

# Contribution of the Real Estate Sector to Viksit Bharat: An Analytical Study of Financial Performance of Selected Companies

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## Abstract

This study analyses the contribution of Indian real estate sectors to the vision of Viksit Bharat 2047 by examine selected real estate company's financial performance in terms of profitability, liquidity and solvency (Government of India,2023). This Study carried out with object to analyse the financial performance, role of this sector in achieving the goal of Viksit Bharat. This study examines how financial stability and growth of real estate firms support in infrastructure development, employment generation, thereby contributing to the national development goals of Viksit Bharat. This study examines by ratios analysis, trend analysis to measure profitability, liquidity, and solvency of the selected real estate companies in India. For the study five real estate companies are DLF Ltd., Macrotech Developers Ltd. (Lodha), Godrej Properties Ltd., Prestige Estates Projects Ltd., Oberoi Realty Ltd. The result of the study Sound liquidity provides uninterrupted construction activity, delivery of housing units on time and stability in generation of employment, which are required for inclusive development. Higher profitability strengthens the capacity of investment in large-scale housing, projects of smart city and urban infrastructure, directly support to sustainable economic growth and improved standard of living. Revenue and assets growth reflect increased construction of residential projects and commercial projects, promoting to urbanization, affordable development of housing and smart cities, aligning with the vision of Viksit Bharat.

**Keywords:** Viksit Bharat, Real Estate Sector, Financial Performance, Economic Development

## 1. Introduction:

In Indian economy, real estate sector is a key pillar and plays an important role in achieving the vision of Viksit Bharat 2047, with object to transform India into a developed country through sustained economic development, infrastructure, expansion, and Inclusive urbanization (Government of India,2023). It acts as a major driver of all economic activities due to this sector has strong linkages with more than 250 allied companies such as cement, steel, power, and banking. (Colliers & CII, 2025). It contributes to the India's Gross Domestic Product (GDP) and is also one of the highest generators of employments after agriculture (Anarock & NAREDCO,2024). Financially sound real estate companies are positioned to mobilize capital, adopt modern technologies for construction, and also execute large- scale projects that support to meet national objectives. (Reserve Bank of India,2023.)

## 2. Review of Literature:

**Rajesh Kumar, and Manjunatha. (2021).** have conducted study on "Analysis of Determinants of Financial Performance for Construction Industry in India" tried to check the various factors which affects to financial performance of construction companies in India. For this study researcher collect data for 132 construction companies through secondary source of data collection from capital market line and prowess database. Financial performance of selected companies was measured by eight dependent and 41 independent variables. Researcher used financial statements analysis tools and regression analysis for analysing collected data. In this study researcher found that total five key financial ratios impacted to the performance of listed construction companies in India, and thirteen others ratios showed no effect on financial performance of selected construction companies in India.

**Basnet A (2020)** this study focusses on "Financial Performance Analysis of Indian construction industry" aimed that to assess the efficiency of financial performance about Indian construction companies by analyzing the collected data for the period of ten years with the help of various selected ratios and statistical techniques used like mean, standard deviation, Coefficient of variation etc. Financial data of construction industry was collected from CMIE's database.

**Jain, K., and Debe, P. (2018)** "An analytical study on selected literature review on structure of Indian real estate sector." This study aims that to study on structure of selected real estate companies of India. To manage

investment activity the real estate companies were used capital structure which includes a combination of debt and equity. A variety of responsibility may be included in the structure, which should improve the company's financial and economic standing position of the selected real estate companies. From the analysis it is clear that debt equity funds ratio in a company's capital structure is influenced by the price of its debt and equity, which comprise its capital value. Since ratios will fluctuate at completely different stages of a project or acquisition as well as from company to company and business to business, calculating the debt equity size relation is not simple. The industrial sector selected for the study showed notable differences in the relationship between debt and equity magnitude. It suggests that when overall assets increase, then the percentage of debt financing were decreases.

**Ghule, D., and Vora, K. (2021).** in their study on “Analysis of Financial Performance and its Impact on Capital Structure: A study on Indian Real Estate Industry” with object to analyze profitability and liquidity position and capital structure of selected real estate companies in India. And also study on impact of profitability and liquidity on capital structure of selected real estate companies in India. Researchers used secondary data for analysis collected from Bloomberg database and company report. Researchers were selected total ten selected real estate companies in India which were listed in BSE and NSE. From this study researcher found that there is a significant impact of financial performance on capital structure of selected real estate companies and also found that ROCE and ROE of real estate companies within the industry do not change significantly.

