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**PERFORMANCE OF FIXED ASSETS IN INDIAN REAL-ESTATE INDUSTRY  
(IREI) – A STUDY**

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**ABSTRACT**

In this paper, an attempt has been made to study the “Performance of Fixed assets in Indian Real-Estate Industry (IREI)”. To this end, six real-estate companies have been chosen basing on the value of fixed assets of Rs. 10,000 millions and above. An analysis of financing pattern, utilization of fixed assets, impact of gross block on sales and operating profits, adequacy of depreciation in IREI through the application of ratios and trend analysis has been undertaken. From the study, it is found that, major investment in the real-estate industry is not in the form of fixed assets but in current assets. The pace of expansion programme has been active and appreciable in the industry except Omaxe. The expansion in fixed assets is not effective on sales as it ought to have been, since the pace of increase in sales is less than that of the gross block. The depreciation provided is not sufficient even on historical cost basis to replace the fixed assets in majority of the sample units.

**Keywords:** IREI, AAG