

Business Initiatives and Opportunities in India in the water sector

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EIRC - Research



- Euro-India Research Centre (EIRC) is a research and management consulting firm based in Bengaluru
- Assist Europe and India in collaboration and partnerships in research and technological development on European Commission's Framework Programmes and other international, national and regional programmes
- Our services include:
 - Developing Partnerships, Project Management Consultancy, EU FP Awareness Raising, Dissemination & communication, Liaising and Networking & Training & Workshops
- EIRC is the National Coordinator of National Contact Point (NCP) network for EU's FP7 ICT sector as well as for the Environment sector



EIRC - Business

EU-India STI
Cooperation Days
8-9 November 2012
Hyderabad

The logo for EU-India STI Cooperation Days features a stylized blue and green star-like shape with yellow dots around it, and the Indian national flag colors (saffron, white, and green) at the bottom.

- Focus on the Technology sector between Europe and India / Spain and India.
- Focus on improving the reach & competitiveness of the companies
 - Developing Business Partnerships
 - Networking
 - International expansion
 - Collaborations with Europe

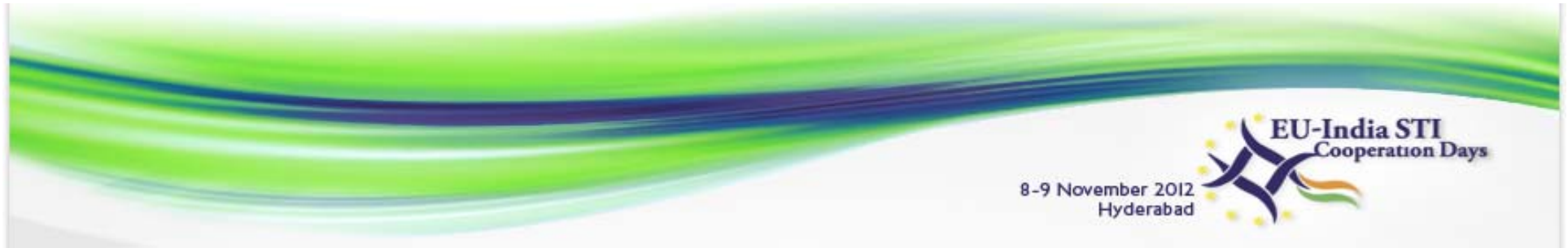
Our services include:

- Advisory services:
 - Business Strategy Development,
 - Quality Management and deployment,
 - Market Entry Strategy
 - Local Market Knowledge for customisation
- Market Research

Current work in the Water sector



- 3 mid to Large scale projects in Water Sector with European companies in India which are getting executed in this financial year.
- Setting up a JV for a Spanish company.
- Negotiations on a Mega Plant in India.
- Mega Mld Plant in South Asia – Negotiations on
- Desalination Plant Opportunities for our clients
- Exploring a technology licensing agreement in this sector



