



A comparative study of profitability performance of selected real estate companies after Real Estate Regulation Act, 2016

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ABSTRACT

During this period detection of abnormal driving is more important. It give safety to passengers and drivers in vehicle . In our proposed method deep learning methods used for abnormal driving behavior prediction. Deep learning classification methods are more applicable of various fields. The applications are computer vision, speech finding, language processing, audio identification, medical image analysis, bioinformatics and self driving cars. Our simplified method we use three deep learning methods such as CNN, Deep Residual Network and Visualized Geometric Group16. The CNN extract high level features such as hidden object in an image and doesn't need hand designed features. For the purpose we use one dataset that contain 22,424 color frames (images).In the existing system that use novel deep learning fusion methods to detect abnormal driving behavior and the accuracy of that dataset is 82%. Our proposed method revealed an accuracy 87.44%. So new method more better than the existing method.

Keywords: Driving Behavior Prediction, Deep Learning

1. OBJECTIVE OF THE STUDY

- To examine the gross profit ratio after selected real estate companies after RERA, 2016.
- To examine the net profit ratio after selected real estate companies after RERA, 2016.
- To examine the return on assets ratio after selected real estate companies after RERA, 2016.
- To examine the return on capital employed ratio after selected real estate companies after RERA, 2016.
- To examine the earning per share ratio after selected real estate companies after RERA, 2016.

2. HYPOTHESES

The hypotheses of the study framed following

- 1.H₀₁ = There is no significant difference in gross profit ratio of selected real estate companies after RERA, 2016.
- 2.H₀₂ = There is no significant difference in net profit ratio of selected real estate companies after RERA, 2016.
- 3.H₀₃ = There is no significant difference in Return on assets ratio of selected real estate companies after RERA, 2016.
- 4.H₀₄ = There is no significant difference in Return on capital employed ratio of selected real estate companies after RERA, 2016.
- 5.H₀₅ = There is no significant difference in earning per share ratio of selected real estate companies after RERA, 2016.

3. RESEARCH METHODOLOGY

3.1 Research Design

Exploratory Research Design was adopted for the present study in view of the listed objectives of the study exploratory research is one which largely of research work lays emphasis on analysis and interpretation of the existing and available information on data.

3.2 Source of data

The Study heavily relies is based on secondary data. The Secondary data comprised of the annual reports of Selected real estate companies for the period of 5 Years from 2015-16 to 2019-20. Various other reports like the company magazines ,bulletins have also been used. Relevant Websites have also been used.

3.3 Tools for data analysis

The data collected for the study was analyzed using financial tools and statistical tools. The financial tools of the analysis include Ratio analysis covering profitability ratios and also ANOVA use for hypothesis testing.

4. DATA ANALYSIS AND INTERPRETATIONS

Ratio Analysis:

Profitability Analysis:

Gross Profit Ratio

$$Gross\ Profit\ Margin = \frac{Gross\ Profit}{Net\ Sales} * 100$$

Table 1

Company name	Years					
	%					
	2016	2017	2018	2019	2020	Mean
Prestige Estates Projects Limited	24.39	21.09	24.45	30.27	30.45	26.13
Sunteck Realty Limited	17.17	37.41	42.92	48.12	30.52	35.23
Sobha Limited	24.55	20.55	20.21	21.45	31.26	23.60

(Annual reports)

Gross Profit Ratio (%)

