by the Chief Internal Auditor. The annual internal audit plan is reviewed and approved by the Audit Committee at the commencement of each financial year. The Audit Committee is responsible for overseeing the scope and coverage of the Internal Audit plan and evaluating the overall audit findings. Functional heads participate in these meetings as necessary to provide updates on control and compliance developments within their respective functions.

The Internal Audit team conducts effectiveness testing of internal controls across all project sites and functions. The findings of these tests, along with any recommended corrective actions, are reviewed by management on a regular basis. Any deviations identified are reported to the Audit Committee periodically.

A certificate from the CEO and CFO, confirming effectiveness of internal controls and reiterating their responsibility to report deficiencies to the Audit Committee and rectify the same, forms part of the Corporate Governance Report.

ENVIRONMENT, HEALTH AND SAFETY

Ensuring a healthy and safe work environment involves developing safe, high-quality and environmentally responsible processes, working practices and activities that prevent or minimise the risk of harm to individuals operating within such environments. It also entails adherence to environmental regulations, including effective management of waste and air emissions, with the objective of reducing the Company's overall carbon footprint.

At SOBHA, established procedures are in place for identifying workplace hazards and minimising accidents and exposure to unsafe conditions and harmful substances, thereby ensuring a safe working environment. This is supported by regular training programmes covering accident prevention, emergency response, preparedness and the use of appropriate protective equipment.

SOBHA is certified under ISO 9001, ISO 14001 and OHSAS 18001 standards for its quality, environmental and occupational health and safety management systems.

The Company also focuses on minimising emissions and increasing the use of renewable resources across its construction activities and during the operational phase of its manufacturing facilities, with a view to maintaining a low carbon footprint through adoption of industry best practices.

SOBHA has established pre-cast units for its construction activities. In place of conventional block work or brick-based construction, the Company uses pre-cast elements, which offer multiple advantages including faster execution, reduced labour requirements, minimal material wastage and elimination of plastering requirements. These elements enable efficient utilisation of resources while reducing overall construction waste.

Rainwater Harvesting

Rainwater harvesting is a key initiative undertaken by the Company to address water scarcity. It is considered a viable solution for meeting the water requirements of a growing population while also contributing to the restoration of depleted aquifers and improving sustainable water availability in areas surrounding project sites.

Rainwater harvesting is implemented through both roof-based and surface runoff systems. Roof runoff is collected through storage tanks, while land-based runoff is channelled through recharge tanks, recharge bores and percolation pits. Wherever feasible, collected water is treated and reused for primary applications, thereby reducing reliance on external water sources and groundwater extraction

Sewage Treatment Plants

SOBHA has installed specially designed Sewage Treatment Plants (STPs) across its developments to treat wastewater generated within its buildings. The treated water is reused for secondary applications such as flushing, landscaping, cleaning of common areas and dust suppression at construction sites, thereby reducing the consumption of fresh water.

The STPs operate using hybrid technologies, including:

- Activated Sludge Process (ASP)
- Extended Aeration System (EAS) / Sequential Batch Reactor (SBR)
- Ultra Filtration (UF)

These systems ensure high-quality treated water in compliance with Pollution Control Board standards. Additional features such as sludge dewatering systems, acoustic enclosures, ozonators and air curtains are implemented to improve operational efficiency and minimise environmental impact.

Organic Waste Converters

SOBHA has implemented Organic Waste Converters (OWCs) across its projects as part of an integrated solid waste management system based on the 4R principle—Reduce, Re-use, Recycle and Recover.

Waste is segregated at source into organic and inorganic streams. Organic waste is processed into compost, which is utilised as manure for landscaping and plantation activities within project sites. Inorganic waste is handed over to authorised recyclers for further processing.

Additional measures such as air curtains, fly control systems and waste tracking mechanisms are deployed to ensure efficient and hygienic waste management. During construction phases, organic waste is also diverted to local reuse channels, supporting eco-sanitation efforts.

Water Treatment Plants (WTPs) and Testing Facilities

To ensure safe and healthy water supply, SOBHA has installed Water Treatment Plants equipped with:

- Dual media filters
- Softeners
- Centralised reverse osmosis systems

Water quality is maintained with Total Dissolved Solids (TDS) levels of:

- <400 ppm for domestic use
- <100 ppm for drinking water

The Company also operates chemical and microbiological laboratories at the SOBHA Academy to analyse water samples across physicochemical and microbiological parameters, ensuring continuous monitoring and quality assurance.

Energy Saving Measures

SOBHA actively undertakes energy conservation initiatives, including the installation of solar panels for common area lighting and solar water heaters across its projects. Key measures include:

- Rooftop solar installations at manufacturing facilities:
  - » Glazing factory: 225 kW
  - » Interior factory: 750 kW
- Approximately 90% of the corporate office power requirement sourced through solar energy

During the year, around 2.3 million units of solar power were utilised across SOBHA's facilities, resulting in an estimated reduction of approximately 1,700 tonnes in carbon emissions. The Company also promotes the use of heat pumps and solar water heaters as alternatives to conventional geysers, thereby reducing overall power consumption.

RESEARCH & DEVELOPMENT

R&D in the construction industry is about seeking meaningful technological advances, overcoming real-world obstacles, resolving uncertainty at the site level, and translating innovation into tangible product and process improvement.

SOBHA's R&D function is structured to be both outward-looking, in its benchmarking of global construction standards, and inward-facing, in its relentless focus on the quality and refinement of what is built and how it is built.

During the year under review, the Research & Development Department concentrated on two interrelated priorities: process improvement and product enhancement. This focus is not incidental, it is central to SOBHA's competitive identity as a backward-integrated developer that controls quality across the entire construction value chain, thereby reducing dependence on external vendors and maintaining the integrity of its product promise to customers.

Electrical & Power Systems

Two significant interventions were implemented in the area of electrical engineering across SOBHA's multi-storied residential projects:

- Adoption of Bus Bar Rising Main Systems for power distribution in high-rise buildings. This upgrade ensures efficient power transmission across floors, meaningfully reducing power losses and voltage drops — thereby enhancing the reliability and stability of electrical supply throughout the building's lifecycle.
- Installation of HT (High Tension) Metering Systems in projects with elevated power requirements. This enables accurate, granular monitoring and measurement of electricity consumption, facilitating precise billing and creating a structured foundation for ongoing energy optimisation and cost management.

Structural Quality & Inspection

A formalised joint inspection process was instituted at the Structure Completion stage to rigorously verify that project execution is aligned with design intent. This initiative strengthens the linkage between architectural and engineering specifications and on-ground construction outcomes, reducing the risk of specification drift and late-stage rectification.

Interior Finishing & Material Improvements

Several targeted improvements were developed and standardised across interior finishing components, addressing both aesthetics and constructability:

- Gypsum Ceiling Support Standardisation: Based on recurring observations at project sites, the support system for gypsum ceilings was systematically re-engineered and standardised, ensuring consistency and structural integrity across all projects.
- Large-Format Tile Installation: The full process for selection, inspection, and installation of large-format tiles was streamlined, reducing installation complexity and improving on-site execution quality.
- Aluminium False Ceiling for Toilets: An enhanced specification was developed for aluminium false ceilings in toilet areas, improving durability, moisture resistance, and finish quality.
- Glass & Aluminium Railing Systems: A comprehensive system specification was developed to govern the design, procurement, and installation of glass and aluminium railings — ensuring consistency and safety compliance.

Cladding & External Finish Innovations

Material-level innovations were introduced to improve the performance, aesthetics, and long-term durability of external facades and finishes:

- Stainless Steel Cladding: Stainless steel cladding was adopted as a replacement for granite and marble cladding in select applications, offering superior weather resistance, reduced maintenance requirements, and a contemporary aesthetic.
- PVC L-Bead Refinement: The profile size of PVC L-beads was reduced by 2 mm — from 15 mm to 12 mm, to achieve a more refined, visually precise finish in plastered wall edges, improving the quality of the final appearance.
- Alternative Adhesive for MCM Cladding: A high-performance alternative adhesive system for Metal Composite Material (MCM) cladding was sourced and validated, providing greater flexibility in procurement without compromising installation quality or durability.

HEALTH AND SAFETY

Safety is an integral part of SOBHA's operational processes, with a strong emphasis on embedding Environment, Occupational Health and Safety (EOHS) practices into everyday activities. The Company adopts a structured approach to identifying and addressing workplace hazards, supported by continuous awareness initiatives across management and workforce levels.

The EOHS framework is driven by strong leadership commitment and organisation-wide ownership, reflecting a sustained focus on implementing industry best practices and progressing towards the goal of zero accidents.

During the year, key initiatives included:

- Strengthened PPE compliance across projects
- Implementation of standardised safety communication practices
- Trials for fire suppression systems and horizontal lifeline systems

The Company conducted 4,261 hours of health and safety training, achieving 86% coverage across employees, contractors and subcontractors. Health and well-being initiatives included daily health camps at select locations and periodic medical camps conducted in collaboration with local authorities.

During FY 2025-26, SOBHA recorded 60.78 million man-hours across its projects. The Company's commitment to safety excellence was recognised with its Thiruvananthapuram project receiving the Samoohya Suraksha Award under the New Civil Construction Projects category at the Safety Awards 2025 organised by the National Safety Council Kerala Chapter. The Company also reinforced its safety culture through the launch of the Sobha Safety Standard Practices handbook.

CORPORATE SOCIAL RESPONSIBILITY INITIATVES

CSR at SOBHA is rooted in a genuine and enduring commitment to the holistic development of rural India. It is this conviction that led Sri P.N.C. Menon, Founder and Chairman Emeritus of SOBHA Limited, to establish Sri Kurumba Educational and Charitable Trust in 1994. For more than three decades, the Trust has worked towards the comprehensive upliftment of marginalised families across the Kizhakkencherry, Vadakkencherry, and Kannambra Grama Panchayats of Palakkad District, Kerala. In 2006, the Trust launched GRAAMASOBHA, a unique, structured social development initiative — under which a wide array of social welfare programmes continues to be implemented.

Over these 32 years, the lives of people in the Trust's target area have been transformed in meaningful and measurable ways. At the heart of this change has been the Trust's sustained commitment to social empowerment, delivering quality life-building resources, facilities, and services to those who need them most.

Education has been the cornerstone of this social engineering process. The Trust has undertaken most of its programmes within an institutional framework, achieving considerable success in reshaping the educational landscape of this otherwise underserved district. The SOBHA Academy and SOBHA ICON have been instrumental in transforming the lives of countless families by providing access to quality education. Complementing this, SOBHA Health Care has extended free primary healthcare services to ensure that essential medical support reaches the community. Together, these initiatives have brought about significant and lasting improvements in livelihoods across the three Panchayats.

In 2016, the Trust conducted a comprehensive survey that identified approximately 4,525 families in need, representing nearly 17,311 individuals. Beneficiary identity cards were issued to each enrolled family, enabling the Trust to maintain detailed, authentic data on every beneficiary and their specific needs. This data formed the foundation for the GraamaSOBHA model, a bottom-up, long-term poverty alleviation framework designed to bring about sustainable, positive transformation in the lives of underprivileged citizens.

Beneficiary families were selected through a rigorous scientific process known as the Social Empowerment Mapping Exercise (SEME), which was guided by the following objectives:

- To identify and enlist genuine beneficiary families from the three panchayats (6 villages) using clearly defined norms and criteria.
- To generate qualitative, multi-dimensional Baseline Reports on target families, enabling the design of specific programmes and activities tailored to their needs.
- To develop targeted, area-specific empowerment programmes across key human development areas, including education, health, employment, and housing.
- To create an effective mechanism for measuring and monitoring progress across the Trust's empowerment initiatives.

SOBHA's CSR activities are primarily focused on the following areas:

- Education
- Healthcare
- Care for the aged and the needy
- Women's empowerment
- Green and environmental initiatives

Please refer page number 32 for the details on CSR.

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.

(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 Bangalore. 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, Bangalore, which at one point accounted for all its sales. Bangalore 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.

Cautionary Statement

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be 'forward-looking' statements within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply, and price conditions in the domestic & overseas markets in which the Company operates, changes in Government regulations, tax laws & other statutes, and other incidental factors. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in the future.

Business Responsibility & Sustainability Report FY 2025-26

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L45201KA1995PLC018475
2	Name of the Listed Entity	Sobha Limited
3	Year of incorporation	1995
4	Registered office address	Sobha, Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bangalore – 560 103
5	Corporate address	Sobha, Sarjapur – Marathahalli Outer Ring Road (ORR), Devarabisanahalli, Bellandur Post, Bangalore – 560 103
6	E-mail	investors@sobha.com
7	Telephone	+91 8049320000
8	Website	www.sobha.com
9	Financial year for which reporting is being done	2025-26
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited, BSE Limited
11	Paid-up Capital	₹ 1,069,434,055 /- divided into 106,932,977 fully paid-up equity shares of ₹ 10 each and 20,857 partly paid-up shares of ₹ 5 each
12	Contact Person	
	Name of the Person	Mr. Bijan Kumar Dash
	Telephone	080 – 49320000
	Email address	investors@sobha.com
13	Reporting Boundary	
	Type of Reporting- Select from the Drop-Down List	Standalone Basis
	If selected consolidated:	
14	Name of assessment or assurance provider	BSI Group India Pvt. Ltd.
15	Type of assessment or assurance obtained	Third-Party Assessment of the BRSR Core

II. Products/Services

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

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1	Construction	Construction of Residential and Commercial projects	78.9%
2	Contractual and Manufacturing	Building completion and finishing services - Manufacturing activities related to: (i) Interiors, (ii) Glazing and Metal works (iii) Concrete products and Mattress division.	21.1%

17. Product/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Construction of Residential and Commercial projects	41001	78.9%
2	Building completion and finishing services - Manufacturing activities related to: (i) Interiors (ii) Glazing and Metal works (iii) Concrete products and Mattress division	 31001 25111 43110	21.1%

III. Operations

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

Location	Number of plants/operations	No. of Offices	Total
National	73	14	87*
International	0	2**	2

* This report comprises information relating to 87 locations, unless otherwise indicated.

** The Company has two representative offices in Dubai and Italy; however, this report does not include data for these two offices.

19. Market served by the entity:

a. Number of locations

Locations	Numbers
National (No. of States)	14
International (No. of Countries)	0

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

Sobha currently operates only in the domestic market, resulting in a zero percent contribution to exports in relation to the total turnover.

c. A brief on types of customers

Sobha Limited serves three main categories of customers:

- **Residential Customers**: Individuals or families purchasing apartments, villas, or plotted developments for personal use or investment.
- **Retail and Commercial Customers**: Buyers or lessees of office spaces, retail outlets, or mixed-use properties for business operations or leasing.
- **Institutional Clients**: Organizations such as corporate entities, government departments, and real estate investors engaging Sobha for development of infrastructure projects, IT parks, or custom-built commercial facilities.

IV. Employees

20. Details as at the end of Financial Year:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a.	**Employees and workers (including differently-abled)**					
	Employees					
1	Permanent Employees (A)	4,451	3,829	86.0%	622	13.1%
2	Other than Permanent Employees (B)	17	17	100.0%	-	-
3	Total Employees (A+B)	4,468	3,846	86.1%	622	13.9%
	Workers					
1	Permanent (C)	-	-	-	-	-
2	Other than Permanent (D)	25,470	24,759	97.2%	711	2.8%
3	Total Workers (C+D)	25,470	24,759	97.2%	711	2.8%
b.	**Differently abled employees and workers**					
	Employees					
1	Permanent Employees (E)	3	1	33.3%	2	66.6%
2	Other than Permanent Employees (F)	-	-	-	-	
3	Total Employees (E+F)	3	1	33.3%	2	66.6%
	Workers					
1	Permanent (G)	-	-	-	-	-
2	Other than Permanent (H)	-	-	-	-	-
3	Total Workers (G+H)	-	-	-	-	-

21. Participation/Inclusion/Representation of women:

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	7	1	14.3%
2	Key Management Personnel	3	-	-

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

Category	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	47%	58%	49%	45%	57%	47%	39%	41%	40%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

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

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a holding / Subsidiary / Associate / or 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 Highrise Ventures Private Limited	Subsidiary	100.0%	No
2	Sobha Developers (Pune) Limited	Subsidiary	100.0%	No
3	Sobha Assets Private Limited	Subsidiary	100.0%	No
4	Sobha Tambaram Developers Limited	Subsidiary	100.0%	No
5	Sobha Nandambakkam Developers Limited	Subsidiary	100.0%	No
6	Sobha Construction Products Private Limited	Subsidiary	100.0%	No
7	C.V.S. Tech Park Private Limited	Subsidiary	100.0%	No
8	Sobha City	Subsidiary	100.0%	No
9	Sobha Contracting Private Limited	Subsidiary	100.0%	No
10	Kilai Builders Private Limited	Subsidiary	100.0%	No
11	Sobha Interiors Private Limited	Subsidiary	100.0%	No
12	Kuthavakkam Builders Private Limited	Subsidiary	100.0%	No
13	Kuthavakkam Realtors Private Limited	Subsidiary	100.0%	No
14	Sobha Commercial Private Limited (earlier known as BNB Builders Private Limited)	Subsidiary	100.0%	No
15	Valasai Vettikadu Realtors Private Limited	Subsidiary	100.0%	No
16	Vayaloor Properties Private Limited	Subsidiary	100.0%	No
17	Vayaloor Realtors Private Limited	Subsidiary	100.0%	No
18	Vayaloor Real Estate Private Limited	Subsidiary	100.0%	No
19	Vayaloor Developers Private Limited	Subsidiary	100.0%	No
20	Vayaloor Builders Private Limited	Subsidiary	100.0%	No
21	Kondhwa Projects LLP	Joint Venture	50.0%	No
22	Constrobot Robotics Private Limited	Associate Company	20.0%	No

Note:

1. Sobha Contracting Private Limited is a wholly owned subsidiary of Sobha Highrise Ventures Private Limited. Hence a stepdown subsidiary of Sobha Limited.
2. Kilai Builders Private Limited, Sobha Interiors Private Limited, Kuthavakkam Builders Private Limited, Kuthavakkam Realtors Private Limited and Sobha Commercial Private Limited are wholly owned subsidiaries of Sobha Developers (Pune) Limited. Hence, a stepdown subsidiary of Sobha Limited.
3. Sobha City Firm holds 100.0% 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.
4. During the quarter ended 31 December 2025, Sobha Highrise Ventures Private Limited (“SHVPL”), a wholly owned subsidiary of the Holding Company acquired 20.0% equity shares of Constrobot Robotics Private Limited (“CRPL”) on 17 October 2025. With the acquisition of the said equity shares, CRPL has become an associate of SHVPL.

VI. CSR Details

24. a. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
    b. Turnover (in ₹) : 53,676.64 Million
    c. Net worth (in ₹) : 46,892.32 Million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the 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 2025-26 Current FY			FY 2024-25 Previous FY		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	Yes https://www.sobha.com/investor-relations/#survey	-	-	-	-	-	-
Shareholders	Yes https://www.sobha.com/investor-relations/#survey	6	-	-	-	-	-
Employees and workers	Yes https://www.sobha.com/investor-relations/#survey	-	-	-	-	-	-
Customers	Yes https://www.sobha.com/investor-relations/#survey	5,307	20	NIL	4,769	298	-
Value Chain Partners	-	-	-	-	-	-	-
Others(Please specify)	-	-	-	-	-	-	-

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

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)
GHG Management	Opportunity	Compliance with climate regulations and investor pressure; transition risks, potential for brand and cost benefits.	The company sources 80% of its electricity for corporate offices and facilities from solar energy and has commissioned rooftop solar installations of 225 kW and 750 kW at its Glazing and Interiors divisions. The company also deployed rooftop solar panels and replaced electric geysers with solar heaters for upper floors in residential developments. It continues to monitor and manage emissions through Scope 1 and 2 GHG inventorying and has initiated efforts to assess Scope 3 emissions.	Positive
Energy Management	Opportunity	Energy cost savings and operational efficiency through renewable sources and efficient equipment.	The company advanced its energy efficiency agenda by implementing LED lighting across sites, integrating passive design features such as daylight-optimized windows and roof insulation, and adopting smart energy metering systems.	Positive
Water Management	Risk	Exposure to water scarcity and regulatory constraints in construction-heavy locations.	The company deployed smart water meters across all projects and implemented integrated rainwater harvesting systems through rooftop and recharge pits. The design of harvesting systems ensures water conservation significantly above industry standards and statutory requirements. Sobha Townpark-3 (Sobha Hampton and Sobha Madison Heights) has received Near Net Zero Certification from Indian Green Building Council (IGBC) on design basis.	Negative
Waste Management	Opportunity	High waste generation from construction; reputational and compliance risks, also resource efficiency benefits.	The company implemented a comprehensive 4R (Reduce, Reuse, Recycle, Recover) waste management strategy across sites, including deployment of organic waste converters and composting systems. Inorganic and hazardous waste were disposed of through authorized vendors. Sobha's Concrete Products Division (CPD) is an authorized concrete waste recycling unit and the waste from external sources accounts for around 15% of the unit's raw materials.	Positive
Sustainable Design	Opportunity	Reduced lifecycle environmental impact, compliance with green building norms, and buyer expectations.	The company prioritized sustainable construction by landscaping at least 33% of site areas with native vegetation and preserving existing trees through retention and transplantation. The company adopted low-carbon blended cement (GGBS), used 60% PEFC-certified wood in interiors, and implemented double-glazed windows and low-VOC materials. Modular construction and precast elements were integrated to reduce on-site waste.	Positive
Occupational Health and Safety	Risk	High fatality and incident potential in construction; risk to workforce, penalties, and reputation.	Aligned with ISO 45001, the company implemented a centralized EOHS management system with regular Site inspections and 4 levels of audits. And anonymous safety reporting mechanisms. In FY 2025-26, the company conducted 4261 hours (86%) safety training sessions, Reportable and Lost time accidents and corrective actions and Horizontal implementation across projects to ensure such Accidents not to repeat Standard practices and implementation.	Negative

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)
Business Ethics	Risk	Non-compliance or fraud can harm investor trust, lead to penalties and litigation.	The company has reinforced ethical governance through a formal Code of Conduct for its Board and senior management, and a whistleblower mechanism overseen by the Chief Vigilance Officer. Employees undergo regular anti-corruption and ethics training, aligned with the company's target of 100% annual coverage by 2027. The company upholds a zero-tolerance stance on ethical violations, with all reported concerns are resolved.	Negative
Data Privacy & Security	Risk	Cyber threats and personal data leakage risks due to digital operations.	The company strengthened its data governance through secure IT infrastructure, compliance with privacy regulations, and employee training on data security protocols. Cybersecurity risk assessments and third-party audits support its target of zero data breaches and 100% employee training coverage by FY2030.	Negative
Sustainable Supply Chain	Opportunity	Ability to align suppliers with ESG goals, improve resilience and reduce long-term procurement risks.	The company integrated ESG criteria into procurement processes through a Vendor Code of Conduct covering EHS and labor standards. Supplier assessments and periodic ESG audits are underway.	Positive

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 Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred to as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and Management Processes									
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	Yes, *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)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4	Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The company is certified with P2 - ISO 9001:2015; P3- ISO 45001:2018, P6 - ISO 14001:2015								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	As part of our commitment to sustainability and responsible business practices, we have defined the following long-term goals across our key material topics. These targets reflect our aspiration to enhance environmental performance, strengthen governance frameworks, and promote health, safety, and ethical conduct throughout our operations and supply chain. **GHG Management** • Reduce Scope 1 & 2 emissions by 10% by FY2030 • Complete inventory of Scope 3 emissions by FY2030 **Energy Management** • Source 15% of energy from renewable sources by FY2030 • Achieve a 10% reduction in energy consumption by FY2030 **Water Management** • Achieve 35% of water recycled and reused by FY2030 **Waste Management** • Achieve 100% recycling of construction and demolition waste by FY2030 **Sustainable Design and Lifecycle Impact Reduction** • Conduct lifecycle assessments for 50% of raw materials used in construction by FY2030 • Use 90% of eco-labelled wood in interior manufacturing by FY2030 **Occupational Health and Safety** • Achieve zero Total Recordable Incident Rate (TRIR) by FY2030 • Achieve zero Lost Time Injury Frequency Rate (LTIFR) by FY2030 • Conduct 25,000 hours of safety training by FY2030 **Business Ethics** • Train 100% of employees on ethical standards annually by FY2027 • Maintain zero reported ethical violations by FY2027 • Achieve 100% resolution rate of ethical issues by FY2027 **Data Privacy & Security** • Target zero data breaches reported by FY2030 • Train 100% of employees on data security by FY2030 • Ensure 100% compliance with data privacy regulations by FY2030 • Conduct annual data security audits by FY2030 **Sustainable Supply Chain** • Ensure 75% of suppliers meet sustainability criteria by FY2030 • Conduct tier 1 supplier audits covering 25% of suppliers by FY2030 • Source 50% of materials locally by FY2030 • Assess 25% of suppliers on ESG parameters by FY2030								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The ESG targets were established during the last year. Performance metrics related to each of the identified targets will be reported starting from the following year.								
Governance, Leadership and Oversight									

7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:

At SOBHA, Sustainability has always been ingrained in the way the Company does business and not just a separate initiative. This is because the Company truly believe that sustainable practices can drive innovation, reduce costs, enhance brand reputation, and create long-term value for shareholders. Our commitment to sustainability is reflected in our integrated ESG framework anchored on four pillars: Environmental Stewardship, Climate Resilience, Governance & Ethics, and Social Responsibility.

As mentioned in our last year's report the Company has embedded ESG across design, construction, procurement, operations, and stakeholder engagement. Specific targets include 100% recycling of construction and demolition waste by FY2030, sourcing 15% of energy from renewables, and enhancing water reuse through rainwater harvesting and greywater recycling. On digital governance, we are progressing towards zero data breaches through employee training and system audits, with a goal of 100% compliance with data privacy regulations etc.

The Company's journey has never been solely about real estate; it has been about building trust, nurturing communities, and ensuring that the impact of our growth extends far beyond our construction footprint. The Company has come a long way in its sustainability journey and going forward the progress will be bolder and more decisive to make a meaningful difference.

Jagadish Nangineni
Managing Director, Sobha Limited

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. The relevant critical issues are being discussed at the CSR or Risk management Committee at the board level.

10. Details of Review of NGRBCs by the company:	P1	P2	P3	P4	P5	P6	P7	P8	P9
Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									
Performance against above policies and follow up action	Performance of the policies are evaluated by the respective functional/departmental head and reviewed by the Managing Director periodically.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances									
Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
Performance against above policies and follow up action	Quarterly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Quarterly								

	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 (ISO14001) by Bureau Veritas, Occupational health and safety management (ISO45001) by Bureau Veritas. Additionally, the Kerala Statistical Institute, the Government agency of Kerala had conducted impact assessment of Company's CSR activities.								

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
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 financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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 persons in respective category covered by the awareness programmes
Board of Directors	4	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, Risk mitigation etc., are also covered on periodical basis.	100.0%
Key Management Personnel	4	Topics pertaining to Key Regulatory issues, recent regulatory updates, amendments in Related Party Transaction etc. are circulated regularly. The Code of Conduct is also familiarized, which helps the KMPs to drive the Company's values and purpose in all key business activities.	100.0%
Employees other than BODs and KMPs	20	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 and Machinery, Promoting Safety through leadership, MX Road Course, IPPL Quiz, MEP Training.	100.0%
Workers	100+	Personal Protective Equipment (PPE) Usage, Working at Heights Safety, Hazard Identification and Risk Assessment, Manual Handling and Ergonomics, Fire Safety and Emergency Response, Electrical and Equipment Safety, Health and Hygiene on Site	100.0%

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**

a. Monetary					
Type	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
b. Non-Monetary					
Type	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**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.**

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

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.**

Yes. The Company maintains a strict zero-tolerance approach to corruption and unethical practices. A comprehensive Code of Conduct is in place, providing guidance on ethical behavior, including provisions related to bribery, corruption, and conflict of interest. This Code is applicable to all internal and external stakeholders and is publicly accessible at: https://www.sobha.com/wp-content/uploads/2025/03/sobha-code-of-conduct-prevention-of-insider-trading-v2.pdf

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

Category	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

Topic	FY 2025-26 (Current FY)		FY 2024-25 (Previous FY)	
	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 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 interest.**

Not applicable, as the company has not reported any instances of corruption or conflicts of interest. Consequently, no corrective actions have been taken or are currently in progress in this regard.

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

Topic	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Number of days of accounts payables	65.46	58.54

9. **Open-ness 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 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	3.0%	2.2%
	b. Number of trading houses where purchases are made from	36	45
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	86.0%	77.4%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0.2%	1.4%
	b. Number of dealers/distributors to whom sales are made	28	9
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	84.0%	100.0%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1.8%	2.7%
	b. Sales (Sales to related parties / Total Sales)	3.3%	2.7%
	c. Loans and Advances (Loans & advances given to related parties / Total loans & advances)	57.1%	67.0%
	d. Investments (Investments in related parties / Total Investments made)	100.0%	100.0%

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in value chain covered by the awareness programmes
	NIL	

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.**

The Board of Directors is committed to upholding transparency and ethical conduct. Directors are required to disclose any interests in other companies, including directorships and shareholding changes, at the time of joining and through annual declarations. In the event of a potential conflict of interest, Directors must recuse themselves from related discussions and decision-making processes. Such conflicts are to be reported to the Chairman of the Audit Committee or the Board Chairman. All Directors are guided by the Company's Code of Conduct, which outlines procedures for identifying, disclosing, and managing actual or perceived conflicts of interest. The Code is publicly available at: https://www.sobha.com/wp-content/uploads/2025/10/sobha-code-of-conduct-v3.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.**

Type	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)	Details of improvement in social and environmental aspects
Research & Development (R&D)	-	-	• Development and use of **eco-friendly and recyclable packaging materials** • Replacement of thermocol with **corrugated recyclable cardboard** • Use of **low-VOC adhesives and sealants** in product development • Adoption of **precast and modular construction** to reduce material wastage on-site • Substitution of traditional cement with **GGBS (Ground Granulated Blast Furnace Slag)** to reduce embodied carbon • Increased use of **PEFC-certified wood** in interior products • In-house **recycling of hardened concrete** and re-use in concrete production (Circular Economy initiative)
Capital Expenditure (CAPEX)	0.24%	0.01%	Screw Press provided for efficient sludge dewatering mechanism in Sewage Treatment Plant

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.**

As a real estate entity, the company does not engage in activities that require specific waste management regulations applicable to other industries. However, we have implemented a comprehensive waste management framework for our business parks that focuses on waste segregation, recycling, and responsible disposal.

Our approach includes:

- **Hazardous Waste Management:** We handle hazardous waste in strict compliance with government regulations.
- **Non-Hazardous Waste Recycling:** We ensure the recycling and reuse of non-hazardous waste materials.
- **Organic Waste Conversion:** Organic waste is converted into manure using Organic Waste Converter (OWC) machines.
- **Construction and Demolition Waste Management:** We adhere to stringent principles for the reuse and disposal of construction and demolition waste, aiming to minimize landfill use and mitigate environmental impact.

Through these initiatives, Sobha is committed to sustainable waste management practices that contribute to environmental protection.

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 web-link
The Company has initiated the integration of Life Cycle Assessments (LCA) into its projects and targets to conduct LCAs for 50% of raw materials used in construction by FY 2030, in line with its commitment to sustainable design and lifecycle impact reduction.					

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.**

S NO.	Name of the product	Description of the risk	Action Taken
Not applicable			

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 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Not applicable		

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 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable					
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
Not applicable	

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 employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	3,829	3,829	100.0%	3,829	100.0%	-	-	3,829	100.0%	2	0.05%
Female	622	622	100.0%	622	100.0%	622	100.0%	-	-	10	1.6%
Total	**4,451**	**4,451**	**100.0%**	**4,451**	**100.0%**	**622**	**14.0%**	**3,829**	**86.0%**	**12**	**0.3%**
Other than Permanent Employees											
Male	17	17	100.0%	17	100.0%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**17**	**17**	**100.0%**	**17**	**100.0%**	**0**	**0**	**0**	**0**	**0**	**0**

Note: As on 31 March 2026, the Company had a total workforce of 4,468 personnel, comprising 4,451 employees on its rolls and 17 consultants engaged across various functions and projects.

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	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Workers											
Male	NA										
Female											
Total											
Other than Permanent Workers											
Male	24,776	1,824	7.4%	24,776	100.0%	-	-	-	-	-	-
Female	694	239	34.4%	694	100.0%	-	-	-	-	-	-
Total	25,470	2,063	8.1%	25,470	100.0%	-	-	-	-	-	-

Note: The above-mentioned workers are engaged across our various ongoing projects through different contracting firms, and the details provided are as on 31st March 2026. All workers deployed at the project sites are adequately covered under the applicable Employees' Compensation Insurance Policy. In addition, certain categories of workers are also covered under the Nagarika Suraksha Policy, which provides comprehensive protection against accidental risks, including unforeseen incidents resulting in injury, disability, or loss of life. These insurance arrangements have been implemented to ensure the safety, welfare, and financial security of the workforce engaged in our projects, in compliance with statutory and organizational requirements.

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

	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Cost incurred on wellbeing measures as a % of total revenue of the company	0.2%	0.3%

Note: The above cost includes the following:

a. Group Medical cover for employees
b. Group Personal accident policy
c. Workmen compensation Policy
d. Day care facility
e. Annual Health checkup

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

Sr. No.	Benefits	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	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 worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	99.6%	85.8%	Yes	99.5%	77.4%	Yes
2	Gratuity	99.6%	-	No	99.5%	-	No
3	ESI	4.0%	6.9%	Yes	4.9%	6.2%	Yes

Note: Employees of the organization are covered under the Provident Fund, ESI and Gratuity schemes in accordance with the applicable statutory provisions. Consultants engaged by the Company are exempt from coverage under the Provident Fund and Gratuity schemes, as per the provisions of the applicable Acts and regulations.

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 and offices of the company are accessible to differently abled employees and workers, in compliance with the requirements set forth by the Rights of Persons with Disabilities Act, 2016. We are committed to ensuring an inclusive and supportive work environment for all individuals.

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, the Company's internal HR manual includes a defined Equal Opportunity Policy. Sobha Limited is committed to fair and unbiased employment practices, ensuring recruitment, retention, and development without discrimination based on gender, race, religion, marital status, or national origin. The Company promotes a safe, inclusive, and participative work environment that supports employee well-being, growth, and equal access to opportunities.

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	100.0%	100.0%	-	-
Female	100.0%	100.0%	Not Availed	
Total	**100.0%**	**100.0%**		

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	Details of the mechanism in brief
Permanent Workers	No	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 supervisors or HR Managers. They can raise their feedback or complaints on the HR helpline facility available on the company's 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 recognized by the listed entity:**

Category	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	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)
Permanent Employees						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA
Permanent Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

8. **Details of training given to employees and workers:**

Category	FY 2025-26 (Current FY)					FY 2024-25 (Previous FY)				
	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	3,846	1,328	34.5%	3,662	95.2%	3,879	1,122	28.9%	3,056	78.8%
Female	622	75	12.0%	113	18.2%	627	15	2.4%	359	57.3%
Other	-	-	-	-	-	-	-	-	-	-
Total	4,468	1403	31.4%	3,775	84.5%	4,506	1,137	25.2%	3,415	75.8%
Workers										
Male	24,759	15,783	64.6%	4,390	18.0%	23,342	16,433	70.4%	3,203	13.7%
Female	711	-	-	21	3.1%	584	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	**25,470**	**15,783**	**62.9%**	**4,411**	**18.0%**	**23,926**	**16,433**	**68.7%**	**3,203**	**13.4%**

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

Category	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	% (D/C)
Permanent Employees						
Male	3,846	2,765	71.9%	3,878	2,949	76.0%
Female	622	458	73.6%	627	502	80.0%
Others	-	-	-	-	-	-
Total	4,468	3,223	72.1%	4,505	3,451	76.6%
Permanent Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

10. **Health and safety management system:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes, Sobha Limited has implemented a comprehensive Occupational Health and Safety Management System (OHSMS) aligned with ISO 45001 standards. This system is applicable to all employees and workers and is designed to ensure a safe working environment for everyone involved in or affected by the company's operations.
What is the coverage of such system?	The OHSMS covers all employees and workers across project sites and manufacturing units. It includes standardized safety protocols, emergency preparedness measures (e.g., fire exits, alarms, extinguishers, smoke detectors), and assigns clear responsibility to stakeholders to comply with environmental occupational health and safety policies. The company promotes awareness and education to strengthen safety culture throughout the organization.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The company applies both proactive and reactive mechanisms to identify hazards and assess risks. Proactive measures include bi-weekly audits by safety managers, environmental monitoring (e.g., water, air, noise, and DG emissions), and regular departmental reviews. Reactive monitoring involves investigating injuries, illnesses, near-misses, and incidents to identify areas needing corrective action. Data is collected through interviews, documentation review, and site inspections. Risk assessment follows a hierarchy of controls—prioritizing elimination, engineering and collective controls, and using PPE only as a last resort.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes, The company has established anonymous reporting mechanisms at project sites, such as safety suggestion boxes, where workers can report unsafe conditions or acts. These mechanisms support proactive hazard mitigation and continuous safety improvement.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, Employees at the company have access to non-occupational medical services, including regular health check-ups, vaccinations, and general healthcare support. The company provides mandatory pre-employment screenings and tri-monthly medical examinations across all workforce segments. Medical Care Centres with qualified MBBS doctors are available to handle both occupational and non-occupational health concerns.

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

Safety Incident/Number	Category	FY 2025-26 (Current FY)	FY 2024-2025 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	0.066	0.051
Total recordable work-related injuries	Employees	-	-
	Workers	2	-
No. of fatalities	Employees	-	-
	Workers	2	-
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 workplace.**

Sobha Limited ensures a safe and healthy workplace through a structured Environment and Occupational Health & Safety (EOHS) Management System aligned with ISO 45001 standards. Risk assessments are conducted across all project sites to identify, evaluate, and mitigate workplace hazards. These assessments form the foundation for developing operational control procedures and safe work practices, covering critical areas such as equipment handling, hazardous materials, and emergency preparedness.

In FY2026, the company conducted trainings and covered eight major risk categories, including hazard identification, legal obligations, use of personal protective equipment (PPE), and emergency response protocols. Medical support is provided through regular health check-ups, vaccination drives, and access to on-site medical facilities. Pre-employment medical screening is also mandated for all workers.

Sobha has institutionalized safety governance across all levels of the organization—from senior management to site supervisors—by embedding health and safety responsibilities into individual job roles. Safety suggestion boxes are deployed at sites to encourage anonymous reporting, and bi-weekly audits and inspections are conducted to monitor implementation and compliance.

Performance is tracked against key safety objectives such as Total Recordable Incident Rate (TRIR), which stood at 0.066 in FY26 with zero fatalities. These initiatives reflect Sobha's commitment to maintaining a zero-harm workplace through proactive planning, continuous monitoring, and capacity building of its workforce.

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

Topic	FY 2025-26 (Current FY)			FY 2024-2025 (Previous FY)		
	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	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	92.0%
Working Conditions	92.0%

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.

Yes, Corrective actions have been initiated to address significant health and safety risks identified during assessments of contractors and other value chain partners at construction sites.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of:

a. **Employees (Yes/No):** Yes

b. **Workers (Yes/No):** Yes

The Company has extended comprehensive coverage to its workforce: all permanent and non-permanent employees are covered under a Group Personal Accident Policy, while workers other than permanent employees are 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

The Company fully complies with all applicable statutory requirements under various laws and mandates the same compliance from its value chain partners. Compliance is monitored and verified through periodic internal audits conducted by 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 rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	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 2025-26 (Current FY)	FY 2024-25 (Previous FY)	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	1

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, the Company does not have any formal policy on transition assistance.

5. Details on assessment of value chain partners:

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

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.

No corrective action plan has been necessitated on the above-mentioned parameters.