Current Scenario of water sector in India

Current water Scenario In India

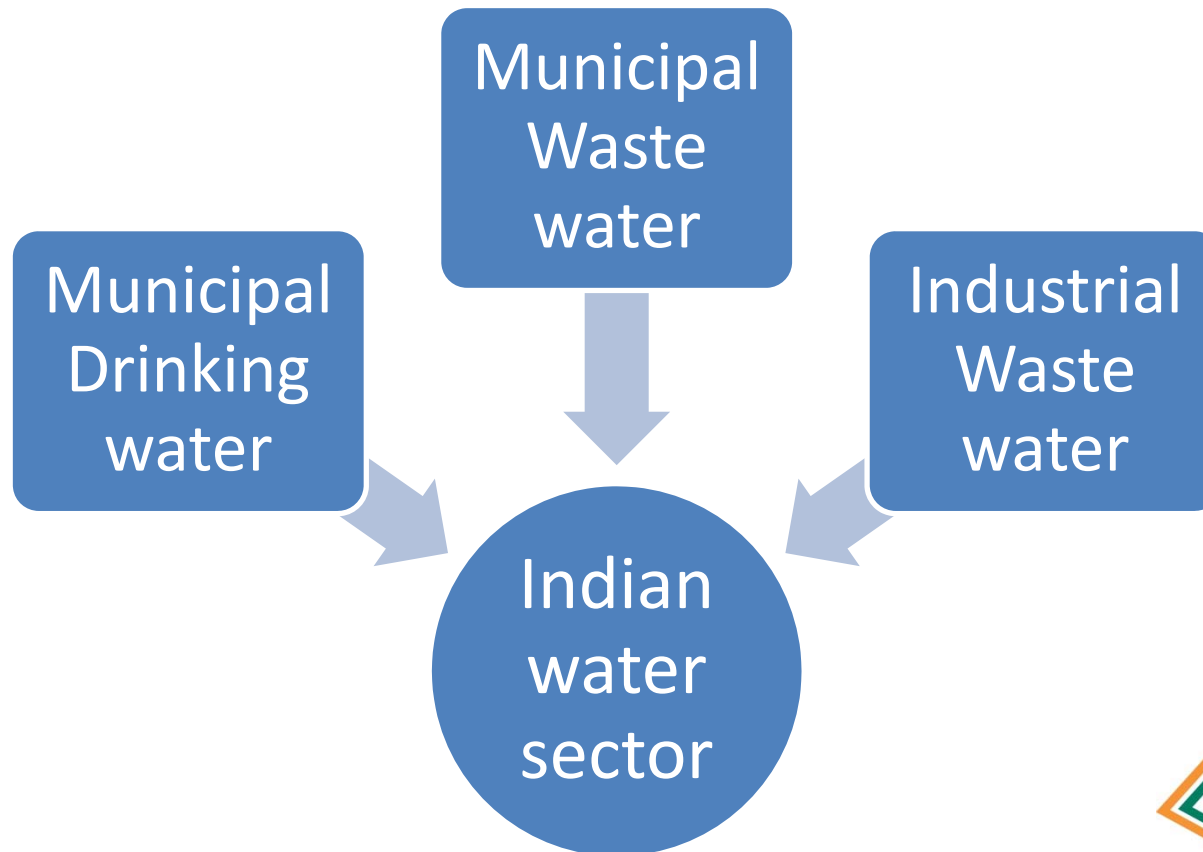


- ◆ 2.4 % of worlds area
- ◆ 16% of worlds population
- ◆ Only 4 % of fresh water available
- ◆ Main water resource precipitation (4000km^3)
+ transboundary flows from upper riparian
(500km^3)
- ◆ Effective availability 1869km^3

Indian Water Sector

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- India Second largest water consuming country



Current water Scenario In India

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💧 Water scarcity Indicator

| Year | Population | Per capita water availability |
|------|-------------|-------------------------------|
| 1951 | 361 Million | 5177 cubic meters |
| 2011 | 1.21 | 1544 cubic meters |

- 💧 Reduction of 70% in 60 years
- 💧 Water stressed conditions availability <1700 Cubic meters

