



STATSGURU: Taking stock of the real estate sector

AS THE Centre moves to create a regulator for the real estate market, how is the sector doing?

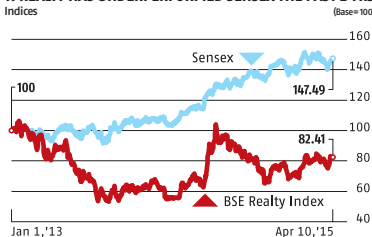
As Table 1 shows, it has solidly underperformed the Sensex in the past 2 years. Some individual companies, such as NCC, have done well, as Table 2 shows; but others, like Unitech, continue to lose value. This is not surprising. As Table 3 shows, profit growth among the majors has been variable, but often

negative. Nor has sales growth been robust, especially for DLF, as Table 4 shows. This is in spite of the fact that house costs have not notably increased of late, according to Table 5.

Meanwhile, as Table 6 reveals, debt growth continues to be a problem for many companies. Table 7 shows how indebted companies like DLF are. Still, interest cost growth seems under control now, according to Table 8.

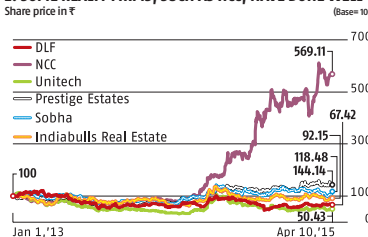


1: REALTY HAS UNDERPERFORMED SENSEX THE PAST 2 YRS



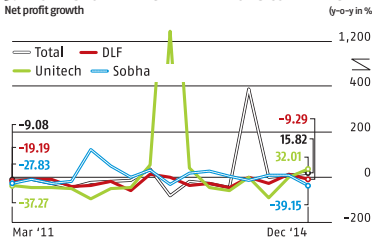
Source: Bloomberg

2: SOME REALTY FIRMS, SUCH AS NCC, HAVE DONE WELL



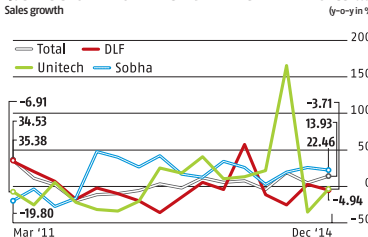
Source: Bloomberg

3: PROFIT GROWTH HAS VARIED AMONG COMPANIES



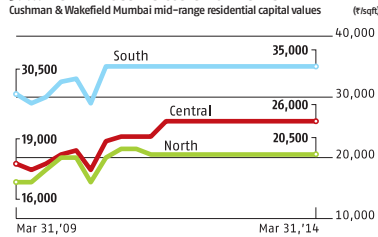
Source: Capitaline

4: SALES GROWTH FOR FIRMS LIKE DLF HASN'T BEEN ROBUST...



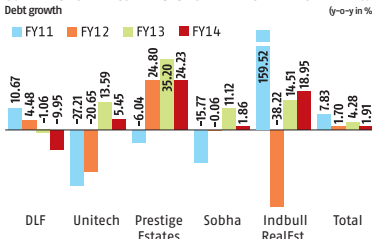
Source: Capitaline

5: ... DESPITE HOUSING COSTS NOT RISING



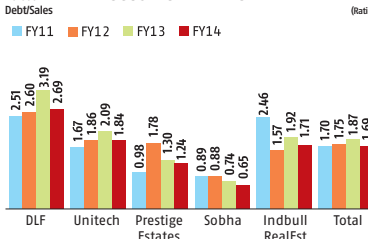
Source: Bloomberg

6: DEBT GROWTH CONTINUES TO BE A PROBLEM FOR MANY...



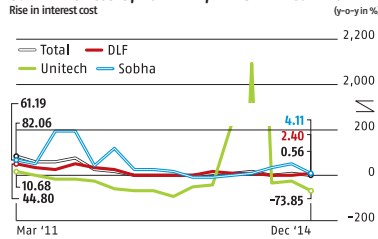
Source: Capitaline

7: ... WITH FIRMS SUCH AS DLF BEING HEAVILY IN DEBT



Source: Capitaline

8: INTEREST COSTS, HOWEVER, ARE UNDER CONTROL



Source: Capitaline