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	Details of Other Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Details of Other Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	SMS, Newspaper, Pamphlets, Advertisement, Website	• Newsletters • Media • Brochures • Meetings, • Online CRM portal	As per product launches	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	No	Other	• Press releases, quarterly results, annual report • Stock exchange filings • Issue specific meetings, representations • Policy advocacy initiatives with • CREDAI • Conferences organised by CII, • FICCI, and other industry bodies	Quarterly	As required	Statutory compliance, Transparency in disclosures, Tax revenues, Sound corporate governance mechanisms

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Details of Other Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Details of Other Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Vendors, Contractors	No	Other	• Day to day interactions • Supplier assessments and audits • Regular meetings with key suppliers and subcontractors • Supplier satisfaction survey	Regular	Regular	Procurement practices Environmental impact & sustainability practices Business ethics Waste Management
Media	No	Other	• Press releases, quarterly results, annual reports • Annual general meeting (shareholder engagement) • Access information and media interactions.	As and when required	As and when required	Product launch, Performance reporting, good practices, show cases, awards and achievements, initiatives etc are discussed and reported
Investors and Share-holders	No	Other	• Public notifications, newspaper • advertisements, press releases, stock exchange filings • Corporate website • Online info desk, dedicated • email ID for investor grievances, • Quarterly results, annual reports, • Annual general meeting (shareholder engagement) • Quarterly investor presentations, investors meets	Quarterly and from time to time	Quarterly and from time to time	Updating the latest developments, performance, of the Company
Employees	No	E-mail, Notice Board, Website	• Group email • Human Resources module • Dedicated intranet platform • Innerve, SOBHA's organisation magazine	Continuous	Continuous	Latest developments and events Learning and development, professional growth
Community	No	Other	• Day to day interactions	Continuous	Continuous	Sustainable socio-economic development for enhanced quality of life

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.**

   Not Applicable

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.**

   Not Applicable

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

   Not Applicable

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:**

Category	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	4,451	2,178	48.9%	4,483	2,801	62.5%
Other than permanent	17	2	11.8%	22	3	13.6%
Total Employees	4,468	2,180	48.8%	4,505	2,804	62.2%
Workers						
Permanent	-	-	-	-	-	-
Non-Permanent	25,470	-	-	-	-	-
Total Workers	25,470	-	-	-	-	-

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

Category	FY 2025-26 (Current FY)					FY 2024-25 (Previous FY)				
	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	4,451	-	-	4,451	100.0%	4,483	-	-	4,483	100.0%
Male	3,829	-	-	3,829	100.0%	3,856	-	-	3,856	100.0%
Female	622	-	-	622	100.0%	627	-	-	627	100.0%
Other than Permanent	17	-	-	17	100.0%	22	-	-	22	100.0%
Male	17	-	-	17	100.0%	22	-	-	22	100.0%
Female	0			-	-	-	-	-	-	-
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	25,470	21,215	83.3%	4,255	16.7%	23,926	21,187	88.5%	2,739	11.4%
Male	24,759	20,715	83.7%	4,044	16.3%	23,342	20,694	88.7%	2,648	11.3%
Female	711	500	70.3%	211	30.4%	584	493	84.4%	91	15.6%

3. **Details of remuneration/salary/wages, in the following format:**

a) Median remuneration/salary/wages paid

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category (Rs)	Number	Median remuneration/ salary/ wages of respective category (Rs)
Board of Directors (BoD)	5	21,90,000	1	22,30,000
Key Managerial Personnel	3	1,53,70,654	-	-
Employees other than BoD and KMP	3,483	5,93,568	622	5,79,882
Workers	-	-	-	-

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

	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Gross wages paid to females	43,79,85,957	42,17,87,412
Total wages	3,71,57,86,052	3,66,83,74,452
Gross wages paid to females as % of total wages	11.8%	11.5%

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 responsibility for addressing human rights issues currently rests with the respective Project Heads, Business Heads, and Plant Heads with a mechanism for escalation to Managing Director and Board.

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

The grievance can be raised with their respective 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:**

	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	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	-	-	-	-	-	
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:**

	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Female employees / workers	1,316	1,211
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.**

The Company's Whistleblower Policy provides a secure and confidential mechanism for stakeholders to report actual, suspected, or potential misconduct without fear of retaliation. In parallel, the Code of Conduct reinforces the Company's commitment to a harassment-free workplace by explicitly prohibiting any form of harassment or discrimination based on gender, race, religion, disability, age, sexual orientation, or any other protected category under applicable laws.

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

No

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100.0%
Forced/involuntary labor	100.0%
Sexual harassment	100.0%
Discrimination at workplace	100.0%
Wages	100.0%
Others – please specify	-

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above**

Not Applicable

LEADERSHIP INDICATORS

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

Not applicable

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

Not applicable

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:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Nil
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

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.

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 2025-26 (Current FY)	FY 2024-25 (Previous FY)
From renewable sources		
Total electricity consumption (A)	6,235.80	8,381.67
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	6,235.80	8,381.67
From non-renewable sources		
Total electricity consumption (D)	90,518.14	84,150.20
Total fuel consumption (E)	52,100.90	36,392.80
Energy consumption through other sources (F)	-	-
Total energy consumed from non- renewable sources (D+E+F)	1,42,620.04	1,20,543.00
Total energy consumed (A+B+C+D+E+F)	1,48,855.84	1,28,924.70
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.0000028	0.0000031
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.000056	0.000063
Energy intensity in terms of physical output	16,466.35	15,722.53
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note i. The above-mentioned data corresponds to our 51 operations/sites.
ii. Fuel Energy data is based on consumption of Diesel and Petrol for DG Sets and Company owned Vehicles.
iii. Non-renewable energy data is based on data available through electricity bills.

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.

Yes, BSI Group India Pvt. Ltd.

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.**

Not Applicable

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

Parameter	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water	73,121.30	-
(ii) Groundwater	35,268.14	28,747.00
(iii) Third party water	8,77,337.23	7,31,658.00
(iv) Seawater / desalinated water	-	-
(v) Others	78,399.50	1,01,713.50
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**10,64,126.17**	**8,62,119.00**
Total volume of water consumption (in kilolitres)	**7,96,900.00**	**7,91,675.10**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000015	0.000018
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00030	0.00038
Water intensity in terms of physical output	88,152.65	96,545.75
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: i. The above-mentioned data corresponds to our 56 operations/sites.
ii. Municipal water is categorized as Surface Water.
iii. Third Party water includes water sourced through Tankers at Construction sites and drinking water in sites and offices. For Construction sites, the capacity of tankers have been considered for water consumption.
iv. Water withdrawal includes water consumption and water discharge.
v. Other Water includes Rainwater consumption.

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-

Yes, BSI Group India Pvt. Ltd.

4. **Provide following details related to water discharged:**

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
Water discharge by destination and level of treatment (in Kilolitres)		
(i) To Surface water		
i. No Treatment	-	-
ii. With Treatment – please specify level of treatment	-	-

Parameter	FY 2024-25 (Current FY)	FY 2023-24 (Previous FY)
(ii) To Groundwater		
i. No Treatment	-	-
ii. With Treatment – please specify level of treatment	-	-
(iii) To Seawater		
i. No Treatment	-	-
ii. With Treatment – please specify level of treatment	-	-
(iv) Sent to third -parties		
i. No Treatment	10,700	-
ii. With Treatment – please specify level of treatment	-	70,443.90
(V) Others	-	-
i. No Treatment	-	-
ii. With Treatment - upto tertiary treatment level in STP.	2,56,526.20	-
Total water discharged (in Kilolitres)	2,67,226.20	70,443.90

Note: i. The above-mentioned data corresponds to our 37 operations/sites, offices and factories.
ii. Water discharged refers to the sewage and the treated wastewater from Mobile STP.

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-

Yes, BSI Group India Pvt. Ltd.

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

NA, Treated wastewater from our operational projects is being recycled and reused for flushing and irrigation purposes in the landscaped areas of the projects. At construction sites, treated wastewater is used for dust suppression and curing.

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

Parameter	Please specify the unit	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Nox	ug/m3	< 80	< 80
Sox	ug/m3	< 80	< 80
Particulate Matter	ug/m3	< 100	< 100
Persistent organic pollutants (POPs)	ug/m3	0	0
Volatile organic compounds (VOC)	ug/m3	0	0
Hazardous air pollutants (HAP)	ug/m3	0	0
Others – please specify			

Note: i. The above-mentioned information corresponds to average data of our 37 operations/sites, offices and factories.
ii. Data presented is in accordance with NAAQS compliance requirements.

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.-

Yes, BSI Group India Pvt. Ltd.

7. **Please provide details of green house gas emissions (Scope 1 & Scope 2) and its intensity in the following format:**

Parameter	Unit	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	4,784.47	2,771.78
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	17,852.38	16,998.23
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO2e/INR	0.0000004	0.00000047
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO2e/INR	0.0000086	0.0000096
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO2ePerUnit	2,504.07	2410.92
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	tCO2ePerUnit	-	-

Note: i. The above-mentioned Scope 1 emissions information corresponds to 53 operations/sites of the Company.
ii. The above-mentioned Scope 2 emissions information corresponds to 51 operations/sites of the Company.
iii. Scope 1 emissions include fuel combustion data based on consumption of Diesel and Petrol for DG Sets and Company owned Vehicles and fugitive emissions of refrigerants. Break up of GHG into CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3 are not available.
iv. For Scope 2 Emissions, Grid based electricity data is considered.
v. Emission factors from IPCC are considered for computing Scope 1 emissions for Diesel, Petrol and Fugitive emissions from refrigerants
vi. Emission factor from CEA is considered for computing Scope 2 emissions from Grid based Electricity.

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

Green energy is being procured for the Corporate Office, and rooftop solar PV systems have been installed at the Glazing & Metals and Interiors Divisions to enhance on-site renewable energy generation and reduce reliance on grid electricity, thereby contributing to the reduction of Scope 2 GHG emissions.

9. **Provide details related to waste management followed by the entity in the following format:**

Parameter	FY 2025 – 26 (Current FY)	FY 2024 – 25 (Previous FY)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	153.2	215.45
E-waste (B)	9.49	-
Bio-medical waste (C)	1.84	0.6
Construction and demolition waste (D)	12,181.48	2,878.00
Battery waste (E)	5.99	1.52
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	4.35	4.80
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5,473.50	1,752.38
Total (A+B + C + D + E + F + G + H)	**17,829.85**	**4,852.75**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000003	0.00000012

Parameter	FY 2025 – 26 (Current FY)	FY 2024 – 25 (Previous FY)
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000068	0.0000024
Waste intensity in terms of physical output	1,972.32	591.80
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	3,764.5	1,752.38
(ii) Re-used	1,201.3	-
(iii) Other recovery operations	-	-
Total	**4,965.80**	**1,752.38**
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	12,689.18	3,100.37
Total	**12,689.18**	**3,100.37**

Note
i. The above-mentioned data corresponds to our 43 operations/sites.
ii. Only Waste disposed from the site, after maximum reuse within the site, has been recorded.
iii. Construction & Demolition waste is recorded and estimated based on truck loads/ truck capacity and is specific to site.
iv. Recycled waste includes metal waste and wood waste.
v. Food waste is reused by diverting as animal feed through vendors. The weight of the same is being estimated on per load basis.
vi. Hazardous waste includes used oil, cotton waste and air filters and is handed over to authorized recyclers.

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.

In our Operational projects the biodegradable solid waste is processed on-site using organic waste converters, with the resulting compost utilized as manure in landscaped areas. Food waste being generated from the construction site and labour colonies are handed over vendors for animal feeding. Non-biodegradable waste is handed over to authorized vendors for appropriate disposal. Construction and hazardous waste are managed through authorized recyclers including Sobha owned Concrete Production Division.

11. If the entity has operation 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:

Sr. 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	Bangalore	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
Proposed Residential and Commercial Development at Amanidoddakere Village, Kasaba Hobli, Hoskote Taluk, Bangalore Rural district	SIA/KA/INFRA2/557127/2025	2026-01-30	Yes	Yes	https://tinyurl.com/vzxynvfn

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 actiontaken, if any
		NA		

LEADERSHIP INDICATORS

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

For each facility or plant located in the following areas, provide the following information

i) Name of area

ii) Nature of operations

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

Parameter	FY 2025 – 26 (Current FY)	FY 2024– 25 (Previous FY)
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)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity	Not Assessed.	
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
-No treatment		
-With treatment – please specify level of treatment		
(ii) Into Groundwater		
-No treatment		
- With treatment – please specify level of treatment		

Parameter	FY 2025 – 26 (Current FY)	FY 2024– 25 (Previous FY)
(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	Not Assessed.	
(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. –

Not Applicable.

2. **Provide details of scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	-	-
Total Scope 3 emissions per rupee of turnover	tCO2ePerINR	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	tCO2ePerUnit	-	-

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.

Not Applicable.

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & 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 impacts due to emissions/ effluent discharge / waste generated, please provide details or outcomes of such initiatives, in the following format:**

S. N.	Initiatives Undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the Initiatives
1	-	-	-
2	-	-	-

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

   Yes, the Company has a business continuity and disaster management plan focusing on business continuity to address disruptive events like fire, earthquake, cyber attack etc. The business continuity plan is closely linked with Risk Management System in the organization.

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.**

   The organization is currently not assessing the environmental impacts associated with its value chain activities.

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

   Zero. The company currently does not evaluate its value chain partners for their 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.**

   The Company is a member of one trade and industry chambers/ associations.

   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 Bangalore	Karnataka

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 authorities**

Name of Authority	Brief of the case	Corrective action taken
	NIL	

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.**

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes / No)	Resulted communicated in public domain (Yes/No)	Relevant Web Link
			NA		

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

S. No.	Name of project for which R&R is ongoing	State	District	No of Project Affected Families(PAFs)	% of PAF covered by R&R	Amount Paid to PAFs in the FY (in INR)
Not Applicable						

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 local or small-scale suppliers:**

	FY 2025-26 (Current FY)	FY 2024-2025 (Previous FY)
Directly sourced from MSMEs/ Small producers	NA	
Sourced directly from within India		

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 2025-26 (Current FY)	FY 2024-25 (Previous FY)
Rural	-	-
Semi -urban	-	-
Urban	11.1%	10.5%
Metropolitan	88.9%	89.5%

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
Not applicable	

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?**
Not Applicable

(c) **What percentage of total procurement (by value) does it constitute?**
Not Applicable

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
Not applicable				

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
Not applicable		

6. **Details of beneficiaries of CSR Projects.**

S. No.	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Sobha Health Care	36,554	100.0%
2	Sobha Community Home Project	480	100.0%
3	Sobha Academy	1,148	100.0%
4	Sobha Icon	220	100.0%

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

ESSENTIAL INDICATORS

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

Our procedures for addressing consumer complaints and feedback are meticulously structured and customer-centric, focusing on providing swift responses and timely resolutions to customer inquiries, feedback, and complaints. We have a specialized team, Customer Relationship Management (CRM), for managing customer complaints and concerns. Upon receipt of a customer concern through any communication channel, our CRM team initiates detailed discussions with the customer within 24 hours of receiving the complaint. The CRM Team ensures resolution of the Complaint in a timely manner. Any feedback received from the customers are taken on priority which significantly contribute to the continuous improvement on the quality of services and products delivered by the organization.

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

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	-
Safe and responsible usage	-
Recycling and/or safe disposal	-

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

	FY 2025-26 (Current FY)			FY 2024-25 (Previous FY)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Others						
(i) Project related queries/complaints	5,307	20	NA	4,769	298	NA
(ii) Consumer disputes	-	-	NA	1	-	NA
RERA Related cases	23	13	NA	39	31	NA

4. **Details of instances of product recalls on account of safety issues**

	Number	Reason for recall
Voluntary recalls	Not Applicable	
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 the safety of products / services.**

   Nil

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches – No issues Reported

   b. Percentage of data breaches involving personally identifiable information of customers – Not Applicable

   c. Impact, if any, of the data breaches- Not Applicable

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 & 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.

Independent Assessment Statement on BRSR

Holding Statement No: SRA 840420-1

To: The Board of Directors, Sobha Limited

The British Standards Institution (BSI) has conducted an independent assessment of the non-financial sustainability information (described in the "Scope") contained in their Business Responsibility and Sustainability Report (BRSR Core KPI's) for the Financial Year 2025-26 of **Sobha Limited.**

Scope

The objective of this assessment was to review the company's current ESG systems & practices of the reported performance indicators against the criteria, check alignment with industry standards, examine the completeness of the BRSR report, and identify gaps and areas for improvement in line with the scope, under an agreement with the client.

The assessment covers the non-financial information of the following subject matters in the Business Responsibility and Sustainability Report (Covering BRSR Core and BRSR Noncore) and for the FY 2025-26 (1st April 2025 to 31st March 2026).
BRSR Core KPIs

- Green-house gas (GHG) footprint - P6:E7
- Water footprint - P6:E3 and P6:E4
- Energy footprint - P6:E1
- Embracing circularity - P6:E9
- Enhancing Employee Wellbeing and Safety - P3:E1(C), P3:E11
- Enabling Gender Diversity in Business - P5:E3(B), P5:E7
- Enabling Inclusive Development - P8:E4, P8:E5
- Fairness in Engaging with Customers and Suppliers - P9:E7, P1:E8
- Open-ness of business – P1:E9

Criteria:

- SEBI BRSR core principles and its 9 KPIs (SEBI circular reference- SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 and SEBI BRSR Annexure-1)
- Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core
- Guidance note for BRSR format (SEBI BRSR Annexure-2)

Scope:

Architectural design and civil construction of residential, contractual & commercial buildings; manufacturing interiors, glazing & metal works, concrete products and mattress.

Brief Methodology:

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- Document review of relevant ESG systems, policies, and procedures where available
- Review of supporting evidence for claims made in the reports.
- Review of data pertaining to the sampled locations of Sobha Limited to confirm the data collection processes, record management practices, and check BRSR Core KPI's on-site.
- A sample-based assessment of the reliability and quality of information as provided in BRSR towards Sobha Limited's performance
- Interviews with staff involved in sustainability management, BRSR report preparation and provision of report information.
- Review of key organizational developments.
- Review of the findings of internal audits.

Assessment Outcome

All the documents and results from interviews show the true commitment and endeavour for social responsibility and sustainable development including the transparency of information disclosure in Sobha Ltd's BRSR report. Following the assessment, we opine that the sustainability information contained in the BRSR report of Sobha Limited is deemed to be in line with the SEBI's Business Responsibility and Sustainability reporting criteria. Sobha Limited is expected to address the opportunities for improvements identified in the assessment report and further strengthen the current ESG reporting system.

Independence, Quality Control and Competence:

BSI is independent to Sobha Limited and has no financial interest in the operation of Sobha Limited other than for the assessment of the non-financial sustainability information as per BRSR core 9 KPIs. This assessment has been prepared for the stakeholders of Sobha Limited only.

The assessment report is prepared on the basis of review by BSI of information presented to it by Sobha Limited. In making this assessment report, BSI has assumed that all information provided to it by Sobha Limited is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG), and GRI Universal Standard 2021, AA1000AS, ISO10002, ISO 14001, ISO 45001, ISO 14064-1, ISO 14067, ISO 14068-1, ISO 50001, and ISO 9001, etc. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

Issue Date: 09 June 2026 For and on behalf of BSI:

Sd/-	Sd/-
Kumaraswamy Chandrashekara	Emmanuel Herve, Managing Director, South & South East Asia (S&SEA)

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Independent Auditor's 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 2026, the Standalone Statement of 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 2026, and 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 38(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. The Company has received demand orders from the department for various assessment years, in respect of disallowances of certain expenses and addition of certain incomes, against which the Company has filed appeals before the Hon'ble Commissioner of Income Tax (Appeals), Bangalore. 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 accompanying standalone 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, 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.

Independent Auditor's Report (Cont'd)

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 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 arrangements. 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.	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:
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.	○ 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; ○ 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 ○ 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.

Independent Auditor's Report (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; and • 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 2026, the carrying value of the inventory comprising of Work in progress, Stock of residential units in completed projects and land stock is ₹ 116,197.26 million, land advances is ₹ 9,570.55 million, Advances for joint development arrangements is ₹ 2,594.69 million and refundable deposits paid under JDA is ₹ 8,478.49 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.	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; • 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;

Independent Auditor's Report (Cont'd)

Key audit matter	How our audit addressed the key audit matter
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.	• For inventory balance: ○ Compared the NRV to recent sales in the project or to the estimated selling price; ○ Compared the estimated construction costs to complete each project with the Company's updated budgets; and ○ 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: ○ Obtained an update on the status of the land acquisition/ project progress from the management and verified the underlying documents for related developments; ○ For land advances, compared the acquisition cost of the underlying land with the guidance values; and ○ 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.
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.	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;

Independent Auditor's Report (Cont'd)

Key audit matter	How our audit addressed the key audit matter
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 years, 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. 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.	• 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; • 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.

Independent Auditor's Report (Cont'd)

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 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 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;

Independent Auditor's Report (Cont'd)

- 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; and
- Obtain sufficient appropriate audit evidence regarding the business activities and financial statements of the Company which includes financial information of its partnership firm, to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of the Company of which we are the independent auditors. For the partnership firm included in the standalone financial statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit 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 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 also include the Company's share in the net profit (including other comprehensive income) of ₹ 39.29 million for the year ended 31 March 2026 in respect of share of profit from one partnership firm, 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, is based solely on the report of such other auditor.

    Our opinion above on the standalone financial statements 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 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) 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), 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;

    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 2026 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 2026 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 2026;

       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 2026;

       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 2026;

       iv.
          a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46 (iv) 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 46 (v) 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 2026 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 18(a) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2026 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. As stated in Note 47 to the standalone financial statements and based on our examination which included test checks except for instances mentioned below, the Company in respect of financial year commencing on 1 April 2025, has used accounting software for maintaining its books of account which have a feature of recording audit

Independent Auditor's Report (Cont'd)

trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below. Furthermore, other than the consequential impact of the exceptions given below, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature for accounting software used for maintenance of books of account was not enabled at the application level for certain masters except customer master and vendor master through the year.
Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature at database level	The accounting software used for maintenance of books of account is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the period.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 26507000OYYVUS3018

Bangalore
4 May 2026

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 2026

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, investment property, relevant details of right-of-use assets and investment property under development.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment, investment property, relevant details of right-of-use assets and investment property under development 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, investment property, relevant details of right-of-use assets and investment property under development were verified during the year and no material discrepancies were noticed on such verification. Further, having regard to the nature of the property, the management has conducted physical verification by way 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.

(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 Bangalore, Karnataka with gross carrying values of ₹ 3,442.08 million and at Gurugram, Haryana with gross carrying value of ₹ 697.49 million as at 31 March 2026, 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 adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(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 management has conducted physical verification of inventory, except for the inventories held by the Company in the form of stock of units in completed projects, work in progress of project under development (including land stock) for which, having regard to the nature of such inventory, the management has conducted verification to confirm its physical existence by way of verification of title deeds, site visits conducted, continuous project progress monitoring by competent persons, at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) As disclosed in Note 19 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 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 security or granted any advances in the nature of loans to companies, firms, limited liability partnerships during the year. Further, the Company has provided guarantees, made investments in and granted unsecured loans to companies during the year, in respect of which:

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 2026

(a) The Company has provided loans or guarantees to Subsidiaries during the year as per details given below:

(in ₹ million)

Particulars	Guarantees	Loans
Aggregate amount provided/granted during the year:		
- Subsidiaries	58.78	2,492.30
Balance outstanding as at balance sheet date:		
- Subsidiaries	1,048.78	3,295.31

(b) The Company has not given any security or advances in the nature of loans during the year. However, the Company has made investment in 1 entity amounting to ₹ 4.53 million (year-end balance ₹ 4.53 million) and in our opinion, and according to the information and explanations given to us, such investments made guarantees provided 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 ₹ 3,295.31 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 loans 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/advances in nature of loan	2,492.30		2,492.30
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)		-	
Total (A+B)	**2,492.30**	**-**	**2,492.30**
Percentage of loans/advances in nature of loan to the total loans	100%		100%

(iv) 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

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 2026

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, duty of excise, 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, we report that 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	34.10	12.43	2004-05 and 2006-07 to 2007-08	Sales Tax Appellate Tribunal, Andhra Pradesh
Andhra Pradesh, Value added tax, 2005	Demand of Tax, Interest and/or penalty	5.90	3.85	2004-05	High Court
Income Tax Act, 1961	Demand of Tax, Interest and/or penalty	684.07	128.29	2015-16 2017-18, 2020-21, 2021-22, 2022-23 and 2023-24	Commissioner of Income Tax (Appeals), Bangalore
Income Tax Act, 1961	Demand of Tax, Interest and/or penalty	24.05	6.44	2018-19	Income Tax Appellate Tribunal
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	233.07	27.87	2006-07 to 2017-18	Central Excise and Service Tax Appellate 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), Bhuvaneswar
Goods and Service Tax Act, 2017	Demand of Tax, Interest and/or penalty	1.70	0.17	2018-19	Joint Commissioner (Appeals), Bhuvaneswar
Goods and Service Tax Act, 2017	Demand of Tax, Interest and/or penalty	320.51	-	July 2017 to March 2022	Assistant Commissioner of Central Tax and Central Excise, Kochi
Goods and Service Tax Act, 2017	Demand of Tax, Interest and/or penalty	14.10	-	July 2017 to March 2020	Joint Commissioner of Central Tax, Bengaluru East Commissionerate

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 2026

(viii) According to the information and explanations given to us, we report that 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) In our opinion and 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 ₹ 4,150.53 millions 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 and interest thereon have not been demanded for repayment as on date.

(b) According to the information and explanations given to us including 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 financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the 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 subsidaries, associate or joint venture.

(f) In our opinion and 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, joint venture or associate company.

(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 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 including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(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,

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 2026

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.

(d) 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 Core Investment Company (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 : 26507000OYYVUS3018

Bangalore, 4 May 2026

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 2026

Independent Auditor's Report on the internal financial controls with reference to 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 2026, 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 Standalone Financial Statements

3. Our responsibility is to express an opinion on the 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 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 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.

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 2026

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 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 2026, 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 issued by the ICAI .

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 26507000OYYVUS3018

Bangalore, 4 May 2026

Sobha Limited
Standalone Balance Sheet as at 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,409.41	3,344.33
Investment property	5	2,588.37	2,641.69
Investment property under development	6	203.77	170.51
Other intangible assets	7	25.35	41.53
Right of use assets	38	183.80	196.26
Financial assets			
(i) Investments	8	4,869.87	4,478.18
(ii) Trade receivables	10	527.13	540.53
(iii) Loans	11	230.02	230.02
(iv) Other financial assets	12	4,276.70	604.96
Income tax assets (net)	33	307.02	307.02
Deferred tax asset (net)	33	3,186.35	2,290.21
Other non-current assets	13	10,544.32	10,183.80
		31,352.11	**25,029.04**
Current assets			
Inventories	9	1,18,694.99	1,05,329.02
Financial assets			
(i) Trade receivables	10	3,000.65	2,265.89
(ii) Cash and cash equivalents	14	1,542.69	1,123.48
(iii) Bank balance other than (ii) above	15	12,206.64	15,870.04
(iv) Loans	11	3,065.29	2,176.22
(v) Other financial assets	16	8,761.03	6,514.35
Other current assets	13	7,675.76	7,156.75
		1,54,947.05	**1,40,435.75**
Total assets		**1,86,299.16**	**1,65,464.79**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,069.43	1,069.36
Other equity	18	45,822.89	43,149.68
Total equity		**46,892.32**	**44,219.04**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	3,853.29	7,323.33
(ii) Lease liabilities	38	506.90	409.62
(iii) Other financial liabilities	22	204.41	1,020.06
Provisions	21	367.24	258.39
		4,931.84	**9,011.40**
Current liabilities			
Financial liabilities			
(i) Borrowings	19	5,832.46	3,538.04
(ii) Lease liabilities	38	43.86	116.24
(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	8,150.22	5,613.64
(iv) Other financial liabilities	20	7,319.90	5,717.62
Other current liabilities	24	1,12,345.74	96,309.09
Provisions	21	375.16	275.20
Current tax liabilities (net)	33	407.66	664.52
		1,34,475.00	**1,12,234.35**
Total liabilities		**1,39,406.84**	**1,21,245.75**
Total equity and liabilities		**1,86,299.16**	**1,65,464.79**
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

Bangalore, 4 May 2026

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

Bangalore, 4 May 2026

Sobha Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	25	53,676.64	40,666.65
Other income	26	2,193.16	1,358.14
Total income		**55,869.80**	**42,024.79**
Expenses			
Land (including development rights) and related cost		19,325.73	19,305.51
Cost of materials consumed	27	3,791.27	2,741.99
Purchase of project materials		14,293.26	12,951.27
Changes in inventories of raw materials, land stock (including development right), work in progress and finished goods	28	(13,359.28)	(17,070.24)
Sub-contractor cost		12,050.70	9,575.47
Employee benefits expense	29	5,040.42	4,051.96
Finance costs	30	1,337.58	1,884.79
Depreciation and amortisation expenses	31	1,024.70	858.57
Other expenses	32	8,321.39	6,187.92
Total expenses		**51,825.77**	**40,487.24**
Profit before tax		**4,044.03**	**1,537.55**
Tax expenses			
Current tax	33	1,918.30	1,583.96
Deferred tax credit	33	(887.36)	(1,168.73)
Tax expense		**1,030.94**	**415.23**
Profit for the year		**3,013.09**	**1,122.32**
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Re-measurement on defined benefit plan	37	(34.90)	(30.13)
Income tax relating to above	33	8.78	7.58
Other comprehensive income for the year, net of tax		**(26.12)**	**(22.55)**
Total comprehensive income for the year		**2,986.97**	**1,099.77**
Earnings per equity share [nominal value of ₹ 10 per share]			
Basic (in ₹)	34	28.18	10.99
Diluted (in ₹)	34	28.18	10.99
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 attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Bangalore, 4 May 2026

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

Bangalore, 4 May 2026

Sobha Limited
Standalone Statement of Cash Flow for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

	Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
A	**Cash flows from operating activities**			
	Profit before tax		4,044.03	1,537.55
	Adjustments to reconcile profit before tax to net cash flows from operating activities			
	Depreciation and amortisation expenses	31	1,024.70	858.57
	Gain on sale of property, plant and equipment (net)		(18.45)	(0.53)
	Finance costs (including fair value change in financial instruments)	30	1,337.58	1,884.79
	Finance income (including fair value change in financial instruments)		(1,977.88)	(1,053.24)
	Share of profit from partnership firm investments (post tax)	26	(39.29)	(10.53)
	Impairment of property, plant and equipment		0.31	4.31
	Allowance for credit loss on doubtful trade receivables		31.38	375.38
	Provision for doubtful advance for joint development arrangements and deposit		43.05	-
	Provision for doubtful land advances		-	208.05
	Liabilities no longer required written back		(57.71)	(71.48)
	Advances for joint development arrangement written off		60.00	-
	Other advances written off		17.80	224.62
	Operating profit before working capital changes		**4,465.52**	**3,957.49**
	Working capital adjustments			
	Changes in trade receivables		(752.74)	(812.41)
	Changes in inventories		(13,534.75)	(16,810.47)
	Changes in other current and non-current financial assets		(1,892.16)	(2,062.29)
	Changes in other current and non-current assets		(845.33)	(1,289.14)
	Changes in trade payables		2,594.29	(447.93)
	Changes in provisions		173.91	(813.31)
	Changes in other current and non-current financial liabilities		848.11	1,839.26
	Changes in other current liabilities		16,036.65	19,730.47
	Cash generated from operating activities		**7,093.50**	**3,291.67**
	Income tax paid (net of refund)		(2,175.16)	(1,507.12)
	Net cash flows from operating activities (A)		**4,918.34**	**1,784.55**
B	**Cash flow from investing activities**			
	"Purchase of property, plant and equipment, investment property and intangible assets (including investment property under development)"		(2,081.68)	(1,306.95)
	Proceeds from sale of property, plant and equipment		32.42	7.80
	Loans given to subsidiaries		(598.19)	(1,542.97)
	Loans repaid by subsidiaries		-	505.30
	(Contribution)/ withdrawl to partnership firm (net)		(352.40)	204.28
	Investments in fixed deposits (net)		(307.90)	(10,365.18)
	Interest income		1,511.19	688.72
	Net cash flows used in investing activities (B)		**(1,796.56)**	**(11,809.00)**
C	**Cash flow from financing activities**			
	Proceeds from issue of equity shares, net (including securities premium)		7.16	19,842.22
	Proceeds from / (repayment) of current borrowings (net)		805.04	(4,913.07)
	Proceeds from non-current borrowings (including current maturities)		4,353.58	7,365.06
	Repayment of non-current borrowings (including current maturities)		(6,334.24)	(10,177.22)
	Repayment of principal portion of lease liabilities		(35.31)	(56.96)
	Repayment of interest portion of lease liabilities		(27.53)	(25.54)
	Interest paid		(1,150.41)	(1,630.24)
	Dividend paid on equity shares	18	(320.86)	(302.62)
	Net cash flows (used in) / generated from financing activities (C)		**(2,702.57)**	**10,101.63**
	Net increase in cash and cash equivalents (A+B+C)		419.21	77.18
	Cash and cash equivalents at the beginning of the year	14	1,123.48	1,046.30
	Cash and cash equivalents at the end of the year	**14**	**1,542.69**	**1,123.48**
	Less: Book overdraft from scheduled banks	20	(927.31)	(510.39)
	Net Cash and cash equivalents at the end of the year	**14**	**615.38**	**613.09**
	Changes in liabilities arising from financing activities	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 attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Bangalore, 4 May 2026

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

Bangalore, 4 May 2026

Sobha Limited
Standalone Statement of Changes in Equity for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

A. Equity share capital (*)

Particulars	Amount
Balance as at 1 April 2024	**948.46**
Changes in equity share capital during the year	120.90
Balance as at 31 March 2025	**1,069.36**
Balance as at 1 April 2025	**1,069.36**
Changes in equity share capital during the year	0.07
Balance as at 31 March 2026	**1,069.43**

B. Other equity (**)

Particulars	Note	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 2024		**119.47**	**9,328.92**	**4,490.36**	**8,754.90**	**(62.84)**	**22,630.81**
Profit for the year		-	-	-	1,122.32	-	1,122.32
Other comprehensive income		-	-	-	-	(22.55)	(22.55)
Total comprehensive income for the year ended 31 March 2025		**-**	**-**	**-**	**1,122.32**	**(22.55)**	**1,099.77**
Transfer to other reserves							
General reserve	18	-	-	112.23	(112.23)	-	-
Total transfer to other reserves		**-**	**-**	**112.23**	**(112.23)**	**-**	**-**
Premium on issue of right equity shares	18	-	19,721.73	-	-	-	19,721.73
Total premium on issue of right equity shares		**-**	**19,721.73**	**-**	**-**	**-**	**19,721.73**
Transaction with owners, recorded directly in equity							
Dividend	18	-	-	-	(302.62)	-	(302.62)
Total distribution to owners		**-**	**-**	**-**	**(302.62)**	**-**	**(302.62)**
Balance as at 31 March 2025		**119.47**	**29,050.65**	**4,602.59**	**9,462.37**	**(85.39)**	**43,149.68**
Profit for the year		-	-	-	3,013.09	-	3,013.09
Other comprehensive income		-	-	-	-	(26.12)	(26.12)
Total comprehensive income for the year ended 31 March 2026		**-**	**-**	**-**	**3,013.09**	**(26.12)**	**2,986.97**
Transfer to other reserves							
General reserve	18	-	-	301.31	(301.31)	-	-
Total transfer to other reserves		**-**	**-**	**301.31**	**(301.31)**	**-**	**-**
Premium on issue of right equity shares	18	-	7.09	-	-	-	7.09
Total premium on issue of right equity shares		**-**	**7.09**	**-**	**-**	**-**	**7.09**
Transaction with owners, recorded directly in equity							
Dividend	18	-	-	-	(320.86)	-	(320.86)
Total distribution to owners		**-**	**-**	**-**	**(320.86)**	**-**	**(320.86)**
Balance as at 31 March 2026		**119.47**	**29,057.74**	**4,903.90**	**11,853.29**	**(111.51)**	**45,822.89**

*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 attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Bangalore, 4 May 2026

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

Bangalore, 4 May 2026

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

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, Bangalore - 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 2026 were authorized and approved for issue by the Board of Directors on 4 May 2026. 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 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'.

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

e. Fair value measurement (cont'd)

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 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:

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a) Revenue recognition (cont'd)

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 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.

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a) Revenue recognition (cont'd)

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 related rights

Revenue from sale of land and related 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 related 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.

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.

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a) Revenue recognition (cont'd)

viii) Contract balances

a) Contract Asset

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).

b) Contract Liability

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.

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.

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c) Inventories (cont'd)

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.
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.

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e) Foreign currency transactions and balances (cont'd)

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.

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) De-recognition

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 statement of profit and loss 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.

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g) Investment property (cont'd)

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.

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

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h) Depreciation on property, plant and equipment and Investment property (cont'd)

Particulars	Useful lives estimated by the management (in years)
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.

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) Investment property under development

Investment property under development represents expenditure incurred in respect of projects under development which are not yet ready for their intended use and are carried at cost less accumulated impairment loss, if any.

Depreciation is not provided on investment property under development until construction are complete and the asset is ready for its intended use.

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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 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.

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k) Leases (cont'd)

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.

The Company assesses whether it transfer substantially all the risks and reward of ownership. Those assets that do not transfer substantially all the risks and rewards are classified as operating leases. The Company has currently not entered into any lease that is classified as finance lease.

Rental Income is accounted for on a straight-line basis over lease term and is included in other income due to its nature.

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 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.

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l) Retirement and other employee benefits (cont'd)

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.

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.

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n) Income taxes (cont'd)

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.

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.

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Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

o) Financial instruments (cont'd)

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 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.

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

o) Financial instruments (cont'd)

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.

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 significant 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.

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

p) Impairment (cont'd)

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.

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.

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

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

The Ministry of Corporate Affairs ("MCA") has notified certain amendments to existing Indian Accounting Standards and a new standard under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time

a) **Amendments effective from April 1, 2025**
The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Second Amendment

Rules, 2025 on the following effective from April 1, 2025:

Lack of exchangeability – Amendments to Ind AS 21

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107

International Tax Reform - Pillar Two Model Rules - Amendments to Ind AS 12

The Company has reviewed the new pronouncements and the same were not applicable or material to the Company.

b) **New standard issued but not yet effective**
MCA has issued Ind AS 118 – Presentation and Disclosure in Financial Statements, which will replace Ind AS 1 – Presentation of Financial Statements and is effective for annual reporting periods beginning on or after April 1, 2027.
Ind AS 118 introduces revised presentation requirements in the statement of profit and loss and enhanced disclosure requirements. The standard is expected to impact presentation and disclosures but not the recognition and measurement.
The Company is currently evaluating the impact of this standard on the accompanying standalone financial statements.
All other new standards or amendments that are not yet effective that have been issued by the MCA are not applicable or material to the Company.

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

4. Property, plant and equipment

Particulars	Freehold land	Factory buildings	Other buildings	Plant and machinery	Scaffolding items	Furniture and fixtures	Vehicles	Computers	Office equipment	Total
Cost										
As at 1 April 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**
Additions during the year	-	31.70	-	248.95	782.96	5.80	11.30	110.31	5.49	1,196.51
Disposal during the year (*)	-	-	-	(22.18)	(0.57)	-	-	(0.19)	(0.00)	(22.94)
As at 31 March 2025	**74.47**	**756.05**	**1,207.47**	**2,299.53**	**3,948.84**	**74.91**	**33.88**	**387.26**	**52.14**	**8,834.55**
Additions during the year	-	173.80	-	720.74	862.13	46.61	2.11	103.81	17.38	1926.58
Disposal during the year	-	-	(2.85)	(57.45)	(64.78)	(0.04)	(0.31)	(26.41)	(0.04)	(151.88)
As at 31 March 2026	**74.47**	**929.85**	**1,204.62**	**2,962.82**	**4,746.19**	**121.48**	**35.68**	**464.66**	**69.48**	**10,609.25**
Accumulated depreciation and impairment loss										
As at 1 April 2024	**2.85**	**580.80**	**553.20**	**1,568.25**	**1,797.15**	**45.44**	**13.32**	**223.84**	**37.59**	**4,822.44**
Charge for the year	-	17.26	66.44	113.95	401.41	6.16	4.90	61.09	5.09	676.30
Impairment loss	-	-	0.27	3.36	-	0.07	0.07	0.52	0.02	4.31
Disposal during the year	-	-	-	(12.06)	(0.57)	-	-	(0.19)	(0.00)	(12.82)
As at 31 March 2025	**2.85**	**598.06**	**619.91**	**1,673.51**	**2,197.99**	**51.67**	**18.29**	**285.26**	**42.69**	**5,490.22**
Charge for the year	-	17.39	52.17	157.82	493.68	12.19	5.00	97.39	9.10	844.73
Impairment loss	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	(1.69)	(51.12)	(57.13)	(0.04)	(0.28)	(24.82)	(0.03)	(135.11)
As at 31 March 2026	**2.85**	**615.45**	**670.39**	**1,780.21**	**2,634.54**	**63.82**	**23.01**	**357.83**	**51.75**	**6,199.85**
Carrying amount										
As at 31 March 2026	**71.62**	**314.40**	**534.23**	**1,182.61**	**2,111.65**	**57.66**	**12.67**	**106.83**	**17.73**	**4,409.41**
As at 31 March 2025	**71.62**	**157.99**	**587.56**	**626.03**	**1,750.85**	**23.24**	**15.59**	**102.00**	**9.45**	**3,344.33**

Note:

a) **Contractual obligations**
The contractual commitments pending for the acquisition of property, plant and equipment as at 31 March 2026 is ₹ 1,422.00 (31 March 2025: ₹ 187.66)

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.