Challenges In water sectors

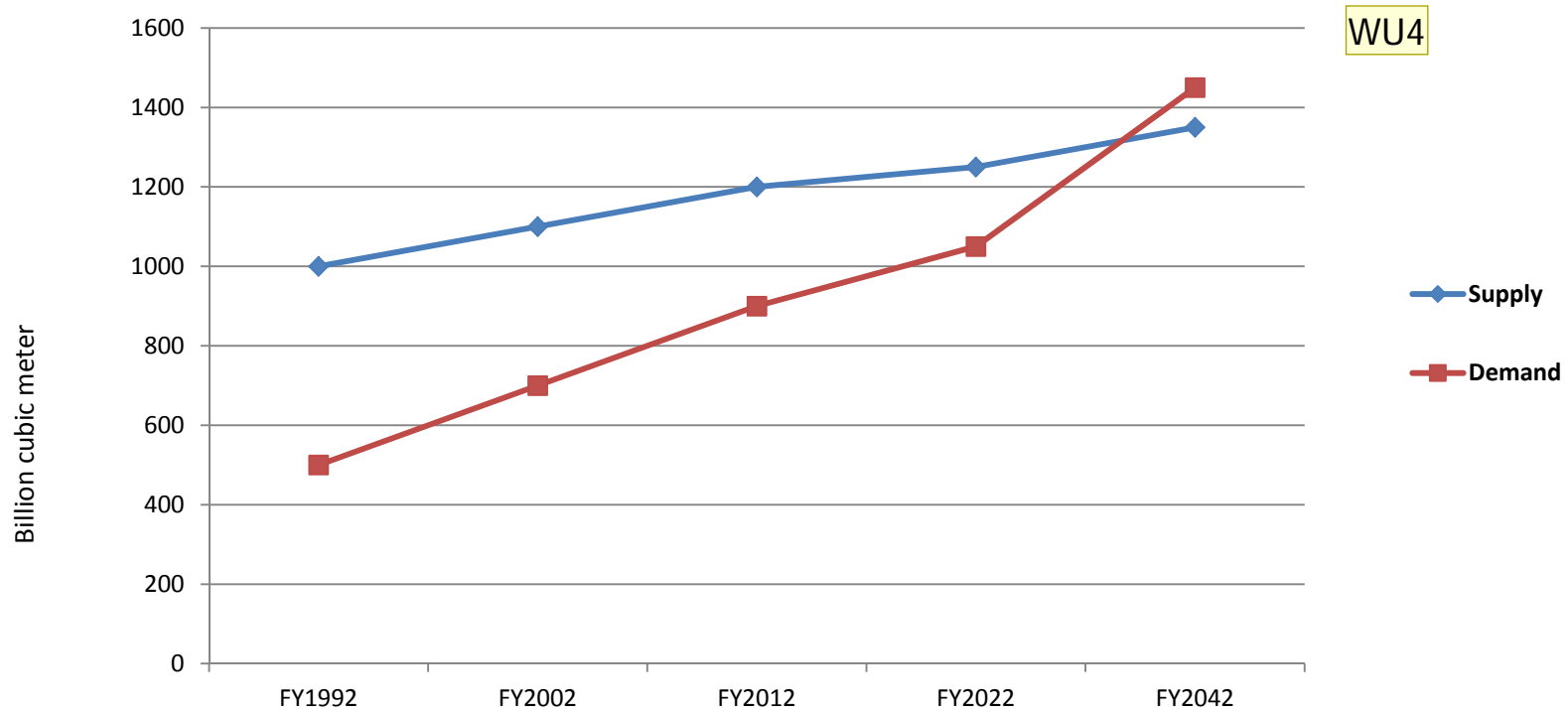
8-9 November 2012
Hyderabad

The logo for EU-India STI Cooperation Days features a stylized graphic of two hands or wings in blue and green, with a yellow star above them. The text "EU-India STI Cooperation Days" is positioned to the right of the graphic.

- ◆ Increasing water demands due to population pressure and urban sprawl
- ◆ Industrial growth
- ◆ Increasing irrigational and agricultural demands
- ◆ Water cycle imbalances and stress
- ◆ Over exploitation of water resources
- ◆ Water quality for various applications and availability
- ◆ Political and regulatory disputes

Indian Water Demand- Supply

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Diapositive 10

WU4

1) Where is this graph from?

2) According to this graph, the demand is less than the supply even in 2012, and till around 2040. If this is true, why are there Water shortages and scarcity in each town of India?

Windows User; 06/11/2012

Features of Indian water sector

- ◆ Demand and supply side create opportunities
- ◆ \$30 billion is the size of Indian water market
- ◆ 107 \$ million private equity in water and wastewater industry.
- ◆ Over a period of year investment doubled \$107m from \$54m in 2010

WU3

Diapositive 11

WU3

1) Where are these figures from? A Study? if yes, who has conducted the study?