**Edison, J. (2017).** Research title: “Financial Analysis of the Real Estate Industry in India.” The object of this study is to examine the relationship between investment in the real estate sector and GDP in India. A linear regression model was used, and the financial indicators of the real estate companies in India were also analysed by taking financial aggregates, financial ratios, and ratios pertaining to margins of income, return on investment, and efficiency ratios. For this study, data was collected from the Centre for Monitoring Indian Economy. The findings of the study show that there is a positive correlation between GDP and the real estate industry.

**Kirti Kala, Dr. Sushma Maan Dr. Vijay Kumar Kala (2020)** in this research paper “Liquidity analysis: A comparative study on selected real estate companies in India”. Focused on liquidity position of selected real estate companies and for that purpose researcher calculated current ratio and quick ratio, cash to current assets ratio, cash turnover ratio. This study was focus on selected two real estate companies DLF and Godrej Properties with 5 years financial data. Researcher found that liquidity position of both the companies had higher fluctuation during the research period with the help of ratio analysis and hypothesis testing.

**Newell, G., and Kamineni, R. (2007).** have studied “The Significance and Performance of Real Estate Markets in India” over an eight-year period; quarterly capital returns for equities and bonds, as well as office, retail, and residential properties in New Delhi and Mumbai, were evaluated. According to data collected from the JLL and DataStream, Mumbai was the highest-performing residential market, while New Delhi was the highest-performing office and retail market in India. Over the period of eight years, the stock market of India outperformed all real estate markets. In terms of risk-adjusted performance, the top-performing real estate sectors were New Delhi office and Mumbai residential properties and New Delhi retail properties.

**Research Gap:** From various studies found that studies have examined the financial performance of Indian construction and real estate companies by using profitability, liquidity, solvency, and competitiveness analysis, there is very limited research concern with financial performance of real estate companies and its contribution in economic development.

### 3. Research Objectives:

- To analyse the financial performance of selected real estate companies in India.
- To examine the role of the real estate sector in achieving the goals of Viksit Bharat.
- To study the relationship between financial stability and economic development.
- To assess the contribution of real estate firms to employment and urban growth.

### 4. Research Methodology:

**Research Design:** Descriptive and Analytical

**Sample Selection:** there are 43 NSE listed real estate construction companies. From the population top five companies on the basis of market capitalisation were selected. Selected companies are DLF Ltd., Macrotech Developers Ltd. (Lodha), Godrej Properties Ltd., Prestige Estates Projects Ltd., Oberoi Realty Ltd.

**Data Collection and Source:** for the study collected secondary data from annual reports and money control  
**Period Of the Study:** for the study last five years from 2020 to 2025

**Tools of Analysis:** Profitability ratios, Liquidity ratios, Solvency ratios, and efficiency ratios, Trend Analysis

## 5. Analysis and Interpretation:

Financial analysis helps in interpreting financial data into meaningful manner. By analysing and interpreting these data one can understand company's strength, weakness and in which direction is company going. For investors and shareholders, it acts as basis for investment decision. According to M.Y Khan and P.K Jain, "Financial analysis is the process of identifying the financial strengths and weakness of the firm by properly establishing relationships between the items of the balance sheet and the profit and loss account."

