

## Realtors take concrete steps to go green

### Synopsis

Developers like DLF, Godrej Properties, Prestige Estates, Macrotech and Sobha are taking initiatives to reduce energy and water consumption. Mahindra Lifespace Developers recently announced its commitment to constructing only net-zero buildings from 2030.



Indian real estate developers have increased their focus on the environment by saving energy and water, as demand for buildings compliant to environmental, social and governance (ESG) standards is growing, according to property consultants.

The buildings and construction sectors combined are responsible for 36% of the global final energy consumption and nearly 40% of total direct and indirect carbon-dioxide emissions.

The real estate sector is responsible for 24% of India's annual CO2 emissions.

Developers like [DLF](#) NSE -2.82 %, [Godrej Properties](#) NSE -2.60 %, [Prestige Estates](#) NSE -1.26 %, Macrotech and [Sobha](#) NSE -2.46 % are taking initiatives to reduce energy and water consumption. [Mahindra Lifespace Developers](#) NSE -3.96 % recently announced its commitment to constructing only net-zero buildings from 2030.

According to multiple reports, buildings in India account for 40% of the use of energy, 30% of raw materials, 20% of water consumption, 20% of land use and generate 30% of solid waste and 20% of water effluents.

According to real estate services company [CBRE](#), 100% of local market leader DLF's rental sites had been zero water discharge since fiscal 2018-19.

The company also aims to ensure that at least 90% of its rental portfolio is green building certified, CBRE said in a report.

"Water is the most critical resource in real estate and developers should increase the focus on treating the wastewater, both at construction sites and delivered societies," said Kamal Tiwari, chief executive of [Daiki Axis India](#) which treats wastewater for reusing it locally.

Given the demand for ESG-compliant buildings, more builders are keen to adhere to the ESG standards.

"We just cannot afford to create developments without keeping green buildings and principles of sustainable design at the centre," said Dikshu C Kukreja, managing principal at [CP Kukreja Architects](#).

Godrej Properties is a water-positive and carbon-neutral company (across the Scope 1 and 2 GHG emissions) and is working towards minimising its waste-to-landfill footprint, according to the CBRE report. Macrotech has achieved 100% wastewater recycling and is committed to net carbon neutral by 2035, the report said.

A [Mahindra Lifespace](#) NSE -3.96 % spokesperson said the company had a 100% green portfolio.

Meanwhile, the upcoming developments of most big developers are being provided with EV infrastructure.

"Research suggests that the move towards eco-friendly residential areas isn't overhyped," said Vipin Modi, sales director at NCR-based developer [Saya Group](#).

"There is a growing perception among homebuyers that in the long run, ESG-compliant buildings will fetch better returns," added Aditya Kushwaha, chief executive of [Axis Ecorp](#), which is into developing holiday homes. Green buildings are increasingly being sought after by the corporate sector. ESG-compliance has also become a vital aspect for investors.

"Trends of the past year suggest that international and domestic PE investors are giving a higher preference to these buildings," said Vinit Dungarwal, director at AMs Project Consultants.

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