2) The 30 Billion includes what all in the water sector?

3) Can we have a breakup of the 30 Billion into the various Waer segments (WWTPs, CETPs, STPs, Desalination, Water distribution, etc)

Windows User; 06/11/2012

Water Requirement by different sector

| Sector | 2010 | 2025 | 2050 |
|----------------|------|------|------|
| Irrigation | 688 | 910 | 1072 |
| Drinking water | 56 | 72 | 102 |
| Industry | 12 | 23 | 63 |
| Energy | 5 | 15 | 130 |
| Others | 52 | 72 | 80 |
| Total | 813 | 1093 | 1447 |

Data from Ministry of Water Resources.
All the values in Million KM³

Opportunity segments in Indian water Sector

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The logo for EU-India STI Cooperation Days features a stylized graphic of three interlocking shapes in blue, green, and orange, with a yellow star in the center. The text "EU-India STI Cooperation Days" is positioned to the right of the graphic.

◆ Municipal :

- ◆ Water supply and sanitation
- ◆ Treatment and Purification
- ◆ Pumping and water transportation
- ◆ Waste water treatment and recycling

◆ Industrial/Building/ Institutional:

- ◆ Hotels, hospitals, shopping malls, Apartment complexes
- ◆ Process water treatment
- ◆ Waste water treatment and recycling

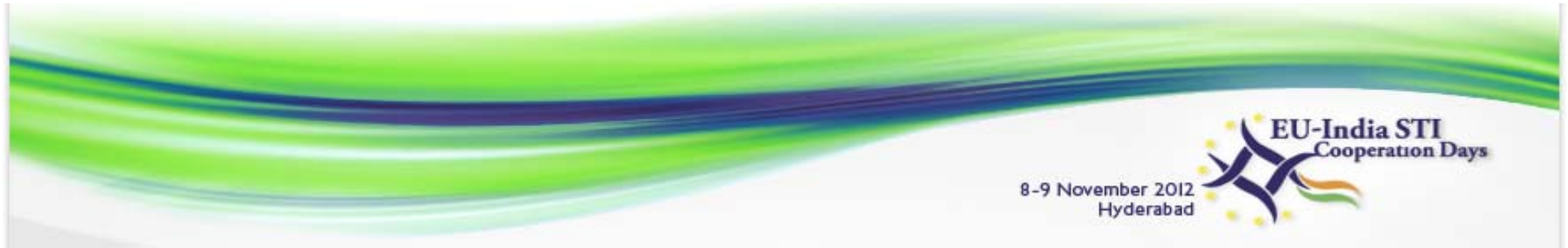
◆ Residential :

- ◆ Home Purifiers
- ◆ Bottled Water

Drinking water Sector Bottling Industry



- ◆ Synonym: Bisleri
- ◆ Bisleri first bottled water marketed by Parle in India
- ◆ More than 200 brands available in India
- ◆ Major national and international players includes:
Coca-cola, Pepsi, Nestle, Mount Everest, Manikchand,
Kingfisher, Himalayan etc.
- ◆ Bottled water has penetrated deep in rural areas
- ◆ No Longer a luxury, readily available



💧 Major drivers

- 💧 Increased Health Consciousness
- 💧 the deteriorating quality of water, and increased disposable
- 💧 As per the report, the sale of bottled water grew from \$189 million (USD) in 2003 to \$599 million in 2008, a growth rate of 216 per cent and likely to be 500 percent in 2013
- 💧 India is being seen as one of the fastest growing bottled water markets in the world.