(*) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

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Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

5. Investment property

Particulars	Right of use - Land	Buildings	Other assets forming part of building: Plant and machinery	Furniture and fixtures	Office equipment	Total
Cost						
As at 1 April 2024	**142.84**	**2,760.97**	**145.05**	**0.73**	**5.42**	**3,055.01**
Additions during the year	-	8.40	-	-	0.03	8.43
Disposal during the year	-	-	-	-	-	-
As at 31 March 2025	**142.84**	**2,769.37**	**145.05**	**0.73**	**5.45**	**3,063.44**
Additions during the year	-	36.61	-	-	-	36.61
As at 31 March 2026	**142.84**	**2,805.98**	**145.05**	**0.73**	**5.45**	**3,100.05**
Accumulated depreciation						
As at 1 April 2024	**9.04**	**236.35**	**81.10**	**0.59**	**2.73**	**329.81**
Charge for the year	3.01	76.21	11.58	0.03	1.11	91.93
Disposal during the year	-	-	-	-	-	-
As at 31 March 2025	**12.05**	**312.56**	**92.68**	**0.62**	**3.84**	**421.74**
Charge for the year	3.01	76.70	9.48	0.03	0.71	89.94
As at 31 March 2026	**15.06**	**389.26**	**102.16**	**0.65**	**4.55**	**511.68**
Carrying amount						
As at 31 March 2026	**127.78**	**2,416.72**	**42.89**	**0.08**	**0.90**	**2,588.37**
As at 31 March 2025	**130.79**	**2,456.81**	**52.37**	**0.11**	**1.61**	**2,641.70**

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 ₹ 7,105.36 (31 March 2025: ₹ 6,767.30). 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.

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(All amounts in ₹ millions, unless otherwise stated)

5. Investment Property (cont'd)

e. Amounts recognised in profit or loss

Particulars	31 March 2026	31 March 2025
Rental income derived from investment properties (refer note 25B)	**464.59**	**427.57**
Direct operating expenses (including repairs and maintenance) that generated rental income	(47.23)	(32.70)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(43.52)	(24.20)
Profit arising from investment properties before depreciation and indirect expenses	**373.84**	**370.67**
Less: Depreciation	(89.94)	(91.93)
Profit arising from investment properties before indirect expenses	**283.90**	**278.74**

6. Investment property under development

Particulars	Amount
As at 1 April 2024	-
Additions during the year	170.50
As at 31 March 2025	**170.50**
Additions during the year	33.27
As at 31 March 2026	**203.77**

(a) Ageing of Investment property under development

As at 31 March 2026

Particulars	Amount of Investment property under development for the period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	33.27	170.50	-	-	203.77
Projects temporarily suspended	-	-	-	-	-
Total	**33.27**	**170.50**	**-**	**-**	**203.77**

As at 31 March 2025

Particulars	Amount of Investment property under development for the period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	170.50	-	-	-	170.50
Projects temporarily suspended	-	-	-	-	-
Total	**170.50**	**-**	**-**	**-**	**170.50**

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

6. Investment property under development (cont'd)

(b) Contractual obligations

Refer note 39(B)(c) for details of contractual obligations to construct or develop investment property under development.

(c) Investment property under development whose completion is overdue or has exceeded its cost compared to its original plan

There are no projects in progress under 'Investment property under development' whose completion is overdue or has exceeded its cost compared to its original plan.

(d) Fair value

As the properties are under development, the Company has determined that the fair value of the properties is not reliably measurable and expects that the fair value of the properties to be reliably measurable when construction is complete. Hence, the carrying amount is best approximation of fair value of the properties.

e) Borrowing cost capitalised

No borrowing cost capitalised to investment property under development.

(f) Investment property under development pledged as security

There is no pledge on Investment property under development.

(g) Title deeds of immovable property not held in the name of the Company

The title deeds (registered sale deed/ transfer deed/ registered joint development agreements) 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), are held in the name of the Company.

7. Intangible assets

Particulars	Software	Intellectual property rights	Total
Cost			
As at 1 April 2024	**15.59**	**0.05**	**15.64**
Additions during the year	53.16	-	53.16
Deletions during the year	-	(0.05)	(0.05)
As at 31 March 2025	**68.75**	**-**	**68.75**
Additions during the year	1.22	-	1.22
Deletions during the year	(0.04)	-	(0.04)
As at 31 March 2026	**69.93**	**-**	**69.93**
Amortisation			
As at 1 April 2024	**15.59**	**0.05**	**15.64**
Charge for the year	11.63	-	11.63
Deletions during the year	-	(0.05)	(0.05)
As at 31 March 2025	**27.22**	**-**	**27.22**
Charge for the year	17.36	-	17.36
Deletions during the year (*)	(0.00)	-	(0.00)
As at 31 March 2026	**44.58**	**-**	**44.58**
Carrying amount			
As at 31 March 2026	**25.35**	**-**	**25.35**
As at 31 March 2025	**41.53**	**-**	**41.53**

(*) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

Note: The Company has not revalued its intangible assets during the current or previous year.

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

8. Investments (Non-Current)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Investment in equity instruments	A	1,389.90	1,385.37
Investment in preference shares	B	77.00	77.00
Investments in partnership firm	C	2,256.48	1,869.61
Investments in Limited Liability Partnership (LLP) firm	D	1,146.49	1,146.20
		4,869.87	**4,478.18**

		No. of shares				Amount	
		31 March 2026	% of holding	31 March 2025	% of holding	As at 31 March 2026	As at 31 March 2025
	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	1,99,999	100%	1,99,999	100%	2.00	2.00
	Class C equity shares of ₹ 33.90 each (in ₹) fully paid-up	1,02,00,000	100%	1,02,00,000	100%	345.78	345.78
	Class D equity shares of ₹ 10 each (in ₹) fully paid-up	25,00,000	100%	25,00,000	100%	25.00	25.00
	(ii) Sobha Developers (Pune) Limited (*)	5,26,320	100%	5,26,320	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 (^)	10,00,000	100%	10,00,000	100%	10.00	10.00
	(vii) C.V.S.Tech Park Private Limited (^)	10,000	100%	10,000	100%	0.10	0.10
						1,385.37	**1,385.37**
	Investments in other company						
	At fair value through profit and loss						
	Altilium Solar 1 Private Limited (^)					4.53	-
B	**Investment in preference shares (Unquoted) (refer note '(i)' below)**						
	Investment in subsidiary						
	Sobha Highrise Ventures Private Limited (#)	77,00,000	100%	77,00,000	100%	77.00	77.00
C	**Investments in partnership firm (refer note '(ii)' below)**						
	In Subsidiary						
	99% (31 March 2025 - 99%) share in the profits of partnership firm:						
	Sobha City (Refer note 1 below)						
	- Capital account					399.99	399.99
	- Current account					1,728.49	1,341.62
	- Additional consideration paid for acquisition of capital					128.00	128.00
						2,256.48	**1,869.61**

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

8. Investments (Non-Current) (cont'd)

	No. of shares				Amount	
	31 March 2026	% of holding	31 March 2025	% of holding	As at 31 March 2026	As at 31 March 2025
D Investments in Limited Liability Partnership (LLP) firm						
In Joint Venture						
50% (31 March 2025 - 50%) share in the profits of partnership firm:						
Kondhwa Projects LLP						
- Capital account					0.05	0.05
- Current account					1,146.44	1,146.15
					1,146.49	**1,146.20**
Total investments					**4,869.87**	**4,478.18**
Aggregate amount of quoted investments and market value thereof					-	-
Aggregate amount of unquoted investments					**4,869.87**	**4,478.18**
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/- each (in ₹) 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 2026		As at 31 March 2025	
	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.

Sobha Limited
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9. Inventories
(Valued at cost or net realisable value, which ever is lower)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials, components and stores	842.23	835.54
Building materials	1,273.30	1,508.75
Land stock (*)	11,769.15	5,692.16
Right of use asset - Land (#)	-	2,171.19
Work-in-progress		
- Real estate projects (*)	97,899.93	86,362.51
- Others	304.65	514.24
Stock of units in completed real estate projects (*)	6,528.18	8,176.04
Finished goods	77.55	68.59
	1,18,694.99	**1,05,329.02**

(*) Refer note 43 for details of inventories pledged as security for borrowings.

(#) The Company has entered into lease agreements for the acquisition of land for construction purposes for a substantial period of time. In accordance with Paragraph 25 of Ind AS 116 – Leases, the Company, being the lessee, has recognised the costs referred to in Paragraph 24(d) of Ind AS 116 as part of the cost of the right-of-use (ROU) asset. During the year, the project was launched on such land and accordingly the value of such ROU land is now included in work in progress.

Considering the nature of its business, the Company has applied the principles of Ind AS 2 – Inventories, whereby the costs incurred during a particular period, as a consequence of using the ROU asset to produce inventories, have been classified as inventories.

The obligations related to such costs, recognised under Ind AS 116 and Ind AS 2, are measured and accounted for in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

Note: The write-down (net) of inventories to net realisable value for the year ended 31 March 2026 is ₹ 161.72 (31 March 2025: ₹ 57.58). 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

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Trade receivables considered good - unsecured	534.04	540.53	3,233.02	2,499.15
	534.04	540.53	3,233.02	2,499.15
Less: Impairment allowance (allowance for credit loss) (refer note 41B)				
Trade receivables considered good - unsecured	(6.91)	-	(232.37)	(233.26)
Net trade receivables	**527.13**	**540.53**	**3,000.65**	**2,265.89**
The Company had balance of trade receivables (net of Impairment allowance (allowance for credit loss)) as on 01 April 2024 of ₹ 2,369.39 (Non-current of ₹ 393.45 and Current of ₹ 1,975.94)				
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)	-	-	188.76	191.39
b. Trade receivables from other related parties (refer note 35)	-	-	444.72	587.33
c. Refer Note 43 for details of Trade receivables pledged as security for borrowings				

Sobha Limited
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(All amounts in ₹ millions, unless otherwise stated)

10. Trade receivables (cont'd)

d. Trade receivable ageing schedule

As at 31 March 2026	Outstanding for the following periods from due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
A. Non-current							
Undisputed Trade receivables-considered good	534.04	-	-	-	-	-	534.04
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	**534.04**	**-**	**-**		**-**	**-**	**534.04**

As at 31 March 2026	Outstanding for the following periods from due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
B. Current							
Undisputed Trade receivables-considered good	137.78	1,768.79	222.33	878.29	30.61	195.22	3233.02
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 current	**137.78**	**1,768.79**	**222.33**	**878.29**	**30.61**	**195.22**	**3,233.02**

Trade receivable ageing schedule

As at 31 March 2025	Outstanding for the following periods from due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
A. Non-current							
Undisputed Trade receivables-considered good	540.53	-	-	-	-	-	540.53
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	**540.53**	**-**	**-**	**-**	**-**	**-**	**540.53**

Sobha Limited
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(All amounts in ₹ millions, unless otherwise stated)

10. Trade receivables (cont'd)

As at 31 March 2025	Outstanding for the following periods from due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
B. Current							
Undisputed Trade receivables-considered good	118.65	1,407.64	598.94	53.11	82.90	237.91	2,499.15
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 current	**118.65**	**1,407.64**	**598.94**	**53.11**	**82.90**	**237.91**	**2,499.15**

e. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

f. There are no debt due by Directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

11. Loans

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Loans to related parties (refer note 35)				
Loans receivables considered good – unsecured	230.02	230.02	3,065.29	2,176.22
Loans receivables – credit impaired	8.34	8.34	-	-
	238.36	**238.36**	**3,065.29**	**2,176.22**
Less: Allowances for credit loss				
Loans receivables – credit impaired	8.34	8.34	-	-
Closing balance	**230.02**	**230.02**	**3,065.29**	**2,176.22**

Note

Loans and advances to Related Parties repayable on demand	As at 31 March 2026		As at 31 March 2025	
	Amount outstanding	Percentage of Total	Amount outstanding	Percentage of Total
Related parties	3,303.65	100%	2,414.58	100%
	3,303.65	**100%**	**2,414.58**	**100%**

Note : There are no loan due by Directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

12. Other financial assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good				
Refundable deposits towards joint development agreement	25.00	205.00	8,435.50	6,023.13
Security deposit	196.42	235.98	105.71	5 6.19
External/Internal development charges (EDC/IDC) recoverable	-	-	6 2.00	7 9.45
Settlement share recoverable	-	-	148.79	199.35
Other receivables	50.00	130.00	-	154.17
Fixed deposits with maturity for more than 12 months (^^)				
- Under lien/ earmarked/ margin money (*)	4,005.28	33.98	-	-
	4,276.70	**604.96**	**8,752.00**	**6,512.29**
(*) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	3 ,962.27	-		
Note: Refer Note 42 for details of deposits pledged as security for borrowings (^^) Includes interest accrued but not due.				

13. Other assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good				
Land advances (*)	9,075.8	8,439.68	494.75	0
Advances recoverable in kind	-		596.31	494.95
Prepaid expenses	-	-	2,736.05	1,890.72
Balances with statutory/ government authorities	-	-	1,076.16	1,148.68
Unbilled revenue (^)	-	-	1,264.49	1,320.89
Advances for joint development arrangements (#)	1,086.69	1,396.49	1,508.00	2,305.98
Capital advances	86.33	52.13	-	-
Other receivables	295.50	295.50		
			-	-
Unsecured, considered doubtful				
Land advances (^^)	290.67	290.67	-	-
Less: Provision for doubtful advances	(290.67)	(290.67)	-	-
Advances for joint development arrangements	20.00	-	-	-
Less: Provision for doubtful advances	(20.00)	-	-	-
	10,544.32	**10,183.80**	**7,675.76**	**7,156.75**

(*) 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.

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(All amounts in ₹ millions, unless otherwise stated)

(#) Advances under Joint Development Arrangements (JDA) are paid predominantly 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. Provision for doubtful debts on advances for joint development arrangements as at 31 March 2026 is ₹ 20.00 (31 March 2025 is Nil)

(^^) Land advances written off for the year ended 31 March 2026 is Nil (31 March 2025 is ₹ 125.34) and provision for doubtful debts on land advances as at 31 March 2026 is ₹ 290.67 (31 March 2025 is ₹ 290.67)

Note:

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
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	-	-	11.57	12.74
b. Includes from related parties				
Land advances (refer note 35)	8,070.86	7,629.77	-	-
Advances recoverable in kind (refer note 35)	-	-	149.25	264.45
Unbilled revenue (refer note 35)	-	-	1.22	41.80

14. Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks in current accounts (*)	1,538.89	1,120.61
Cash on hand	3.80	2.87
	1,542.69	**1,123.48**
(*) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	477.76	521.98

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 2025	Cash flow	Non-cash changes			As at 31 March 2026
			Amortization of transaction cost	Accrued Interest	Initial recognition of Lease Liability	
Borrowings from bank and other parties	10,861.37	(1,175.62)	-	-	-	9,685.75
Interest on Borrowings	27.34	(1,150.41)	-	1,144.62	-	21.55
Unclaimed dividend	1.93	(0.43)	-	-	-	1.50
Dividend	-	(320.43)	-	-	-	-
Lease liabilities	525.86	(62.84)	-	27.53	60.21	550.76
Share capital (including securities premium)	30,120.01	7.16	-	-	-	30,127.17

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(All amounts in ₹ millions, unless otherwise stated)

14. Cash and cash equivalents (cont'd)

Liabilities	As at 1 April 2024	Cash flow	Non-cash changes: Amortization of transaction cost	Accrued Interest	Initial recognition of Lease Liability	As at 31 March 2025
Borrowings from bank and other parties	18,586.60	(7,725.23)	-	-	-	10,861.37
Interest on Borrowings	16.23	(1,630.24)	-	1,641.35	-	27.34
Unclaimed dividend	2.00	(0.07)	-	-	-	1.93
Dividend	-	(302.55)	-	-	-	-
Lease liabilities	262.24	(82.50)	-	25.54	320.58	525.86
Share capital (including securities premium)	10,277.38	19,842.63	-	-	-	30,120.01

15. Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Earmarked bank balances		
– On unclaimed dividend account	1.50	1.93
Fixed deposits with banks with maturity less than 12 months (#)(^)(^^)		
- Pledged/ under lien/ earmarked/ margin money	135.86	-
- Others	12,069.28	15,868.11
	12,206.64	**15,870.04**
(#) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	9,138.14	9 ,928.67

(^) Refer Note 43 for details of deposits pledged as security for borrowings.

(^^) Includes interest accrued but not due.

16. Other financial assets (Current)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Refundable deposits towards joint development agreement (refer note 35)	8,453.49	6,033.59
Security deposits	96.75	47.79
External/Internal development charges (EDC/IDC)	62.00	79.45
Settlement share recoverable	148.79	199.35
Other receivables	-	154.17
	8,761.03	**6,514.35**

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

17. Equity share capital

Particulars	As at 31 March 2026 No of shares	As at 31 March 2026 Amount	As at 31 March 2025 No of shares	As at 31 March 2025 Amount
Authorised shares (*)				
Equity shares of ₹ 10 each (in ₹)	15,00,00,000	1,500.00	15,00,00,000	1,500.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 10 each (in ₹) fully paid up	10,69,32,977	1,069.33	10,69,18,751	1,069.18
Equity shares of ₹ 10 each (in ₹) partly paid up of ₹ 5 each (refer note 45)	20,857	0.10	35,083	0.18
Total	**10,69,53,834**	**1,069.43**	**10,69,53,834**	**1,069.36**

(*) Excludes 5,000,000, 7% Redeemable preference shares of ₹ 100 each amounting to ₹ 500 (31 March 2025: ₹ 500)

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2026 No of shares	As at 31 March 2026 Amount	As at 31 March 2025 No of shares	As at 31 March 2025 Amount
Equity shares				
At the beginning of the year	10,69,53,834	1,069.36	9,48,45,853	948.46
Issued during the year (refer note 45)	-	0.07	1,21,07,981	120.90
Outstanding at the end of the year	**10,69,53,834**	**1,069.43**	**10,69,53,834**	**1,069.36**

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.

During the previous year company has issued shares to existing shareholders (refer note 45)

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	As at 31 March 2026 No of shares	As at 31 March 2026 % holding	As at 31 March 2025 No of shares	As at 31 March 2025 % holding
Equity shares of ₹ 10 each (in ₹) fully paid up				
Mrs. Sobha Menon	3,27,61,059	30.64%	3,27,61,059	30.64%
Mr. P.N.C. Menon	1,41,86,456	13.27%	1,41,86,456	13.27%
Mr. P.N.C. Menon (inclusive of joint holding with Mrs. Sobha Menon)	59,64,252	5.58%	59,64,252	5.58%
Anamudi Real Estates LLP	59,47,134	5.56%	59,47,134	5.56%
Bandhan Asset Management Company	71,81,724	6.71%	43,35,269	4.05%

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(All amounts in ₹ millions, unless otherwise stated)

17. Equity share capital (cont'd)

d. Details of shares held by promoters

Promoter Name	31 March 2026			31 March 2025		
	No.of shares	% of total shares	% change during the year	No.of shares	% of total shares	% change during the year(#)
Mrs. Sobha Menon	3,27,61,059	30.64%	-	3,27,61,059	30.64%	0.35%
Mr. P.N.C. Menon	1,41,86,456	13.27%	-	1,41,86,456	13.27%	0.26%
Mr. P.N.C. Menon (inclusive of joint holding with Mrs. Sobha Menon)**	59,64,252	5.58%	-	59,64,252	5.58%	0.00%
Mr. Ravi PNC Menon**	35,96,301	3.36%	-	35,96,301	3.36%	0.00%

Since the Company issued equity shares by way of rights issue during the previous year, shareholding of promoters has changed

** Certain percentages that are required to be presented and do not appear due to rounding off are expressed as "0.00%".

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

Particulars	As at 31 March 2026	As at 31 March 2025
Capital redemption reserve	119.47	119.47
Securities premium	29,057.74	29,050.65
General reserve	4,903.90	4,602.59
Retained earnings (including OCI)	11,741.78	9,376.98
	45,822.89	**43,149.68**
Capital reserve		
Balance at the beginning and end of the year	119.47	119.47
Closing balance	**119.47**	**119.47**
Securities premium		
Balance at the beginning and end of the year	29,050.65	9,328.92
Add: Premium on issue of equity shares [refer note (b) below, refer note 45]	7.09	19,721.73
Closing balance	**29,057.74**	**29,050.65**
General reserve		
Balance at the beginning of the year	4,602.59	4,490.36
Add: Transfer from statement of profit and loss	301.31	112.23
Closing balance	**4,903.90**	**4,602.59**
Surplus in the statement of profit and loss		
Balance at the beginning of the year	9,376.98	8,692.06

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Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

18. Other equity (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
Profit for the year	3,013.09	1,122.32
Other comprehensive income		
Re-measurement loss on defined benefit plans (net of tax)	(26.12)	(22.55)
Less: Appropriations		
Dividend (including dividend distribution tax) refer note 18	(320.86)	(302.62)
Transfer to general reserve	(301.31)	(112.23)
Net surplus in the statement of profit and loss	**11,741.78**	**9,376.98**
Total other equity	**45,822.89**	**43,149.68**

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 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.

18. (a) Distribution made and proposed

Particulars	31 March 2026	31 March 2025
Final dividend on equity shares declared and paid		
₹ 3 per share for the year ended 31 March 2025 (#)	320.86	-
₹ 3 per share for the year ended 31 March 2024	-	302.62
	320.86	**302.62**
Details of proposed final dividend on equity shares (*)		
₹ 6 per share for the year ended 31 March 2026	641.72	-
₹ 3 per share for the year ended 31 March 2025	-	320.81
	641.72	**320.81**

(*) 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.

(#) The Company paid dividend for the year ended 31 March 2026 of ₹320.86 (including unclaimed dividend of ₹0.43) (for the year ended 31 March 2025 of ₹302.62 (including proportionate dividend of ₹1.50 per right share paid amounting to ₹18.08)).

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

19. Borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current borrowings		
Term loans (Secured)		
- from banks	3,981.99	5,569.44
- from other parties	1,553.85	2,988.74
	5,535.84	**8,558.18**
Term loans (Unsecured)		
- from banks	-	-
Less: Current maturities of long term borrowings	(1,682.55)	(1,234.85)
Total non-current borrowings	**3,853.29**	**7,323.33**
Current borrowings		
Loans repayable on demand		
- from banks	3,807.53	1,824.57
Cash credit from banks	342.38	478.62
Current maturities of long term borrowings	1,682.55	1,234.85
Total current borrowings	**5,832.46**	**3,538.04**
Total borrowings	**9,685.75**	**10,861.37**

Note:

i) 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.

ii) The Company has not been declared a wilful defaulter by any bank, financial institution, government or any government authority.

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Non-current borrowings					
Term loans from banks	1,208.14	1,306.24	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.

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

19. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Term loans from banks	540.39	-	8%-10%	**Secured by way of** a. equitable mortgage of land and building owned by the Company 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 8 equal quarterly installments from the date of first disbursement.
Term loans from banks	-	186.45	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	383.15	522.44	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.
Term loans from banks	597.37	797.33	8%-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 b. Negative lien on vacant land parcels	Repayable in 11 equal quarterly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from banks	209.19	558.48	8%-10%	**Security charge by way of** a. equitable mortgage of immovable property of the Subsidiary project b. hypothecation of receivables (both present and future) c. first charge on escrow balances and all assets of the Subsidiary project d. Corporate guarantee of the subsidiary (*)	Repayable in 10 equal quarterly installments from the date of first disbursement.
Term loans from banks	888.65	1,733.51	8%-10%	**Secured by way of** a. hypothecation of escrow balances and Company's share of receivables (both present and future) of the project and Debt Service Reserve account	Repayable in 36 monthly installments, after a moratorium period of 24 months from the date of first disbursement.

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19. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Term loans from banks	1,239.55	1,491.34	8%-10%	**Secured by way of** a. equitable mortgage on the Company's share of Inventory of the project b. Registered mortgage on immovable properties of the project c. hypothecation of escrow balances and Company's share of receivables (both present and future) of the project"	Repayable in 84 monthly installments, after a moratorium period of 48 months from the date of first disbursement.
Term loans from banks	-	985.14	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 36 months from the date of first disbursement.
Term loans from banks	-	10.60	8%-10%	**Secured by way of** a. hypothecation of identified equipment	Repayable in 48 monthly installments, after a moratorium period of 2 months from the date of first disbursement.
Term loans from banks	155.10	287.20	8%-10%	**Secured by way of** a. mortgage of land and building owned by the Company	Repayable in 20 equal quarterly installments from the date of first disbursement.
Term loans from banks	-	167.19	9%-11%	**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	314.30	512.26	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.
Sub - total	**5,535.84**	**8,558.18**			

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19. Borrowings (cont'd)

Current borrowings

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Term loan from banks	944.42	695.70	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 loan from banks	599.41	500.00	8%-10%	**Secured by way of** a. equitable mortgage on vacant land parcels b. Secured by way of inventory and receivables of the unencumbered project	Repayable on demand
Term loan from banks	1,045.82	-	6%-8%	**Secured by way of** a. Equitable mortgage on vacant land parcels b. hypothecation of escrow balances, other current assets and receivables (both present and future) of the projects. (*)	Repayable on demand
Term loans from banks	500.00	-	8%-10%	**Secured by way of** a. equitable mortgage on vacant land parcels b. first charge on identified moveable fixed assets of the company c. first charge on receivables and inventory of the contracting business d. hypothecation of receivables of project e. first charge on Industrial land and building and commercial building	Repayable on demand
Term loans from banks	467.89	-	7%-9%	**Secured by way of** a. equitable mortgage on vacant land parcels b. Secured by way of receivables of the project	Repayable on demand
Term loan from banks	249.99	628.87	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 e. first charge on Industrial land, building and commercial building	Repayable on demand

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19. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Cash credit	250.15	132.28	8%-10%	**Secured by way of** a. equitable mortgage on vacant land parcels b. secured by way of inventory and receivables of the unencumbered project	Repayable on demand
Cash credit	-	261.59	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 e. first charge on Industrial land, building and commercial building	Repayable on demand
Cash credit	4.53	30.00	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	-	6.18	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	30.00	25.70	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 e. first charge on Industrial land, building and commercial building	Repayable on demand

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19. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Cash credit	5.00	-	8%-10%	**Secured by way of** a. equitable mortgage on vacant land parcels b. first charge on identified moveable fixed assets of the company c. first charge on Industrial land and building and commercial building d. hypothecation of receivables of project e. first charge on receivables and inventory of the contracting business	Repayable on demand
Cash credit	-	3.18	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 e. first charge on Industrial land, building and commercial building	Repayable on demand
Cash credit	-	12.03	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 e. first charge on Industrial land, building and commercial building	Repayable on demand
Cash credit	50.00	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 e. first charge on Industrial land, building and commercial building	Repayable on demand
Cash credit	-	7.06	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

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Notes to the Standalone Financial Statements for the year ended 31 March 2026
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19. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	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 e. first charge on Industrial land, building and commercial building	Repayable on demand
Cash credit	2.60	-	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 e. first charge on Industrial land, building and commercial building	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 e. first charge on Industrial land, building and commercial building	Repayable on demand
Cash credit	0.10	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 e. first charge on Industrial land, building and commercial building	Repayable on demand

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19. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Cash credit	-	0.10	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 e. first charge on Industrial land, building and commercial building"	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 e. first charge on Industrial land, building and commercial building	Repayable on demand
Sub - total	**4,149.91**	**2,303.19**			
Total borrowings	**9,685.75**	**10,861.37**			

(*) Refer note 35

20. Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Payable to land owner for acquisition of land/related rights	2,116.90	1,661.19
Security deposit received towards		
-Maintenance services	2,861.32	2,121.61
-Lease deposit	138.09	110.90
Letter of credit payable	111.98	86.43
Book overdraft	927.31	510.39
Revenue share payable under joint development agreement (refer note 35)	721.90	815.67

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Notes to the Standalone Financial Statements for the year ended 31 March 2026
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20. Other financial liabilities (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
Interest accrued but not due on borrowings	21.55	27.34
Deferred lease rental	12.64	12.20
Unclaimed dividend (*)	1.50	1.93
Capital creditors	10.85	66.54
Employee dues payable	202.52	158.89
Others	193.34	144.53
Total other financial liabilities	**7,319.90**	**5,717.62**

(*) Investor Education and Protection Fund is credited for unclaimed dividends when due.

21. Provisions

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits				
Provision for gratuity (refer note 37)	367.24	258.39	168.07	124.79
Provision for compensated absence	-	-	207.09	150.41
	367.24	**258.39**	**375.16**	**275.20**

22. Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Payable to land owner for acquisition of land/related rights	204.41	1,020.06
	204.41	**1,020.06**

23. Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Dues of micro enterprises and small enterprises	-	-
Dues of creditors other than micro enterprises and small enterprises (refer note 35)	8,150.22	5,613.64
	8,150.22	**5,613.64**

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Notes to the Standalone Financial Statements for the year ended 31 March 2026
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23. Trade payables (cont'd)

Trade payable ageing

As at 31 March 2026	Accrued	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total undisputed dues of creditors other than micro enterprises and small enterprises	3,106.13	1,268.71	3,357.43	258.69	79.07	80.19	8,150.22
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	3,106.13	**1,268.71**	**3,357.43**	**258.69**	**79.07**	**80.19**	**8,150.22**

Trade payable ageing

As at 31 March 2025	Accrued	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total undisputed dues of creditors other than micro enterprises and small enterprises	1,439.25	1,771.98	2,122.38	118.86	78.47	82.70	5,613.64
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	1,439.25	**1,771.98**	**2,122.38**	**118.86**	**78.47**	**82.70**	**5,613.64**

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 2026	31 March 2025
i. Principal amount remaining unpaid to any supplier as at the year end	-	-
ii. Interest due thereon	-	-

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23. Trade payables (cont'd)

Particulars	31 March 2026	31 March 2025
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

Particulars	As at 31 March 2026	As at 31 March 2025
Contract liabilities		
-Advance from customers	86,405.45	75,862.06
-Mobilisation advance	276.34	516.00
-Liability under joint development agreement (*)	24,703.37	19,291.08
-Deferred revenue	614.77	213.42
Withholding taxes payable	75.52	67.28
Goods and Services tax payable	247.98	344.78
Others	22.31	14.47
	1,12,345.74	**96,309.09**

(*) 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.

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25. Revenue from operations (refer note 35)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A	**Revenue from contract with customers**		
I	**Sale of products**		
	Income from of constructed properties, plots and other development activities	41,828.78	31,630.27
	Income from sale of land and development rights (net)	943.15	384.84
	Income from glazing works	1,892.81	1,575.16
	Income from interior works	882.33	807.73
	Income from concrete blocks	979.89	914.31
II	**Sale of services**		
	Income from contractual activity	5,536.18	4,325.04
	Income from maintenance and other services	747.06	355.00
III	**Other operating revenue**		
	Forfeiture income	18.75	15.67
	Interest collected from customers	61.17	38.84
	Transfer fees	90.20	64.55
	Marketing fee	57.51	51.87
	Scrap sales	174.22	75.80
	Total (A)	**53,212.05**	**40,239.08**
B	**Rental income**		
	Rental income from operating leases (refer note 38)	464.59	427.57
	Total (A+B)	**53,676.64**	**40,666.65**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue recognition at a point of time	41,256.02	30,420.93
Revenue recognition over period of time	11,956.03	9,818.15
	53,212.05	**40,239.08**

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25. Revenue from operations (cont'd)

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	As at 31 March 2026	As at 31 March 2026
Contract assets		
Unbilled revenue	1,264.49	1,320.89
Total contract assets	**1,264.49**	**1,320.89**
Contract liabilities		
Advance from customers (includes mobilisation advance)	86,681.79	76,378.06
Liability under joint development agreement	24,703.37	19,291.08
Deferred revenue	614.77	213.42
Total contract liabilities	**1,11,999.93**	**95,882.56**
Receivables		
Trade receivables (net of expected credit loss)	3,527.78	2,806.42
Total receivables	**3,527.78**	**2,806.42**

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: ₹ 887.39 (31 March 2025: ₹ 303.44)

(ii) Recognised as contract assets: ₹ 2,386.43 (31 March 2025:₹ 1,011.72)"

C Significant changes in contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2026			As at 31 March 2025		
	Advances from customers (*)	Payable to land owner	Deferred Revenue	Advances from customers (*)	Payable to land owner	Deferred Revenue
Opening balance	**76,378.06**	**19,291.08**	**213.42**	**67,254.34**	**8,812.74**	**165.18**
Additions during the year (net)	47,775.59	9,939.33	614.77	36,557.10	14,396.29	213.42
Revenue recognised during the year	(37,471.86)	(4,527.04)	(213.42)	(27,433.38)	(3,917.95)	(165.18)
Closing balance	**86,681.79**	**24,703.37**	**614.77**	**76,378.06**	**19,291.08**	**213.42**

(*) Includes mobilisation advance

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25. Revenue from operations (cont'd)

D Significant changes in unbilled revenue balances during the year are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	**1,320.89**	**1,686.48**
Revenue recognised during the year	7,486.50	5,554.07
Billed during the year	(7,542.90)	(5,919.66)
Closing balance	**1,264.49**	**1,320.89**

E Reconciliation of revenue recognised with contract revenue:

Particulars	As at 31 March 2026	As at 31 March 2025
Contract revenue	53,212.05	40,239.08
Revenue recognised	**53,212.05**	**40,239.08**

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.

There is no single customer contributing more than 10% of total revenues.

The transaction price of the remaining performance obligation (unsatisfied or partly satisfied) as at 31 March 2026 is ₹ 2,09,163.98 (31 March 2025 is ₹ 1,56,687.42). The same is expected to be recognised within 1 to 5 years

26. Other income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income on		
-Bank deposits	973.72	597.02
-Loans to related parties (refer note 35)	290.88	154.89
-Unwinding of discount on refundable deposits	175.81	209.63
-Refundable deposits	498.26	48.61
-Other financial assets	39.21	43.09
Share of profit from partnership firm investments (post tax) (refer note 35)	39.29	10.53
Other non-operating income (net of expenses directly attributable to such income)		
-Liabilities no longer required written back	57.71	71.48
-Sub-contractor facilitation charges	18.17	141.49
-Gain on foreign exchange difference (net)	-	0.49
-Gain on sale of property, plant and equipment (net)	18.45	0.53
-Others	81.66	80.38
	2,193.16	**1,358.14**

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27. Cost of material consumed

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventory at the beginning of the year	835.54	600.70
Add: Purchases during the year	3,797.96	2,976.83
Less: Inventory at the end of the year	842.23	835.54
Cost of material consumed	**3,791.27**	**2,741.99**

28. Changes in inventories of raw materials, land stock, work in progress and finished goods

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventories at the end of the year		
Building materials	1,273.30	1,508.75
Land stock	11,769.15	5,692.16
Right of use asset - Land	-	2,171.19
Work-in-progress	98,204.58	86,876.75
Stock of units in completed real estate projects	6,528.18	8,176.04
Finished goods	77.55	68.59
	1,17,852.76	**1,04,493.48**
Inventories at the beginning of the year		
Building materials	1,508.75	1,525.16
Land stock	5,692.16	4,436.99
Right of use asset - Land	2,171.19	-
Work-in-progress	86,876.75	75,958.03
Stock of units in completed real estate projects	8,176.04	5,911.19
Finished goods	68.59	53.03
	1,04,493.48	**87,884.40**
Less: Land aquisition claim receivable reclassification	-	(461.16)
	(13,359.28)	**(17,070.24)**

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29. Employee benefits expense (refer note 35)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	4,507.14	3,664.80
Contribution to provident and other funds (refer note 37)	131.41	116.12
Gratuity expenses (refer note 37)	163.43	48.07
Compensated absence	115.79	73.19
Staff welfare expenses	122.65	149.78
	5,040.42	**4,051.96**

30. Finance costs (*)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense		
-on borrowings	878.54	1,554.25
-unwinding of discount on land cost payable	165.43	217.90
-on leases	27.53	25.54
-on others	174.95	25.17
Other borrowing cost		
-letter of credit charges	6.07	6.09
-bank guarantee charges	4.83	10.26
-bank and other charges	80.23	45.58
Total	**1,337.58**	**1,884.79**
(*) 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 6% to 11%) Capitalisation rate 31 March 2026 - 9% (31 March 2025 - 9%)	1,042.97	1,676.35

Sobha Limited

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(All amounts in ₹ millions, unless otherwise stated)

31. Depreciation and amortization expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation of property, plant and equipment (refer note 4)	844.73	676.30
Depreciation of investment properties (refer note 5)	89.94	91.93
Depreciation of right of use assets* (refer note 38)	72.67	78.76
Amortization of intangible assets (refer note 7)	17.36	11.58
	1,024.70	**858.57**

* Net of depreciation on 'right of use asset - land' capitalised in work in progress 31 March 2026 is ₹ 20.89 (31 March 2025 : Nil)

32. Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
License fees and plan approval charges	1,574.34	509.01
Power and fuel	555.57	617.21
Freight and forwarding charges	282.26	282.20
Rent (refer note 35)	412.05	235.57
Rates and taxes	223.89	131.65
Insurance	185.61	150.49
Property maintenance expenses	331.48	168.35
Repairs and maintenance		
Plant and machinery	51.09	61.79
Others	50.37	88.01
Advertising and sales promotion	987.89	825.48
Brokerage and discounts	904.12	657.67
Donation	0.16	0.11
Corporate Social Responsibility expenditure (refer note 'B' below)	50.10	85.03
Travelling and conveyance (refer note 35)	176.50	188.58
Printing and stationery	33.77	40.65
Software and subscription charges	336.71	114.64
Water charges	28.85	60.70
Legal and professional fees	1,254.99	549.69
Payment to auditor (refer note 'A' below)	17.96	17.07
Exchange difference (net)	6.97	1.35

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

32. Other expenses (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Allowance for credit loss on doubtful trade receivables (refer note 41)	31.38	375.38
Provision for doubtful advance for joint development arrangements and deposit	43.05	-
Provision for land advances	-	208.05
Advances for joint development arrangement written off	60.00	-
Other advances written off (refer note 35)	17.80	224.62
Security and house keeping	470.54	309.61
Impairment of property, plant and equipment	0.31	4.31
Miscellaneous expenses	233.63	280.70
	8,321.39	**6,187.92**

A. Payment to the auditor

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Audit fees (including limited review's)	16.50	15.35
Certification fees(*)	0.30	8.90
Reimbursement of expenses	1.16	1.72
	17.96	**25.97**

(*) Certification fee paid for rights issue during previous year (i.e., right issue expenses) was netted off with securities premium

B. Details of CSR expenditure:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
a. Amount required to be spent by the Company during the year	23.59	33.16
b. Amount approved by the Board to be spent during the year	50.10	85.03
c. Amount spent during the year		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than above	50.10	85.03
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	50.10	85.03
- Sri Kurumba Educational and Charitable Trust (refer note 35)		

The significant components of income tax expense for the years ended 31 March 2026 and 31 March 2025 are -

Sobha Limited
Notes to the standalone financial statements for year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

33. Income tax

A. Amounts charged to statement of profit and loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current income tax:		
Current income tax charge	1,918.30	1,583.96
Deferred tax:		
Relating to origination and reversal of temporary differences	(887.36)	(1,168.73)
Income tax expense reported in the statement of profit and loss	**1,030.94**	**415.23**

B. Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Deferred tax credit on net loss on remeasurements of defined benefit plans	8.78	7.58
Income tax charge to other comprehensive income	8.78	7.58

C. Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate for 31 March 2026 and 31 March 2025

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Accounting profit before income tax	4,044.03	1,537.55
Tax on accounting profit at statutory income tax rate 25.17% (31 March 2025: 25.17%)	1,017.76	386.96
Permanent adjustments	23.07	30.92
Tax impact on profit from partnership firm	(9.89)	(2.65)
	1,030.94	**415.23**

D. Deferred tax

Deferred tax assets and liabilities relates to the following- [DTA/(DTL)]

Particulars	Balance as at 01 April 2025	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2026
Deferred tax assets arising out of :				
Property, plant and equipment and investment property	0.95	(14.66)	-	(13.71)
Provision for compensated absence	37.86	14.26	-	52.12
Provision for gratuity	96.40	29.63	8.78	134.81
Provision for exgratia	12.02	2 .80	-	14.82
Expected credit losses	58.71	(0.58)	-	58.13
Others	22.63	20.44	-	43.07

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

33. Income tax (cont'd)

Particulars	Balance as at 01 April 2025	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2026
On account of difference in IndAS 115 and ICDS III	2,061.64	835.47	-	2,897.11
Net deferred tax assets	**2,290.21**	**887.36**	**8.78**	**3,186.35**

Particulars	Balance as at 01 April 2024	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2025
Deferred tax assets arising out of :				
Property, plant and equipment and investment property	18.34	(17.39)	-	0.95
Provision for compensated absence	31.45	6.41	-	37.86
Provision for gratuity	86.50	2.32	7.58	96.40
Provision for exgratia	16.17	(4.15)	-	12.02
Expected credit losses	145.00	(86.29)	-	58.71
Others	14.33	8.30	-	22.63
On account of difference in IndAS 115 and ICDS III	802.11	1,259.53	-	2,061.64
Net deferred tax assets	**1,113.90**	**1,168.73**	**7.58**	**2,290.21**

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 2026	31 March 2025
Income tax assets (net)	307.02	307.02
	307.02	**307.02**

G. Current tax liabilities (net)

Particulars	31 March 2026	31 March 2025
Provision for tax (net of advance tax)	407.66	664.52
	407.66	**664.52**

Sobha Limited
Notes to the standalone financial statements for year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

34. Earnings per share [‘EPS’](*)

Particulars	31 March 2026	31 March 2025
Net Profit after tax attributable to equity shareholders	3,013.09	1,122.32
Weighted average number of equity shares used in calculating basic and diluted EPS	10,69,36,293	10,20,82,342
Nominal value per equity share (in ₹)	10	10
Earnings per share (in ₹)		
Basic (in ₹)	28.18	10.99
Diluted (in ₹)	28.18	10.99

(*) Refer note 17 for number of shares as on 31 March 2026 and 31 March 2025.