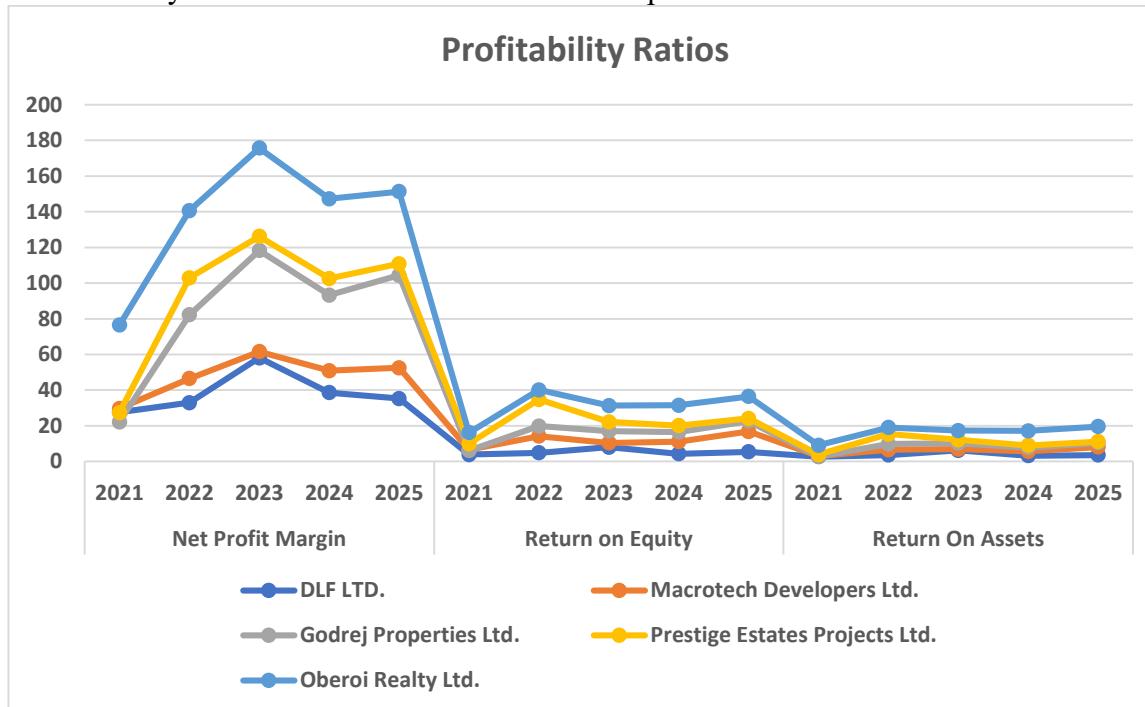
### 1. Profitability Ratios:

**Table 1:** Profitability Ratios of Selected Real Estate Companies

	Net Profit Margin (%) (Net Profit / Total Revenue × 100)					Return on Equity (Net Profit / Total Assets × 100)					Return On Assets (Net Profit / Shareholder's Equity × 100)				
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
<b>DLF LTD.</b>	27.6	32.9	58.1	38.6	35.3	3.89	4.9	8.02	4.3	5.37	2.68	3.57	6.19	3.26	3.61
<b>Macrotech Developers Ltd.</b>	2.06	13.5	3.49	12.3	17.3	2.68	9.29	2.43	6.85	11.5	0.33	3.01	0.75	2.44	4.49
<b>Godrej Properties Ltd.</b>	-7.5	35.7	56.8	42.4	51.9	-0.5	5.67	6.6	5.37	5.8	-0.3	3.26	3.28	2.02	2.3
<b>Prestige Estates Projects Ltd.</b>	5.24	20.8	7.87	9.27	6.49	3.88	14.9	5.13	3.6	1.57	1.16	5.48	1.9	1.25	0.7
<b>Oberoi Realty Ltd.</b>	49	37.7	49.5	44.7	40.5	6.22	5.4	9.17	11.4	12.3	5.21	3.72	5.18	8.16	8.51

(Source: Annual report and Money Control)

**Chart 1:** Profitability Ratios of Selected Real Estate Companies



(Source: Excel sheet)

**Interpretation:** From the above table 1, DLF Ltd. Shows a strong as well as improving profit margin from 27.6% in the year 2021 to a peak of 58.1% in 2023, with a slight moderation in 2024 and 2025. This indicates efficient cost control and revenue realisation. Godrej Properties shows a notable turnaround from a negative margin in 2021 (-7.5%) to high positive margins, shows its recovery and improved project execution. Macrotech Developers display comparatively moderate but stable margins.

ROE measures return to its shareholders. Oberoi realty records the highest and consistent rise in ROE from 6.22% in 2021 to 12.3% in 2025, which shows strong wealth creation for equity holders. In DLF and

Macrotech shows, moderate ROE with fluctuations which indicates varying efficiency in using funds of shareholders. In Godrej Properties shows improvement after 2021, while Prestige Estates shows lower ROE, reflecting high capital and moderate profit.

ROA measures efficiency in using total assets. Oberoi Realty shows constant increase from 5.21% to 8.51%, signify effective utilization of land and projects assets. DLF and Macrotech shows moderate improvement, while Godrej and Prestige show lower but constant ROA, indicates that longer project gestation period and higher asset intensity.