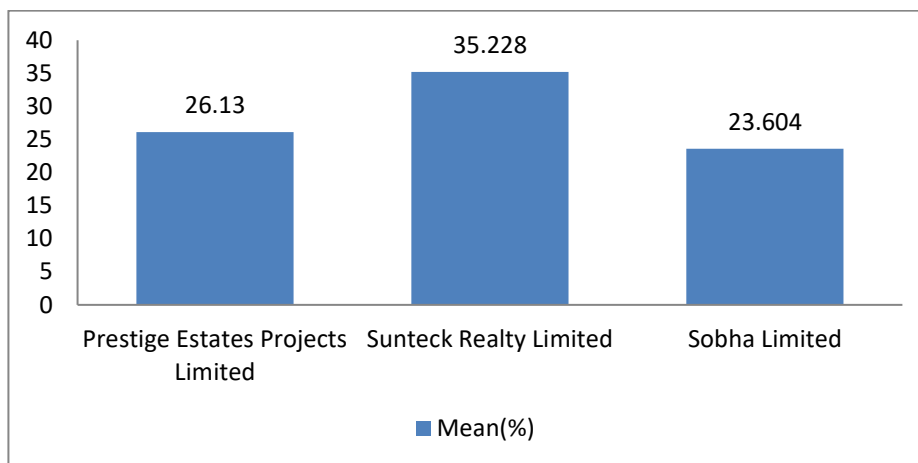


Fig. 1: Gross Profit Ratio (%)

Interpretation: Sunteck Realty Limited average gross profit ratio is 35.22% is highest gross profit ratio compare to Prestige Estates Projects Limited and Sobha Limited.

Net Profit Ratio:

$$Net\ Profit\ Ratio = \frac{Net\ Profit}{Net\ Sales} * 100$$

Table 2

Company name	Years					
	%					
	2016	2017	2018	2019	2020	Mean
Prestige Estates Projects Limited	11.69	7.56	7.47	7.95	6.69	8.27
Sunteck Realty Limited	11.92	23.23	25.85	28.11	16.56	21.13
Sobha Limited	6.94	6.62	7.7	8.53	7.41	7.44

(Annual reports) Net Profit Ratio (%)

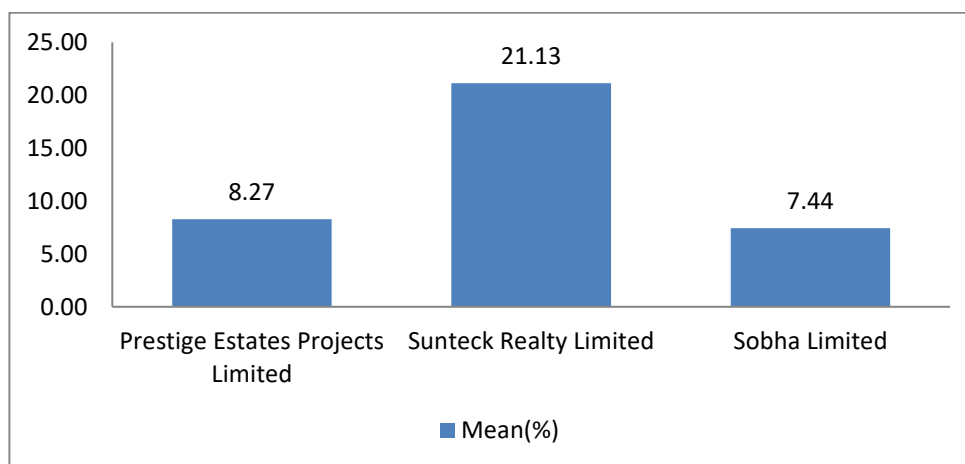


Fig. 2: Net Profit Ratio (%)

Interpretation: Suntech Realty Limited average gross profit ratio is 21.13 % is highest gross profit ratio compare to Prestige Estates Projects Limited and Sobha Limited.

Return on Assets (ROA):

$$\text{Return on Total Assets} = \frac{\text{Net Profit before Interest and Tax}}{\text{Total Assets}} * 100$$

Table 3

Company name	Years					
	%					
	2016	2017	2018	2019	2020	Mean
Prestige Estates Projects Limited	3.7	1.56	1.95	1.44	1.35	2
Sunteck Realty Limited	0.55	5.54	5.85	5.8	2.38	4.02
Sobha Limited	1.71	1.8	2.4	2.76	2.55	2.24

(Annual reports) Return on Assets Ratio (%)