35. Related party disclosures

A Name of the related parties and the nature of its relationship with the Company’s as below

Ultimate Holding Company/ Holding Company

Sobha Limited

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

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

Subsidiary 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
Sobha Commercial Private Limited (with effect from 24 July 2024) (erstwhile BNB Builders Private Limited)

Joint Venture

Kondhwa Projects LLP

Associate of Sobha Highrise Ventures Private Limited

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

35. Related party disclosures (cont'd)

B. Details of the transactions with the related parties (cont'd):

Constrobot Robotics Pvt Ltd (with effect from 17 October 2025)

Key Shareholder

Mr. P. N. C. Menon
Mrs. Sobha Menon

Key Management Personnel (‘KMP’)

Mr. Ravi PNC Menon - Chairman
Mr. Jagadish Nangineni - Managing Director
Mr. Nisanth M N - Deputy Managing Director (with effect from 01 January 2025)

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

Other Directors

Mr. Anup Shah (till 08 August 2024)
Mr. R V S Rao (till 08 August 2024)
Mrs. Srivathsala KN
Mr. Raman Mangalorkar
Mr.Gopal B Hosur (with effect from 08 August 2024)
Mr.Subba Rao Amarthaluru (with effect from 08 August 2024)

Relatives of key management personnel with whom transactions have taken place

Mrs. Sudha Menon
Mr. Manoharan Nair Kothaneth
Mrs. Radhamukundan
Mr. P N Haridas
Late Mrs. Balamani Jayaprakash (represented by legal heir Mr. Deenesh Kumar P.N.)

Post employment-benefit plan entity

Sobha Developers Employees Gratuity Trust

Other related parties with whom transactions have taken place

Entities where key management personnel have significant influence/ control

Sobha Glazing & Metal Works Private Limited
Sobha Projects & Trade Private Limited
Sobha Puravankara Aviation Private Limited
Sri Kurumba Educational and Charitable Trust
Technobuild Developers Private Limited
Sri Durga Devi Property Management Private Limited
Sri Parvathy Land 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 Home Developers Private Limited
Chennai Supercity Developers Private Limited
Mannur Properties Private Limited

Sobha Limited

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

(All amounts in ₹ millions, unless otherwise stated)

35. Related party disclosures (cont'd)

B. Details of the transactions with the related parties (cont'd):

Mannur Builders Private Limited
Mannur Real Estate Private Limited
Navabhusan Properties and Developers Private Limited
Cochin Cyber Estate Private Limited
Ilupur Builders Private Limited
Ilupur Developers Private Limited
Ilupur Real Estate Private Limited
Ilupur Realtors Private Limited
Ilupur Properties Private Limited
Kottaiyur Realtors Private Limited
Valasai Vettikadu Builders Private Limited
Valasai Vettikadu Properties Private Limited
Valasai Vettikadu Real Estate Private Limited

B. Details of the transactions with the related parties:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
I. Transaction with subsidiaries		
Income from contractual activity		
Sobha City	543.90	302.21
Sobha Highrise Ventures Private Limited	1,205.78	704.09
Sobha Commercial Private Limited	76.65	-
Sobha Contracting Private Limited	5.32	168.25
Marketing and commission on sales		
Sobha City	-	2.35
Sobha Contracting Private Limited	1.51	-
Sobha Highrise Ventures Private Limited	28.66	17.17
Income from interior and mattress works		
Sobha Highrise Ventures Private Limited	14.48	21.17
Rental income from operating lease		
Sobha Highrise Ventures Private Limited	24.25	25.64
Land advance		
Sobha Developers (Pune) Limited	494.75	-
Land purchase and related cost		
C.V.S.Tech Park Private Limited	30.00	-
Kilai Builders Private Limited	935.00	-
Kuthavakkam Builders Private Limited	2.95	-
Purchase of project material		
Sobha Highrise Ventures Private Limited	18.59	1.20
Share in profit of partnership firm		

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

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35. Related party disclosures (cont'd)

B. Details of the transactions with the related parties (cont'd):

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Sobha City	39.29	10.53
Interest income on unsecured loans to related parties		
Sobha Highrise Ventures Private Limited	0.01	0.69
Sobha Developers (Pune) Limited	82.45	73.78
Sobha Contracting Private Limited	22.69	21.62
Kuthavakkam Builders Private Limited	12.20	7.80
Kuthavakkam Realtors Private Limited	28.40	5.85
C.V.S.Tech Park Private Limited	1.70	1.71
Kilai Builders Private Limited	90.18	40.02
Sobha Commercial Private Limited	26.36	3.21
Sobha Nandambakkam Developers Limited	2.42	0.21
Sobha Tambaram Developers Limited	24.47	-
Amount contributed to partnership current account		
Sobha City	347.52	176.50
Amount withdrawn from partnership current account		
Sobha City	-	371.50
Revenue share paid		
Sobha Developers (Pune) Limited	218.33	77.74
Sobha Contracting Private Limited	20.08	-
Sobha Highrise Ventures Private Limited	106.46	165.97
Advance paid		
Sobha Interiors Private Limited	6.63	6.17
Rent paid		
Kilai Builders Private Limited	1.05	0.96
Sobha City	2.71	1.32
Sale of land		
Kilai Builders Private Limited	464.14	157.50
Sobha Developers (Pune) Limited	178.07	-
Sobha Nandambakkam Developers Limited	413.56	-
Sobha Tambaram Developers Limited	425.74	-
Advance given		
Sobha Tambaram Developers Limited	6.73	-
Advance repaid		
Sobha Tambaram Developers Limited	6.73	-

Sobha Limited
Notes to the standalone financial statements for year ended 31 March 2026
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35. Related party disclosures (cont'd)

B. Details of the transactions with the related parties (cont'd):

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Security deposit adjusted towards rent		
Sobha Interiors Private Limited	14.00	14.00
Security deposit		
Sobha Highrise Ventures Private Limited	-	0.30

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Refundable deposits paid towards joint development		
Sobha Developers (Pune) Limited	20.00	-
Refundable deposits adjusted towards joint development		
Sobha Highrise Ventures Private Limited	-	3.27
Sobha Contracting Private Limited	2.01	-
Sobha Developers (Pune) Limited	10.45	8.64
Collection on behalf of subsidiaries		
Sobha Tambaram Developers Limited	6.70	-
Unsecured loans - Loan given to		
Sobha Highrise Ventures Private Limited	5.25	9.39
Sobha Developers (Pune) Limited	417.27	758.21
Sobha Contracting Private Limited	1.96	51.40
Kuthavakkam Builders Private Limited	8.23	76.57
Kuthavakkam Realtors Private Limited	280.28	220.40
C.V.S.Tech Park Private Limited	2.73	25.29
Kilai Builders Private Limited	891.81	231.53
Sobha Commercial Private Limited	87.54	243.52
Sobha Nandambakkam Developers Limited	446.93	2.20
Sobha Tambaram Developers Limited	355.72	-
Unsecured loans - Loan repaid by		
Sobha Highrise Ventures Private Limited	5.86	45.21
Sobha Developers (Pune) Limited	716.33	490.96
Kilai Builders Private Limited	974.18	19.49
Sobha Contracting Private Limited	21.73	15.15
Sobha Nandambakkam Developers Limited	16.38	2.22

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Notes to the Standalone Financial Statements for the year ended 31 March 2026
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35. Related party disclosures (cont'd)

B. Details of the transactions with the related parties (cont'd):

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Kuthavakkam Builders Private Limited	8.24	4.09
C.V.S.Tech Park Private Limited	29.73	0.17
Kuthavakkam Realtors Private Limited	10.91	0.59
Sobha Commercial Private Limited	116.17	0.32
Corporate guarantee received		
Sobha Developers (Pune) Limited	25.00	-
Sobha Highrise Ventures Private Limited	-	700.00
Corporate guarantee given		
Sobha Commercial Private Limited	50.00	-
Sobha City	8.78	-
Commission on guarantee		
Sobha Highrise Ventures Private Limited	1.26	1.26
Sobha Interiors Private Limited	-	3.24
Sobha City	1.80	1.80
Sobha Commercial Private Limited	0.06	-
Security extinguished		
Sobha City	47.63	-
Sobha Contracting Private Limited	-	1,161.52
Sobha Highrise Ventures Private Limited	-	591.58
Sobha Interiors Private Limited	2.90	0.32
Corporate guarantee extinguished		
Sobha Contracting Private Limited	-	700.00
Sobha Highrise Ventures Private Limited	-	750.00
Sobha City	8.78	1,500.00
Sobha Developers (Pune) Limited	25.00	-
Sobha Interiors Private Limited	1,100.00	-
Security received		
Sobha City	-	242.46
Sobha Highrise Ventures Private Limited	549.25	-

Sobha Limited
Notes to the standalone financial statements for year ended 31 March 2026
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35. Related party disclosures (cont'd)

C. Details of balances receivable from and payable to related parties are as follows: (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
II. Transaction with Joint venture		
Amount contributed to partnership current account		
Kondhwa Projects LLP	0.29	-
III. Transaction with Associate		
Purchase of materials		
Constrobot Robotics Pvt Ltd	7.00	-

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
IV. Transaction with other related parties / KMP		
Income from of constructed properties, plots and other development activities		
Mr. Jagadish Nangineni	-	0.02
Income from of Contractual Activity		
Mrs. Sobha Menon	11.50	-
Advance from customers		
Mrs. Radhamukundan	11.01	-
Mr. Jagadish Nangineni	4.94	-
Sale against Land advances		
Mrs.Balamani Jayaprakash	26.63	-
Other income		
Mr. Jagadish Nangineni (#)	0.03	0.00
Income from sale of land and development rights		
Chikmangaloor Properties Private Limited	-	3.87
Chikmangaloor Developers Private Limited	1.43	0.63
Chikmangaloor Realtors Private Limited	0.27	0.10
Rusoh Marina Properties Private Limited	7.46	0.26
Rusoh Home Developers Private Limited	-	0.76
Mapedu Realtors Private Limited	3.09	5.99
Mapedu Builders Private Limited	-	4.56
Chennai Supercity Developers Pvt Ltd	2.14	4.32
Mannur Properties Private Limited	-	1.35
Mannur Builders Private Limited	-	0.86
Mannur Real Estate Private Limited	0.00	7.86

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35. Related party disclosures (cont'd)

C. Details of balances receivable from and payable to related parties are as follows: (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Valasai Vettikadu Builders Private Limited	1.07	3.18
Valasai Vettikadu Properties Private Limited	0.00	1.61
Valasai Vettikadu Real Estate Private Limited	0.80	7.93
Navabhusan Properties and Developers Private Limited	-	13.52
Cochin Cyber Estate Pvt Ltd	0.00	14.46
Ilupur Builders Pvt Ltd	0.32	3.93
Ilupur Developers Pvt Ltd	1.17	18.92
Ilupur Real Estate Pvt Ltd	1.57	5.08
Ilupur Realtors Pvt Ltd	1.46	6.71
Kottaiyur Realtors Pvt Ltd	0.00	3.50
Ilupur Properties Pvt Ltd	5.22	-
Income from glazing works		
Sri Kurumba Educational and Charitable Trust	0.58	0.01
Sobha Projects & Trade Private Limited	3.83	-
Mr. Manoharan Nair Kothaneth	1.68	-
Income from interior works		
Sri Kurumba Educational and Charitable Trust	1.59	1.06
Mr. Manoharan Nair Kothaneth	5.28	-
Income from concrete blocks		
Sobha Projects & Trade Private Limited	0.19	1.20
Mr. Manoharan Nair Kothaneth	0.21	-
Sub-contractor cost		
Sobha Projects & Trade Private Limited	540.66	431.79
Rent		
Sri Kurumba Educational and Charitable Trust	0.60	0.12
Mr. Ravi PNC Menon	13.18	12.45
Other advances written off		
Sobha Puravankara Aviation Private Limited	-	111.52
Amount received during the year		
Sobha Puravankara Aviation Private Limited	-	65.72
Corporate Social Responsibility expenditure		
Sri Kurumba Educational and Charitable Trust	50.00	85.03
Land advance refunded		
Technobuild Developers Private Limited	162.74	179.72

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35. Related party disclosures (cont'd)

C. Details of balances receivable from and payable to related parties are as follows: (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
C.V.S.Tech Park Private Limited	-	10.00

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Security deposit adjusted towards rent		
Sobha Glazing & Metal Works Private Limited	5.50	5.50
Advance Paid		
Sobha Glazing & Metal Works Private Limited	0.85	2.67
Contribution to plan assets		
Sobha Developers Employees Gratuity Trust	46.20	38.70
Security received		
Sri Durga Devi Property Management Private Limited	2,000.00	-
Sri Parvathy Land Developers Private Limited	2,000.00	-
Guarantees extinguished		
Sri Durga Devi Property Management Private Limited	-	2,000.00
Sri Parvathy Land Developers Private Limited	-	2,000.00
Directors' remuneration		
Mr. Jagadish Nangineni	54.93	33.89
Mr. Nisanth M N	10.46	2.59
Dividend paid (payment basis)		
Mr. Ravi PNC Menon	10.79	10.17
Mr. Jagadish Nangineni (#)	0.00	0.01
Mr. Anup Shah	-	0.01
Mr. Raman Mangalorkar (#)	0.00	-
Mrs. Sudha Menon (#)	0.00	0.00
Mr. P N Haridas	0.15	0.14
Salary (including perquisites)		
Mr. Yogesh Bansal	15.33	11.82
Mr. Bijan Kumar Dash	6.27	5.73
Directors' sitting fees and commission		
Mr. Anup Shah	-	0.84
Mr. R V S Rao	-	0.81

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35. Related party disclosures (cont'd)

C. Details of balances receivable from and payable to related parties are as follows: (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Mrs. Srivathsala KN	2.23	2.23
Mr. Raman Mangalorkar	2.19	2.25
Mr. Gopal B Hosur	2.13	1.35
Mr. Subba Rao Amarthaluru	2.17	1.38
V. Transaction with key shareholders		
Dividend paid (payment basis)		
Mr. P. N. C. Menon	42.56	39.62
Mrs. Sobha Menon	98.28	92.23
Mr. P. N. C. Menon and Mrs. Sobha Menon (jointly held shares)	17.89	16.88

The Company's related party transactions during the year ended 31 March 2026 and 31 March 2025 and outstanding balances as at 31 March 2026 and 31 March 2025 are with its subsidiaries with whom the Company generally enters into transactions which are at arms length and in the ordinary course of business.

Terms and conditions of transactions with related parties
The Company's related party transactions during the year ended 31 March 2026 and 31 March 2025 and outstanding balances as at 31 March 2026 and 31 March 2025 are with its subsidiaries with whom the Company generally enters into transactions which are at arms length and in the ordinary course of business. Outstanding balances at the year-end are unsecured and settlement occurs in cash and cash equivalence through banking channels.

(#) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

C Details of balances receivable from and payable to related parties are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
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	60.37	60.85
Trade receivables		
Sobha Contracting Private Limited	333.26	481.37
Kilai Builders Private Limited	-	5.31
Sobha City	1.80	-
Sobha Commercial Private Limited	87.46	-

Sobha Limited
Notes to the standalone financial statements for year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

35. Related party disclosures (cont'd)

C. Details of balances receivable from and payable to related parties are as follows: (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
Balance receivable (net)		
Sobha Highrise Ventures Private Limited	-	270.91
Trade Payables		
Sobha City	1.64	0.06
Land advance		
Sobha Developers (Pune) Limited	494.75	-
Contract Liability (Unearned Revenue)		
Sobha Highrise Ventures Private Limited	31.52	-
Contract asset (Unbilled Revenue)		
Sobha Highrise Ventures Private Limited	-	3.11
Sobha Commercial Private Limited	1.22	-
Sobha City	-	9.17
Liability under joint development agreement		
Sobha Highrise Ventures Private Limited	253.75	28.90
Sobha Developers (Pune) Limited	413.06	384.65
Sobha Contracting Private Limited	545.50	-
Advance from customers		
Sobha Tambaram Developers Limited	6.70	-
Sobha Highrise Ventures Private Limited	89.15	102.52
Security deposit received		
Sobha Highrise Ventures Private Limited	0.30	0.30
Revenue share payable		
Sobha Highrise Ventures Private Limited	159.86	-
Sobha Developers (Pune) Limited	23.64	7.50
Sobha Contracting Private Limited	7.95	-
Refundable deposits towards joint development		
Sobha Developers (Pune) Limited	-	10.45
Sobha Contracting Private Limited	17.99	-
Right of use assets		
Sobha Interiors Private Limited	42.00	56.00
Unsecured loan		
Sobha Highrise Ventures Private Limited	0.01	0.61
Sobha Developers (Pune) Limited	504.19	720.80

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

35. Related party disclosures (cont'd)

C. Details of balances receivable from and payable to related parties are as follows: (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
Sobha Assets Private Limited	247.20	247.20
Sobha Contracting Private Limited	247.33	244.41
Kuthavakkam Builders Private Limited	134.69	122.51
Kuthavakkam Realtors Private Limited	523.44	225.67
C.V.S.Tech Park Private Limited	1.53	26.83
Kilai Builders Private Limited	587.76	579.95
Sobha Commercial Private Limited	244.14	246.41
Sobha Nandambakkam Developers Limited	433.17	0.19
Sobha Tambaram Developers Limited	380.19	-
Allowance for credit loss		
Sobha Assets Private Limited	8.34	8.34
Guarantees and collaterals provided		
Sobha City	998.78	998.78
Sobha Commercial Private Limited	50.00	-
Guarantees received		
Sobha Interiors Private Limited	700.00	1,800.00
Sobha Highrise Ventures Private Limited	700.00	700.00
Security received		
Sobha Interiors Private Limited	1,792.69	1,795.59
Sobha Highrise Ventures Private Limited	1,232.06	682.81
Sobha City	1,675.34	1,722.97
Balance in partners current account		
Sobha City	1,728.08	1,341.62
Trade Payables		
Constrobot Robotics Pvt Ltd	1.26	-
In partners current account		
Kondhwa Projects LLP	1,146.49	1,146.20
Land advance		
Technobuild Developers Private Limited	7,458.86	7,629.77
Mrs.Balamani Jayaprakash	117.25	-

Sobha Limited

Notes to the standalone financial statements for year ended 31 March 202

(All amounts in ₹ millions, unless otherwise stated)

35. Related party disclosures (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
Right of use assets		
Sobha Glazing & Metal Works Private Limited	16.50	22.00
Advances recoverable in cash or in kind		
Sobha Glazing & Metal Works Private Limited	11.57	12.74
Trade receivables		
Sri Kurumba Educational and Charitable Trust	0.50	0.49
Sobha Projects & Trade Private Limited	188.76	191.39
Chennai Supercity Developers Pvt Ltd	-	1.64
Mapedu Realtors Private Limited	-	1.70
Mapedu Builders Private Limited	-	1.69
Chikmangaloor Realtors Private Limited	-	0.11
Chikmangaloor Properties Private Limited	-	4.06
Chikmangaloor Developers Private Limited	-	0.73
Mannur Builders Private Limited	-	1.01
Mannur Real Estate Private Limited	-	8.48
Valasai Vettikadu Builders Private Limited	-	3.72
Valasai Vettikadu Real Estate Private Limited	-	5.88
Navabhusan Properties and Developers Private Limited	-	14.67
Cochin Cyber Estate Pvt Ltd	-	16.92
Ilupur Builders Pvt Ltd	-	3.14
Ilupur Developers Pvt Ltd	-	20.90
Ilupur Real Estate Pvt Ltd	-	3.34
Ilupur Realtors Pvt Ltd	-	7.85
Kottaiyur Realtors Pvt Ltd	-	4.09
Mr. Anup Shah (#)	0.00	0.23
Mr. Manoharan Nair Kothaneth	8.21	-
Mrs. Sobha Menon	13.50	-
Advance from customers		
Mr. Jagadish Nangineni	11.49	6.53
Mrs Radhamukundan	11.01	-
Trade payables		
Sobha Projects & Trade Private Limited	41.74	35.34
Mr. Ravi PNC Menon	0.67	0.95

Sobha Limited

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

(All amounts in ₹ millions, unless otherwise stated)

35. Related party disclosures (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
Guarantee or security received		
Sri Durga Devi Property Management Private Limited	2,000.00	-
Sri Parvathy Land Developers Private Limited	2,000.00	-

D. Payable to key management personnel/director of the Company

Particulars	As at 31 March 2026	As at 31 March 2025
Commission to independent directors	8.00	8.01
Commission to Chairman and Managing Director	37.41	18.62
	45.41	**26.63**

E. Compensation of key management personnel of the Company

Particulars	As at 31 March 2026	As at 31 March 2025
Short-term employee benefits	87.00	54.03
Other benefits (*)	37.41	18.62
	124.41	**72.65**

(*) 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.

(#) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as “0.00”.

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.

Sobha Limited
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(All amounts in ₹ millions, unless otherwise stated)

36. Segment information (cont'd)

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 2026 and 31 March 2025 respectively:

Business segments

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Segment revenue		
Real estate	44,385.43	33,044.41
Contractual and manufacturing	11,867.90	9,319.42
Total	**56,253.33**	**42,363.831**
Less: Inter segment revenues	(2,576.69)	(1,697.18)
Net revenue from operations	**53,676.64**	**40,666.65**
Segment Cost		
Real estate		
Land purchase and related cost	19,325.73	19,305.51
Subcontractor cost	9,562.45	7,556.52
Purchase of project materials	11,460.91	10,506.30
Depreciation and amortisation expenses	843.70	690.35
Others (*)	9,092.21	6,466.31
Changes in inventories of raw materials, land stock (including development right), work in progress and finished goods	(13,359.28)	(17,070.24)
Net revenue from operations		
Cost of materials consumed	3,791.27	2,741.99
Subcontractor cost	2,488.25	2,018.95
Purchase of project materials	2 ,832.35	2,444.97
Depreciation and amortisation expenses	181.00	168.22
Others (#)	1,369.78	1,625.07
Segment result		
Real estate	4,883.02	3,892.48
Contractual and manufacturing	1,205.25	320.22
Total segment results	**6,088.27**	**4,212.70**

Sobha Limited
Notes to the standalone financial statements for year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

36. Segment information (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Finance costs	(1,337.58)	(1,884.79)
Other unallocable expenditure	(2,070.10)	(1,589.86)
Share of profits in a subsidiary partnership firm	39.29	10.53
Other income (including finance income)	1,324.15	788.97
Profit before taxation	**4,044.03**	**1,537.55**
Income taxes	(1,030.94)	(415.23)
Profit before taxation	**3,013.09**	**1,122.32**

(*) Others primarily comprises employee benefit expenses, other expenses and net off other income for the respective segments.

The following table presents assets and liabilities information for the Company's operating segments as at 31 March 2026 and 31 March 2025 respectively:-

Particulars	As at 31 March 2026	As at 31 March 2025
Segment assets		
Real estate	1,42,814.59	1,26,637.87
Contractual and manufacturing	8,691.60	8,498.47
Total segment assets	**1,51,506.19**	**1,35,136.34**
Unallocated assets	34,792.97	30,328.45
Total assets	**1,86,299.16**	**1,65,464.79**
Segment liabilities		
Real estate	1,24,311.22	1,05,255.67
Contractual and manufacturing	1,933.90	2,177.04
Total segment liabilities	**1,26,245.12**	**1,07,432.71**
Unallocated liabilities	13,161.72	13,813.04
Total liabilities	**1,39,406.84**	**1,21,245.75**
Capital employed		
Real estate	18,503.37	21,382.20
Contractual and manufacturing	6,757.70	6,321.43
Unallocated capital employed	21,631.25	16,515.41
Total capital employed	**46,892.32**	**44,219.04**

Current taxes, deferred taxes and certain financial assets and liabilities are considered as unallocated as they are also managed on a Company basis.

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
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36. Segment information (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Capital expenditure		
Real estate	1,207.16	903.24
Contractual and manufacturing	621.17	189.04
Unallocated capital expenditure	166.35	112.66
Total capital expenditure	**1,994.68**	**1,204.94**

Capital expenditure consists of additions of property, plant and equipment, intangible assets, investment property 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 Company outside India.

Reconciliations to amounts reflected in the financial statements

(i) Reconciliation of assets

Particulars	As at 31 March 2026	As at 31 March 2025
Segment assets	**1,51,506.19**	**1,35,136.34**
Investment (refer note 8)	4,869.87	4,478.18
Prepaid expenses (refer note 13)	2,736.05	1,890.72
Balances with statutory/ government authorities (refer note 13)	1,076.16	1,148.68
Cash and bank balances (refer note 12, 14 and 15)	17,754.61	16,993.52
Other unallocable assets	8,356.28	5,817.35
Total assets	**1,86,299.16**	**1,65,464.79**

(ii) Reconciliation of liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Segment liabilities	**1,26,245.12**	**1,07,432.71**
Borrowings (refer note 19)	9,685.75	10,861.37
Provisions (refer note 21)	742.40	533.59
Other financial liabilities (refer note 22)	204.41	1,020.06
Current tax liabilities (refer note 33)	100.64	357.50
Withholding taxes payable (refer note 24)	75.52	67.28
Others payable (refer note 24)	270.29	359.25
Other unallocable liabilities	2,082.71	613.99
Total liabilities	**1,39,406.84**	**1,21,245.75**

Sobha Limited
Notes to the standalone financial statements for year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

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 2026 and 31 March 2025 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.

Asset liability matching risk (ALM 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 and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.”

The following tables set out the the funded status of gratuity plans and amount recognised in the balance sheet for the respective plans:

	Particulars	31 March 2026	31 March 2025
1	**The amounts recognized in the balance sheet are as follows:**		
	Present value of defined benefit obligation at the end of the year	541.21	388.58
	Less: Fair value of plan assets as at the end of the year	(5.90)	(5.40)
	Net liability recognised in the balance sheet	**535.31**	**383.18**
2	**Changes in the present value of defined benefit obligation**		
	Defined benefit obligation as at beginning of the year	388.58	348.03
	Current service cost	31.52	23.52
	Past service cost	61.98	-
	Liability transferred in	42.47	-
	Interest cost	27.81	24.85
	Benefits paid	(45.86)	(38.11)
	Actuarial (gain) / loss due to financial assumption changes	(0.25)	4.11
	Actuarial loss due to experience adjustments	34.96	26.18

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Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

37. Employment benefit plans (cont'd)

Particulars	31 March 2026	31 March 2025
Defined benefit obligation as at the end of the year	**541.21**	**388.58**
3 Changes in the fair value of plan assets		
Fair value as at the beginning of the year	5.40	4.34
Interest on plan assets	0.35	0.31
Return on plan assets, excluding interest income	(0.19)	0.16
Contributions	46.20	38.70
Benefits paid	(45.86)	(38.11)
Fair value as at the end of the year	**5.90**	**5.40**
4 Net gratuity cost for the reporting years comprises of following components		
Current service cost	31.52	23.53
Past service cost	61.98	-
Liability transferred in	42.47	-
Interest cost	27.81	24.85
Interest income	(0.35)	(0.31)
Net gratuity cost	**163.43**	**48.07**
5 Other comprehensive income		
Actuarial loss on defined benefit obligation	(34.71)	(30.29)
Return on plan assets excluding interest income	(0.19)	0.16
Loss recognised in other comprehensive income	**(34.90)**	**(30.13)**
6 Experience adjustment:		
On plan defined benefit obligation loss	34.96	26.18
On plan assets (loss)/ gain	(0.19)	0.16
7 Particulars and 31 March 2026 and 31 March 2025 to be provided		
The major categories of plan assets as a percentage of the fair value of the total plan assets are as follows:		
Investment in insurance fund	100%	100%
8 Particulars and 31 March 2026 and 31 March 2025 to be provided		
Discount rate (p.a)	6.48%	6.54%
Future salary growth (p.a)	10.00%	10.00%
Weighted Average Duration of the Defined Benefit Obligation (years)	3	3
Attrition rate (p.a)	35.00%	35.00%

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Notes to the standalone financial statements for year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

37. Employment benefit plans (cont'd)

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 2026		31 March 2025	
	Decrease	Increase	Decrease	Increase
Discount rate (+ / -1%)	9.56	10.08	6.78	7.15
Salary growth rate (- / + 1%)	8.02	8.19	5.68	5.79
Attrition rate (+ / -1%)	1.96	2.04	1.23	1.28

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 2026	31 March 2025
Within the next 12 months	182.64	132.32
Between 2 and 5 years	332.45	239.21
Between 6 and 10 years	88.03	61.54
Beyond 10 years	14.91	10.51
Total expected payments	**618.03**	**443.58**

Expected contribution in the next year ₹ 168.07

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 2026	Year ended 31 March 2025
Employer's contribution to provident fund	128.31	114.70
Employer's contribution to Employees' state insurance scheme	1.33	1.22
Contribution to Superannuation Fund	1.77	0.20
Total	**131.41**	**116.12**

Sobha Limited
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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 ended 31 March 2026 is ₹ 464.59 (31 March 2025: ₹ 427.57)

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

Year	As at 31 March 2026	As at 31 March 2025
FY 2025-26	-	362.70
FY 2026-27	257.11	321.06
FY 2027-28	257.35	327.15
FY 2028-29	231.77	281.46
FY 2029-30	138.63	105.47
FY 2030-31	70.62	-
More than 5 years	10.31	44.25
Total	**965.79**	**1,442.09**

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.

Sobha Limited
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(All amounts in ₹ millions, unless otherwise stated)

38. Leases (cont'd)

a. **Right of use assets**

Particulars	Other buildings	Vehicles	Plant and machinery	Total
Cost				
As at 1 April 2024	**175.50**	**169.17**	**60.96**	**405.63**
Additions during the year	-	69.73	-	69.73
Disposal during the year	-	(16.70)	-	(16.70)
As at 31 March 2025	**175.50**	**222.20**	**60.96**	**458.66**
Additions during the year	-	60.21	-	60.21
As at 31 March 2026	**175.50**	**282.41**	**60.96**	**518.87**
Accumulated amortisation				
As at 1 April 2024	**78.00**	**110.77**	**11.57**	**200.34**
Charge for the year	19.51	30.15	29.10	78.76
Disposal during the year	-	(16.70)	-	(16.70)
As at 31 March 2025	**97.51**	**124.22**	**40.67**	**262.40**
Charge for the year	19.50	35.32	17.85	72.67
As at 31 March 2026	**117.01**	**159.54**	**58.52**	**335.07**
Carrying amount				
As at 31 March 2026	**58.49**	**122.87**	**2.44**	**183.80**
As at 31 March 2025	**77.99**	**97.98**	**20.29**	**196.26**

b. **Set out below are the carrying amounts of lease liabilities and the movements during the year:**

Particulars	Amount
As on 1 April 2024	**262.24**
Additions during the year	
-Under inventory	250.85
-Under ROU	69.73
Interest expense for the year	25.54
Payment of lease liabilities	(82.50)
As on 31 March 2025	**525.86**
Additions during the year	
-Under inventory	-
-Under ROU	63.22
Interest expense for the year	27.53
Payment of lease liabilities	(65.85)
As on 31 March 2026	**550.76**

Sobha Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

38. Leases (cont'd)

c. The following are the amounts recognised in the profit & loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation expenses of right-of-use assets	75.68	78.76
Interest expenses on lease liabilities	27.53	25.54
Expenses relating to short-term leases	345.47	186.38
Expenses relating to lease of low-value assets	66.48	49.19
Total amount recognised in the profit & loss	**515.26**	**339.87**
Total cash out flows towards leases	**474.89**	**318.07**

Lease term of the above referred leases range from 11 months to 89 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	3.00	3.00	2	-	-
Land	2	89.00	89.00	-	-	-
Vehicles	71	0.18 to 4.74	2.61	-	71	71

e. The maturity profile for lease liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Current	43.86	116.24
Non Current	506.90	409.62
Discounting rate applied to lease liabilities is the incremental borrowing rate applicable to the Company - 10%		
Lease Liabilities:		
The maturity analysis of lease liabilities are closed below:		
Not Later than one year	83.54	141.67
Later than one year and not later than five year	225.83	154.37
Later than five year	869.87	628.10
Less: future finance expenses	(628.48)	(398.28)
Total	**550.76**	**525.86**

Sobha Limited

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

(All amounts in ₹ millions, unless otherwise stated)

39. Contingent liabilities and commitments

A. Contingent liabilities (to the extent not provided for)*

	Particulars	As at 31 March 2026	As at 31 March 2025
i	Income tax matters in dispute (refer Note 1 & 5)	692.33	672.00
ii	Value added tax, Service tax, Goods and services tax (GST) and customs matters in dispute (refer Note 2)	1,228.61	1,415.84
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
		3,938.99	**4,105.89**

*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.

Notes: 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 and GST. 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 standalone 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 Gurgaon, 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

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39. Contingent liabilities and commitments (cont'd)

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 years, 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. However, 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 identified any adverse material impact to the standalone audited financial statements as at 31 March 2026 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.

During the previous years, the Company had received multiple demand orders for assessment years beginning from AY 2015-16 to AY 2023-24 raising an aggregate demand of ₹ 672 (reduced vide rectification order under section 154 of the IT Act, mainly on account of adjustment of credit under section 115JAA of the IT Act of tax paid in earlier years) by disallowing certain expenses and adding certain incomes during such periods, against which the Company had filed multiple appeals before the Hon'ble Commissioner of Income Tax (Appeals), Bangalore ('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 councils 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 audited financial statements."

6) In earlier years, 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 2026 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 audited financial statements and accordingly no provision has been made.

7) In earlier years, 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. However, 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 previous years, the Chief Metropolitan Magistrate ('CMM'), Bangalore, 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

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39. Contingent liabilities and commitments (cont'd)

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 audited financial statements."

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 as at 31 March 2026 is ₹ 1,422.00 (31 March 2025: ₹ 187.66)

(b) As at 31 March 2026, an estimated amount of contract remaining to be executed on capital account (investment property under development) not provided for is Nil (As at 31 March 2025 is ₹ 32.69)

40. Fair value measurements

a. The carrying amounts of financial instruments by categories is as follows:

Particulars	Note	As at 31 March 2026			As at 31 March 2025		
		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	-	4.53	-	-	-	-
Trade receivables	10	-	-	3,527.78	-	-	2,806.42
Loans	11	-	-	3,295.31	-	-	2,406.24
Cash and bank balances	14 & 15	-	-	13,749.33	-	-	16,993.52
Other financials assets	12 & 16	-	-	13,037.73	-	-	7,119.31
Total		**-**	**4.53**	**33,610.15**	**-**	**-**	**29,325.49**

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40. Fair value measurements (cont'd)

Particulars	Note	As at 31 March 2026 At cost	As at 31 March 2026 Fair value through profit or loss	As at 31 March 2026 At amortised cost	As at 31 March 2025 At cost	As at 31 March 2025 Fair value through profit or loss	As at 31 March 2025 At amortised cost
Financial liabilities							
Lease Liabilities	38	-	-	550.76	-	-	525.86
Trade payables	23	-	-	8,150.22	-	-	5,613.64
Other financial liabilities	20 & 22	-	-	7,524.31	-	-	6,737.68
Total		**-**	**-**	**25,911.04**	**-**	**-**	**23,738.55**

(*) Investment in equity shares and preference shares of subsidiaries are measured as per Ind AS 27, 'separate financial statements'and have been excluded above.

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 2026 Carrying amount	As at 31 March 2026 Fair value Level 1	As at 31 March 2026 Fair value Level 2	As at 31 March 2026 Fair value Level 3	As at 31 March 2025 Carrying amount	As at 31 March 2025 Fair value Level 1	As at 31 March 2025 Fair value Level 2	As at 31 March 2025 Fair value Level 3
Investment property (disclosure)	2,588.37	-	1,751.36	5,354.64	2,641.69	-	1,864.30	4,903.00
	2,588.37	**-**	**1,751.36**	**5,354.64**	**2,641.69**	**-**	**1,864.30**	**4,903.00**

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

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40. Fair value measurements (cont'd)

Investment property under development

As at the reporting date, the Company's investment properties are under development. Management has assessed that reliable measurement of fair value is not currently feasible, given the early stage of development and the dependence on key assumptions relating to construction progress and future cash flows.

The Company expects that fair valuation will be feasible upon completion or once the projects reach an advanced stage of development. Accordingly, the carrying amount of investment properties under development represents the best estimate of their fair valueat the reporting date.

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.

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 2026 and 31 March 2025. 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 2026 and 31 March 2025.

(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.

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41. Financial risk management (cont'd)

(i) Interest rate risk (cont'd)

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March 2026	As at 31 March 2025
Variable rate borrowings	9,685.75	10,861.37

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:

Particulars	Increase/ decrease in interest rate	Effect on profit before tax/ Equity (*)
31 March 2026		
INR	+1%	(96.86)
INR	-1%	96.86
31 March 2025		
INR	+1%	(108.61)
INR	-1%	108.61

(*) determined on gross basis i.e. with out 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

Particulars	As at 31 March 2026					As at 31 March 2025				
	QAR	SGD	AED	EUR	USD	QAR	SGD	AED	EUR	USD
Amount in foreign currency (#)	-	0.00	-	0.05	0.04	0.00	0.00	0.00	-	0.07
Amount in INR	-	0.02	-	5.63	3.60	0.06	0.13	0.10	-	5.99

Particulars	As at 31 March 2026	As at 31 March 2025
EUR	108.10	92.60
USD	94.36	85.53
AED	25.69	23.28
SGD	73.02	63.69
QAR	25.92	23.47

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41. Financial risk management (cont'd)

Sensitivity analysis

Particulars	Change in foreign currency rate by	Impact on profit or loss and equity			
		As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
		Increase in FC exchange rate by		Decrease in FC exchange rate by	
USD	5%	(0.18)	(0.30)	0.18	0.30
EUR	5%	(0.28)	-	0.28	-
QAR	5%	-	(0.01)	-	0.01
AED	5%	-	(0.01)	-	0.01
SGD (#)	5%	(0.00)	(0.00)	0.00	0.00

(#) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

(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's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

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

The Company determines that the movement of internal credit risk rating from moderate credit risk to the high risk as significant increase in credit risk from the initial recognition.