Water and Waste water treatment segment

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WU10

- ◆ India ranked third for water pollution
- ◆ Reduced the availability of potable water
- ◆ Heightened scope for water market
- ◆ Overall Indian water and wastewater market valued over 9 billion Euros
- ◆ Treatment market being the most attractive segment at 1 billion Euro

Diapositive 16

- WU10**
- 1) In India, what are the main contaminants for water pollution?
 - 2) the 2nd bullet - does it read right? "from Agricultural farm"?
 - 3) Please convert the Crores into Euros

Windows User; 06/11/2012

Water and waste- water treatment segment

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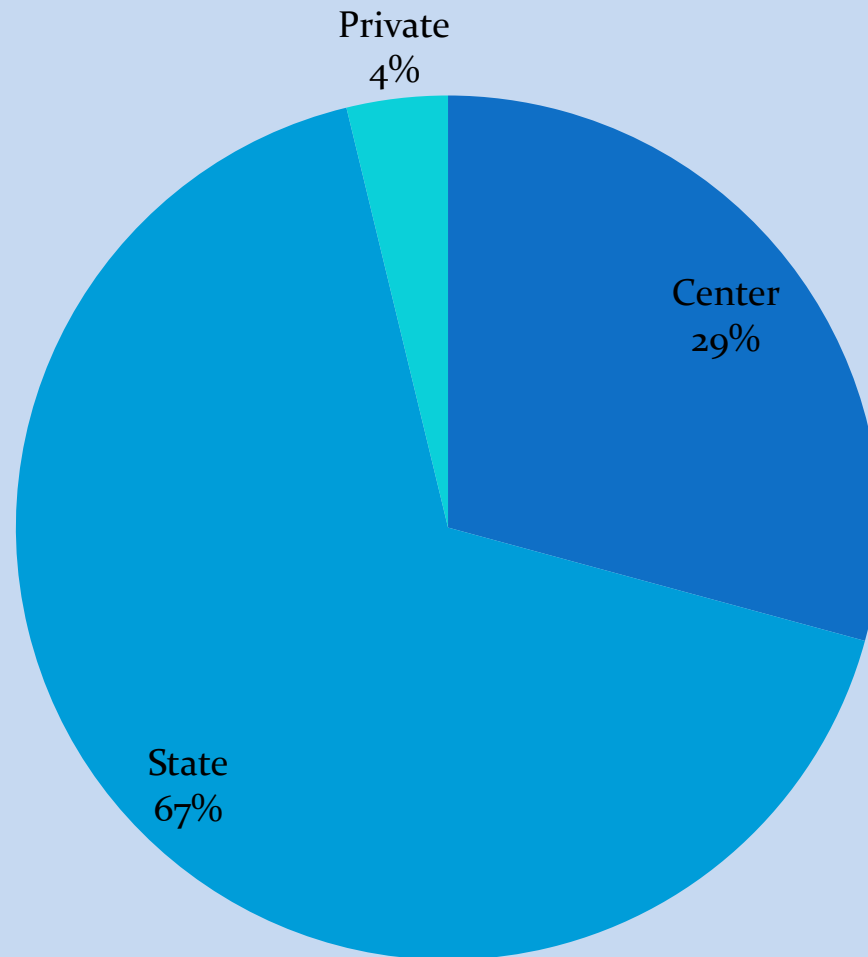
- ◆ Indian and International Players in market
- ◆ Indian Companies scoring over equipment Prices
- ◆ Scope for hi-tech water treatment plants design and technology
- ◆ Opportunities for SMEs
 - ◆ in installation/ commissioning and servicing of water treatment plants
 - ◆ huge unbranded water purifier market of filters, UV and RO systems
 - ◆ Design and engineering consulting for water projects



Catalyst for Euro India Research

Investment in the Sector

11th Plan investment Summary in Water Sector



Water Supply Sector

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Urban water supply
investment requirement
period 2012-31

- Water supply sector: INR 3.2 trillion
- O&M Cost : INR 5.46 Trillion
- Overall : 8.67 Trillion