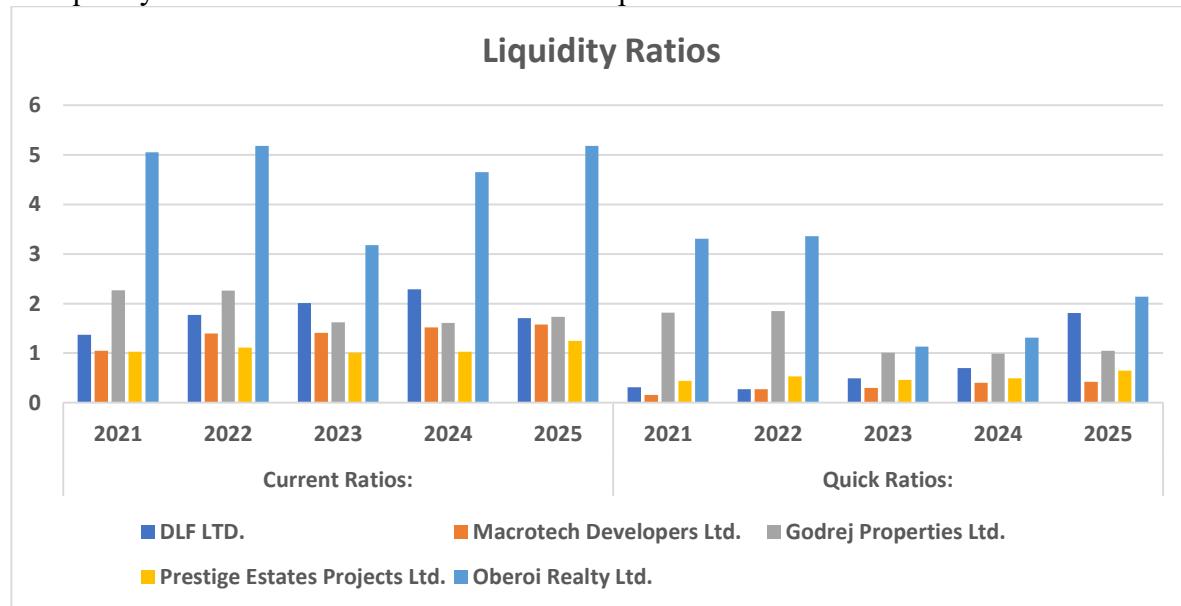
## 2. Liquidity Ratios of Selected Real Estate Companies

**Table 2:** Liquidity Ratios of Selected Real Estate Companies

	Current Ratio (Current assets / Current Liabilities)					Quick Ratio (Current assets – Inventory / Current Liabilities)				
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
DLF LTD.	1.37	1.77	2.01	2.29	1.71	0.31	0.27	0.49	0.7	1.81
Macrotech Developers Ltd.	1.05	1.4	1.41	1.52	1.58	0.16	0.27	0.3	0.4	0.42
Godrej Properties Ltd.	2.27	2.26	1.62	1.61	1.73	1.82	1.85	1.01	0.99	1.05
Prestige Estates Projects Ltd.	1.03	1.11	1.01	1.03	1.25	0.44	0.53	0.46	0.49	0.65
Oberoi Realty Ltd.	5.05	5.18	3.18	4.65	5.18	3.31	3.36	1.13	1.31	2.14

(Source: Annual report and Money Control)

**Chart 2:** Liquidity Ratios of Selected Real Estate Companies



(Source: Excel sheet)

**Interpretation:** The above table 2 shows that, highest and constant strong current ratios of Oberoi Realty, indicating excellent short-term solvency. Godrej Properties and DLF Ltd. maintain standard levels and Macrotech Developers shows normal improvement. Prestige Estates shows that, it is near the minimum acceptable level, reflecting relatively tight working capital.

Oberoi Realty again shows the strong quick ratio, showing urgent liquidity. Godrej Properties maintains a constant and acceptable position. Macrotech Developers and DLF Ltd. Shows improvement over the period

of years but remain normal. Prestige Estates has the lowest quick ratio, shows the limited immediate available liquid assets.