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

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41. Financial risk management (cont'd)

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.

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.

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.

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41. Financial risk management (cont'd)

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 2026					
Cash and bank balances	14 & 15	13,749.33	0.00%	-	13,749.33
Trade receivables (Category A and B)	10	2,149.22	0.00%	-	2,149.22
Loans	11	3,303.65	0.00%	8.34	3,295.31
Refundable deposits under JDA	12 & 16	8,478.49	0.00%	-	8,478.49
Other financials assets	12 & 16	4,559.24	0.00%	-	4,559.24
Unbilled revenue	13	1,264.49	0.00%	-	1,264.49
31 March 2025					
Cash and bank balances	14 & 15	16,993.52	0.00%	-	16,993.52
Trade receivables (Category A and B)	10	1,598.49	0.00%		1,598.49
Loans	11	2,414.58	0.00%	8.34	2,406.24
Refundable deposits under JDA	12 & 16	6,238.59	0.00%	-	6,238.59
Other financials assets	12 & 16	880.72	0.00%	-	880.72
Unbilled revenue	13	1,320.89	0.00%	-	1,320.89

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 2026	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
Current (Not past due)	2%	338.35	6.91	331.44
Upto 90 days past due	3%	935.88	35.38	900.50
91 - 180 days past due	11%	63.91	7.14	56.77
181 - 270 days past due	17%	31.84	5.27	26.57
271 - 360 days past due	25%	58.06	14.73	43.33
361 - 730 days past due	86%	147.75	127.80	19.95
More than 730 days past due	100%	42.05	42.05	-

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41. Financial risk management (cont'd)

31 March 2025	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
Current (Not past due)	2%	370.68	6.60	364.08
Upto 90 days past due	3%	630.29	18.28	612.01
91 - 180 days past due	10%	77.77	7.95	69.82
181 - 270 days past due	23%	64.32	14.49	49.83
271 - 360 days past due	26%	121.29	31.44	89.85
361 - 730 days past due	66%	64.76	42.42	22.34
More than 730 days past due	100%	112.08	112.08	-

Movement in allowance for credit losses of Trade receivables

Particulars	31 March 2026	31 March 2025
Opening balance	233.26	576.09
Amounts written off	(31.50)	(372.17)
Net remeasurement of loss allowance	37.52	29.34
Closing balance	**239.28**	**233.26**

Movement in allowance for credit losses of others

Particulars	Loans	
	31 March 2026	31 March 2025
Opening balance	8.34	8.34
Amounts written off	-	-
Amounts written back	-	-
Net remeasurement of loss allowance	-	-
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 2026 and 31 March 2025 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.

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41. Financial risk management (cont'd)

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:

	Carrying Value	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
31 March 2026						
Borrowings (refer note 19)	9,685.75	4,150.53	2,077.06	239.28	500.18	10,692.73
Trade payables (refer note 23)	8,150.22	-	8,150.22	-	-	8,150.22
Other financial liabilities (refer note 20 & 22)	7,524.31	-	7,364.34	206.10	-	7,570.44
Lease liabilities (refer note 38)	550.76	-	83.54	225.83	869.87	1,179.24
Financial guarantee contracts (*)	1,048.78	-	1,048.78	-	-	1,048.78
	26,959.82	**4,150.53**	**18,723.94**	**4,396.89**	**1,370.05**	**28,641.41**

	Carrying Value	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
31 March 2026						
Borrowings (refer note 19)	10,861.37	2,303.19	1,234.87	6,431.69	891.62	10,861.37
Trade payables (refer note 23)	5,613.64	-	5,613.64	-	-	5,613.64
Other financial liabilities (refer note 20 & 22)	6,737.68	-	5,717.62	1,020.06	-	6,737.68
Lease liabilities (refer note 38)	525.86	-	141.67	154.37	628.10	924.14
Financial guarantee contracts (*)	998.78	-	998.78	-	-	998.78
	24,737.33	**2,303.19**	**13,706.58**	**7,606.12**	**1,519.72**	**25,135.61**

(*) Based on the maximum amount that can be called for under the financial guarantee contract.

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

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.

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings (long-term and short-term) (Note 19)	9,685.75	10,861.37
Other financial liabilities (interest accrued but not due) (Note 20)	21.55	27.34
Net debt	**9,707.30**	**10,888.71**
Equity share capital (Note 17)	1,069.43	1,069.36
Other equity (Note 18)	45,822.89	43,149.68
Total capital	**46,892.32**	**44,219.04**
Capital and net debt	**56,599.62**	**55,107.75**
Gearing ratio	17.15%	19.76%

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 2026 and 31 March 2025.

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 2026	As at 31 March 2025
A. Non-current		
Property, plant and equipment	1,351.23	1,207.14
Investment property	2,389.41	2,435.53
Financial assets		
Trade receivables	174.13	540.53
Total non-current assets	**3,914.77**	**4,183.20**

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

43. Assets pledged as security (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
B. Current		
Inventories	31,528.91	27,680.64
Financial assets		
Trade receivables	664.39	1,543.02
Cash and cash equivalents	64.98	18.82
Bank balance other than cash and cash equivalents	128.22	112.60
Other current assets	-	398.13
Total current assets	**32,386.50**	**29,753.21**
Total assets pledged as security	**36,301.27**	**33,936.41**

44. Ratios

Ratios	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	% of change	Explanation for change in ratio of more than 25%
Liquidity ratio						
Current ratio	Current Assets	Current Liabilities	1.15	1.25	(7.91%)	NA
Solvency ratio						
Debt-Equity ratio	Total Debt (*)	Total Equity	0.21	0.25	(15.93%)	NA
Debt Service Coverage ratio	"Earnings for debt service = Net profit after taxes + Non-cash operating expenses"	Debt service = Interest & Lease Payments + Principal Repayments	0.73	0.28	163.08%	Due to reduction in borrowings and increase in earnings for debt service.
Profitability ratio						
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.07	0.03	100.45%	Due to increase in net profit.
Net Profit ratio	Net Profits after taxes	Revenue from operations	0.06	0.03	103.40%	Due to recognition of revenue from higher-margin projects.

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

44. Ratios (cont'd)

Ratios	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	% of change	Explanation for change in ratio of more than 25%
Return on Capital Employed	Earnings before interest (^^) and taxes	Net Worth + Total Debt (*) + Deferred Tax Liability	10%	6%	80.50%	Due to increase in net profit and reduction of debt.
Return on Investment	Interest income on bank deposits	Fixed deposit with bank	8%	4%	112.04%	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	3.74	3.49	7.14%	NA
Inventory Turnover ratio	Cost of goods sold	Average Inventory	0.42	0.38	12.94%	NA
Trade Payable Turnover Ratio	"Purchase of project materials, sub contractor cost, other expenses"	Average Trade Payables	5.59	5.40	3.58%	NA
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets– Current liabilities	2.62	1.44	81.83%	Due to increase in overall operations.

(*) Includes Interest accrued but not due on borrowings

(^) Excludes Income from of constructed properties, plots and other development activities

(^^) Net of inventorisation

45. Rights Issue of Equity Shares

a) The Board of Directors of the Company (the "Board") on 12 June 2024 approved an issue of upto 12,107,981 equity shares of face value of ₹ 10 (in rupees) each of the Company ("rights equity shares") for cash at a price of ₹ 1,651 (in rupees) per rights equity share (including a premium of ₹ 1,641 (in rupees) per rights equity share) ("issue price") in the ratio of 6 rights equity shares for every 47 fully paid-up equity shares aggregating to ₹ 19,990.28 on record date 19 June 2024.

The Company received ₹ 825.50 (in rupee) per rights equity share (including a premium of ₹ 820.50 (in rupee) per rights equity share) from the eligible equity shareholders on amounting to ₹ 9,995.14. The shares were allotted on 11 July 2024 to the eligible shareholders and shares got listed on 22 July 2024.

The Board at its meeting held on 14 November 2024, approved First and Final call of ₹ 825.50 (in rupees) per rights equity share and fixed 06 December 2024, as the record date for determining eligible shareholders. The Company received call money on 12,072,898 partly paid-up rights equity shares of ₹ 825.50 (in rupees) per share (comprising ₹ 5 (in rupees) towards face value and ₹ 820.50 (in rupees) towards Share Premium) amounting to ₹ 9,947.48.
The Company received final call money on 14,226 partly paid-up rights equity shares of ₹ 825.50 (in rupees) per share (comprising ₹ 5 (in rupees) towards face value and ₹ 820.50 (in rupees) towards Share Premium) amounting to ₹ 11.74.
As at 31 March 2026, 20,857 (31 March 2025: 35,083) equity shares were partly paid-up, against which the balance call money is yet to be received.

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

45. Rights Issue of Equity Shares (cont'd)

b) Proceeds from the rights issue have been utilised upto 31 March 2026 in the following manner:

Particulars	Planned	Amount utilised	Unutilised Amount
Objects of issue as stated in final letter of offer :			
a) Repayment of certain borrowings availed by the Company	9,050.00	9,050.00	-
b) Funding certain project related expenses for ongoing projects and forthcoming projects	2,123.58	1,599.33	524.25
c) Purchase of equipment and machinery	2,100.28	678.28	1,422.00
d) Funding acquisition of unidentified land parcels and general corporate purposes*	6,585.86	6,320.92	264.94
e) Issue related expenses	130.56	128.92	1.64
Total	**19,990.28**	**17,777.45**	**2,212.83**

*As per objects of the issue as mentioned in the letter of offer, in case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

The Company has parked the unutilized proceeds of ₹ 2,212.83 in fixed deposits with banks, the rights issue allotment account and the monitoring account.

There has been no variation or deviation in the utilization of the funds raised by the Company as stated in the letter of offer dated 19 June 2024.

c) Issue related expenses

Particulars	31 March 2026	31 March 2025
Debited to securities premium (#)	4.58	126.32
Debited to statement of profit and loss	-	-
Total	**4.58**	**126.32**

(#) This amount for the current year includes ₹ 1.98 incurred which is pending for certification.

d) Transactions with any person or entity belonging to the promoter/promoter group which holds 10% or ore shareholding in the Company:

Particulars	31 March 2026	31 March 2025
Proceeds from right issue of equity shares		
Sobha menon	-	6,661.19
PNC Menon	-	2,861.27
Total	**-**	**9,522.46**

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

46. 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.

47 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the accounting software at the application level except that the audit trail feature was not enabled for certain masters throughout the year. Further, the database of the said accounting software is operated by a third-party software provider. The 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization) does not provide any information for any direct changes made at the database level of the said software for the aforesaid period.

Further, the Company has used another software which is operated by a third party service provider for maintenance of payroll records which has a feature of recording audit trail (edit log) facility and the same has been enabled and operated throughout the period for all relevant transactions recorded in the accounting software.

48 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.

Sobha Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2026
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49 The Government of India has consolidated 29 existing labour legislations into a united framework comprising four Labour Code viz Code on wages 2019, Code on Social Security 2020, Industrial Relation Code 2020, and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). These Codes have been made effective from 21 November 2025. The corresponding supporting rules under these codes are yet to be notified.

The Company accounted for the incremental liability for its employees in the year ending 31 March 2026. However, this liability was not material to the standalone financial statements. Once the Government notifies the Central and State Rules, the Company will evaluate the impact on the measurement of employee benefits and provide the appropriate accounting treatment, if any

50 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 2026.

51 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
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

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

Manish Agrawal
Partner
Membership No.: 507000

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

Bangalore
4 May 2026

Bangalore
4 May 2026

Independent Auditor's 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 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated 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 auditors on separate financial statements and on the other financial information of the subsidiaries,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, its associate and joint venture, as at 31 March 2026, 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 38(5) of the accompanying consolidated financial statements, 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. The Holding Company has received demand orders from the department for various assessment years, in respect of disallowances of certain expenses and addition of certain incomes, against which the Holding Company has filed appeals 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 accompanying Consolidated 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and its associate, 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.

Independent Auditor's Report (Cont'd)

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 arrangements. Refer note 2.4(b)(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.	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:
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.	♦ 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; ♦ 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; ♦ 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.

Independent Auditor's Report (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 2.4(b)(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; and • 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 2.4(d), 2.4(e), 2.4(p), 10, 12 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 2026, the carrying value of the inventory comprising of Work in progress, Stock of residential units in completed projects and land stock is ₹ 125,693.36 million, land advances is ₹ 9,615.08 million, advances for joint development arrangements is ₹ 2,594.69 million and refundable deposits paid under JDA is ₹ 8,460.50 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.	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; • 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;

Independent Auditor's Report (Cont'd)

Key audit matter	How our audit addressed the key audit matter
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.	• For inventory balance: ♦ Compared the NRV to recent sales in the project or to the estimated selling price; ♦ Compared the estimated construction costs to complete each project with the Holding Company's updated budgets; and ♦ 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: ♦ Obtained an update on the status of the land acquisition/ project progress from the management and verified the underlying documents for related developments; ♦ For land advances, compared the acquisition cost of the underlying land with the guidance values; and ♦ 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.
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 38. 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.	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;

Independent Auditor's Report (Cont'd)

Key audit matter	How our audit addressed the key audit matter
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. 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 38 of the consolidated financial statements.	• 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; • 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 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 intends 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 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 associates and joint ventures 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 consolidated 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 associates and joint ventures to cease to continue as a going concern;

Independent Auditor's Report (Cont'd)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information 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 consolidated 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 20 subsidiaries, whose financial statements reflects total assets of ₹ 19,460.41 million as at 31 March 2026, total revenues of ₹ 2,530.08 million and net cash inflows (net) amounting to ₹ 58.78 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 income) of ₹ 3.54 million for the year ended 31 March 2026 in respect of 1 associate, whose financial statements has not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's 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 and its associate, 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 and its associate , 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.

17. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 0.01 million for the year ended 31 March 2026 in respect of 1 joint venture, whose financial information has not been audited by their auditors. This financial information has been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid 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 joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

    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 matter with respect to our reliance on the financial information certified by the management.

Independent Auditor's Report (Cont'd)

Report on Other Legal and Regulatory Requirements

18. 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, and its associate, we report that the Holding Company incorporated in India whose financial statements have been audited under the Act have 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 19 subsidiaries and 1 associate 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 subsidiaries and associates.

19. 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.

20. 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, and its associate 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) Except for the matters stated in paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)}, 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;

    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 and its associate, covered under the Act, none of the directors of the Holding Company, its subsidiaries and its associate, are disqualified as on 31 March 2026 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 20(b) above on reporting under section 143(3)(b) of the Act and paragraph 20(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 its associate 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 and its associate 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 at 31 March 2026, as detailed in Note 38 to the consolidated financial statements;

Independent Auditor’s Report (Cont’d)

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 2026;

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 2026. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and associate company covered under the Act, during the year ended 31 March 2026;

iv. a. The respective managements of the Holding Company, its subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief as disclosed in note 45(iv) 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, associate and joint venture 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 the Ultimate Beneficiaries;

b. The respective managements of the Holding Company, its subsidiaries, associate and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief as disclosed in the note 45(v) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries, associate and joint venture 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 and associate, 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 2026 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 subsidiaries and joint venture have not declared or paid any dividend during the year ended 31 March 2026.

As stated in note 17 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2026 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. As stated in Note 46 to the consolidated financial statements and based on our examination which included test checks and that performed by the respective auditors of the 19 subsidiaries and 1 associate except for instances mentioned below, the Holding Company and its subsidiaries and associate in respect of financial year commencing on 1 April 2025, have used accounting software for maintaining their 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.

Further, during the course of our audit we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below. Furthermore, other than the consequential impact of the exceptions given below, the audit trail has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention.

Independent Auditor’s Report (Cont’d)

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	The audit trail feature for accounting software used for maintenance of books of account of the Holding Company was not enabled at the application level for certain masters throughout the year.
Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature at database level.	The accounting software used for maintenance of books of account of the Holding Company is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the ‘Independent Service Auditor’s Assurance Report on the Description of Controls, their Design and Operating Effectiveness’ (‘Type 2 report’ issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment whether audit trail feature with respect to the database of the said software was enabled and operated throughout the period.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 26507000OYYVUS3018

Bangalore
4 May 2026

Annexure I

List of subsidiaries, associate and joint venture included in the Statement (in addition to Holding Company)

S. No.	Name of the Company/ Entity	Relationship
1	Sobha City	Subsidiary
2	Sobha Highrise Venture 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	CVS Tech Park Private Limited	Subsidiary
9	Vayaloor Properties Private Limited	Step-down subsidiary
10	Vayaloor Builders Private Limited	Step-down subsidiary
11	Vayaloor Developers Private Limited	Step-down subsidiary
12	Vayaloor Real Estate Private Limited	Step-down subsidiary
13	Vayaloor Realtors Private Limited	Step-down subsidiary
14	Valasai Vettikadu Realtors Private Limited	Step-down subsidiary
15	Sobha Contracting Private Limited	Step-down subsidiary
16	Kilai Builders Private Limited	Step-down subsidiary
17	Kuthavakkam Builders Private Limited	Step-down subsidiary
18	Kuthavakkam Realtors Private Limited	Step-down subsidiary
19	Sobha Interiors Private Limited	Step-down subsidiary
20	Sobha Commercial Private Limited (erstwhile BNB Builders Private Limited)	Step-down subsidiary (w.e.f 24 July 2024)
21	Kondhwa Projects LLP	Joint Venture
22	Constrobot Robotics Private Limited	Associate (w.e.f 17 October 2025)

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 2026

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 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and 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 and 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 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. The audit of internal financial controls with reference to financial statements of the aforementioned associate company, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and 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 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 Matter 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.

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 2026

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 consolidated 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 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 and its joint venture , the Holding Company and its subsidiary companies, 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 2026, 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 19 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 15,535.16 million and net assets of ₹ 2,910.89 million as at 31 March 2026, total revenues of ₹ 1,664.08 million and net cash inflows amounting to ₹ 5.82 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 reports 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 and 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: 26507000OYYVUS3018

Bangalore 4 May 2026

Sobha Limited
Consolidated Balance Sheet as at 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,209.21	5,150.37
Investment property	5	4,214.11	4,307.09
Investment property under development	6	271.66	238.40
Goodwill	7	171.67	171.67
Other intangible assets	7	26.86	43.75
Right of use assets	37	141.70	140.26
Investments accounted for using the equity method	8	1,201.02	1,146.20
Financial assets			
(i) Trade receivables	10	527.13	540.53
(ii) Other financial assets	11	4,289.82	617.87
Income tax assets (net)	32	502.21	465.15
Deferred tax asset (net)	32	3,925.06	2,547.30
Other non-current assets	12	11,083.60	10,184.04
		32,564.05	**25,552.63**
Current assets			
Inventories	9	1,28,263.02	1,12,522.49
Financial assets			
(i) Trade receivables	10	2,768.24	1,863.76
(ii) Cash and cash equivalents	13	1,743.58	1,265.63
(iii) Bank balance other than (ii) above	14	13,292.33	16,823.04
(iv) Other financial assets	11	8,752.00	6,512.29
Other current assets	12	7,794.90	7,670.48
		1,62,614.07	**1,46,657.69**
Total assets		**1,95,178.12**	**1,72,210.32**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,069.43	1,069.36
Other equity	16	46,129.89	44,535.70
Equity attributable to owners of the Holding Company		**47,199.32**	**45,605.06**
Non-controlling interest		-	-
Total equity		**47,199.32**	**45,605.06**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	4,070.96	7,660.72
(ii) Lease liabilities	37	506.90	409.62
(iii) Other financial liabilities	21	204.41	1,020.06
Provisions	20	367.24	258.39
Deferred tax liabilities (net)	32	190.62	164.27
		5,340.13	**9,513.06**
Current liabilities			
Financial liabilities			
(i) Borrowings	18	5,952.18	3,648.04
(ii) Lease liabilities	37	43.86	116.24
(iii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises; and	22	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	8,275.62	5,648.08
(iv) Other financial liabilities	19	7,454.55	5,933.43
Other current liabilities	23	1,20,129.71	1,00,806.76
Provisions	20	375.16	275.20
Current tax liabilities (net)	32	407.59	664.45
		1,42,638.67	**1,17,092.20**
Total liabilities		**1,47,978.80**	**1,26,605.26**
Total equity and liabilities		**1,95,178.12**	**1,72,210.32**
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 attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N50001

Manish Agrawal
Partner
Membership No.: 507000

Bangalore, 4 May 2026

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

Bangalore, 4 May 2026

Sobha Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	24	51,904.98	40,386.93
Other income	25	1,932.67	1,240.66
Total income		**53,837.65**	**41,627.59**
Expenses			
Land (including development rights) and related cost		20,229.06	19,946.42
Cost of materials consumed	26	3,791.27	2,741.99
Purchase of project materials		14,401.94	13,017.86
Changes in inventories of raw materials, land stock (including development rights), work in progress and finished goods	27	(15,733.84)	(18,717.50)
Sub-contractor cost		12,420.20	9,667.08
Employee benefits expense	28	5,040.52	4,052.06
Finance costs	29	1,374.09	1,955.67
Depreciation and amortisation expenses	30	1,060.25	898.25
Other expenses	31	8,651.96	6,735.75
Total expenses		**51,235.45**	**40,297.58**
Profit before tax and share of loss in associate/joint venture		2,602.20	1,330.01
Share of loss in associate and joint venture (*)		(3.55)	(0.00)
Profit before tax		2,598.65	1,330.01
Tax expenses			
Current tax	32	2,006.14	1,651.67
Deferred tax credit	32	(1,341.57)	(1,268.52)
Total Tax expense		**664.57**	**383.15**
Profit for the year		**1,934.08**	**946.86**
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plan	36	(34.90)	(30.13)
Income tax relating to above	32	8.78	7.58
Other comprehensive loss for the year, net of tax		**(26.12)**	**(22.55)**
Total comprehensive income for the year		**1,907.96**	**924.31**
Profit attributable to:			
Owners of the Holding Company		1,934.08	946.86
Non-controlling interests		-	-
Other comprehensive income / (loss) attributable to:			
Owners of the Holding Company		(26.12)	(22.55)
Non-controlling interests		-	-
Total comprehensive income attributable to:			
Owners of the Holding Company		1,907.96	924.31
Non-controlling interests		-	-
Earnings per equity share [nominal value of ₹ 10 per share]			
Basic (in ₹)	33	18.09	9.28
Diluted (in ₹)	33	18.09	9.28

(*) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

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 attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Bangalore, 4 May 2026

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

Bangalore, 4 May 2026

Sobha Limited
Consolidated Statement of Cash Flow for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

	Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
A	**Cash flows from operating activities**			
	Profit before tax		2,598.65	1,330.01
	Adjustments to reconcile profit before tax to net cash flows from operating activities			
	Depreciation and amortisation expenses	30	1,060.25	898.25
	Gain on sale of property, plant and equipment		(19.36)	(0.61)
	Finance costs (including fair value change in financial instruments)	29	1,374.09	1,955.67
	Finance income (including fair value change in financial instruments)		(1,754.70)	(936.34)
	Impairment of property, plant and equipment		0.31	4.31
	Allowance for credit loss on trade receivables		31.38	375.38
	Provision for doubtful advance for joint development arrangement and deposit		43.05	-
	Provision for doubtful land advances		-	214.05
	Advances for joint development arrangement written off		60.00	-
	Other advances written off		17.80	225.37
	Liabilities no longer required written back		(57.71)	(71.49)
	Operating profit before working capital changes		**3,353.76**	**3,994.60**
	Working capital adjustments			
	Changes in trade receivables		(922.46)	(740.97)
	Changes in inventories		(15,907.51)	(18,725.41)
	Changes in other current and non-current financial assets		(1,885.35)	(2,077.00)
	Changes in other current and non-current assets		(989.78)	(1,162.77)
	Changes in trade payables		2,685.25	(445.90)
	Changes in provisions		173.91	34.80
	Changes in other current and non current financial liabilities		768.02	877.25
	Changes in other current liabilities		19,322.95	21,822.08
	Cash generated from operating activities		**6,598.79**	**3,576.68**
	Income tax paid (net of refund)		(2,300.06)	(1,577.45)
	Net cash flows from operating activities (A)		**4,298.73**	**1,999.23**
B	**Cash flow from investing activities**			
	Purchase of property, plant and equipment, investment property and intangible assets (including investment property under development)		(2,084.61)	(1,312.49)
	Proceeds from sale of property, plant and equipment		30.45	10.70
	Investment in equity shares		(54.82)	-
	Investments in fixed deposits (net)		(440.64)	(11,224.27)
	Interest income		1,578.89	726.71
	Net cash flows used in investing activities (B)		**(970.73)**	**(11,799.35)**
C	**Cash flow from financing activities**			
	Proceeds from issue of equity shares, net (including securities premium)		7.16	19,842.22
	Proceeds from / (repayment) of current borrowings (net)		815.04	(4,913.13)
	Proceeds from non-current borrowings (including current maturities)		4,353.58	7,365.06
	Repayment of non-current borrowings (including current maturities)		(6,454.24)	(10,278.26)
	Repayment of principal portion of lease liabilities		(35.21)	(56.96)
	Repayment of interest portion of lease liabilities		(27.53)	(25.54)
	Interest paid		(1,187.99)	(1,702.33)
	Dividend paid on equity shares	17	(320.86)	(302.62)
	Net cash flows (used in)/ generated from financing activities (C)		**(2850.05)**	**9,928.44**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		477.95	128.32
	Cash and cash equivalents at the beginning of the year	13	1,265.63	1,137.31
	Cash and cash equivalents at the end of the year	**13**	**1743.58**	**1,265.63**
	Less: Book overdraft from scheduled banks	19	(934.44)	(510.39)
	Net cash and cash equivalents at the end of the year	**13**	**809.14**	**755.24**
	Changes in liabilities arising from financing activities	13		
	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 attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Bangalore, 4 May 2026

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

Bangalore, 4 May 2026

Sobha Limited
Consolidated Statement of Changes in of Equity for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

A. Equity share capital (*)

Particulars	Amount
Balance as at 1 April 2024	**948.46**
Changes in equity share capital during the year	120.90
Balance as at 31 March 2025	**1,069.36**
Balance as at 1 April 2025	**1,069.36**
Changes in equity share capital during the year	0.07
Balance as at 31 March 2026	**1,069.43**

B. Other equity (**)

Particulars	Note	Attributable to owners of the Company					Total
		Reserves and Surplus				Items of OCI	
		Capital redemption reserve	Securities premium	General reserve	Retained earnings	Other items of OCI	
Balance as at 1 April 2024		**119.47**	**9,328.92**	**4,490.36**	**8,754.90**	**(62.84)**	**22,630.81**
Profit for the year		-	-	-	1,122.32	-	1,122.32
Other comprehensive income		-	-	-	-	(22.55)	(22.55)
Total comprehensive income for the year ended 31 March 2025		**-**	**-**	**-**	**1,122.32**	**(22.55)**	**1,099.77**
Transfer to other reserves							
General reserve	18	-	-	112.23	(112.23)	-	-
Total transfer to other reserves		**-**	**-**	**112.23**	**(112.23)**	**-**	**-**
Premium on issue of right equity shares	18	-	19,721.73	-	-	-	19,721.73
Total premium on issue of right equity shares		**-**	**19,721.73**	**-**	**-**	**-**	**19,721.73**
Transaction with owners, recorded directly in equity							
Dividend	18	-	-	-	(302.62)	-	(302.62)
Total distribution to owners		**-**	**-**	**-**	**(302.62)**	**-**	**(302.62)**
Balance as at 31 March 2025		**119.47**	**29,050.65**	**4,602.59**	**9,462.37**	**(85.39)**	**43,149.68**
Profit for the year		-	-	-	3,013.09	-	3,013.09
Other comprehensive income		-	-	-	-	(26.12)	(26.12)
Total comprehensive income for the year ended 31 March 2026		**-**	**-**	**-**	**3,013.09**	**(26.12)**	**2,986.97**
Transfer to other reserves							
General reserve	18	-	-	301.31	(301.31)	-	-
Total transfer to other reserves		**-**	**-**	**301.31**	**(301.31)**	**-**	**-**
Premium on issue of right equity shares	18	-	7.09	-	-	-	7.09
Total premium on issue of right equity shares		**-**	**7.09**	**-**	**-**	**-**	**7.09**
Transaction with owners, recorded directly in equity							
Dividend	18	-	-	-	(320.86)	-	(320.86)
Total distribution to owners		**-**	**-**	**-**	**(320.86)**	**-**	**(320.86)**
Balance as at 31 March 2026		**119.47**	**29,057.74**	**4,903.90**	**11,853.29**	**(111.51)**	**45,822.89**

*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 attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000

Bangalore 4 May 2026

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

Bangalore 4 May 2026

Sobha Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

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 Group's associate is engaged in the business of research, development, manufacture and trading of robotic equipment and related software for use in construction activities.

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 2026 were authorized and approved for issue by the Board of Directors on 4 May 2026.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.

Sobha Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

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.

Sobha Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

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 2026	31 March 2025
Subsidiaries				
Sobha City ['Partnership firm']	Real estate development	India	100%	100%
Sobha Contracting Private Limited		India	100%	100%
Sobha Developers (Pune) Limited		India	100%	100%
Sobha Assets Private Limited		India	100%	100%
Sobha Highrise Ventures Private Limited		India	100%	100%
Sobha Interiors Private Limited		India	100%	100%
Sobha Nandambakkam Developers Limited		India	100%	100%
Sobha Tambaram Developers Limited		India	100%	100%
Sobha Construction Products Private Limited		India	100%	100%
C.V.S.Tech Park Private Limited		India	100%	100%
Kilai Builders Private Limited		India	100%	100%
Kuthavakkam Builders Private Limited		India	100%	100%
Kuthavakkam Realtors Private Limited		India	100%	100%
Vayaloor Properties Private Limited		India	100%	100%
Vayaloor Builders Private Limited		India	100%	100%
Vayaloor Developers Private Limited		India	100%	100%
Vayaloor Real Estate Private Limited		India	100%	100%
Vayaloor Realtors Private Limited		India	100%	100%
Valasai Vettikadu Realtors Private Limited		India	100%	100%
Sobha Commercial Private Limited (w.e.f 24 July 2024) (Formerly known as BNB Builders Private Limited)"		India	100%	100%

The consolidated financials 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 financials statements also includes the result of associate, Constrobot Robotics Private limited (with effect from 17 October 2025), which has been accounted for under the equity method of accounting.

Sobha Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

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

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 2026.

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 AS 12 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.

Sobha Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

2.3 Basis of consolidation (cont'd)

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 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

Sobha Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

2.3 Basis of consolidation (cont'd)

- 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 noncontrolling 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 cashgenerating 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).

Sobha Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

b) Revenue recognition (cont'd)

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

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,

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b) Revenue recognition (cont'd)

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 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 related rights

Revenue from sale of land and related 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 related 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.

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b) Revenue recognition (cont'd)

viii) Contract balances

a) Contract Asset

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.

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).

b) Contract Liability

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.

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d) Inventories (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 12)

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.

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.

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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) De-recognition

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 the statement of profit and loss when the Property, plant and equipment is de-recognized.

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.

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h) Investment property (cont'd)

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.

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

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i) Depreciation on property, plant and equipment and Investment property (cont'd)

Particulars	Useful lives estimated by the management (in years)
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 basiso ver the balance period of lease.

Freehold land is not depreciated and is stated at cost less impairment loss, if any.

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) Investment property under development

Investment property under development represents expenditure incurred in respect of projects under development which are not yet ready for their intended use and are carried at cost less accumulated impairment loss, if any.

Depreciation is not provided on investment property under development until construction 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.

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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 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.

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l) Leases (cont'd)

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.

The group assesses whether it transfers substantially all the risks and rewards of ownership.Those assets that do not transfer substantially all the risks and rewards are classified as operating leases. The group has currently not entered into any lease that is classified as operating lease.

Rental incone is accounted for a strauight-line basis over the lease term and is included in other income due to its nature.

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 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.

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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. 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.

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o) Income taxes (cont'd)

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 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.

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p) Financial instruments (cont'd)

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.

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:

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Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

p) Financial instruments (cont'd)

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 significant portion of its receivables that exceed the due date.

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.

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(All amounts in ₹ millions, unless otherwise stated)

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 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.

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

The Ministry of Corporate Affairs ("MCA") has notified certain amendments to existing Indian Accounting Standards and a new standard under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time

a) Amendments effective from April 1, 2025

The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Second Amendment

Rules, 2025 on the following effective from April 1, 2025:

Lack of exchangeability – Amendments to Ind AS 21

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107

International Tax Reform - Pillar Two Model Rules - Amendments to Ind AS 12

The Group has reviewed the new pronouncements and the same were not applicable or material to the Group.

b) New standard issued but not yet effective

MCA has issued Ind AS 118 – Presentation and Disclosure in Financial Statements, which will replace Ind AS 1 – Presentation of Financial Statements and is effective for annual reporting periods beginning on or after April 1, 2027.

Ind AS 118 introduces revised presentation requirements in the statement of profit and loss and enhanced disclosure requirements. The standard is expected to impact presentation and disclosures but not the recognition and measurement.

The Group is currently evaluating the impact of this standard on the accompanying consolidated financial statements.

All other new standards or amendments that are not yet effective that have been issued by the MCA are not applicable or material to the Group.

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Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

4. Property, plant and equipment

Particulars	Freehold land	Factory buildings	Other buildings	Plant and machinery	Scaffolding items	Furniture and fixtures	Vehicles	Computers	Office equipment	Total
Cost										
As at 1 April 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**
Additions during the year	2.85	31.70	-	248.98	782.96	5.92	11.30	111.47	5.46	1,200.64
Disposal during the year (*)	-	-	-	(22.18)	(0.57)	-	-	(0.19)	(0.00)	(22.94)
As at 31 March 2025	**1,841.80**	**812.02**	**1,213.47**	**2,303.19**	**3,948.84**	**82.69**	**33.92**	**395.01**	**59.21**	**10,690.15**
Additions during the year	-	173.80	-	723.26	862.13	46.61	2.11	103.94	17.42	1,929.27
Disposal during the year	-	-	(2.85)	(59.88)	(64.78)	(0.04)	(0.31)	(26.41)	(0.04)	(154.31)
As at 31 March 2026	**1,841.80**	**985.82**	**1,210.62**	**2,966.57**	**4,746.19**	**129.26**	**35.72**	**472.54**	**76.59**	**12,465.11**
Accumulated depreciation and impairment loss										
As at 1 April 2024	**2.85**	**602.46**	**553.20**	**1,571.84**	**1,797.15**	**50.19**	**13.32**	**226.32**	**42.38**	**4,859.71**
Charge for the year	2.85	20.46	66.44	111.36	401.41	7.95	4.90	64.50	5.89	685.76
Impairment loss	-	-	0.27	3.37	-	0.07	0.07	0.51	0.02	4.31
Disposal during the year	-	-	-	(9.24)	(0.57)	-	-	(0.19)	(0.00)	(10.00)
As at 31 March 2025	**5.70**	**622.92**	**619.91**	**1,677.33**	**2,197.99**	**58.21**	**18.29**	**291.14**	**48.29**	**5,539.78**
Charge for the year	-	20.29	52.17	160.44	493.68	13.56	5.00	98.89	9.62	853.66
Impairment loss	-	-	-	(0.31)	-	-	-	-	-	(0.31)
Disposal during the year	-	-	(1.69)	(53.24)	(57.13)	(0.04)	(0.28)	(24.81)	(0.03)	(137.23)
As at 31 March 2026	**5.70**	**643.21**	**670.39**	**1,784.22**	**2,634.54**	**71.73**	**23.01**	**365.22**	**57.88**	**6,255.90**
Carrying amount										
As at 31 March 2026	**1,836.10**	**342.61**	**540.23**	**1,182.35**	**2,111.65**	**57.53**	**12.71**	**107.32**	**18.71**	**6,209.21**
As at 31 March 2025	**1,836.10**	**189.10**	**593.56**	**625.86**	**1,750.85**	**24.48**	**15.63**	**103.87**	**10.92**	**5,150.37**

(*) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

Note:

a) **Contractual obligations**
The contractual commitments pending for the acquisition of property, plant and equipment as at 31 March 2026 is ₹ 1,422.00 (31 March 2025: ₹ 187.66)

b) **Property, plant and equipment pledged as security**
Refer note 42 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 Group has not revalued its property, plant and equipment during the current or previous year.

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5. Investment property

Particulars	Freehold land	Right of use - Land	Buildings	Other assets forming part of building: Plant and machinery	Furniture and fixtures	Office equipment	Total
Cost							
As at 1 April 2024	**132.47**	**142.84**	**4,482.50**	**309.50**	**37.03**	**5.42**	**5,109.76**
Additions during the year	-	-	8.39	0.36	-	0.03	8.78
As at 31 March 2025	**132.47**	**142.84**	**4,490.89**	**309.86**	**37.03**	**5.45**	**5,118.54**
Additions during the year	-	-	36.61	0.16	-	-	36.77
As at 31 March 2026	**132.47**	**142.84**	**4,527.50**	**310.02**	**37.03**	**5.45**	**5,155.31**
Accumulated depreciation							
As at 1 April 2024	**-**	**9.04**	**462.91**	**177.86**	**24.09**	**2.73**	**676.63**
Charge for the year	-	3.01	104.33	22.93	3.44	1.11	134.82
As at 31 March 2025	**-**	**12.05**	**567.24**	**200.79**	**27.53**	**3.84**	**811.45**
Charge for the year	-	3.01	103.25	19.95	2.83	0.71	129.75
As at 31 March 2026	**-**	**15.06**	**670.49**	**220.74**	**30.36**	**4.55**	**941.20**
Carrying amount							
As at 31 March 2026	**132.47**	**127.78**	**3,857.01**	**89.28**	**6.67**	**0.90**	**4,214.11**
As at 31 March 2025	**132.47**	**130.79**	**3,923.65**	**109.07**	**9.50**	**1.61**	**4,307.09**

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 ₹ 10,339.67 (31 March 2025: ₹ 9,970.00). 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 39(b))

d. **Investment property pledged as security**
Refer note 42 for details of investment property pledged as security for borrowings.

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5. Investment property (cont'd)

e. Amounts recognised in profit or loss

Particulars	31 March 2026	31 March 2025
Rental income derived from investment properties (refer note 24B)	**651.49**	**623.86**
Direct operating expenses (including repairs and maintenance) generating rental income	(212.29)	(89.70)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(43.52)	(40.39)
Profit arising from investment properties before depreciation and indirect expenses	**395.68**	**493.77**
Less: Depreciation	(129.75)	(134.82)
Profit arising from investment properties before indirect expenses	**265.93**	**358.95**

6. Investment property under development

Particulars	Amount
As at 1 April 2024	**67.89**
Additions during the year	170.51
As at 31 March 2025	**238.40**
Additions during the year	33.27
Disposal during the year	(0.01)
As at 31 March 2026	**271.66**

(a) Ageing of Investment property under development
As at 31 March 2026

Particulars	Amount of Investment property under development for the period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	33.27	170.50	-	-	203.77
Projects temporarily suspended	-	-	-	67.89	67.89
Total	**33.27**	**170.50**	**-**	**67.89**	**271.66**

As at 31 March 2025

Particulars	Amount of Investment property under development for the period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	170.51	-	-	-	170.51
Projects temporarily suspended	-	-	2.86	65.03	67.89
Total	**170.51**	**-**	**2.86**	**65.03**	**238.40**

(b) Contractual obligations
Refer note 38B(c) for details of contractual obligations to construct or develop investment property under development.

(c) Investment property under development whose completion is overdue or has exceeded its cost compared to its original plan
There are no projects in progress under 'Investment property under development' whose completion is overdue or has exceeded its cost compared to its original plan.

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6. Investment property under development (cont'd)

(d) Fair value
As the properties are under development, the Group has determined that the fair value of the properties is not reliably measured and expects that the fair value of the properties to be reliably measurable when construction is complete. Hence, the carrying amount is best approximation of fair value of the properties.

(e) Borrowing cost capitalised
No borrowing cost capitalised to investment property under development.

(f) Investment property under development pledged as security
There is no pledge on Investment property under development.

(g) Title deeds of immovable property not held in the name of the Company
The title deeds (registered sale deed/ transfer deed/ registered joint development agreements) of all the immovable properties (including investment properties) held by the Group (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Group.

