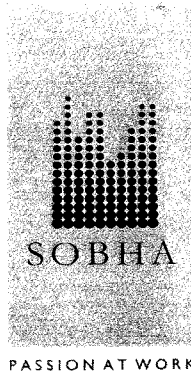


Date: August 20, 2007



National Stock Exchange of India Limited
Exchange Plaza
Plot no. C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

Corporate Action/announcement

Fax No. 022-2659 8237

Sub: Sobha Developers to sign a mega deal with Kerala Government.

SOBHA HITECH CITY

Sobha Developers Limited will be signing a Memorandum of Understanding (MOU) with Government of Kerala on 20 August 2007 (today) at Thiruvananthapuram for setting up the largest township development in Kerala, **SOBHA HITECH CITY**. The draft of the MOU has already been approved by the Government of Kerala. The MOU seeks to reinforce the Public Private Partnership (PPP) initiative by the Government of Kerala, spearheaded by the Department of Industries & Commerce.

SOBHA HITECH CITY project will create an integrated city of world-class standards with a focus on Research & Development, Knowledge Dissemination, Electronics, Information Technology and Pure & Applied Sciences. It will involve an investment of Rs 5,000 Cr, the highest such development in the state and is expected to create 75,000 direct jobs.

The salient features of the MOU are:

- The project will come up near Maradu in Kochi in a land area of around 400 acres, out of which around 320 acres have already been acquired. It will include a 7 million sq.ft. Knowledge Park, shopping malls and avenues, hospitality projects (hotels, resorts and other leisure facilities), residential complexes and all related infrastructure, including a unique Marina of international standards, creating a substantial number of technology jobs, in addition to numerous non-technology jobs, and be a source of significant revenues to the Government.
- The Government will provide a Single Window Clearance for the project.

SOBHA DEVELOPERS LTD.

REGD. OFFICE : E-106, SUNRISE CHAMBERS, 22, ULSOOR ROAD, BANGALORE -560 042 INDIA TEL : 25597260,25594139,25550695, FAX : 25594138

- The Government will provide permission for land development, provision of necessary utilities, facilitation for environmental and other clearances, acquisition of limited land areas etc; and Sobha will implement a rehabilitation package as per recommendations of the Government.

Infrastructure work will commence soon after the signing of the MOU. The project is expected to take 8 to 10 years for completion after receipt of necessary approvals.

For your information please.

For Sobha Developers Limited



K Suresh
Company Secretary & Compliance Officer