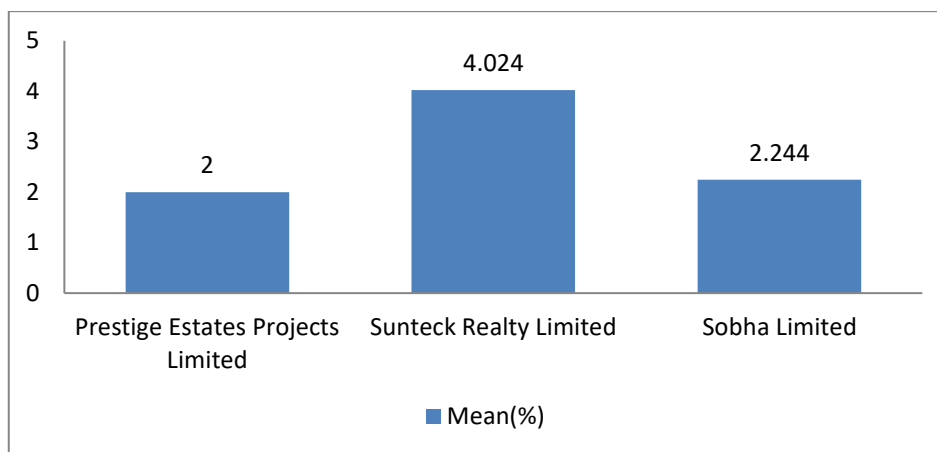


Fig. 3: Return on Assets (%)

Interpretation: Suntech Realty Limited average gross profit ratio is 4.02% is highest gross profit ratio compare to Prestige Estates Projects Limited and Sobha Limited.

Return on Capital Employed (ROCE):

$$\text{Capital Employed Ratio} = \frac{\text{Net profit before interest and tax}}{\text{Capital employed}} * 100$$

Table 4

Company name	Years					
	%					
	2016	2017	2018	2019	2020	Mean
Prestige Estates Projects Limited	7.67	9.84	12.7	13.08	13.78	11.41
Sunteck Realty Limited	2.33	18.64	13.74	13.41	5.9	10.80
Sobha Limited	4.19	4.82	15.51	30.37	40.97	19.17

(Annual reports)

Return on Capital Employed Ratio

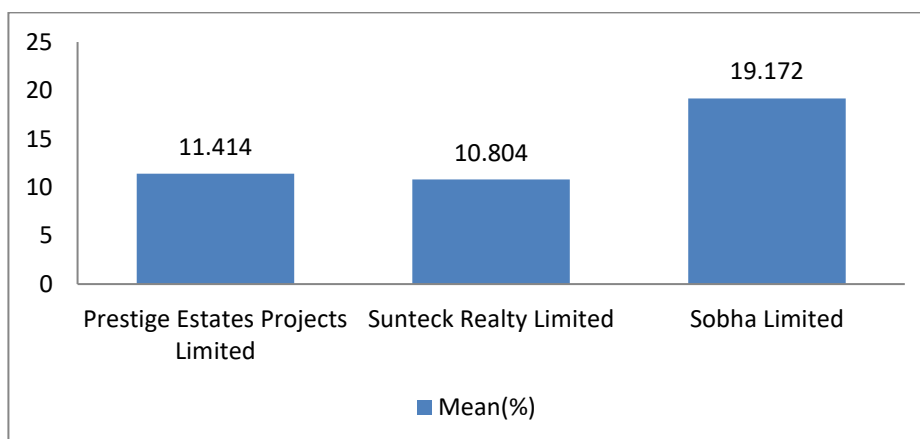


Fig. 4: Return on Capital Employed Ratio Mean (%)

Interpretation: Sobha Limited average gross profit ratio is 19.17% is highest gross profit ratio compare to Prestige Estates Projects Limited and Suntech Reality Limited.