7. Intangible assets

Particulars	Goodwill	Software	Intellectual property rights	Total
Cost				
As at 1 April 2024	**171.67**	**27.72**	**0.05**	**199.44**
Additions during the year	-	54.30	-	54.30
Deletions during the year	-	-	(0.05)	(0.05)
As at 31 March 2025	**171.67**	**82.02**	**-**	**253.69**
Additions during the year	-	1.22	-	1.22
Deletions during the year	-	(0.36)	-	(0.36)
As at 31 March 2026	**171.67**	**82.88**	**-**	**254.55**
Amortization and impairment				
As at 1 April 2024	**-**	**25.33**	**0.05**	**25.38**
Charge for the year	-	12.94	-	12.94
Deletions during the year	-	-	(0.05)	(0.05)
As at 31 March 2025	**-**	**38.27**	**-**	**38.27**
Charge for the year	-	18.07	-	18.07
Deletions during the year	-	(0.32)	-	(0.32)
As at 31 March 2026	**-**	**56.02**	**-**	**56.02**
Carrying amount				
As at 31 March 2026	**171.67**	**26.86**	**-**	**198.53**
As at 31 March 2025	**171.67**	**43.75**	**-**	**215.42**

Note: The Company has not revalued its intangible assets during the current or previous year.

Allocation of goodwill to Cash Generating Units

Particulars	As at 31 March 2026	As at 31 March 2025
Sobha City	123.85	123.85
Kuthavakkam Builders Private Limited	47.82	47.82
	171.67	**171.67**

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7. Intangible assets (cont'd)

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 31 March 2026. The discount rate applied to the cash flow projections is within the range of 17% (31 March 2025: 17%) and cash flows beyond the five-year period were extrapolated using a growth rate of 8% (31 March 2025: 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 31 March 2026, 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.

8. Investments (Non-Current)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Investment in equity instruments	a	54.53	-
Investment in joint venture	b	1,146.49	1,146.20
		1,201.02	**1,146.20**

Particulars	Principal activities	Place of registration	% of voting rights			
			As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
a. Investment in equity instruments (Unquoted)						
Investment in associate						
Constrobot Robotics Private Limited (w.e.f. 17 October 2025)	Manufacturing	India	20.03%	-	50.00	-
Investments in other equity instruments						
At fair value through profit and loss						
Altilium Solar 1 Private Limited	Solar power generation	India			4.53	-
					54.53	**-**
b. Investment in joint venture						
In Limited Liability Partnership (LLP) firm						
50% (31 March 2025 - 50%) share in the profits of partnership firm:						
Kondhwa Projects LLP	Real estate	India	50%	50%		
- Capital account					0.05	0.05
- Current account					1,146.44	1,146.15
					1,146.49	**1,146.20**
					1,201.02	**1,146.20**
Aggregate amount of quoted investments and market value thereof					**-**	**-**
Aggregate amount of unquoted investments					**1,201.02**	**1,146.20**
Aggregate amount of impairment in value of investments					**-**	**-**
The principle place of business of all the investments of the Holding Company is India.						

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8. Investments (Non-Current) (cont'd)

Investment in Joint venture (Kondhwa Projects LLP)

Particulars	As at 31 March 2026	As at 31 March 2025
Share of the joint venture's statement of financial position:		
Non current assets		
Property, plant, and equipment	2,286.37	2,285.56
Current assets		
Cash and cash equivalents	0.21	0.01
Other current assets	6.86	6.86
	2,293.44	2,292.43
Current liabilities	(0.46)	(0.03)
Equity	2,292.98	2,292.40
Proportion of group ownership (50%)	1,146.49	1,146.20
Group's carrying amount of the investment (50%)	1,146.49	1,146.20

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.

9. Inventories

(Valued at cost or net realisable value, which ever is lower)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials, components and stores	842.23	835.54
Building materials	1,273.30	1,508.75
Land stock (*)	13,817.09	8,550.16
Right of use asset - Land (#)	-	2,171.19
Work-in-progress		
- Real estate projects (*)	1,05,348.09	90,592.23
- Others	304.65	514.24
Stock of units in completed real estate projects (*)	6,528.18	8,207.05
Finished goods	149.48	143.33
	1,28,263.02	**1,12,522.49**

(*) Refer note 42 for details of inventories pledged as security for borrowings.

(#) The Group has entered into lease agreements for the acquisition of land for construction purposes for a substantial period of time. In accordance with Paragraph 25 of Ind AS 116 – Leases, the Group, being the lessee, has recognised the costs referred to in Paragraph 24(d) of Ind AS 116 as part of the cost of the right-of-use (ROU) asset. During the year, the project was launched on such land and accordingly the value of such ROU land is now included in work in progress.

Considering the nature of its business, the Group has applied the principles of Ind AS 2 – Inventories, whereby the costs incurred during a particular period, as a consequence of using the ROU asset to produce inventories, have been classified as inventories.

The obligations related to such costs, recognised under Ind AS 116 and Ind AS 2, are measured and accounted for in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

Note: The write-down (net) of inventories to net realisable value for the year ended 31 March 2026 is ₹ 161.72 (31 March 2025: ₹ 57.58). This was recorded as an expense during the respective years and included in 'changes in inventories' in consolidated statement of profit and loss.

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10. Trade receivables

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Trade receivables considered good - unsecured	534.04	540.53	3,078.59	2,183.34
	534.04	540.53	3,078.59	2,183.34
Less: Impairment allowance (allowance for credit loss) (refer note no 40B)				
Trade receivables considered good - unsecured	(6.91)	-	(310.35)	(319.58)
Net trade receivables	**527.13**	**540.53**	**2,768.24**	**1,863.76**

The Group had balance of trade receivables (net of Impairment allowance (allowance for credit loss)) as on 01 April 2024 of ₹ 2,038.70 (Non-current of ₹ 393.45 and Current of ₹ 1,645.25).

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 34)	-	-	188.76	191.39
b. Trade receivables from other related parties (refer note 34)	-	-	22.21	91.05
c. Refer Note 42 for details of Trade receivables pledged as security for borrowings.				

d. Trade receivable ageing schedule

As at 31 March 2026	Outstanding for the 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	534.04	-	-	-	-	-	534.04
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	**534.04**	**-**	**-**	**-**	**-**	**-**	**534.04**
B. Current							
Undisputed Trade receivables-considered good	137.96	1,581.86	222.33	824.29	30.61	195.22	2,992.27
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	-	-	-	-	-	86.32	86.32
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Current	**137.96**	**1,581.86**	**222.33**	**824.29**	**30.61**	**281.54**	**3,078.59**

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10. Trade receivables (cont'd)

d. Trade receivable ageing schedule (cont'd)

As at 31 March 2025	Outstanding for the 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	540.53	-	-	-	-	-	540.53
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	**540.53**	**-**	**-**	**-**	**-**	**-**	**540.53**
B. Current							
Undisputed Trade receivables-considered good	118.65	973.68	615.68	54.32	85.96	248.73	2,097.02
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables-considered good	-	-	-	-	-	86.32	86.32
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total of Current	**118.65**	**973.68**	**615.68**	**54.32**	**85.96**	**335.05**	**2,183.34**

e. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

f. There are no debt due by Directors or other officers of the Group company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member shall be separately stated.

11. Other financial assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good				
Refundable deposits towards joint development agreement	25.00	205.00	8,435.50	6,023.13
Security deposit	209.54	248.89	105.71	56.19
External/Internal development charges (EDC/IDC)	-	-	62.00	79.45
Settlement share recoverable	-	-	148.79	199.35
Other receivables	50.00	130.00	-	154.17
Fixed deposits with maturity for more than 12 months				
- Pledged/ under lien/ earmarked/ margin money (^^)(*)	4,005.28	33.98	-	-
	4,289.82	**617.87**	**8,752.00**	**6,512.29**
(*)Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	3,962.27	-	-	-

Note: Refer Note 42 for details of deposits pledged as security for borrowings

(^^) Includes interest accrued but not due.

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12. Other assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good				
Land advances (*)	9,615.08	8,439.68	-	175.30
Advances recoverable in kind	-	0.24	766.43	494.95
Prepaid expenses	-	-	2,743.25	1,894.96
Balances with statutory/ government authorities	-	-	1,427.38	1,328.34
Unbilled revenue (^)	-	-	1,349.84	1,467.18
Advances for joint development arrangements (#)	1,086.69	1,396.49	1,508.00	2,305.98
Capital advances	86.33	52.13	-	-
Other receivables	295.50	295.50	-	3.77
Unsecured, considered doubtful				
Land advances (^^)	290.67	290.67	-	-
Less: Provision for doubtful advances	(290.67)	(290.67)	-	-
Advances for joint development arrangements	20.00	-	-	-
Less: Provision for doubtful advances	(20.00)	-	-	-
	11,083.60	**10,184.04**	**7,794.90**	**7,670.48**

(*) 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.

(#) Advances under Joint Development Arrangements (JDA) are paid predominantly 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. Provision for doubtful debts on advances for joint development arrangements as at 31 March 2026 is ₹ 20.00 (31 March 2025 is Nil).

(^^) Land advances written off for the year ended 31 March 2026 is Nil (31 March 2025 is ₹ 125.34) and provision for doubtful debts on land advances as at 31 March 2026 is ₹ 290.67 (31 March 2025 is ₹ 290.67).

Note:

	Particulars	Non-current		Current	
		As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
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	-	-	11.57	12.74
b.	Includes from related parties				
	Land advances (refer note 34)	7,576.10	7,629.77	-	-

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13. Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks in current accounts (*)	1,739.14	1,262.25
Cash on hand	4.44	3.38
	1,743.58	**1,265.63**
(*) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	518.47	558.95

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 2025	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 2026
Borrowings from bank and other parties	11,308.76	(1,285.62)	-	-	-	10,023.14
Interest on Borrowings	30.49	(1,187.99)	-	1,181.13	-	23.63
Unclaimed dividend	1.93	(0.43)	-	-	-	1.50
Dividend	-	(320.43)	-	-	-	-
Lease liabilities	525.86	(62.84)	-	27.53	60.21	550.76
Share capital (including securities premium)	30,120.01	7.16	-	-	-	30,127.17

Liabilities	As at 1 April 2024	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 2025
Borrowings from bank and other parties	19,135.09	(7,826.33)	-	-	-	11,308.76
Interest on Borrowings	20.59	(1,702.33)	-	1,712.23	-	30.49
Unclaimed dividend	2.00	(0.07)	-	-	-	1.93
Dividend	-	(302.62)	-	-	-	-
Lease liabilities	262.24	(82.50)	-	25.54	320.58	525.86
Share capital (including securities premium)	10,277.38	19,842.63	-	-	-	30,120.01

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14. Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Earmarked bank balances		
– On unclaimed dividend account	1.50	1.52
Fixed deposits with banks with maturity less than 12 months (#)(^)		
- Pledged/ under lien/ earmarked/ margin money (^^)	135.86	-
- Others (^^)	13,154.97	16,821.52
	13,292.33	**16,823.04**
(#) Includes amount held in escrow account for projects under Real Estate Regulation and Development Act, 2016, to be utilised for project specific purposes.	9,680.54	10,029.77

(^) Refer Note 42 for details of deposits pledged as security for borrowings.
(^^) Includes interest accrued but not due.

15. Equity share capital

Particulars	31 March 2026		31 March 2025	
	No of shares	Amount	No of shares	Amount
Authorised shares(*)				
Equity shares of ₹ 10 each (in ₹)	15,00,00,000	1,500.00	15,00,00,000	1,500.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 10 (in ₹) each fully paid up	10,69,32,977	1,069.33	10,69,18,751	1,069.18
Equity shares of ₹ 10 (in ₹) each partly paid up of ₹ 5 each (refer note no 44)	20,857	0.10	35,083	0.18
Total	**10,69,53,834**	**1,069.43**	**10,69,53,834**	**1,069.36**

(*) Excludes 5,000,000, 7% Redeemable preference shares of ₹ 100 each amounting to ₹ 500 (31 March 2025: ₹ 500)

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	31 March 2026		31 March 2025	
	No of shares	Amount	No of shares	Amount
Equity shares				
At the beginning of the year	10,69,53,834	1,069.36	9,48,45,853	948.46
Issued during the year (refer note no 44)	-	0.07	1,21,07,981	120.90
Outstanding at the end of the year	**10,69,53,834**	**1,069.43**	**10,69,53,834**	**1,069.36**

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15. Equity share capital (cont'd)

b. Terms/ rights attached to equity shares

The Group 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 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.

During the previous year Group has issued shares to existing shareholders (refer note 44).

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

Name of the shareholder	31 March 2026		31 March 2025	
	No of shares	% holding	No of shares	% holding
Equity shares of ₹ 10 (in ₹)each fully paid up				
Mrs. Sobha Menon	3,27,61,059	30.64%	3,27,61,059	30.64%
Mr. P.N.C. Menon	1,41,86,456	13.27%	1,41,86,456	13.27%
Mr. P.N.C. Menon (inclusive of joint holding with Mrs. Sobha Menon)	59,64,252	5.58%	59,64,252	5.58%
Anamudi Real Estates LLP	59,47,134	5.56%	59,47,134	5.56%
Bandhan Asset Management Company	71,81,724	6.71%	43,35,269	4.05%

d. Details of shares held by promoters

Promoter Name	31 March 2026			31 March 2025		
	No.of shares	% of total shares	% change during the year	No.of shares	% of total shares	% change during the year(#)
Mrs. Sobha Menon	3,27,61,059	30.64%	-	3,27,61,059	30.64%	0.35%
Mr. P.N.C. Menon	1,41,86,456	13.27%	-	1,41,86,456	13.27%	0.26%
Mr. P.N.C. Menon (inclusive of joint holding with Mrs. Sobha Menon)**	59,64,252	5.58%	-	59,64,252	5.58%	0.00%
Mr. Ravi PNC Menon**	35,96,301	3.36%	-	35,96,301	3.36%	0.00%

Since the Group issued equity shares by way of rights issue during the previous year, shareholding of promoters has changed.

** Certain percentages that are required to be presented and do not appear due to rounding off are expressed as "0.00%".

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.

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16. Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
Capital redemption reserve	119.47	119.47
Securities premium	29,057.74	29,050.65
General reserve	4,789.91	4,596.50
Retained earnings (including OCI)	12,162.78	10,769.09
	46,129.89	**44,535.70**
Capital reserve		
Balance at the beginning and end of the year	119.47	119.47
Closing balance	**119.47**	**119.47**
Securities premium		
Balance at the beginning and end of the year	29,050.65	9,328.92
Add: Premium on issue of equity shares [refer note (b) below, refer note 44]	7.09	19,721.73
Closing balance	**29,057.74**	**29,050.65**
General reserve		
Balance at the beginning of the year	4,596.50	4,501.81
Add: Transfer from consolidated statement of profit and loss	193.41	94.69
Closing balance	**4,789.91**	**4,596.50**
Surplus in the statement of profit and loss		
Balance at the beginning of the year	10,769.09	10,242.08
Profit for the year	1,934.08	946.86
Other comprehensive income		
Re-measurement loss on defined benefit plans	(26.12)	(22.55)
Less: Appropriations		
Dividend (including dividend distribution tax) refer note 18	(320.86)	(302.62)
Transfer to general reserve	(193.41)	(94.69)
Net surplus in the statement of profit and loss	**12,162.78**	**10,769.09**
Total other equity	**46,129.89**	**44,535.70**

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 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.

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17. Distribution made and proposed

Particulars	31 March 2026	31 March 2025
Final dividend on equity shares declared and paid		
₹ 3 per share for the year ended 31 March 2025 (#)	320.86	-
₹ 3 per share for the year ended 31 March 2024	-	302.62
	320.86	**302.62**
Details of proposed final dividend on equity shares (*)		
₹ 6 per share for the year ended 31 March 2026	641.72	-
₹ 3 per share for the year ended 31 March 2025	-	320.81
	641.72	**320.81**

(*) Proposed dividends 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.

(#) The Holding Company paid dividend for the year ended 31 March 2026 of ₹ 320.86 (including unclaimed dividend of ₹ 0.43) (for the year ended 31 March 2025 of ₹ 302.62 million (including unclaimed dividend of ₹ 0.07), including proportionate dividend of ₹ 1.50 per right share paid amounting to ₹ 18.08)).

18. Borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current borrowings		
Term loans (Secured)		
- from banks	4,319.38	6,016.83
- from other parties	1,553.85	2,988.74
	5,873.24	**9,005.57**
Less: Current maturities of long term borrowings	(1,802.27)	(1,344.85)
Total non-current borrowings	**4,070.96**	**7,660.72**
Current borrowings		
Loans repayable on demand		
- from banks	3,807.53	1,824.57
Cash credit from banks	342.38	478.62
Current maturities of long term borrowings	1,802.27	1,344.85
Total current borrowings	**5,952.18**	**3,648.04**
Total borrowings	**10,023.14**	**11,308.76**

Note:

i) The Group has been sanctioned a working capital limit in excess of Rs. 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 Group with such banks and financial institutions and such returns/statements are in agreement with the books of account of the Group for the respective periods, which were not subject to audit/review.

ii) None of the entities in the Group have been declared a wilful defaulter by any bank or financial institution or government or any government authority.

Sobha Limited

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18. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Non-current borrowings					
Term loans from banks	1,208.14	1,306.24	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	Repayble in 153 monthly instalments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from banks	337.39	447.39	8%-10%	**Secured by way of** a. mortgage of investment property of the Group Company b. hypothecation of receivables (both present and future) of the relation to the investment property c. corporate guarantee from the Group Company	Repayable in 126 monthly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from banks	-	186.45	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	383.15	522.44	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.
Term loans from banks	597.37	797.33	8%-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 b. negative lien on vacant land parcels	Repayable in 11 equal quarterly installments, after a moratorium period of 3 months from the date of first disbursement.
Term loans from banks	209.19	558.48	8%-10%	**Security charge by way of** a. equitable mortgage of immovable property of the Subsidiary project b. hypothecation of receivables (both present and future) c. first Charge on escrow balances and all assets of the Group project d. Corporate guarantee of the Group	Repayable in 10 equal quarterly installmentsfrom the date of first disbursement.

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18. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Term loans from banks	888.65	1,733.51	8%-10%	**Secured by way of** a. hypothecation of escrow balances and Holding Company's share of receivables (both present and future) of the project and debt service reserve account	Repayable in 36 monthly installments, after a moratorium period of 24 months from the date of first disbursement.
Term loans from banks	-	167.19	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 banks	-	10.60	8%-10%	**Secured by way of** a. hypothecation of Equipment	Repayable in 48 monthly installments, after a moratorium period of 2 months from the date of first disbursement.
Term loans from banks	155.10	287.20	8%-10%	**Secured by way of** a. mortgage of land and building owned by the Holding Company	Repayable in 20 equal quarterly installments from the date of first disbursement.
Term loans from banks	540.39	-	8%-10%	**Secured by way of** a. hypothecation of escrow balances and Holding Company's share of receivables (both present and future) of the project and debt service reserve account b. equitable mortgage of land and building owned by the Holding Company.	Repayable in 8 equal quarterly installments from the date of first disbursement.
Term loans from other parties	1,239.55	1,491.34	8%-10%	**Secured by way of** a. equitable mortgage on the Holding Company's share of inventory of the project b. registered mortgage on immovable properties of the project c. hypothecation of escrow balances and Holding Company's share of receivables (both present and future) of the project.	Repayable in 84 monthly installments, after a moratorium period of 48 months from the date of first disbursement.

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18. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Term loans from other parties	-	985.14	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 36 months from the date of first disbursement.
Term loans from other parties	314.30	512.26	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.
Sub - total	**5,873.24**	**9,005.57**			

Current borrowings

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Term loans from banks	249.99	628.87	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building	Repayable on demand
Term loans from banks	500.00	-	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and Building and commercial building	Repayable on demand
Term loans from banks	467.89	-	7%-9%	**Secured by way of** a. equitable mortgage on vacant land parcels b. Secured by way of receivables of the project	Repayable on demand

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18. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Term loans from banks	1,045.82	-	6%-8%	**Secured by way of** a. hypothecation of escrow balances, other current assets and receivables (both present and future) of the projects. b. equitable mortgage on vacant land parcels(*)	Repayable on demand
Term loans from banks	599.41	500.00	8%-10%	**Secured by way of** a. equitable mortgage on vacant land parcels b. Secured by way of inventory and receivables of the unencumbered project	Repayable on demand
Term loans from banks	944.42	695.70	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
Cash credit	4.53	30.00	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	-	7.06	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	250.15	132.28	8%-10%	**Secured by way of** a. equitable mortgage on vacant land parcels b. Secured by way of inventory and receivables of the unencumbered project	Repayable on demand
Cash credit	-	3.18	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building	Repayable on demand
Cash credit	-	6.18	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

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(All amounts in ₹ millions, unless otherwise stated)

18. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Cash credit	5.00	-	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building"	Repayable on demand
Cash credit	-	0.10	9%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building"	Repayable on demand
Cash credit	-	261.59	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building"	Repayable on demand
Cash credit	30.00	25.70	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building"	Repayable on demand
Cash credit	-	12.03	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building	Repayable on demand

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(All amounts in ₹ millions, unless otherwise stated)

18. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Cash credit	50.00	0.10	9%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building	Repayable on demand
Cash credit	-	0.10	9%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on Industrial land and building and commercial building	Repayable on demand
Cash credit	2.60	-	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building	Repayable on demand
Cash credit	-	0.10	9%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building	Repayable on demand
Cash credit	0.10	0.10	9%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building	Repayable on demand

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18. Borrowings (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025	Effective interest rate	Security Details	Repayment terms
Cash credit	-	0.10	8%-10%	**Secured by way of** a. first charge on receivables and inventory of the contracting 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 e. first charge on industrial land and building and commercial building	Repayable on demand
Sub - total	**4,149.91**	**2,303.19**			
Total borrowings	**10,023.14**	**11,308.76**			

(*) Refer note 34

19. Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Payable to land owner for acquisition of land/related rights	2,116.90	1,661.19
Security deposit received towards		
-Maintenance services	2,892.87	2,142.68
-Lease deposit	224.70	199.41
Letter of credit payable	111.98	86.43
Book overdraft	934.44	510.39
Revenue share payable under joint development agreement	532.70	734.78
Interest accrued but not due on borrowings	23.63	30.49
Deferred lease rental	12.64	12.20
Unclaimed dividend (*)	1.50	1.92
Payable for purchase of property, plant and equipment	10.85	66.54
Payable to related party	177.24	176.18
Employee dues payable	221.76	166.69
Others	193.34	144.53
Total other financial liabilities	**7,454.55**	**5,933.43**

(*) Investor Protection and Education Fund is credited for unclaimed dividends when due.

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Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

20. Provisions

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits				
Provision for gratuity (refer note 36)	367.24	258.39	168.07	124.79
Provision for compensated absence	-	-	207.09	150.41
	367.24	**258.39**	**375.16**	**275.20**

21. Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Payable to land owner for acquisition of land/related rights	204.41	1,020.06
	204.41	**1,020.06**

22. Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Dues of micro enterprises and small enterprises	-	-
Dues of creditors other than micro enterprises and small enterprises (refer note 34)	8,275.62	5,648.08
	8,275.62	**5,648.08**

Trade payable ageing

As at 31 March 2026	Accrued	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total undisputed outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total undisputed outstanding dues of creditors other than micro enterprises and small enterprises	3,106.13	1,301.66	3,449.44	258.69	79.07	80.63	8,275.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	3,106.13	**1,301.66**	**3,449.44**	**258.69**	**79.07**	**80.63**	**8,275.62**

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Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions, unless otherwise stated)

22. Trade payables (cont'd)

Trade payable ageing

As at 31 March 2025	Accrued	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total undisputed outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total undisputed outstanding dues of creditors other than micro enterprises and small enterprises	1,439.25	1,771.98	2,151.86	120.96	78.99	85.04	5,648.08
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	1,439.25	**1,771.98**	**2,151.86**	**120.96**	**78.99**	**85.04**	**5,648.08**

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 Group.

Particulars	31 March 2026	31 March 2025
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	-	-

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Notes to the Consolidated Financial Statements for the year ended 31 March 2026
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23. Other liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Contract liabilities		
-Advance from customers	93,441.97	80,807.52
-Mobilisation advance	259.19	421.30
-Liability under joint development agreement (*)	25,350.80	18,877.50
-Deferred revenue	573.27	213.42
Withholding taxes payable	92.00	83.20
Goods and Services tax payable	352.98	348.30
Others	59.50	55.52
	1,20,129.71	**1,00,806.76**

(*) Represents amount payable to landowners where the Group has entered into joint development arrangements with landowners for joint development of properties on land in lieu of which, the Group has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, net of revenue recognised.

24. Revenue from operations (refer note 34)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A Revenue from contract with customers		
I. Sale of products		
Income from of constructed properties, plots and other development activities	42,468.96	32,061.75
Income from sale of land and related rights (net)#	(189.04)	386.35
Income from glazing works	1,892.81	1,575.16
Income from interior works	868.28	786.95
Income from concrete blocks	979.89	914.31
Income from retail sales	250.91	177.88
II. Sale of services		
Income from contractual activity	3,715.84	3,150.20
Income from maintenance and other services	882.16	491.13

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Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

24. Revenue from operations (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
III. Other operating revenue		
Forfeiture income	18.75	15.67
Interest collected from customer	61.17	38.84
Transfer fees	90.20	64.55
Marketing fee	33.61	17.29
Scrap sales	179.95	82.99
Total (A)	**51,253.49**	**39,763.07**
B Rental income		
Rental income from operating leases (refer note 37)	651.49	623.86
Total (A+B)	**51,904.98**	**40,386.93**

(#) Includes net of contract cancellation.

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 2026	Year ended 31 March 2025
Revenue recognition at a point of time	41,191.93	31,267.81
Revenue recognition over period of time	10,061.56	8,495.26
	51,253.49	**39,763.07**

(b) Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Contract assets		
Unbilled revenue	1,349.84	1,467.18
Total contract assets	**1,349.84**	**1,467.18**
Contract liabilities		
Advance from customers (includes mobilisation advance)	93,701.16	81,228.82
Liability under joint development agreement	25,350.80	18,877.50
Deferred revenue	573.27	213.42
Total contract liabilities	**1,19,625.23**	**1,00,319.74**
Receivables		
Trade receivables (net of expected credit loss)	3,295.37	2,404.29
Total receivables	**3,295.37**	**2,404.29**

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Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(All amounts in ₹ millions, unless otherwise stated)

24. Revenue from operations (cont'd)

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: ₹ 889.79 (31 March 2025: ₹ 303.44)
(ii) Recognised as contract assets: ₹ 2,390.90 (31 March 2025: ₹ 1,011.72)

(c) Significant changes in contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2026			As at 31 March 2025		
	Advances from customers (*)	Payable to land owner	Deferred Revenue	Advances from customers (*)	Payable to land owner	Deferred Revenue
Opening balance	**81,228.82**	**18,877.50**	**213.42**	**70,166.84**	**8,250.87**	**165.18**
Additions during the year (net)	50,658.51	10,926.21	573.27	39,870.88	14,396.53	213.42
Revenue recognised during the year	(38,186.17)	(4,452.91)	(213.42)	(28,808.90)	(3,769.90)	(165.18)
Closing balance	**93,701.16**	**25,350.80**	**573.27**	**81,228.82**	**18,877.50**	**213.42**

(*) Includes mobilisation advance

(d) Significant changes in unbilled revenue balances during the year are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	**1,467.18**	**1,736.87**
Revenue recognised during the year	6,524.42	4,344.66
Billed during the year	(6,641.76)	(4,614.35)
Closing balance	**1,349.84**	**1,467.18**

(e) Reconciliation of revenue recognised with contract revenue:

Particulars	As at 31 March 2026	As at 31 March 2025
Contract revenue	51,253.49	39,763.07
Revenue recognised	**51,253.49**	**39,763.07**

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.

There is no single customer contributing more than 10% of total revenues.

The transaction price of the remaining performance obligation (unsatisfied or partly satisfied) as at 31 March 2026 is ₹ 2,15,978.74 (31 March 2025 is ₹ 1,59,552.72). The same is expected to be recognised within 1 to 5 years.

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25. Other income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income on		
-Bank deposits	1,040.71	633.21
-Unwinding of discount on refundable deposits	175.81	209.63
-Refundable deposits	498.26	48.61
-Other financial assets	39.92	44.89
Other non-operating income (net of expenses directly attributable to such income)		
-Liabilities no longer required written back	57.71	71.49
-Sub-contractor facilitation charges	18.17	141.49
-Gain on foreign exchange difference (net)	-	0.49
-Profit on sale of property, plant and equipment (net)	19.36	0.61
-Others	82.73	90.24
	1,932.67	**1,240.66**

26. Cost of material consumed

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventory at the beginning of the year	835.54	600.70
Add: Purchases during the year	3,797.96	2,976.83
Less: Inventory at the end of the year	842.23	835.54
Cost of material consumed	**3,791.27**	**2,741.99**

27. Changes in inventories of raw materials, land stock, work in progress and finished goods

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventories at the end of the year		
Building materials	1,273.30	1,508.75
Land stock	13,817.09	8,550.16
Right of use asset - Land	-	2,171.19
Work-in-progress	1,05,652.74	91,106.47
Stock of units in completed real estate projects	6,528.18	8,207.05
Finished goods	149.48	143.33
	1,27,420.79	**1,11,686.95**

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27. Changes in inventories of raw materials, land stock, work in progress and finished goods (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventories at the beginning of the year		
Building materials	1,508.75	1,525.16
Land stock	8,550.16	5,909.67
Right of use asset - Land	2,171.19	-
Work-in-progress	91,106.47	79,642.43
Stock of units in completed real estate projects	8,207.05	5,954.67
Finished goods	143.33	131.50
	1,11,686.95	**93,163.43**
Less: Land aquisition claim receivable reclassification	-	(461.16)
Add: Opening Inventory acquired on acquisition of subsidiary	-	267.19
	(15,733.84)	**(18,717.50)**

28. Employee benefits expense (refer note 34)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	4,507.14	3,664.80
Contribution to provident and other funds (refer note 37)	131.41	116.12
Gratuity expenses (refer note 37)	163.43	48.07
Compensated absence	115.79	73.19
Staff welfare expenses	122.75	149.88
	5,040.52	**4,052.06**

29. Finance costs (*)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense		
-on borrowings	910.09	1,599.99
-unwinding of discount on land cost payable	165.43	217.90
-on leases	27.53	25.54
-on others	174.95	25.17
Other borrowing cost		
-letter of credit charges	6.07	6.09
-bank guarantee charges	4.83	10.26
-bank and other charges	85.19	70.72
Total	**1,374.09**	**1,955.67**
(*) 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 March 2026 - 9% (31 March 2025 - 9%)	1042.97	1,680.01

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(All amounts in ₹ millions, unless otherwise stated)

30. Depreciation and amortization expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation of property, plant and equipment (refer note 4)	853.66	685.76
Depreciation of investment properties (refer note 5)	129.75	134.82
Depreciation of right of use assets* (refer note 37)	58.77	64.78
Amortization of intangible assets (refer note 7)	18.07	12.89
	1,060.25	**898.25**

* Net of depreciation on 'right of use asset - land' capitalised in work in progress 31 March 2026 is ₹ 20.89 (31 March 2025 : Nil).

31. Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
License fees and plan approval charges	1,594.96	737.80
Power and fuel	640.00	701.42
Water charges	28.85	60.70
Freight and forwarding charges	286.44	284.83
Rent (refer note 34)	416.87	240.45
Rates and taxes	229.40	138.11
Insurance	188.03	153.64
Property maintenance expenses	379.22	238.16
Repairs and maintenance		
Plant and machinery	51.09	61.79
Others	62.50	98.29
Advertising and sales promotion	1,024.91	840.25
Brokerage and discounts	906.52	672.64
Corporate Social Responsibility expenditure (refer note 34)	60.10	135.14
Travelling and conveyance (refer note 34)	176.57	188.65
Printing and stationery	34.03	40.96
Software and subscribtion	336.71	114.64
Legal and professional fees	1,316.57	583.83
Allowance for credit loss on doubtful trade receivable (refer note 40B)	31.38	375.38
Provision for doubtful advance for joint development arrangements and deposit	43.05	-
Provision for doubtful land advances	-	214.05
Advances for joint development arrangement written off	60.00	-
Other advances written off (refer note 34)	17.80	225.37
Security and housekeeping	470.54	309.61
Impairment of property, plant and equipment	0.31	4.31
Miscellaneous expenses	296.11	315.73
	8,651.96	**6,735.75**

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Notes to the Consolidated Financial Statements for the year ended 31 March 2026

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32. Income tax

The significant components of income tax expense for the years ended 31 March 2026 and 31 March 2025 are -

A. Amounts charged to statement of profit and loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current income tax:		
Current income tax charge	2,006.14	1,651.67
Deferred tax:		
Relating to origination and reversal of temporary differences	(1,341.57)	(1,268.52)
Income tax expense reported in the statement of profit and loss	**664.57**	**383.15**

B. Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Net loss on remeasurements of defined benefit plans	8.78	7.58
Income tax charge to other comprehensive income	**8.78**	**7.58**

C. Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate for 31 March 2026 and 31 March 2025

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Accounting profit before income tax	2,598.65	1,330.01
Tax on accounting profit at statutory income tax rate applicable to the Holding Company 25.17% (31 March 2025: 25.17%)	654.08	334.76
Adjustments in respect of change in tax rate of subsidiary	6.39	16.84
Permanent adjustments	4.10	31.55
	664.57	**383.15**

D. Deferred tax asset / Liability
Deferred tax assets relates to the following

Particulars	Balance as at 01 April 2025	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2026
Provision for compensated absence	52.12	-	37.85	-
Provision for gratuity	134.81	-	96.40	-
Provision for exgratia	14.82	-	12.02	-
Expected credit losses	58.13	-	58.71	-
Others	43.15	-	22.63	-
Property, plant and equipment and investment property	-	(13.71)	0.95	-
On account of difference in IndAS 115 and ICDS III	3,635.74	-	2,318.74	-
Deferred tax asset	**3,938.77**	**(13.71)**	**2,547.30**	**-**
Deferred tax asset (Net)	**3,925.06**	**-**	**2,547.30**	**-**

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32. Income tax (cont'd)

Deferred tax liability relates to the following

Particulars	31 March 2026		31 March 2025	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Property, plant and equipment and investment property	-	(293.72)	-	(290.45)
On account of difference in IndAS 115 and ICDS III	103.10	-	126.18	-
	103.10	**(293.72)**	**126.18**	**(290.45)**
Deferred tax liability (Net)	**-**	**(190.62)**	**-**	**(164.27)**

Following summarises the movement of Deferred tax asset/ (liability)

Year ended 31 March 2026	Balance as at 01 April 2025	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2026
Provision for compensated absence	37.85	14.27	-	52.12
Provision for gratuity	96.40	29.63	8.78	134.81
Provision for exgratia	12.02	2.80	-	14.82
Expected credit losses	58.71	(0.58)	-	58.13
Others	22.63	20.52	-	43.15
Property, plant and equipment and investment property	(289.50)	(17.93)	-	(307.43)
On account of difference in IndAS 115 and ICDS III	2,444.92	1,374.65	-	3,738.84
Total	**2,383.03**	**1,341.57**	**8.78**	**3,734.44**

Year ended 31 March 2025	Balance as at 01 April 2024	Movement in statement of Profit and Loss	Movement in OCI	Balance as at 31 March 2025
Provision for compensated absence	31.45	6.40	-	37.85
Provision for gratuity	86.50	2.32	7.58	96.40
Provision for exgratia	16.17	(4.15)	-	12.02
Expected credit losses	175.16	(116.45)	-	58.71
Deferred tax asset on tax losses and unabsorbed depreciation	11.27	(11.27)	-	-
Others	(15.97)	38.60	-	22.63
Property, plant and equipment and investment property	(267.93)	(21.57)	-	(289.50)
On account of difference in IndAS 115 and ICDS III	1,070.27	1,374.65	-	2,444.92
Total	**1,106.92**	**1,268.53**	**7.58**	**2,383.03**

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32. Income tax (cont'd)

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)

F. Income tax assets (net)

Particulars	31 March 2026	31 March 2025
Income tax assets (net)	502.21	465.15
	502.21	**465.15**

G. Current tax liabilities (net)

Particulars	31 March 2026	31 March 2025
Provision for tax (net of advance tax)	407.59	664.45
	407.59	**664.45**

33. Earnings per share [‘EPS’]

Particulars	31 March 2026	31 March 2025
Net Profit after tax attributable to equity shareholders	1,934.08	946.86
Weighted average number of equity shares used in calculating basic and diluted EPS	10,69,36,293	10,20,82,342
Nominal value per equity share	10	10
Earnings per share (in ₹)		
Basic (in ₹)	18.09	9.28
Diluted (in ₹)	18.09	9.28

34. Related party disclosures

A Name of the related parties and the nature of its relationship with the Group as below:

Joint Venture
Kondhwa Projects LLP

Associate
Constrobot Robotics Pvt Ltd (with effect from 17 October 2025)

Key Shareholder
Mr. P. N. C. Menon
Mrs. Sobha Menon

Key Management Personnel ('KMP')
Mr. Ravi PNC Menon - Chairman
Mr. Jagadish Nangineni - Managing Director
Mr. Nisanth M N - Deputy Managing Director (with effect from 01 January 2025)

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

Sobha Limited
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34. Related party disclosures (cont'd)

Other Directors
Mrs. Srivathsala KN
Mr. Raman Mangalorkar
Mr. Gopal B Hosur (with effect from 8th August 2024)
Mr. Subba Rao Amarthaluru (with effect from 8th August 2024)

Relatives of key management personnel with whom transactions have taken place
Mrs. Sudha Menon
Mr. P N Haridas
Mr. Manoharan Nair Kothaneth
Mrs. Radhamukundan
Mrs. Balamani Jayaprakash (Legal heir Deenesh Kumar PN)

Post employment-benefit plan entity
Sobha Developers Employees Gratuity Trust

Other related parties with whom transactions have taken place
Entities where key management personnel have significant influence/ control
Sobha Glazing & Metal Works Private Limited
Sobha Innercity Technoplis Private Limited
Sobha Projects & Trade Private Limited
Sobha Puravankara Aviation Private Limited
Sobha Technocity Private Limited
Sri Kurumba Educational and Charitable Trust
Technobuild Developers Private Limited
Sri Durga Devi Property Management Private Limited
Sri Parvathy Land Developers Private Limited
Puzhakkal 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
Rusoh Home Developers Private Limited
Thakazhi Developers Private Limited
Thakazhi Realtors Private Limited
Tirur Cyber Real Estates Private Limited
Kilai Super Developers Private Limited
Chennai Supercity Developers Private Limited
Mannur Properties Private Limited
Mannur Builders Private Limited
Mannur Real Estate Private Limited
Navabhusan Properties and Developers Private Limited
Cochin Cyber Estate Private Limited
Ilupur Builders Private Limited
Ilupur Developers Private Limited
Ilupur Real Estate Private Limited
Ilupur Realtors Private Limited
Kottaiyur Realtors Private Limited
Valasai Vettikadu Builders Private Limited
Valasai Vettikadu Properties Private Limited
Valasai Vettikadu Real Estate Private Limited

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34. Related party disclosures (cont'd)

b) Details of the transactions with the related parties:

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
I.	**Transaction with Associate**		
	Purchase of material		
	Constrobot Robotics Private Limited	7.00	-
II.	**Transaction with other related parties / KMP**		
	Income from of constructed properties, plots and other development activities		
	Mr. Jagadish Nangineni	-	0.02
	Income from of Contractual Activity		
	Mrs. Sobha Menon	11.50	-
	Advance from customers		
	Mrs. Radhamukundan	11.01	-
	Mr. Jagadish Nangineni	4.94	-
	Sale against Land advances		
	Mrs. Balamani Jayaprakash	26.63	-
	Other income		
	Mr. Jagadish Nangineni (#)	0.03	0.00
	Income/(loss) from sale of land and development rights		
	Chikmangaloor Properties Private Limited	-	3.87
	Chikmangaloor Developers Private Limited	1.43	0.63
	Chikmangaloor Realtors Private Limited	0.27	0.10
	Rusoh Marina Properties Private Limited	7.46	0.26
	Rusoh Home Developers Private Limited	-	0.76
	Mapedu Realtors Private Limited	3.09	5.99
	Mapedu Builders Private Limited	-	4.56
	Chennai Supercity Developers Private Limited	2.14	4.32
	Mannur Properties Private Limited	-	1.35
	Mannur Builders Private Limited	-	0.86
	Mannur Real Estate Private Limited (#)	0.00	7.86
	Navabhusan Properties and Developers Private Limited	-	13.52
	Cochin Cyber Estate Private Limited (#)	0.00	14.46
	Ilupur Builders Private Limited	0.32	3.93
	Ilupur Developers Private Limited	1.17	18.92
	Ilupur Real Estate Private Limited	1.57	5.08
	Ilupur Realtors Private Limited	1.46	6.71
	Kottaiyur Realtors Private Limited (#)	0.00	3.50
	Valasai Vettikadu Builders Private Limited	1.07	3.18