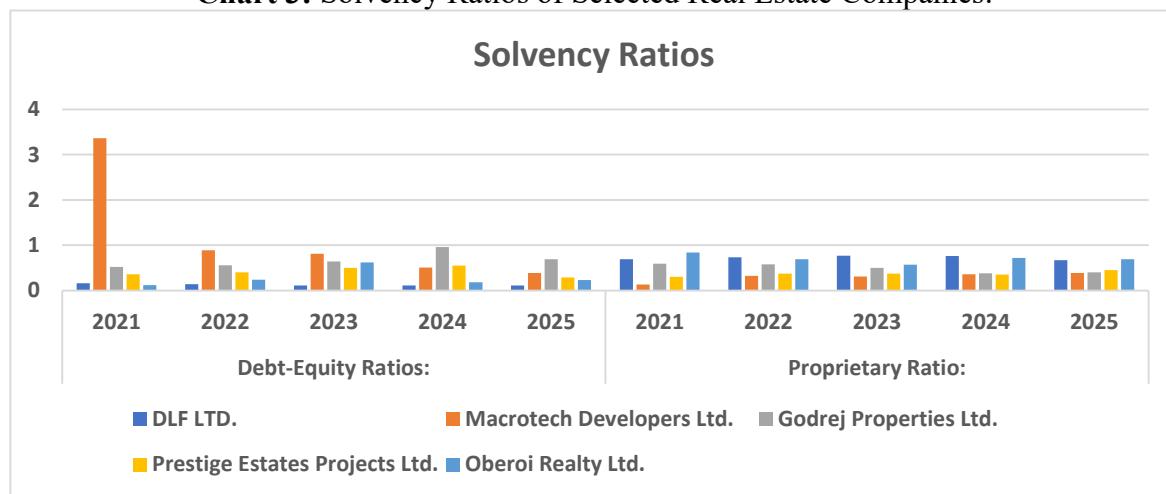
### 3. Solvency Ratios:

**Table 3:** Solvency Ratios of Selected Real Estate Companies:

	Debt-Equity Ratio (Total Debt/ Shareholders Equity)					Proprietary Ratio (Proprietary Ratio=Proprietary Funds / Total Assets)				
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
DLF LTD.	0.16	0.14	0.11	0.11	0.11	0.69	0.73	0.77	0.76	0.67
Macrotech Developers Ltd.	3.36	0.89	0.81	0.51	0.39	0.13	0.32	0.31	0.36	0.39
Godrej Properties Ltd.	0.52	0.56	0.64	0.96	0.69	0.59	0.58	0.5	0.38	0.4
Prestige Estates Projects Ltd.	0.36	0.4	0.5	0.55	0.29	0.3	0.37	0.37	0.35	0.45
Oberoi Realty Ltd.	0.12	0.24	0.62	0.18	0.23	0.84	0.69	0.57	0.72	0.69

(Source: Annual report and Money Control)

**Chart 3:** Solvency Ratios of Selected Real Estate Companies:



(Source: Excel sheet)

**Interpretation:** From the above table 3, Shows very Lower and constant debt-equity ratios of DLF Ltd. and Oberoi Realty, indicates strong capital structure and low risk level of finance. Moderate leverage maintains by Godrej Properties and Prestige Estates, reflecting balanced use of debt. Macrotech Developers shows highest leverage in 2021 but decline trend after 2021, indicating improving financial stability.

DLF Ltd. and Oberoi Realty have highest proprietary ratios, showing higher dependence on funds of shareholders and strong long-term solvency. Godrej Properties and Prestige Estates record moderate proprietary ratios, suggesting balanced financing. Macrotech Developers has lower but improving ratios, indicates that gradual strengthening of owners' equity in total assets.