Earnings per Share (EPS):

$$\text{Earning Per Share} = \frac{\text{Profit Available to Equity Share holders}}{\text{No. of Equity Share Holders}}$$

Table 5

Company name	Years					
	₹					
	2016	2017	2018	2019	2020	Mean
Prestige Estates Projects Limited	16.3	7.06	9.9	11.08	10.63	10.99
Sunteck Realty Limited	3.83	17.01	16.74	16.22	7.14	12.19
Sobha Limited	14.08	16.59	22.68	31.33	29.69	22.87

(Annual reports)

Earning Per Share Ratio (₹)

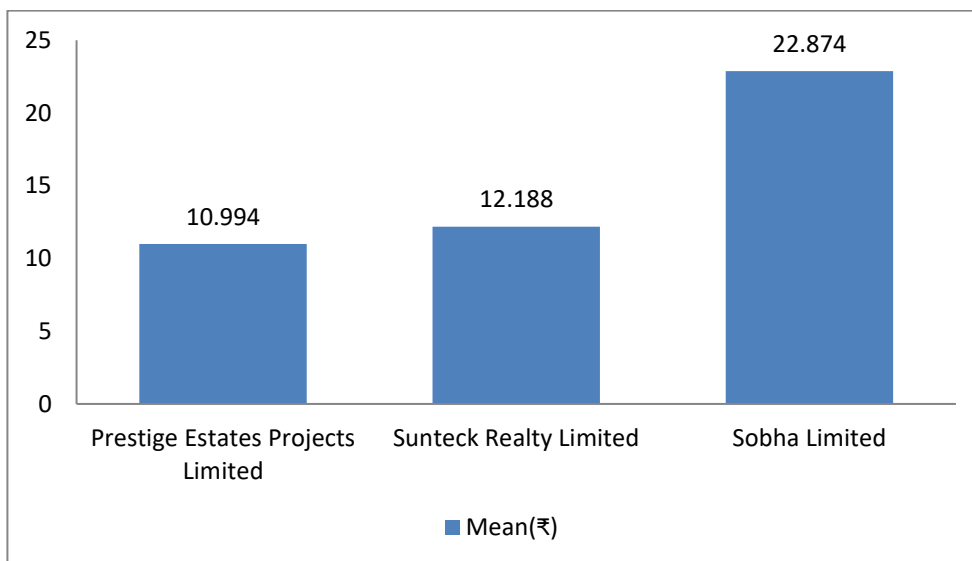


Fig. 5: Earnings per Share (₹)

Interpretation: Sobha Limited average gross profit ratio is 22.87 (₹) is highest gross profit ratio compare to Prestige Estates Projects Limited and Suntech Reality Limited.

HYPOTHESIS TESTING

ANOVA

Gross Profit Ratio

Table 6

Source of Variation	SS	Df	MS	F cal	P-value	F tab
Between Groups	373.7861	2	186.893	3.070376	0.083783	3.885294
Within Groups	730.437	12	60.86975			
Total	1104.223	14				

Interpretation

H₀ = There is no any significant difference in gross profit ratio of selected real estate companies after RERA, 2016

H₁ = There is any significant difference in gross profit ratio of selected real estate companies after RERA, 2016

F cal 3.07 < F tab 3.89, P value > 0.05

Thus, null hypothesis is accepted, it is not seen any difference showing in gross profit ratio of selected real estate companies after RERA, 2016.

Net Profit Ratio

Table 7

Source of Variation	SS	Df	MS	F cal	P-value	F tab
Between Groups	589.4148	2	294.7074	17.79491	0.000257	3.885294
Within Groups	198.736	12	16.56133			
Total	788.1508	14				

Interpretation

H₀ = There is no any significant difference in net profit ratio of selected real estate companies after RERA, 2016

H₁ = There is any significant difference net profit ratio of selected real estate companies after RERA, 2016

$$F \text{ cal } 17.79 > F \text{ tab } 3.89, P \text{ value } < 0.05$$

Thus, null hypothesis is rejected, it is seen the difference showing in net profit ratio of selected real estate companies after RERA, 2016.