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34. Related party disclosures (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Valasai Vettikadu Properties Private Limited (#)	0.00	1.61
Valasai Vettikadu Real Estate Private Limited	0.80	7.93
Ilupur Properties Private Limited	5.22	-
Income from glazing works		
Sri Kurumba Educational and Charitable Trust	0.58	0.01
Sobha Projects & Trade Private Limited	3.83	-
Mr. Manoharan Nair Kothaneth	1.68	-
Income from interior works		
Sri Kurumba Educational and Charitable Trust	1.59	1.06
Mr. Manoharan Nair Kothaneth	5.28	-
Income from concrete blocks		
Sobha Projects & Trade Private Limited	0.19	1.20
Mr. Manoharan Nair Kothaneth	0.21	-
Sub-contractor cost		
Sobha Projects & Trade Private Limited	540.66	431.79
Rent		
Sri Kurumba Educational and Charitable Trust	0.60	0.12
Mr. Ravi PNC Menon	13.18	12.45
Other advances written off		
Sobha Puravankara Aviation Private Limited	-	111.52
Amount received during the year		
Sobha Puravankara Aviation Private Limited	-	65.72
Corporate Social Responsibility expenditure		
Sri Kurumba Educational and Charitable Trust	60.00	141.41
Land advance refunded		
Technobuild Developers Private Limited	162.74	179.72
Security deposit adjusted towards rent		
Sobha Glazing & Metal Works Private Limited	5.50	5.50
Advance Paid		
Sobha Glazing & Metal Works Private Limited	0.85	2.67
Contribution to plan assets		
Sobha Developers Employees Gratuity Trust	46.20	38.70
Security received		
Sri Durga Devi Property Management Private Limited	2,000.00	-

Sobha Limited
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34. Related party disclosures (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Sri Parvathy Land Developers Private Limited	2,000.00	-
Guarantees extinguished		
Sri Durga Devi Property Management Private Limited	-	2,000.00
Sri Parvathy Land Developers Private Limited	-	2,000.00
Directors' remuneration		
Mr. Jagadish Nangineni	54.93	33.89
Mr. Nisanth M N	10.46	2.59
Dividend paid (payment basis)		
Mr. Ravi PNC Menon	10.79	10.17
Mr. Jagadish Nangineni (#)	0.00	0.01
Mr. Anup Shah	-	0.01
Mr. Raman Mangalorkar (#)	0.00	-
Mrs. Sudha Menon (#)	0.00	0.00
Mr. P N Haridas	0.15	0.14
Salary (including perquisites)		
Mr. Yogesh Bansal	15.33	11.82
Mr. Bijan Kumar Dash	6.27	5.73
Directors' sitting fees and commission		
Mr. Anup Shah	-	0.84
Mr. R V S Rao	-	0.81
Mrs. Srivathsala KN	2.23	2.23
Mr. Raman Mangalorkar	2.19	2.25
Mr. Gopal B Hosur	2.13	1.35
Mr. Subba Rao Amarthaluru	2.17	1.38
III. Transaction with Joint venture		
Amount contributed to partnership current account		
Kondhwa Projects LLP	0.29	-
IV. Transaction with key shareholders		
Dividend paid (payment basis)		
Mr. P. N. C. Menon	42.56	39.62
Mrs. Sobha Menon	98.28	92.23
Mr. P. N. C. Menon and Mrs. Sobha Menon (jointly held shares)	17.89	16.88

(#) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

Sobha Limited
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34. Related party disclosures (cont'd)

c) Details of balances receivable from and payable to related parties are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
I. Balances receivable from and payable to joint venture		
In partners current account		
Kondhwa Projects LLP	1,146.49	1,146.20
II. Balances Payable to Associate		
Trade Payables		
Constrobot Robotics Private Limited	1.26	-
III. Balances receivable from and payable to other related parties		
Land advance		
Technobuild Developers Private Limited	7,458.86	7,629.77
Mrs. Balamani Jayaprakash	117.25	-
Right of use assets		
Sobha Glazing & Metal Works Private Limited	16.50	22.00
Advances recoverable in cash or in kind		
Sobha Glazing & Metal Works Private Limited	11.57	12.74
Trade receivables		
Sri Kurumba Educational and Charitable Trust	0.50	0.49
Sobha Projects & Trade Private Limited	188.76	191.39
Chennai Supercity Developers Private Limited	-	1.64
Mapedu Realtors Private Limited	-	1.70
Mapedu Builders Private Limited	-	1.69
Chikmangaloor Realtors Private Limited	-	0.11
Chikmangaloor Properties Private Limited	-	4.06
Chikmangaloor Developers Private Limited	-	0.73
Mannur Builders Private Limited	-	1.01
Mannur Real Estate Private Limited	-	8.48
Navabhusan Properties and Developers Private Limited	-	14.67
Cochin Cyber Estate Private Limited	-	16.92
Ilupur Builders Private Limited	-	3.14
Ilupur Developers Private Limited	-	20.90
Ilupur Real Estate Private Limited	-	3.34
Ilupur Realtors Private Limited	-	7.85
Kottaiyur Realtors Private Limited	-	4.09
Valasai Vettikadu Builders Private Limited	-	3.72
Valasai Vettikadu Real Estate Private Limited	-	5.88
Mr. Anup Shah	-	0.23
Mr. Manoharan Nair Kothaneth	8.21	-

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34. Related party disclosures (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
Mrs. Sobha Menon	13.50	-
Advance from customers		
Mr. Jagadish Nangineni	11.49	6.53
Mrs. Radhamukundan	11.01	-
Trade payables		
Sobha Projects & Trade Private Limited	55.78	35.34
Mr. Ravi PNC Menon	0.67	0.95
Guarantee or Security received		
Sri Durga Devi Property Management Private Limited	2,000.00	-
Sri Parvathy Land Developers Private Limited	2,000.00	-
Other current financial liabilites		
Sobha Space Private Limited	-	14.05
Sobha Projects & Trade Private Limited	-	7.01

D. Payable to key management personnel/director of the Company

Particulars	As at 31 March 2026	As at 31 March 2025
Commission to independent directors	8.00	8.01
Commission to Chairman and Managing Director	37.41	18.62
	45.41	**26.63**

E. Compensation of key management personnel of the Company

Particulars	As at 31 March 2026	As at 31 March 2025
Short-term employee benefits	87.00	54.03
Other benefits (*)	37.41	18.62
	124.41	**72.65**

(*) 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.

(#) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as “0.00”.

The Group's related party transactions during the year ended 31 March 2026 and 31 March 2025 and outstanding balances as at 31 March 2026 and 31 March 2025 are with its subsidiaries with whom the Company generally enters into transactions which are at arms length and in the ordinary course of business.

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35. 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 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 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 2026 and 31 March 2025 respectively:

Business segments

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Segment revenue		
Real estate	44,197.25	33,782.43
Contractual and manufacturing	10,284.42	8,301.68
Total	**54,481.67**	**42,084.11**
Less: Inter segment revenues	(2,576.69)	(1,697.18)
Net revenue from operations	**51,904.98**	**40,386.93**
Segment Cost		
Real estate		
- Land (including development rights) and related cost	20,229.06	19,946.42
- Subcontractor cost	11,530.16	8,759.44
- Purchase of project materials	11,569.59	10,572.89
- Depreciation and amortisation expenses	879.25	730.03
- Others (#)	9,317.67	7,303.16

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35. Segment information (cont'd)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
- Changes in inventories of raw materials, land stock (including development right), work in progress and finished goods	-15,733.84	-18,717.50
Contractual and manufacturing		
- Cost of materials consumed	3,791.27	2,741.99
- Subcontractor cost	890.04	907.64
- Purchase of project materials	2,832.35	2,444.97
- Depreciation and amortisation expenses	181.00	168.22
- Others (#)	1,443.08	1,636.55
Segment results		
Real estate	3,828.67	3,490.80
Contractual and manufacturing	1,146.68	402.32
Total segment results	**4,975.35**	**3,893.12**
Finance costs	(1,374.09)	(1,955.67)
Other unallocable expenditure	(2,070.10)	(1,589.86)
Other income (including finance income)	1,071.04	982.42
Less: Share of loss in equity accounted investees (net) (*)	(3.55)	(0.00)
Profit before taxation	**2,598.65**	**1,330.01**
Income taxes	(664.57)	(383.15)
Profit after taxation	**1,934.08**	**946.86**

(*) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

(#) Others primarily comprises employee benefit expenses, other expenses and net off other income for the respective segments.

The following table presents assets and liabilities information for the Group's operating segments as at 31 March 2026 and 31 March 2025 respectively:

Particulars	As at 31 March 2026	As at 31 March 2025
Segment assets		
Real estate	1,51,708.94	1,33,283.50
Contractual and manufacturing	8,680.65	8,498.47
Total segment assets	**1,60,389.59**	**1,41,781.97**
Unallocated assets	34,788.53	30,428.35
Total assets	**1,95,178.12**	**1,72,210.32**
Segment liabilities		
Real estate	1,32,906.32	1,10,515.33
Contractual and manufacturing	1,914.69	2,177.04
Total segment liabilities	**1,34,821.01**	**1,12,692.37**
Unallocated liabilities	13,157.79	13,912.89
Total liabilities	**1,47,978.80**	**1,26,605.26**
Capital employed		
Real estate	18,802.62	22,768.17
Contractual and manufacturing	6,765.96	6,321.43
Unallocated capital employed	21,630.74	16,515.46
Total capital employed	**47,199.32**	**45,605.06**

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35. Segment information (cont'd)

Current taxes, deferred taxes and certain financial assets and liabilities are considered as unallocated as they are also managed on a Group basis.

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Capital expenditure		
Real estate	1210.01	1,078.23
Contractual and manufacturing	621.17	189.04
Unallocated capital expenditure	166.34	112.66
Total capital expenditure	**2000.53**	**1,379.93**

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.

Reconciliations to amounts reflected in the financial statements

(i) Reconciliation of assets

Particulars	As at 31 March 2026	As at 31 March 2025
Segment assets	**1,60,389.59**	**1,41,781.97**
Investment (refer note 8)	1,146.49	1,146.20
Prepaid expenses (refer note 12)	2,743.25	1,894.96
Balances with statutory/ government authorities (refer note 12)	1,427.38	1,328.34
Income tax assets (net) (refer note 32)	502.21	465.15
Deferred tax assets (net) (refer note 32)	3,925.06	2,547.30
Cash and bank balances (refer note 13 and 14)	15,035.91	18,088.67
Other unallocable assets	10,008.23	4,957.73
Total assets	**1,95,178.12**	**1,72,210.32**

(ii) Reconciliation of liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Segment assets	**1 ,34,821.01**	**1 ,12,692.37**
Borrowings (refer note 18)	10,023.14	11,308.76
Provisions (refer note 20)	742.40	533.59
Other financial liabilities (refere note 21)	204.41	1,020.06
Deferred tax liabilities (refer note 32)	190.62	164.27
Current tax liabilities (net) (refer note 32)	94.62	199.30
Withholding taxes payable (refer note 23)	92.00	83.20
Other unallocable liabilities	1,999.84	603.71
Total liabilities	**1 ,47,978.80**	**1 ,26,605.26**

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36. 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 2026 and 31 March 2025 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.

Asset liability matching risk (ALM 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 and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

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 2026	31 March 2025
1	**The amounts recognized in the balance sheet are as follows:**		
	Present value of defined benefit obligation at the end of the year	541.22	388.58
	Less: Fair value of plan assets as at the end of the year	(5.90)	(5.40)
	Net liability recognised in the balance sheet	**535.32**	**383.18**
2	**Changes in the present value of defined benefit obligation**		
	Defined benefit obligation as at beginning of the year	388.58	348.03
	Current service cost	31.52	23.52
	Past service cost	61.98	-
	Liability transferred in	42.47	-
	Interest cost	27.81	24.85
	Benefits paid	(45.86)	(38.11)
	Actuarial loss / (gain) due to financial assumption changes	(0.25)	4.11
	Actuarial loss due to experience adjustments	34.96	26.18
	Defined benefit obligation as at the end of the year	**541.21**	**388.58**

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36. Employment benefit plans (cont'd)

Particulars	31 March 2026	31 March 2025
3 Changes in the fair value of plan assets		
Fair value as at the beginning of the year	5.40	4.34
Interest on plan assets	0.35	0.31
Actuarial gain / (loss)	(0.19)	0.16
Contributions	46.20	38.70
Benefits paid	(45.86)	(38.11)
Fair value as at the end of the year	**5.90**	**5.40**
4 Net gratuity cost for the reporting years comprises of following components		
Current service cost	31.52	23.53
Past service cost	61.98	-
Liability transferred in	42.47	-
Interest cost	27.81	24.85
Interest income	(0.35)	(0.31)
Net gratuity cost	**163.43**	**48.07**
5 Other comprehensive income		
Actuarial loss on defined benefit obligation	(34.71)	(30.29)
Return on plan assets excluding interest income	(0.19)	0.16
Loss recognised in other comprehensive income	**(34.90)**	**(30.13)**
6 Experience adjustment:		
On plan defined benefit obligation loss	34.96	26.18
On plan assets (loss)/ gain	(0.19)	0.16

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 2026	31 March 2025
Investment in insurance fund	100%	100%
8 Actuarial assumptions		
Discount rate (p.a)	6.48%	6.54%

Particulars	31 March 2026	31 March 2025
Future salary growth (p.a)	10.00%	10.00%
Weighted Average Duration of the Defined Benefit Obligation (years)	3	3
Attrition rate (p.a)	35.00%	35.00%

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36. Employment benefit plans (cont'd)

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 2026		31 March 2025	
	Decrease	Increase	Decrease	Increase
Discount rate (+ / -1%)	9.56	10.08	6.78	7.15
Salary growth rate (- / + 1%)	8.02	8.19	5.68	5.79
Attrition rate (+ / -1%)	1.96	2.04	1.23	1.28

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 2026	31 March 2025
Within the next 12 months	182.64	132.32
Between 2 and 5 years	332.45	239.21
Between 6 and 10 years	88.03	61.54
Beyond 10 years	14.91	10.51
Total expected payments	**618.03**	**443.58**

Expected contribution in the next year ₹ 168.07

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 2026	Year ended 31 March 2025
Employer's contribution to provident fund	128.31	114.70
Employer's contribution to Employees' state insurance scheme	1.33	1.22
Contribution to Superannuation Fund	1.77	0.20
Total	**131.41**	**116.12**

Sobha Limited

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37. Leases

A The Company 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 ₹ 651.49 (31 March 2025: ₹ 623.86).

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

Year	As at 31 March 2026	As at 31 March 2025
FY 2025-26	-	549.28
FY 2026-27	408.18	487.84
FY 2027-28	397.60	482.86
FY 2028-29	348.79	400.87
FY 2029-30	239.31	180.74
FY 2030-31	169.82	-
More than 5 years	453.02	669.13
Total	**2,016.72**	**2,770.72**

B The Company 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

Particulars	Other buildings	Vehicles	Plant and machinery	Total
Cost				
As at 1 April 2024	**49.50**	**169.17**	**60.96**	**279.63**
Additions during the year (*)	-	69.73	0.00	69.73
Disposal during the year	-	(16.70)	-	(16.70)
As at 31 March 2025	**49.50**	**222.20**	**60.96**	**332.66**
Additions during the year	-	60.21	-	60.21
As at 31 March 2026	**49.50**	**282.41**	**60.96**	**392.87**

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37. Leases (cont'd)

Particulars	Other buildings	Vehicles	Plant and machinery	Total
Accumulated amortisation				
As at 1 April 2024	**22.00**	**110.77**	**11.57**	**144.34**
Charge for the year	5.51	30.15	29.10	64.76
Disposal during the year	-	(16.70)	-	(16.70)
As at 31 March 2025	**27.51**	**124.22**	**40.67**	**192.40**
Charge for the year	5.60	35.32	17.85	58.77
As at 31 March 2026	**33.11**	**159.54**	**58.52**	**251.17**
Carrying amount				
As at 31 March 2026	**16.39**	**122.87**	**2.44**	**141.70**
As at 31 March 2025	**21.99**	**97.98**	**20.29**	**140.26**

(*) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

b. Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Amount
As on 1 April 2024	**262.24**
Additions during the year	
-Under inventory	250.85
-Under ROU	69.73
Interest expense for the year	25.54
Payment of lease liabilities	(82.50)
As on 31 March 2025	**525.86**
Additions during the year	
-Under ROU	60.21
Interest expense for the year	27.53
Payment of lease liabilities	(62.74)
As on 31 March 2026	**550.76**

c. The following are the amounts recognised in the profit & loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation expenses of right-of-use assets	58.77	64.76
Interest expenses on lease liabilities	27.53	25.54
Expenses relating to short-term leases	350.39	191.26
Expenses relating to lease of low-value assets	66.49	49.19
Total amount recognised in the profit & loss	**503.17**	**330.75**
Total cash out flows towards leases	**479.19**	**322.95**

Lease term of the above referred leases range from 11 months to 89 years

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37. Leases (cont'd)

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	3.00	3.00	2	-	-
Land	2	89.00	89.00	-	-	-
Vehicles	71	0.18 to 4.74	2.61	71	-	71

e. The maturity profile for lease liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Current	43.86	116.24
Non Current	506.90	409.62
Discounting rate applied to lease liabilities is the incremental borrowing rate applicable to the Company - 10%		
Lease Liabilities:		
The maturity analysis of lease liabilities are closed below:		
Not Later than one year	83.54	141.67
Later than one year and not later than five year	225.83	154.37
Later than five year	869.87	628.10
Less: future finance expenses	(628.48)	(398.28)
Total	**550.76**	**525.86**

38. Contingent liabilities and commitments

A. Contingent liabilities (to the extent not provided for)(*)

	Particulars	31 March 2026	31 March 2025
i	Income tax matters in dispute (Refer note 1 & 5)	767.66	847.91
ii	Value added tax, Service tax, Goods and Service Tax and customs matters in dispute (Refer note 2)	1,597.21	1,785.23
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)	5.69	5.69
		4,388.60	**4,656.88**

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38. Contingent liabilities and commitments (cont'd)

(*) 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 previous years, 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 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 years, 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. However, AA-PMLA

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38. Contingent liabilities and commitments (cont'd)

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 audited financial statements as at 31 March 2026 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 have co-operated with the department and responded to the necessary clarifications, data and details as sought by the Department.

   The Holding Company has received demand orders under the IT Act for the Assessment Years (AY) 2015-16, AY 2016-17, AY 2017-18, AY 2018-19, AY 2019-20, AY 2020-21, AY 2021-22, AY 2022-23 and AY 2023-24 raising a total demand of ₹ 672 (reduced vide rectification order under Section 154 of the IT Act, mainly on account of adjustment of credit under Section 115JAA of the IT Act of tax paid in earlier years), by disallowing certain expenses and adding certain incomes during such periods, against which the Holding Company has filed appeals 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 counsels 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 consolidated financial statements."

6. In earlier years, 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 2025 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 Group 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 audited financial results and accordingly no provision has been made.

7. In earlier years, 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. However, 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 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.

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38. Contingent liabilities and commitments (cont'd)

   During the previous years, the Chief 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 audited financial statements.

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 as at 31 March 2026 is ₹ 1,422.00 (31 March 2025: ₹ 187.66)

(b) As at 31 March 2026, an estimated amount of contract remaining to be executed on capital account (investment property under development) not provided for is Nil (As at 31 March 2025 is ₹ 32.69)

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39. Fair value measurements

a. The carrying amounts of financial instruments by categories is as follows:

Particulars	Note	As at 31 March 2026 At cost	As at 31 March 2026 Fair value through profit or loss	As at 31 March 2026 At amortised cost	As at 31 March 2025 At cost	As at 31 March 2025 Fair value through profit or loss	As at 31 March 2025 At amortised cost
Financial assets							
Investments	8	-	4.53	-	-	-	-
Trade receivables	10	-	-	3,295.37	-	-	2,404.29
Cash and bank balances	13 & 14	-	-	15,035.91	-	-	18,088.67
Other financials assets	11	-	-	13,041.82	-	-	7,130.16
Total		**-**	**4.53**	**31,373.10**	**-**	**-**	**27,623.12**
Financial liabilities							
Borrowings	18	-	-	10,023.14	-	-	11,308.76
Lease Liabilities	37	-	-	550.76	-	-	525.86
Trade payables	22	-	-	8,275.62	-	-	5,648.08
Other financial liabilities	19 & 21	-	-	7,658.96	-	-	6,953.49
Total		**-**	**-**	**26,508.48**	**-**	**-**	**24,436.19**

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 2026				As at 31 March 2025			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Investment property (disclosure)	4,214.11	-	1,751.36	8,588.64	4,307.09	-	1,864.30	8,105.70
	4,214.11	**-**	**1,751.36**	**8,588.64**	**4,307.09**	**-**	**1,864.30**	**8,105.70**

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.

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39. Fair value measurements (cont'd)

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

Investment property under development

As at the reporting date, the Group's investment properties are under development. Management has assessed that reliable measurement of fair value is not currently feasible, given the early stage of development and the dependence on key assumptions relating to construction progress and future cash flows.

The Group expects that fair valuation will be feasible upon completion or once the projects reach an advanced stage of development. Accordingly, the carrying amount of investment properties under development represents the best estimate of their fair value at the reporting date.

40 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 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.

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40 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 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 2026 and 31 March 2025. 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 2026 and 31 March 2025.

(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:

Particulars	As at 31 March 2026	As at 31 March 2025
Variable rate borrowings	10,023.14	11,308.76

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 on floating rate borrowings, as follows:

Particulars	Increase/ decrease in interest rate	Effect on profit before tax/ Equity (*)
31 March 2026		
INR	+1%	(100.23)
INR	-1%	100.23
31 March 2025		
INR	+1%	(113.09)
INR	-1%	113.09

* determined on gross basis i.e. with out 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:

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40 Financial risk management (cont'd)

Trade payables

Particulars	As at 31 March 2026					As at 31 March 2025				
	QAR	SGD	AED	EUR	USD	QAR	SGD	AED	EUR	USD
Amount in foreign currency (#)	-	0.00	-	0.05	0.04	0.00	0.00	0.00	-	0.02
Amount in INR	-	0.02	-	5.63	3.60	0.06	0.13	0.10	-	1.71

Particulars	As at 31 March 2026	As at 31 March 2025
EUR	108.10	93.39
USD	94.36	85.47
AED	25.69	23.28
SGD	73.02	63.69
QAR	25.92	23.47

Sensitivity analysis

Particulars	Change in foreign currency rate by	Impact on profit or loss and equity			
		As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
		Increase in FC exchange rate by		Decrease in FC exchange rate by	
USD	5%	(0.18)	(0.30)	0.18	0.30
EUR	5%	(0.28)	-	0.28	-
QAR	5%	-	(0.01)	-	0.01
AED	5%	-	(0.01)	-	0.01
SGD (#)	5%	(0.00)	(0.00)	0.00	0.00

(#) Certain amounts that are required to be presented and do not appear due to rounding off are expressed as "0.00".

(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.

The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

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40 Financial risk management (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

The Group determines that the movement of internal credit risk rating from moderate credit risk to the high risk as significant increase in credit risk from the initial recognition.

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.

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40 Financial risk management (cont'd)

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'

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 2026					
Cash and bank balances	13 & 14	15,035.91	0.00%	-	15,035.91
Trade receivables (Category A and B)	10	1,821.24	0.00%	-	1,821.24
Refundable deposits under JDA	11	8,460.50	0.00%	-	8,460.50
Other financials assets	11	4,581.32	0.00%	-	4,581.32
Unbilled Revenue	12	1,349.84	0.00%	-	1,349.84
31 March 2025					
Cash and bank balances	13 & 14	18,088.67	0.00%	-	18,088.67
Trade receivables (Category A and B)	10	1,125.84	0.00%	29.12	1,096.72
Refundable deposits under JDA	11	6,228.13	0.00%	-	6,228.13
Other financials assets	11	902.03	0.00%	-	902.03
Unbilled Revenue	12	1,467.18	0.00%	-	1,467.18

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40 Financial risk management (cont'd)

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 2026	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
Current (Not past due)	2%	344.63	6.91	337.72
Upto 90 days past due	3%	947.22	27.04	920.18
91 - 180 days past due	11%	63.91	7.14	56.77
181 - 270 days past due	17%	31.84	5.27	26.57
271 - 360 days past due	21%	70.12	14.73	55.39
361 - 730 days past due	62%	205.30	127.80	77.50
More than 730 days past due	100%	128.37	128.37	-

31 March 2025	Weighted average loss rate	Gross carrying amount	Loss Allowance	Net carrying amount after loss allowance
Current (Not past due)	2%	370.68	6.60	364.08
Upto 90 days past due	3%	630.29	18.28	612.01
91 - 180 days past due	6%	130.34	7.95	122.39
181 - 270 days past due	18%	81.06	14.49	66.57
271 - 360 days past due	26%	121.29	31.44	89.85
361 - 730 days past due	64%	65.97	42.42	23.55
More than 730 days past due	100%	198.40	198.40	-

Movement in allowance for credit losses of Trade receivables

Particulars	31 March 2026	31 March 2025
Opening balance	319.58	662.39
Amounts written off	(32.93)	(372.17)
Net remeasurement of loss allowance	30.61	29.36
Closing balance	**317.26**	**319.58**

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40 Financial risk management (cont'd)

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 2026 and 31 March 2025 is the carrying amounts.

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:

Particulars	Carrying Value	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
31 March 2026						
Borrowings (refer note 18)	10,023.14	4,149.91	2,196.64	4,169.77	489.47	11,005.79
Trade payables (refer note 22)	8,275.62	-	8,275.62	-	-	8,275.62
Other financial liabilities (refer note 19 & 21)	7,658.96	-	7,498.99	206.10	-	7,705.09
Lease liabilities (refer note 37)	550.76	-	83.54	225.83	869.87	1,179.24
	26,508.48	**4,149.91**	**18,054.79**	**4,601.70**	**1,359.34**	**28,165.74**
31 March 2025						
Borrowings (refer note 18)	11,308.76	2,303.19	1,344.83	6,769.73	891.01	11,308.76
Trade payables (refer note 22)	5,648.08	-	5,648.08	-	-	5,648.08
Other financial liabilities (refer note 19 & 21)	6,953.49	-	5,933.43	1,020.06	-	6,953.49
Lease liabilities (refer note 37)	525.86	-	71.67	154.37	698.10	924.14
	24,436.19	**2,303.19**	**12,998.01**	**7,944.16**	**1,589.11**	**24,834.47**

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41. 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.

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings (long-term and short-term) (Note 18)	10,023.14	11,308.76
Other financial liabilities (interest accrued but not due) (Note 19)	23.63	30.49
Net debt	**10,046.77**	**11,339.25**
Equity share capital (Note 15)	1,069.43	1,069.36
Other equity (Note 16)	46,129.89	44,535.70
Total capital	**47,199.32**	**45,605.06**
Capital and net debt	**57,246.09**	**56,944.31**
Gearing ratio	17.55%	19.91%

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 2026 and 31 March 2025.

42. Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at 31 March 2026	As at 31 March 2025
A. Non-current		
Property, plant and equipment	1,351.23	1,238.25
Investment property	4,092.96	4,158.51
Financial assets		
Trade receivables	174.13	540.53
Total non-current assets	**5,618.32**	**5,937.29**

Sobha Limited

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42. Assets pledged as security (cont'd)

Particulars	As at 31 March 2026	As at 31 March 2025
B. Current		
Inventories	37,818.14	29,445.12
Financial assets		
Trade receivables	664.40	1,543.02
Cash and cash equivalents	64.98	18.82
Bank balance other than cash and cash equivalents	128.22	112.60
Other current assets	-	398.13
Total current assets	**38,675.73**	**31,517.69**
Total assets pledged as security	**44,294.06**	**37,454.98**

43. Additional information pursuant to para 2 of general instructions for the preparation of the consolidated financial statements for year ended 31 March 2026 and 31 March 2025

31 March 2026

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	88.33%	46,892.32	106.69%	3,013.09	100.00%	(26.12)	106.76%	2,986.97
Subsidiaries								
Indian								
Sobha City ['Partnership firm']	4.00%	2,123.38	1.60%	45.14	0.00%	-	1.61%	45.14
Vayaloor Properties Private Limited	0.00%	2 .20	0.00%	0 .08	0.00%	-	0.00%	0 .08
Vayaloor Builders Private Limited	0.01%	3 .73	0.00%	0 .12	0.00%	-	0.00%	0 .12
Vayaloor Developers Private Limited	0.01%	3 .62	0.01%	0 .15	0.00%	-	0.01%	0 .15
Vayaloor Real Estate Private Limited	0.01%	4 .27	0.01%	0 .18	0.00%	-	0.01%	0 .18
Vayaloor Realtors Private Limited	0.00%	0 .70	0.00%	0 .01	0.00%	-	0.00%	0 .01
Valasai Vettikadu Realtors Private Limited	0.00%	1 .56	0.00%	0 .06	0.00%	-	0.00%	0 .06
Sobha Developers (Pune) Limited	3.92%	2,079.30	(2.15%)	(60.67)	0.00%	-	(2.17%)	(60.67)
Sobha Assets Private Limited	0.00%	0 .10	(0.00%)	(0.04)	0.00%	-	(0.00%)	(0.04)
Sobha Highrise Ventures Private Limited	1.19%	630.50	1.87%	52.90	0.00%	-	1.89%	52.90
Sobha Interiors Private Limited	(0.00%)	(1.32)	0.24%	6 .79	0.00%	-	0.24%	6 .79
Sobha Construction Products Private Limited	0.02%	12.34	0.02%	0 .58	0.00%	-	0.02%	0 .58
Sobha Contracting Private Ltd	(0.52%)	(276.93)	(5.46%)	(154.12)	0.00%	-	(5.51%)	(154.12)
Sobha Nandambakkam Developers Limited	0.16%	83.99	(0.06%)	(1.70)	0.00%	-	(0.06%)	(1.70)

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43. Additional information pursuant to para 2 of general instructions for the preparation of the consolidated financial statements for year ended 31 March 2026 and 31 March 2025 (cont'd)

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
Sobha Tambaram Developers Limited	0.40%	212.70	(0.55%)	(15.59)	0.00%	-	(0.56%)	(15.59)
Kilai Builders Private Limited	0.33%	175.59	(0.55%)	(15.52)	0.00%	-	(0.55%)	(15.52)
Kuthavakkam Builders Private Limited	(0.07%)	(35.48)	(0.31%)	(8.72)	0.00%	-	(0.31%)	(8.72)
Kuthavakkam Realtors Private Limited	(0.09%)	(48.96)	(0.75%)	(21.26)	0.00%	-	(0.76%)	(21.26)
C.V.S.Tech Park Private Limited	0.00%	0 .39	0.08%	2 .12	0.00%	-	0.08%	2 .12
Sobha Commercial Private Limited (Formerly known as BNB Builders Private Limited)	0.13%	71.66	(0.57%)	(16.02)	0.00%	-	(0.57%)	(16.02)
Joint ventures (Investment as per the equity method)								
Kondhwa Projects LLP	2.16%	1,146.49	(0.00%)	(0.01)	0.00%	-	(0.00%)	(0.01)
Associate								
Constrobot Robotics Private Limited	0.01%	5.54	(0.13%)	(3.54)	0.00%	-	(0.13%)	(3.54)
Sub total	**100.00%**	**53,087.60**	**100.00%**	**2,824.03**	**100.00%**	**(26.12)**	**100.00%**	**2,797.91**
Adjustments arising out of consolidation		(5,888.28)	-	(889.95)	-	-	-	(889.95)
Total		**47,199.32**	**-**	**1,934.08**	**-**	**(26.12)**	**-**	**1,907.96**

31 March 2025

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	88.00%	44,219.04	113.23%	1,122.32	100.00%	(22.55)	113.53%	1,099.77
Subsidiaries								
Indian								
Sobha City ['Partnership firm']	3.46%	1,738.41	1.01%	10.04	0.00%	-	1.04%	10.04
Vayaloor Properties Private Limited	0.00%	2.12	0.01%	0.08	0.00%	-	0.01%	0.08
Vayaloor Builders Private Limited	0.01%	3.58	0.01%	0.14	0.00%	-	0.01%	0.14
Vayaloor Developers Private Limited	0.01%	3.48	0.01%	0.14	0.00%	-	0.01%	0.14
Vayaloor Real Estate Private Limited	0.01%	4.10	0.02%	0.17	0.00%	-	0.02%	0.17

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43. Additional information pursuant to para 2 of general instructions for the preparation of the consolidated financial statements for year ended 31 March 2026 and 31 March 2025 (cont'd)

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
Vayaloor Realtors Private Limited	0.00%	0.69	0.00%	0.02	0.00%	-	0.00%	0.02
Valasai Vettikadu Realtors Private Limited	0.00%	1.51	0.01%	0.05	0.00%	-	0.01%	0.05
Sobha Developers (Pune) Limited	4.26%	2,140.30	(3.27%)	(32.37)	0.00%	-	(3.34%)	(32.37)
Sobha Assets Private Limited	0.00%	0.15	(0.00%)	(0.04)	0.00%	-	(0.00%)	(0.04)
Sobha Highrise Ventures Private Limited	1.15%	577.59	(1.69%)	(16.74)	0.00%	-	(1.73%)	(16.74)
Sobha Interiors Private Limited	(0.02%)	(8.10)	0.55%	5.48	0.00%	-	0.57%	5.48
Sobha Construction Products Private Limited	0.02%	11.76	0.06%	0.56	0.00%	-	0.06%	0.56
Sobha Contracting Private Ltd	(0.24%)	(122.81)	(12.45%)	(123.39)	0.00%	-	(12.74%)	(123.39)
Sobha Nandambakkam Developers Limited	0.17%	85.69	0.37%	3.65	0.00%	-	0.38%	3.65
Sobha Tambaram Developers Limited	0.45%	228.29	5.72%	56.73	0.00%	-	5.86%	56.73
Kilai Builders Private Limited	0.38%	191.11	(0.69%)	(6.79)	0.00%	-	(0.70%)	(6.79)
Kuthavakkam Builders Private Limited	(0.05%)	(26.77)	(0.80%)	(7.89)	0.00%	-	(0.81%)	(7.89)
Kuthavakkam Realtors Private Limited	(0.06%)	(27.70)	(1.02%)	(10.08)	0.00%	-	(1.04%)	(10.08)
C.V.S.Tech Park Private Limited	0.00%	(1.73)	(0.18%)	(1.77)	0.00%	-	(0.18%)	(1.77)
Sobha Commercial Private Limited (Formerly known as BNB Builders Private Limited)	0.17%	83.66	(0.92%)	(9.08)	0.00%	-	(0.94%)	(9.08)
Joint ventures (Investment as per the equity method)								
Kondhwa Projects LLP	2.28%	1,146.20	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Sub total	**100.00%**	**50,250.57**	**100.00%**	**991.22**	**100.00%**	**(22.55)**	**100.00%**	**968.67**
Adjustments arising out of consolidation		(4,645.51)		(44.36)		-		(44.36)
Total		**45,605.06**		**946.86**		**(22.55)**		**924.31**

44. Rights Issue of Equity Shares

a) The Board of Directors of the Holding Company (the "Board") on 12 June 2024 approved an issue of upto 12,107,981 equity shares of face value of ₹ 10 (in rupees) each of the Holding Company ("rights equity shares") for cash at a price of ₹ 1,651 (in rupees) per rights equity share (including a premium of ₹ 1,641 (in rupees) per rights equity share) ("issue price") in the ratio of 6 rights equity shares for every 47 fully paid-up equity shares aggregating to ₹ 19,990.28 on record date 19 June 2024.

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44. Rights Issue of Equity Shares (cont'd)

The Holding Company received ₹ 825.50 (in rupee) per rights equity share (including a premium of ₹ 820.50 (in rupee) per rights equity share) from the eligible equity shareholders on amounting to ₹ 9,995.14. The shares were allotted on 11 July 2024 to the eligible shareholders and shares got listed on 22 July 2024.
The Board at its meeting held on 14 November 2024, approved First and Final call of ₹ 825.50 (in rupees) per rights equity share and fixed 06 December 2024, as the record date for determining eligible shareholders. The Holding Company received call money on 12,072,898 partly paid-up rights equity shares of ₹ 825.50 (in rupees) per share (comprising ₹ 5 (in rupees) towards face value and ₹ 820.50 (in rupees) towards Share Premium) amounting to ₹ 9,947.48.

During the year, the Holding Company received final call money on 14,226 partly paid-up rights equity shares of ₹ 825.50 (in rupees) per share (comprising ₹ 5 (in rupees) towards face value and ₹ 820.50 (in rupees) towards Share Premium) amounting to ₹ 11.74.

As at 31 March 2026, 20,857 (31 March 2025: 35,083) equity shares were partly paid-up, against which the balance call money is yet to be received.

b) Proceeds from the rights issue have been utilised upto 31 March 2026 in the following manner:

Particulars	Planned	Amount utilised	Unutilised Amount
Objects of issue as stated in final letter of offer :			
a) Repayment of certain borrowings availed by the Company	9,050.00	9,050.00	-
b) Funding certain project related expenses for ongoing projects and forthcoming projects	2,123.58	1,599.33	524.25
c) Purchase of equipment and machinery	2,100.28	678.28	1,422.00
d) Funding acquisition of unidentified land parcels and general corporate purposes*	6,585.86	6,320.92	264.94
e) Issue related expenses	130.56	128.92	1.64
Total	**19,990.28**	**17,777.45**	**2,212.83**

*As per objects of the issue as mentioned in the letter of offer, in case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

The Holding Company has parked the unutilized proceeds of ₹ 2,212.83 in fixed deposits with banks, the rights issue allotment account and the monitoring account.

There has been no variation or deviation in the utilization of the funds raised by the Company as stated in the letter of offer dated 19 June 2024.

c) Issue related expenses

Particulars	31 March 2026	31 March 2025
Debited to securities premium (#)	4.58	128.92
Debited to statement of profit and loss	-	-
Total	**4.58**	**128.92**

(#) This amount for the current year includes ₹ 1.98 incurred which is pending for certification.

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44. Rights Issue of Equity Shares (cont'd)

d) Transactions with any person or entity belonging to the promoter/promoter group which holds 10% or ore shareholding in the Company:

Particulars	31 March 2026	31 March 2025
Proceeds from right issue of equity shares		
Sobha menon	-	6,661.19
PNC Menon	-	2,861.27
Total	**-**	**9,522.46**

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.

(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.

(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:

(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 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

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19 Subsidiary Companies, have used accounting software for maintenance of their books of accounts which have a feature of recording audit trail (edit log) facility and the same have been enabled and operated throughout the year for all relevant transactions recorded in the software.

The Holding Company has used another accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all relevant transactions recorded in the accounting software at the application level except that the audit trail feature was not enabled for certain masters throughout the period. Further, the database of the said accounting software is operated by a third-party software provider. The 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization) does not provide any information for any direct changes made at the database level of the said software for the aforesaid period.

Further, the Holding Company has used another software which is operated by a third party service provider for maintenance of payroll records which has a feature of recording audit trail (edit log) facility and the same has been enabled and operated throughout the period for all relevant transactions recorded in the accounting software.

47. 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.

48. The Government of India has consolidated 29 existing labour legislations into a united framework comprising four Labour Code viz Code on wages 2019, Code on Social Security 2020, Industrial Relation Code 2020, and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). These Codes have been made effective from 21 November 2025. The corresponding supporting rules under these codes are yet to be notified. The Group accounted for the incremental liability for its employees in the year ending 31 March 2026. However, this liability was not material to the consollidated financial results. Once the Government notifies the Central and State Rules, the Group will evaluate the impact on the measurement of employee benefits and provide the appropriate accounting treatment, if any.

