Correct.

$$\sqrt{28x^2y^2} - \sqrt{7x^2y^2} = \sqrt{4 \cdot 7x^2y^2} - \sqrt{7x^2y^2} = \sqrt{4}\sqrt{7}\sqrt{x^2}\sqrt{y^2} - \sqrt{7}\sqrt{x^2}\sqrt{y^2}$$

$$= 2\sqrt{7}|x| \cdot |y| - \sqrt{7}|x| \cdot |y| = 2|xy|\sqrt{7} - |xy|\sqrt{7} = |xy|\sqrt{7}$$