Return on Assets

Table 8

Source of Variation	SS	Df	MS	F cal	P-value	F tab
Between Groups	12.20752	2	6.10376	2.593038	0.115885	3.885294
Within Groups	28.24684	12	2.353903			
Total	40.45436	14				

Interpretation

H₀ = There is no any significant difference in return on assets ratio of selected real estate companies after RERA, 2016

H₁ = There is any significant difference return on assets ratio of selected real estate companies after RERA, 2016

$$F \text{ cal } 2.59 < F \text{ tab } 3.89, P \text{ value } > 0.05$$

Thus, null hypothesis is accepted, it is not seen the any difference showing in return on assets ratio of selected real estate companies after RERA, 2016.

Return on Capital Employed Ratio

Table 9

Source of Variation	SS	Df	MS	F cal	P-value	F tab
Between Groups	217.6368	2	108.8184	1.050039	0.379978	3.885294
Within Groups	1243.593	12	103.6327			
Total	1461.23	14				

Interpretation

H₀ = There is no any significant difference in return on capital employed ratio of selected real estate companies after RERA, 2016

H₁ = There is any significant difference in return on capital employed ratio of selected real estate companies after RERA, 2016

$$F \text{ cal } 1.05 < F \text{ tab } 3.89, P \text{ value } > 0.05$$

Thus, null hypothesis is accepted, it is not seen the any difference showing in return on capital employed ratio of selected real estate companies after RERA, 2016.

Earning Per Share Ratio

Table 10

Source of Variation	SS	Df	MS	F cal	P-value	F tab
Between Groups	427.9177	2	213.9589	5.897472	0.016451	3.885294
Within Groups	435.3571	12	36.27976			
Total	863.2748	14				

Interpretation

H₀ = There is no any significant difference in earning per share of selected real estate companies after RERA, 2016

H₁ = There is no any significant difference in earning per share of selected real estate companies after RERA, 2016

$$F \text{ cal } 5.89 > F \text{ tab } 3.89, P \text{ value } > 0.05$$

Thus, null hypothesis is accepted, it is not seen the difference showing in earning per share ratio of selected real estate companies after RERA, 2016.

5. FINDINGS RECOMMENDATIONS AND CONCLUSIONS

5.1 Findings

- Gross profit ratio of Selected real estate companies showing the significant difference after RERA,2016 and Suntech Reality Limited average gross profit ratio is 35.22 % is highest gross profit ratio compare to Prestige Estates Projects Limited and Sobha Limited.
- Net profit ratio of Selected real estate companies not showing the any significant difference after RERA,2016 and Suntech Reality Limited average gross profit ratio is 21.13 % is highest gross profit ratio compare to Prestige Estates Projects Limited and Sobha Limited.
- Return on assets ratio of Selected real estate companies not showing the any significant difference after RERA,2016 and Suntech Reality Limited average gross profit ratio is 4.02% is highest gross profit ratio compare to Prestige Estates Projects Limited and Sobha Limited.

- Return on capital employed ratio of Selected real estate companies not showing the any significant difference after RERA,2016 and Sobha Limited average gross profit ratio is 19.17% is highest gross profit ratio compare to Prestige Estates Projects Limited and Suntech Reality Limited.
- Earning per share ratio of Selected real estate companies not showing the any significant difference after RERA,2016 and Sobha Limited average gross profit ratio is 22.87 (₹) is highest gross profit ratio compare to Prestige Estates Projects Limited and Suntech Reality Limited.

5.2 Recommendations

- They should provide faster services to their walking customers so that they should be more loyal.
- Reduce irrelevant cost achieve the objective of high profitability.
- Maintain the quality of project and deliver the project at right time as reasonable price.
- Technologies various tools are use for efficient service providing to the customers.
- To focus core area to build up the goodwill for profit maximization.

5.3 Conclusion

At the end of this case study it can be conclude Real estate companies maintain the transparency and accountability after the RERA, 2016. Real estate sector is second largest employer provider after agriculture. Organized player are more growing after the RERA, 2016 because unorganized player left in the market.

6. REFERENCES

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