49. 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 2026.

50. 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

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

Ravi PNC Menon
Chairman
DIN: 02070036

Jagadish Nangineni
Managing Director
DIN: 01871780

Manish Agrawal
Partner
Membership No.: 507000

Yogesh Bansal
Chief Financial Officer

Bijan Kumar Dash
Company Secretary and
Compliance Officer
ACS17222

Bangalore
4 May 2026

Bangalore
4 May 2026

Form AOC – I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Form AOC-1

(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	CVS Tech Park Private Limited	Sobha Contracting private Limited*	Kilai Builders Private Limited**	Sobha Interiors Private Limited**	Kuthavakkam Builders Private Limited**	Kuthavakkam Realtors Private Limited**	Sobha Commercial private Limited (Formerly known as BNB Builders Private Limited)**
Reporting Period	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26	2025-26
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	₹ in Million
Share Capital	0.53	129.00	0.10	0.50	0.50	10.00	0.10	0.10	0.50	6.00	0.50	0.50	90.00
Reserve and Surplus	2,078.77	492.42	0.00	212.20	83.49	2.34	0.28	(277.03)	175.09	(7.32)	(35.98)	(49.46)	(18.34)
Total Assets	3,398.96	6,112.72	336.23	587.77	526.92	12.36	0.40	933.25	771.32	121.66	96.68	475.88	2,139.52
Total Liabilities	1,319.66	5,491.30	336.12	375.07	442.92	0.02	0.02	1,210.18	595.73	122.98	132.17	524.84	2,067.86
Investments	1,961.38	45.92	-	-	-	-	-	-	-	-	-	-	-
Turnover	2.65	359.98	-	7.48	0.41	0.80	30.00	192.23	936.28	14.05	2.95	0.11	116.17
Profit before Taxation	(79.85)	61.96	(0.04)	(20.84)	(2.27)	0.77	2.22	(202.25)	(20.74)	9.36	(11.65)	(28.40)	(16.04)
Provision for Taxation	(18.85)	18.13	-	(5.24)	(0.57)	0.19	0.10	(48.13)	(5.22)	2.57	(2.93)	(7.15)	(4.03)
Profit after Taxation	(61.00)	43.83	(0.04)	(15.59)	(1.70)	0.58	2.12	(154.12)	(15.52)	6.79	(8.72)	(21.26)	(12.00)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
% Share Holding	100%	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, Kuthavakkam Realtors Private Limited and Sobha Commercial private Limited(Formerly known as BNB Builders Private Limited) are wholly owned subsidiary of Sobha Developers (Pune) Limited. Hence, a stepdown subsidiary of Sobha Limited.

Part "B": Subsidiaries

Particulars	Sobha City (Partnership firm)*	Valasai Vettikadu 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	**2025-26**	**2025-26**	**2025-26**	**2025-26**	**2025-26**	**2025-26**	**2025-26**
Reporting Currency	**₹ in Million**	**₹ in Million**	**₹ in Million**	**₹ in Million**	**₹ in Million**	**₹ in Million**	**₹ in Million**
Share Capital/ Partners Capital	400***	0.10	0.10	0.10	0.10	0.10	0.10
Reserve and Surplus	1,723.38	1.46	2.10	0.60	4.17	3.52	3.63
Total Assets	3,925.25	1.60	2.22	6.00	4.29	3.64	3.75
Total Liabilities	1,801.87	0.04	0.02	5.30	0.02	0.02	0.02
Investments	0.60	-	-	-	-	-	-
Turnover	866.00	0.10	0.13	0.04	0.26	0.22	0.23
Profit before Taxation	65.41	0.07	0.11	0.02	0.24	0.20	0.20
Provision for Taxation	26.36	0.02	0.03	0.01	0.06	0.05	0.05
Profit after Taxation	39.06	0.05	0.08	0.01	0.18	0.15	0.15
Proposed Dividend	-	-	-	-	-	-	-
% Share Holding	100%	100%	100%	100%	100%	100%	100%

Part "C": Associate Companies

Particulars	Constrobot Robotics Private Limited
Reporting Period	2025-26
Reporting Currency	₹ in Million
Share Capital/ Partners Capital	0.84
Reserve and Surplus	26.39
Total Assets	41.24
Total Liabilities	14.01
Investments	-
Turnover	8.26
Profit before Taxation	(23.71)
Provision for Taxation	(0.20)
Profit after Taxation	(23.51)
Proposed Dividend	-
% Share Holding	20.03%

* Sobha City* (Partnership firm) is having 100% Investment 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.

*** ₹ 400 million (Partner's capital ₹ 400 million includes Partner's capital namely Sobha Limited & Sobha Developers(Pune) Limited.

Notice of Annual General Meeting

NOTICE is hereby given that the Thirty-first (31st) Annual General Meeting of the Members of Sobha Limited (**"the Company"**) will be held on Saturday, the 18th day of July, 2026 at 09:00 A.M. (IST) through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") to transact the following business

Ordinary Business:

1. **Adoption of Financial Statements**

   (a) To consider and adopt the Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026, together with reports of the Board of Directors and the Statutory Auditors thereon.

   (b) To consider and adopt the Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, together with the report of the Statutory Auditors thereon.

2. **Declaration of final dividend on the equity shares of the Company for the Financial Year ended March 31, 2026**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT a dividend at the rate of ₹ 6/- per equity share of ₹ 10/- (Rupees Ten only) 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, 2026 and the same be paid out of the profits of the Company.**"**

3. **Re-appointment of Mr. Ravi PNC Menon (DIN: 02070036), as a director liable to retire by rotation**

   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, including any statutory modification(s) or re-enactment thereof for the time being in force Mr. Ravi PNC Menon (DIN: 02070036), who retires by rotation at this meeting, and being eligible, offers himself for re-appointment, 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 2025-26**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of 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 for the time being in force, the members of the Company do hereby ratify the remuneration not exceeding ₹ 2,50,000/- (Rupees Two Lakh Fifty Thousand only) plus reimbursement of out-of-pocket expenses and taxes as may be applicable from time to time to M/s. Gudi Srinivasarao and Co., Cost Accountants (Firm Registration No: 004336), the Cost Auditors of the Company for the Financial Year 2025-26.

   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. **Re-appointment of Mr. Jagadish Nangineni (DIN: 01871780) as the Managing Director of the Company for a term of five years and payment of remuneration**

   To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT in accordance with the provisions of Sections 2(94), 149, 152, 196, 197, 198, 203 and Schedule V and other applicable provisions if any, of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force (the **"Act"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force) and as per the provisions of Articles of Association of the Company, based on the recommendation of the Nomination, Remuneration and Governance Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Jagadish Nangineni (DIN: 01871780) as Whole-time Director designated as Managing Director and Key Managerial Personnel (KMP) of the Company for a further period of 5 (five) years effective from April 01, 2027 to March 31, 2032, liable to retire by rotation, on the terms and conditions of appointment and remuneration as set out in the explanatory statement attached to this Notice with the authority to the Board of Directors (which term shall be deemed to include any Committee of the Board constituted to exercise its power, including the powers conferred by this Resolution) to revise, alter and vary the terms and conditions of appointment including determination of remuneration payable to Mr. Jagadish Nangineni from time to time, based on the recommendations of the Nomination, Remuneration and Governance Committee of the Company including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure, subject to the overall ceiling on remuneration specified in Section 197, Schedule V and other applicable provisions of the Act for the time being in force, as the Board may in its absolute discretion deem fit from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its power, including the powers conferred by this Resolution) or the 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 considered necessary, proper and expedient to give effect to this Resolution.**”**

6. **Re-appointment of Mr. Raman Mangalorkar (DIN: 01866884), as a Non-Executive Independent Director of the Company**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force and Regulation 17 and any other applicable regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Raman Mangalorkar (DIN: 01866884), who was appointed as Director in the capacity of a Non-Executive Independent Director with effect from April 01, 2022 and holds office till March 31, 2027 be and is hereby re-appointed as a Non-Executive Independent Director of the Company for a second term of five consecutive years commencing from April 01, 2027 to March 31, 2032.

RESOLVED FURTHER THAT any of the Directors or the 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.**”**

7. **Issue of Non-Convertible Debentures on private placement basis**

To consider, and if thought fit, to pass with or without modification(s), 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 (hereinafter referred to as the ‘Board’, which term shall deem to include Investment and Borrowing Committee constituted by the Board to exercise its powers conferred by this resolution) to borrow or raise funds by issuance of Unsecured Non-Convertible Debentures (NCDs) / Bonds / Other Instruments, whether Listed and/or Unlisted (“Instruments”), on private placement basis, in one or more tranches, such that the total amount does not exceed ₹ 1,000 Crore (Rupees One Thousand Crore Only), during a period of 1(One) year from the date of passing of this Special Resolution by the Members, with such ranking and seniority and on such terms and conditions as may be decided by the Board to such person(s), including one or more company(ies), body corporate(s), statutory corporation(s), commercial bank(s), systematically important non-banking financial company(ies), lending agency(ies), financial institution(s), insurance company(ies), mutual fund(s), pension/ provident fund(s), individual(s) and such other person(s) eligible to invest in such Instruments [hereinafter collectively referred to as “Investors”], provided that such investors shall cumulatively not exceed 200 (Two Hundred) in number in any financial year, for such amount(s) as the Board may in its absolute discretion at any time hereafter determine, and that the said borrowing shall be within the overall borrowing limits of the Company as may be approved by the Members from time-to-time

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be required, desirable and permissible in connection with the aforesaid resolution including determination of the terms thereof, executing and finalizing the forms, disclosure and placement documents, General Information Document(s), Key Information Document(s), offer letter, timing of the issue, execution of any documents for and on behalf of the Company and to represent the Company before any governmental or regulatory authority(ies), also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and further authorised to make requisite filing with concerned regulatory / government authority(ies) / depository(ies), Stock Exchanges and/or any other regulatory authority(ies) to give effect to this resolution and further to take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to settle any question, difficulty or doubt that may arise in regard to the offer / issue, allotment, utilisation of the proceeds and redemption of the Instruments, without being required to seek any further consent or approval of the Members or otherwise, to the end and intent that its Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein to Investment and Borrowing Committee / any Director(s) / Officer(s) / Authorised Signatory (ies) of the Company to do all such acts, deeds, matters and things as may be required, desirable and permissible to give effect to this Resolution.

RESOLVED FURTHER THAT all action(s) taken by the Board, any Director(s) / Investment and Borrowing Committee / Officer(s) / Authorised Signatory(ies) of the Company in connection with any matter(s) referred to or contemplated in any of the foregoing Resolution be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT a true copy of the foregoing resolution certified to be true by any of the Directors or the Chief Financial Officer or the Company Secretary be furnished to the concerned authority(ies)/person(s)/ Bank(s) and they be requested to act accordingly.**”**

By Order of the Board of Directors
For Sobha Limited
Sd/-
Bijan Kumar Dash
Company Secretary &
Compliance Officer

Place: Bangalore
Date: May 04, 2026

Registered Office:
“SOBHA”,
Sarjapur-Marathahalli Outer Ring Road
Bellandur Post, Bangalore – 560103.
CIN: L45201KA1995PLC018475

Notes:

1. Pursuant to General Circular No. 03/2025 dated September 22, 2025, 09/2024 dated September 19, 2024, 09/2023 dated September 25, 2023, 10/2022 dated December 28, 2022 and other relevant circular issued by the Ministry of Corporate Affairs (MCA), SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, 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 ("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") read with Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January, 2026 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. Institutional shareholders (i.e. investors other than individuals, HUF, NRI etc.) intending to appoint authorised representative to participate and/or vote through e-voting, are requested to send scanned copy of the certified true copy of Board Resolution/Authority letter etc. to the scrutinizer by e-mail to nagendradrao@gmail.com with a copy marked to enotices@in.mpms.mufg.com. Institutional shareholders and Corporate Members may also upload their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

6. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM through e-voting.

7. 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 Remuneration and Governance Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

8. 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 SEBI Listing Regulation, 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 MUFG Intime India Private Limited for providing the necessary remote e-Voting platform to the members of the Company.

9. Members may note that the Notice of the Thirty-first Annual General Meeting and the Annual Report 2026 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 MUFG 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 31st AGM, for information of the Members.

10. **The e-voting period shall commence on Tuesday, the 14th day of July 2026 at 9:00 A.M. (IST) and ends on Friday, 17th day of July, 2026 at 5.00 P.M. (IST) Once the vote on a resolution is casted 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 notes.**

11. 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 poll process 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.

12. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of MUFG Intime India Private Limited.

13. 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.

14. Members will be provided with Insta Meet facility wherein they shall register their details and attend the AGM as under:
    a) Visit URL: https://instameet.in.mpms.mufg.com & click on **"Login"**.
    b) Select the "Company Name" and register with your following details:
    c) Select Check Box - **Demat Account No**. / **Folio No.** / **PAN**
        - Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
        - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
        - Shareholders shall select check box – PAN and enter 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 by MUFG Intime, if applicable.
        - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
        - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.
    d) Click "Go to Meeting".
    You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

a) Shareholders who would like to speak during the meeting must register their request with the company at company's registered email address.
b) Shareholders will get confirmation on a first-come-first-served basis depending upon the provision made by the company.
c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
d) Other shareholder who have not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

**Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.*

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

a) On the Shareholders VC page, click on link "Cast your vote".
b) 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.
c) Click on 'Submit'.
d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
e) 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'.
f) 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. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 6175

Dividend

15. The record date is fixed as **Friday**, **the 10th Day of July, 2026** and the Register of Members and the Share Transfer Books of the Company will remain closed on **Friday, the 10th Day of July, 2026** for the purpose of this AGM and for determining the entitlement of Members to dividend for the Financial Year ended March 31, 2026, if approved at the AGM.

16. 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

17. Members who have not yet encashed their dividend warrants for earlier years are requested to write to the Secretarial Department at the Registered Office of the Company or send an e-mail to: investors@sobha.com to claim the dividend. Details of unclaimed dividend as on 31.03.2026 are available in the 'Investors Claim' section of the website of the Company www.sobha.com

18. During the Financial Year 2026-27, 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 09, 2019 and which is lying unclaimed with the Company for a period of seven years from the date of transfer to the Unpaid Dividend Account.

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, MUFG Intime India Private Limited 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 the Company 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 the Company 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 Office of the Company or by sending an e-mail to investors@sobha.com. Members can also write to MUFG Intime India Private Limited, the Registrar and Share Transfer Agents of the Company, having their office at Embassy 247, LBS Marg, Vikhroli (West), Mumbai - 400083 or send an e-mail to investor.helpdesk@in.mpms.mufg.com

Others

24. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2025-26 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 2025-26 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. Dividend income is taxable in the hands of shareholders and the Company is required to deduct tax at source on dividend paid to shareholders at the prescribed rates in accordance with the applicable provisions of the Income Tax Act 2025.

    A resident individual shareholder holding a valid PAN and who is not liable to pay income tax may submit a yearly declaration in Form No. 121, to avail the benefit of non-deduction of tax at source by email to investor.helpdesk@in.mpms.mufg.com on or before Friday, 10th day of July, 2026. 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 2026-27 does not exceed ₹ 10,000/-. Shareholders may note that in case PAN is not updated with the Depository Participant/ Register of the Company, the tax shall be deducted at higher rate of 20%.

    In case of Non-resident shareholders and Foreign Institutional Investors / Foreign Portfolio Investors tax will be deducted in accordance with Section 393(2) of the Income Tax Act 2025 @20% plus applicable Surcharge and Cess.

    Non-resident shareholders and Foreign Institutional Investors / Foreign Portfolio Investors may avail beneficial tax rates under Double Tax Avoidance Agreement [DTAA] i.e. tax treaty between India and their country of residence. Non-resident shareholders and Foreign Institutional Investors / Foreign Portfolio are required to provide details on applicability of beneficial tax rates and provide following documents:

    - Copy of PAN card, if any, allotted by Indian Income Tax Authorities duly self attested by the member
    - Copy of Tax Residency Certificate [TRC] for the Tax Year 2026-27 obtained from the revenue authorities of country of tax residence duly attested by the member
    - Self Declaration in Form 41 duly generated from income tax portal
    - No-PE [permanent establishment] certificate
    - Self Declaration of beneficial ownership by the non-resident shareholder
    - Lower withholding Tax certificate, if any, obtained from the Indian Tax Authorities

    The members/shareholders are required to provide above documents/declarations by sending an E-mail to investor.helpdesk@in.mpms.mufg.com on or before Friday, the 10th Day of July, 2026. 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, 2025.

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 days 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 Saturday, 11th day of July, 2026 (9:00 A.M. IST) to Thursday, 16th day of July, 2026 (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 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 - NSDL OTP Based Login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.

c) Enter the OTP received on your registered email ID/mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - NSDL IDEAS facility

Shareholders registered for IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section".

b) Enter IDeAS User ID, Password, Verification code & click on "Log-in".

c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.

d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders 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) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

c) Enter the last 4 digits of your bank account / generate 'OTP'

d) Post successful registration, user will be provided with Login ID and password.

e) Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Google Play App Store

Method 3 - NSDL E-Voting Website

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 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com.

b) Go to e-voting tab.

c) Enter 16-digit 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) Post successful authentication, user will be able to see e-voting option. The e-voting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - CDSL EASI/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login
or Visit URL: www.cdslindia.com,
click on "Login" and select "My Easi New (Token)".

b) Enter existing username, Password & click on "Login".

c) Post successful authentication, user will be able to see e-voting option. The e-voting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration / https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration.

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

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, user shall navigate through "e-voting" option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on **the cut-off date for e-voting** may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote
Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on **"Login"** under 'SHARE HOLDER' tab.

b) Enter details as under:

   1. User ID: Enter User ID
   2. Password: Enter existing Password
   3. Enter Image Verification (CAPTCHA) Code
   4. Click "Submit".

   (Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

InstaVote USER ID		
	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

Shareholders not registered for INSTAVOTE facility:

e) Visit URL: https://instavote.linkintime.co.in & click on **"Sign Up"** under 'SHARE HOLDER' tab & register with details as under:

   A. User ID: Enter User ID

InstaVote USER ID		
	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

   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 **NSDL form**, shall provide 'point 4' above.
- Shareholders, holding shares in **CDSL form**, shall provide 'point 3' or 'point 4' above.
- Shareholders, holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above

E. 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**).

F. Enter Image Verification (CAPTCHA) Code.

G. Click "Submit" (You have now registered on InstaVote).

Post successful registration, click on **"Login"** under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".

B. Select 'View' icon. E-voting page will appear.

C. 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).

D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

E. 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.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in

B. Click on "Sign Up" under "Custodian / Corporate Body/ 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) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

B. Click on "Investor Mapping" tab under the Menu section

C. Map the Investor with the following details:

1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.

2) 'Investor's Name - Enter Investor's Name as updated with DP.

3) 'Investor PAN' - Enter your 10-digit PAN.

4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

Method 1 - Votes Entry

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Votes Entry" tab under the Menu section.

c) Enter the "Event No." for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter "16-digit Demat Account No.".

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). After selecting the desired option i.e. Favour / Against, click on 'Submit'.

f) 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).

Method 2 - Votes Upload

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will see "Notification for e-voting".

c) Select "View" icon for "Company's Name / Event number".

d) E-voting page will appear.

e) Download sample vote file from "Download Sample Vote File" tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.

g) 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).

NOTE: **Non-Individual Body corporate shareholders** shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Explanatory Statement

[PURSUANT TO PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013]

The following statement sets out all material facts relating to Special Businesses mentioned in the accompanying notice:

Item No. 4: Ratification of remuneration payable to Cost Auditors of the Company for the Financial Year 2025-26

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 Srinivasarao and Co., Cost Accountants (Firm Registration No: 004336) as the Cost Auditors of the Company for the Financial Year 2025-26. Further, the Board of Directors, on the recommendations of the Audit Committee, have approved the payment of remuneration not exceeding ₹ 2,50,000 (Rupees Two lakh and fifty 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 2025-26 .

In terms of Section 148(3) of the Companies Act, 2013 read with Rule 14 of 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 ended March 31, 2026.

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 recommends the **Ordinary Resolution** set out in Item No. 4 for approval by the Members.

Item No. 5: Re-appointment of Mr. Jagadish Nangineni (DIN: 01871780) as the Managing Director of the Company for a term of five years and payment of remuneration

Pursuant to Section 196 of the Companies Act, 2013, the Board of Directors, upon recommendation of the Nomination, Remuneration and Governance Committee, re-appointed Mr. Jagadish Nangineni (DIN: 01871780) as Managing Director of the Company with effect from April 1, 2027 to March 31, 2032. As required by the Companies Act, 2013 and the SEBI Listing Regulations, the Company has received consent from Mr. Jagadish Nangineni (DIN: 01871780) to act as Director and Managing Director and a declaration that, he is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Mr. Jagadish Nangineni (DIN: 01871780) is currently the Managing Director of the Company and is also a Member of the Audit Committee, Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee of the Board of Directors of the Company. The present term of appointment of Mr. Jagadish Nangineni is valid up to March 31, 2027. As per proviso to Section 196(2) of the Act, no re-appointment of the Managing Director can be made earlier than one year before the expiry of his term. In compliance with this provision, the Board of Directors of the Company in their meeting held on May 04, 2026, on the recommendation of the Nomination, Remuneration and Governance Committee had, subject to the Provisions of Sections 149, 152, 196, 197, 198, 203 and all other applicable Provisions, if any, of the Companies Act, 2013 (Act) read with Schedule V of the said Act, re-appointed Mr. Jagadish Nangineni (DIN: 01871780) as a whole time Director designated as Managing Director and Key Managerial Personnel of the Company for a further period of 5 years w.e.f. April 01, 2027 to March 31, 2032, subject to approval of the shareholders of the Company. Mr. Jagadish Nangineni will be liable to retire by rotation.

Mr. Jagadish Nangineni has about twenty-four years of experience in the fields of real estate, consulting and technology. He is associated with the Company since 2009 in senior strategic & operational roles with deep understanding of the Company's culture, people and processes. In the year 2019 he was designated as Deputy Managing Director, overseeing the operations of Ahmedabad, Chennai, Gurgaon and Pune regions. He developed the business from the ground up in Gurgaon, one of the Company's major markets. In the past year, he is actively involved in all facets of the Company's business across India. Prior to Sobha Ltd., he worked with technology and management consulting firms. He holds a B.Tech in Civil Engineering from IIT Bombay and PGDM from IIM Calcutta.

Further, pursuant to section 197 and 198 read with Schedule V of the Companies Act, 2013 and Rules made thereunder, and other applicable enactments, as amended from time to time and basis the recommendation of the Nomination, Remuneration and Governance Committee, it is proposed to re-appoint Mr. Jagadish Nangineni as the Managing Director of the Company for a further period of 5 years effective from 1st April, 2027 to March 31, 2032 and his remuneration shall be as per the following terms and conditions:

A. Basic salary: ₹ 8,40,000 (Rupees Eight Lakh Forty Thousand Only) per month with authority to the Board of Directors to revise the basic salary from time to time taking into account the performance subject to a ceiling of ₹ 14,00,000/- (Rupees Fourteen Lakh only) per month.

B. Accommodation: House Rent allowance (equal to basic salary) i.e., ₹ 8,40,000 (Rupees Eight Lakh Forty Thousand Only) per month, which shall be revised by the Board from time to time.

C. Commission: Shall not exceed 2% of the Consolidated Net Profit.

D. Perquisites: He shall be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called Perquisites) as per the policy of the Company.

E. In addition to the above, he shall be entitled to the allowance and benefits as per the policy of the Company in force, such as:

   i. Company maintained car

   ii. Telephone

   iii. Company's contribution to Provident Fund

   iv. Payment of gratuity and other retirement benefits

   v. Encashment of leave vi. Personal Accident and Mediclaim Insurance

   vii. Medical reimbursement on actual

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Managing Director of the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances, performance linked incentives/ bonus and Long-Term incentive as specified above, subject to such further approvals as may be required.

The Company will take an appropriate Directors' and Officers' Liability Insurance Policy and pay the premiums for the same. It is intended to maintain such insurance cover for the entire period of re-appointment, subject to the terms of such policy in force from time to time.

As on March 31, 2026, Mr. Jagadish Nangineni holds 2,515 fully paid equity shares in the Company. The directorships held by Mr. Jagadish Nangineni is within the limits prescribed under Section 165 of the Companies Act, 2013 and Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

No order of Securities and Exchange Board of India (SEBI) or any other such authority has been passed against Mr. Jagadish Nangineni debarring him from holding the position of Director.

The above may also be treated as an abstract of the terms of contract of appointment of Mr. Jagadish Nangineni as Managing Director of the Company and a memorandum as to the nature of concern and interest of the Directors in the said appointment, as required under Section 190 of the Act.

The disclosure relating to Mr. Jagadish Nangineni as required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, is set out as an Annexure to this Notice.

Except Mr. Jagadish Nangineni being the appointee, none of the other Director(s) or Key Managerial personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the **Ordinary Resolution** set-out in Item 5 of the Notice for approval by the members.

Item No. 6: Re-appointment of Mr. Raman Mangalorkar (DIN: 01866884), as a Non-Executive Independent Director of the Company

Mr. Raman Mangalorkar (DIN: 01866884) was initially appointed as a Non-Executive Independent Director of the Company by means of postal ballot through remote e-voting on June 09, 2022, for a period of 5 (five) years, w.e.f. April 01, 2022, on such terms and conditions as approved by the members. His terms of appointment shall expire on March 31, 2027. Further, considering the outcome of the evaluation of his performance over the past four years, the skills, experience and knowledge that Mr. Raman Mangalorkar brings to the Board, his continued valuable contribution to the boardroom deliberations, and also considering his eligibility to be an independent director and on the basis of the recommendation of Nomination, Remuneration and Governance Committee and in view of his knowledge, expertise and in particular the contributions made by him, subject to approval of members the Board of Directors at their Meeting held on May 04, 2026 approved the re-appointment of Mr. Raman Mangalorkar (DIN: 01866884) as a Non- Executive Independent Director of the Company for a period of second term/tenure of 5 (five) consecutive years commencing from April 01, 2027. In terms of Section 152 of the Companies Act, 2013, Mr. Raman Mangalorkar is not liable to retire by rotation.

In terms of Section 149, 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies (Appointment and Qualification of Directors) Rules, 2014, and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby proposed to re-appoint Mr. Raman Mangalorkar (DIN: 01866884) as a Non-Executive Independent Director of the company for a period of second term/tenure of 5 (five) consecutive years w.e.f. April 01, 2027 to March 31, 2032.

Mr. Raman Mangalorkar has over thirty three years of industry, consulting, and private equity experience and worked across the globe on a wide range of strategic, operational and organization issues. He is an entrepreneur and is currently focused on the life extension and cancer care sector. His areas of expertise include formulating business strategies, transforming supply chains, and managing large scale program implementations especially in the Retail and Consumer industries. He has worked as Chief Executive Officer (CEO) of Jubilant Retail 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 was handling the Corporate Finance and Treasury functions with Federal Mogul in Detroit. Mr. Raman Mangalorkar completed his Masters in Business Administration from Indiana University (Kelley School of Business) with specializations in Finance and MIS. He also has a Masters in Commerce from Bangalore University.

He is serving the Company for more than four years as an Independent Director. His contribution towards the Board and related matters is noteworthy. He played a pivotal role in guiding the Company and ensuring that the Company's goal and objectives are achieved while the Company is being compliant. His valuable suggestions and advice have always been instrumental in improving the systems and processes of the organization.

He is the Chairman of the Audit Committee and Nomination, Remuneration and Governance Committee and member of Stakeholders Relationship Committee of the Company. His inputs and observations have resulted in more effective strategic decision making.

Mr. Mangalorkar has given his consent to act as a Non-Executive Independent Director of the Company for a period of second term/tenure of 5 (five) consecutive years w.e.f. April 01, 2027 and has furnished necessary declarations to the Board of Directors that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, as per the declarations received by the Company, he is not disqualified under Section 164 of the Companies Act, 2013. In terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence and that no order of Securities and Exchange Board of India (SEBI) or any other such authority has been passed against Mr. Mangalorkar debarring him from holding the position of Director.

As on March 31, 2026, Mr. Raman Mangalorkar holds 1,141 fully paid equity shares in the Company. He is not related to any of the Directors of the Company. The directorships held by Mr. Raman Mangalorkar are within the limits prescribed under Section 165 of the Companies Act, 2013 and Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The disclosures relating to Mr. Raman Mangalorkar, as required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India is set out as an Annexure to the Notice.

Except Mr. Raman Mangalorkar, being an appointee, none of the other Directors or Key Managerial personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the Resolution.
The Board recommends the **Special Resolution** set-out in Item 6 of the Notice for approval by the members.

Item No. 7: Issue of Non-Convertible Debentures on a private placement basis

The Board of Directors had at its Meeting held on May 04, 2026, proposed to seek approval of the Members to raise or borrow funds by way of issuance of Unsecured Non-Convertible Debentures (NCDs) / Bonds / Other Instruments, listed and / or unlisted, on private placement basis for an amount not exceeding ₹ 1,000 Crore (Rupees One Thousand Crore) during 1 (One) year from the date of passing of the Special Resolution set out at Item No. 7 at an interest rate that will be determined by the prevailing money market conditions at the time of the borrowing. The issue of these securities like NCDs / Bonds / Other Instruments work as a cost-effective source of borrowings. Your Company for its business purposes, investments in body corporate(s), repayment / pre-payment of certain loans and for general corporate purposes, proposes to borrow or raise funds by issue of NCDs/ Bonds / Other Instruments on a private placement basis.

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 Section 42 of Companies Act, 2013 read with 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 ₹ 1000,00,00,000 (Rupees One Thousand Crore) 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 7 of the Notice for approval by the members.

Annexure

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-APPOINTMENT (ITEM NO 3, 5 and 6) AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS 2015 AND PARA 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS:

Name of Director	Mr. Ravi PNC Menon	Mr. Jagadish Nangineni	Mr. Raman Mangalorkar
Age	45 Years	47 Years	55 Years
Date of First Appointment on the Board	June 08, 2004	April 01, 2022	April 01, 2022
Qualifications	Bachelor of Science in Civil Engineering from Purdue University, USA	B. TECH- IIT (Bombay) MBA- IIM (Calcutta)	Master's in Business Administration with specializations in Finance and MIS and Master's in Commerce.
No. of Board Meetings attended during the Financial Year 2025-2026	4	4	4
Experience	22 years of experience in the field of construction and real estate development.	24 years and in the Company 17 years of experience.	33 years of experience in industry, consulting and private equity management.
Expertise in specific functional areas	He focuses on the overall functioning of the Company, in particular emphasising product delivery, project execution, quality control, technology advancement, process and information technology and customer satisfaction. He supervises the performance of various departments in the organisations such as Design and Engineering, Project Management, Sales and Marketing, Quality, Safety and Technology, Estimation, Cost Audit, Value Engineering, Landscaping, etc.	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.	He has worked across the globe on a wide range of strategic, operational and organization issues. His areas of expertise includes formulating business strategies, transforming supply chains, and managing large scale program implementations especially in the Retail and Consumer industries.
Details of remuneration sought to be paid	Nil	For Details of remuneration payable, please refer the Resolution at item no. 5 of the Notice convening this Meeting read with Explanatory Statement thereto.	He will be entitled to Commission & sitting fees for attending Board and Committee Meetings.
Remuneration last drawn	Company did not pay any remuneration to Mr. Ravi PNC Menon for the Financial Year 2025-26 and the same is disclosed in the Corporate Governance Report that forms part of the Annual Report.	The remuneration paid for the Financial Year 2025-26 is disclosed in the Corporate Governance Report that forms part of the Annual Report.	The sitting fees paid for the Financial Year 2025-26 is disclosed in the Corporate Governance Report that forms part of the Annual Report.

Name of Director	Mr. Ravi PNC Menon	Mr. Jagadish Nangineni	Mr. Raman Mangalorkar
Directorship and membership/ Chairmanship of Committees of the Board held in other listed companies along with listed entities from which the person has resigned in the past three years	None	None	None
Directorships held in other public limited Companies	None	Sobha Assets Private Limited, Sobha Highrise Ventures Private Limited Sobha Developers (Pune) Limited {Subsidiaries of Sobha Limited, a public Company}	None
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	None	None	None
Number of shares held as on March 31, 2026, including shareholding as a beneficial owner.	35,96,301 equity shares of ₹ 10 each. 5,29,62,544 equity shares of ₹ 10 each held by relatives.	2,515 Equity shares of ₹ 10 each.	1,141 equity shares of ₹ 10 each.
Terms and conditions of appointment or re-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.	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.	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.
Justification for choosing the appointees for appointment as Independent Director	Not Applicable.	Not Applicable.	The proposed Director is independent of the management and possesses appropriate skills, experience and knowledge.
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable.	Not Applicable.	The proposed Director has required qualification, experience and expertise in business strategies, supply chains, and managing large scale program implementations especially in the Retail and Consumer industries.

Key Details of 31st Annual General Meeting at a Glance

No.	Particulars	Details
1	Day, date and time of AGM	Saturday, July 18, 2026, at 09.00 A.M. (IST) (Deemed Venue for Meeting: Registered Office: "SOBHA", Sarjapur-Marathahalli Outer Ring Road Bellandur Post, Bangalore – 560103)
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 MUFG INSTAVOTE helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.
5	Submission of Questions/ Queries before AGM	Questions regarding financial statements or any other matter to be placed at the 31st AGM can be submitted from registered email address to investors@sobha.com on or before 5.00 P.M. (IST) on July 16, 2026.
6	Speaker Pre-Registration	On or before 5.00 P.M. (IST) on July 16, 2026. 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:** ₹ 6.00 per equity share of face value of ₹ 10 each and pro-rata dividend on partly paid-up equity shares. **Record date:** July 10, 2026 **Book closure dates:** July 10, 2026 **Payment date:** within 30 days from July 18, 2026.
8	TDS on Dividend and Submission of Forms	Submit forms by July 10, 2026 before 5.00 P.M. (IST). The detailed process is available on the website of the Company at https://www.sobha.com/ 'Communication on Tax Deduction on Dividend'.
9	EVENT of the Company	260329 (for fully paid up), 260330 (for partly paid up)
10	Cut-off date for remote e-voting period	July 11, 2026
11	Remote e-voting period	From 9.00 A.M. (IST) on July 14, 2026, and ends at 5.00 P.M. (IST) on July 17, 2026.
12	Registration of email address to receive credentials for remote e-voting and Notice of 31st AGM	Members whose email addresses are not registered and wish to receive the credentials for remote e-voting along with the Notice of the 31st AGM and Annual Report 2025-26 can get their email addresses registered with DP/RTA. Alternatively, members may send an e-mail request to rnt.helpdesk@in.mpms.mufg.com for obtaining User ID and Password.

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 2026 Highlights

Q1 FY 2025-26

- Revenue of ₹ 9,014 million with a PBT of ₹ 187 million and PAT of ₹ 136 million.
- Collections of ₹ 17,784 million, Real Estate quarterly collection of ₹ 15,986 million
- Average cost of debt as end of Q1 FY 2025-26 stood at 8.86%.
- Sold 1.44 million square feet of area, total valued at ₹ 20,788 million (Sobha Share value of ₹ 17,172 million).
- In Real Estate completed 1.41 million square feet of saleable area representing to total developable area of 2.24 million square feet.
- Expanded footprint in NCR with entry to Greater Noida with SOBHA Aurum successful launch with total saleable area of 701,051 square feet
- Launched Marina One (Balance 4 towers) at Kochi with total saleable area of 920,593 square feet

Q2 FY 2025-26

- Revenue of ₹ 14,693 million with a PBT of ₹ 989 million and PAT of ₹ 725 million.
- Collections of ₹ 20,458 million, achieved highest quarterly collection. Real Estate quarterly collection of ₹ 18,459 million
- Average cost of debt as end of Q2 FY 2025-26 stood at 8.25%.
- Sold 1.40 million square feet of area, total valued at ₹ 19,026 million (Sobha Share of ₹ 15,370 million).
- Completed 1.18 million square feet of saleable area representing to total developable area of 1.64 million square feet during Q2 FY 2025-26, and 0.49 million square feet completed in contractual
- Launched one project in Bangalore SOBHA Lifestyle total saleable area of 45,279 square feet

Q3 FY 2025-26

- Revenue of ₹ 9,831 million with a PBT of ₹ 205 million and PAT of ₹ 154 million.
- Collections of ₹ 19,845 million, Real Estate quarterly collection of ₹ 18,156 million
- Average cost of debt as end of Q3 FY 2025-26 stood at 7.94%.
- Sold 1.37 million square feet of area, total valued at ₹ 21,152 million (Sobha Share of ₹ 18,179 million). Crossed ₹ 2K Cr. Quarterly sales milestone for the 2nd time
- Launched 3 new project in 3 cities, SOBHA Magnus in Bangalore with total saleable area of 589,150 square feet.
- Launched our first project in Mumbai, SOBHA Inizio with saleable area of 150,548 square feet.
- Launched service apartment – SOBHA Strada in Gurgaon with saleable area of 323,403 square feet.
- Completed 1.39 million square feet under Real estate representing to total developable area of 1.81 million square feet and 0.30 million square feet of contractual projects during Q3 FY 2025-26.

Q4 FY 2025-26

- Revenue of ₹ 20,299 million with a PBT of ₹ 1,218million and PAT of ₹ 918 million.
- Collections of ₹ 19,897 million, Real Estate quarterly collection of ₹ 18,066 million
- Average cost of debt as end of Q4 FY 2025-26 stood at 7.69%, lowest in the history of the company
- Sold 1.33 million square feet of area total valued at ₹ 20,393 million (Sobha Share of ₹ 16,341 million).
- Net Debt equity ratio dropped to (0.17)
- Launched SOBHA Altair in Bangalore with total saleable area of 456,598 square feet.
- Launched our 2nd project, SOBHA Rivana in Greater Noida with total SBA of 2,572,523 square feet.
- Launched SOBHA Woods Whispering Hill in Trivandrum with total residential SBA of 252,255 square feet.
- Under Real Estate completed 1.76 million square feet of saleable area representing to total developable area of 2.57 million square feet during Q4 FY 2025-26 .

3 Years financial highlights (Consolidated financials)

Particulars	2025-26	2024-25	2023-24
Financial Performance			
Total Income	53,837.65	41,627.59	32,178.82
Profit before depreciation interest and tax (PBDIT)	5,032.99	4,183.93	3,979.58
Depreciation	1,060.25	898.25	782.21
Profit before interest and tax (PBIT)	3,972.74	3,285.68	3,197.37
Interest	1,374.09	1,955.67	2,455.06
Profit before tax (PBT)	2,598.65	1,330.01	742.32
Profit after tax (PAT)	1,934.08	946.86	491.13
Minority interest	-	-	-
PAT after minority interest	1,934.08	946.86	491.13
Dividend			
Equity (paid/proposed)	641.72	320.81	284.54
Rate of dividend	60%	30%	30%
Financial position			
Shareholder's funds	47,199.32	45,605.06	25,140.74
Borrowed fund	10,023.14	11,308.76	19,135.09
Total	**57,222.46**	**56,913.82**	**44,275.83**
Net fixed assets	10,863.54	9,879.87	9,291.44
Investments	1,201.02	1,146.20	1,149.33
Total Net current and non current assets	41,423.46	43,504.72	32,728.14
Deferred tax assets/ (liability)	3,734.44	2,383.03	1,106.92
Total	**57,222.46**	**56,913.82**	**44,275.83**
Ratios			
EBIDTA Margin	9%	10%	12.37%
Pre-Tax Margin	5%	3%	2%
Post Tax Margin	4%	2%	2%
Interest coverage ratio	2.89	1.68	1.30
Net debt to EBIDTA (times)	(1.51)	(1.51)	3.17
Fixed assets to turnover ratio	20%	24%	29%
Debtors turnover ratio (Net Debtors)	3.31	3.75	2.80
Debtors turnover ratio (Gross Debtors)	2.98	3.07	2.42
Return on Equity (ROE)	4%	3%	2%
Return on Capital Employed (ROCE)*	7%	6%	7%
Earnings per share(EPS)	18.09	9.28	5.18
Book Value	441.31	426.40	265.07
Debt/Equity Ratio	0.21	0.25	0.81
Price Earning Ratio	67.70	131.98	83.16
Price/book value	2.78	2.87	1.62

*EBIT/ Average capital employed

Figures are regrouped wherever necessary

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