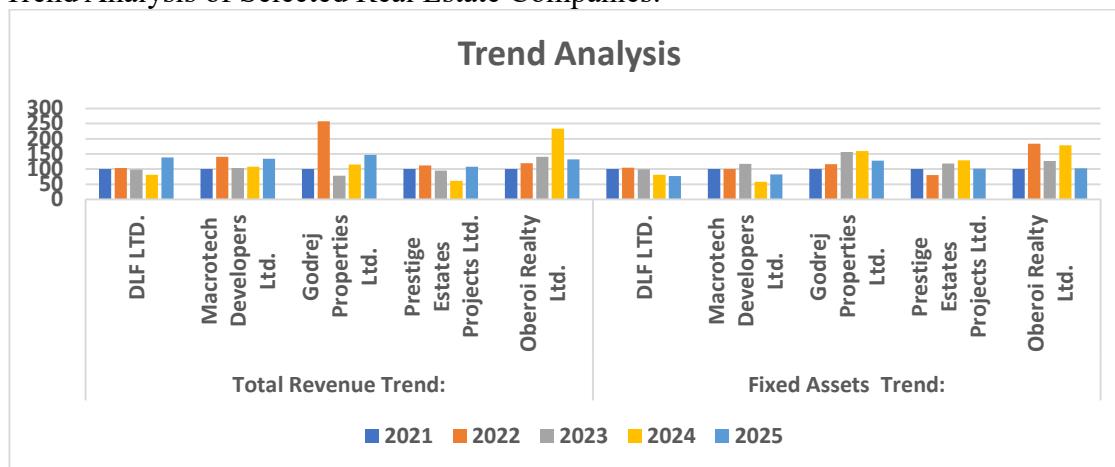
#### 4. Trend Analysis:

**Table 4:** Trend Analysis of Selected Real Estate Companies:

	Total Revenue Trend					Fixed Assets Trend				
	DLF Ltd.	Macrotech Developers Ltd.	Godrej Properties Ltd.	Prestige Estates Projects Ltd.	Oberoi Realty Ltd.	DLF Ltd.	Macrotech Developers Ltd.	Godrej Properties Ltd.	Prestige Estates Projects Ltd.	Oberoi Realty Ltd.
2021	100	100	100	100	100	100	100	100	100	100
2022	104	141	258	112	119	105	100	116	80	184
2023	98	104	78	95	140	99	117	156	118	127
2024	81	108	115	61	233	81	58	159	129	178
2025	138	134	147	108	132	77	83	128	101	103

(Source: Annual report and Money Control)

**Chart 4:** Trend Analysis of Selected Real Estate Companies:



(Source: Excel sheet)

**Interpretation:** From the table 4, Overall growth in revenue of DLF Ltd. and Macrotech Developers in some year and in some year fluctuating, indicating improving demand in market and execution of project. Godrej Properties and Oberoi Realty show strong increasing trends, reflecting expanding in sales, highest housing absorption and increase in contribution to urban development. Prestige Estates shows normal growth with some of the instability, suggesting that cyclical performance typical of the real estate sector. Rising revenue trends indicates better capacity to invest in affordable housing, projects of smart city and generation of employment under the Vixsit Bharat initiative.

Constant increase in fixed assets shown by Godrej Properties and Oberoi Realty, indicating continuous investment in land, construction facilities and long-term infrastructure. DLF Ltd. and Prestige Estates show stable but comparatively normal growth, while in Macrotech Developers show fluctuations but an overall increasing pattern. The expansion of fixed assets shows that, strengthening capital base and enhanced capability to undertake large-scale, long-term urban and projects of housing, supporting sustainable infrastructure development.

#### Findings and Conclusion:

1. Most of the selected companies show improving profitability over the period of study with Oberoi Realty and Godrej Properties found higher and more stable margins and as well as returns, indicating efficient execution of project and better utilization of capital. Higher profitability strengthens the capacity of investment in large-scale housing, projects of smart city and urban infrastructure, directly support to sustainable economic growth and improved standard of living.
2. It is found that, Oberoi Realty and Godrej Properties maintain satisfied liquidity positions, while gradual improvement shown in DLF. Adequate liquidity position shows smooth management of working capital and on time completion of projects. Sound liquidity provides uninterrupted construction activity, delivery of

housing units on time and stability in generation of employment, which are required for inclusive development.

3. DLF displays a conservative capital structure with low risk of finance, whereas Godrej Properties and Oberoi Realty showing balanced leverage. Macrotech Developers show relatively higher debt but with improving trend. A constant solvency position enables firms to undertake long-term infrastructure and projects for urban development, attracting more investment and ensuring financial sustainability.

4. Increasing trends in total revenue and total assets, specific for Godrej Properties and Oberoi Realty, displays expansion of operational capacity and market presence. Revenue and assets growth reflect increased construction of residential projects and commercial projects, promoting to urbanization, affordable development of housing and smart cities, aligning with the vision of Viksit Bharat.

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