JNNURUM Investments
2007-12

- 536 INR Billion
- Stipulates priority to private participation

UIDSSMT investments
2007-12

- 60 INR Billion

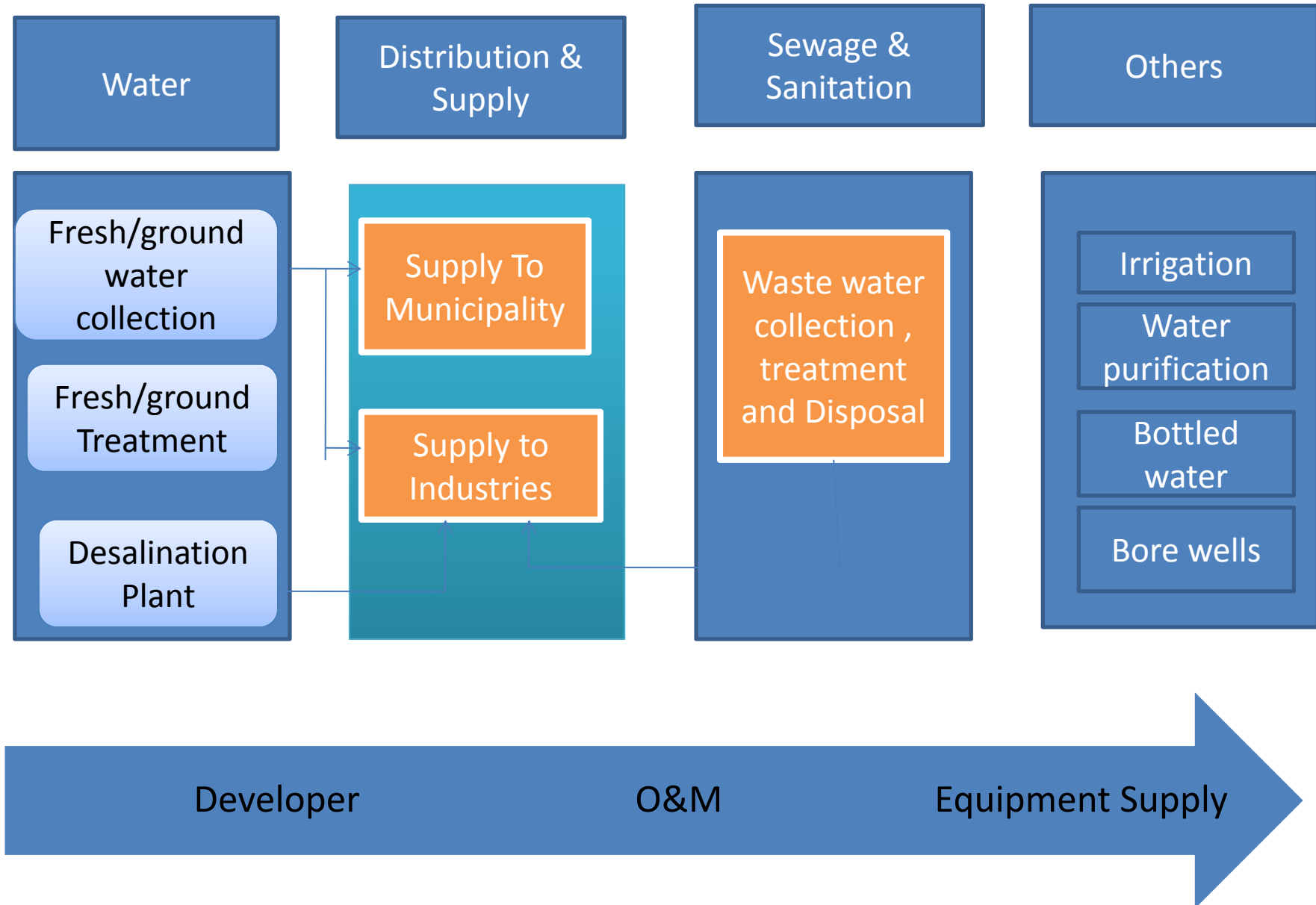
ARWSP investments
2007-12

- 130 INR Billion

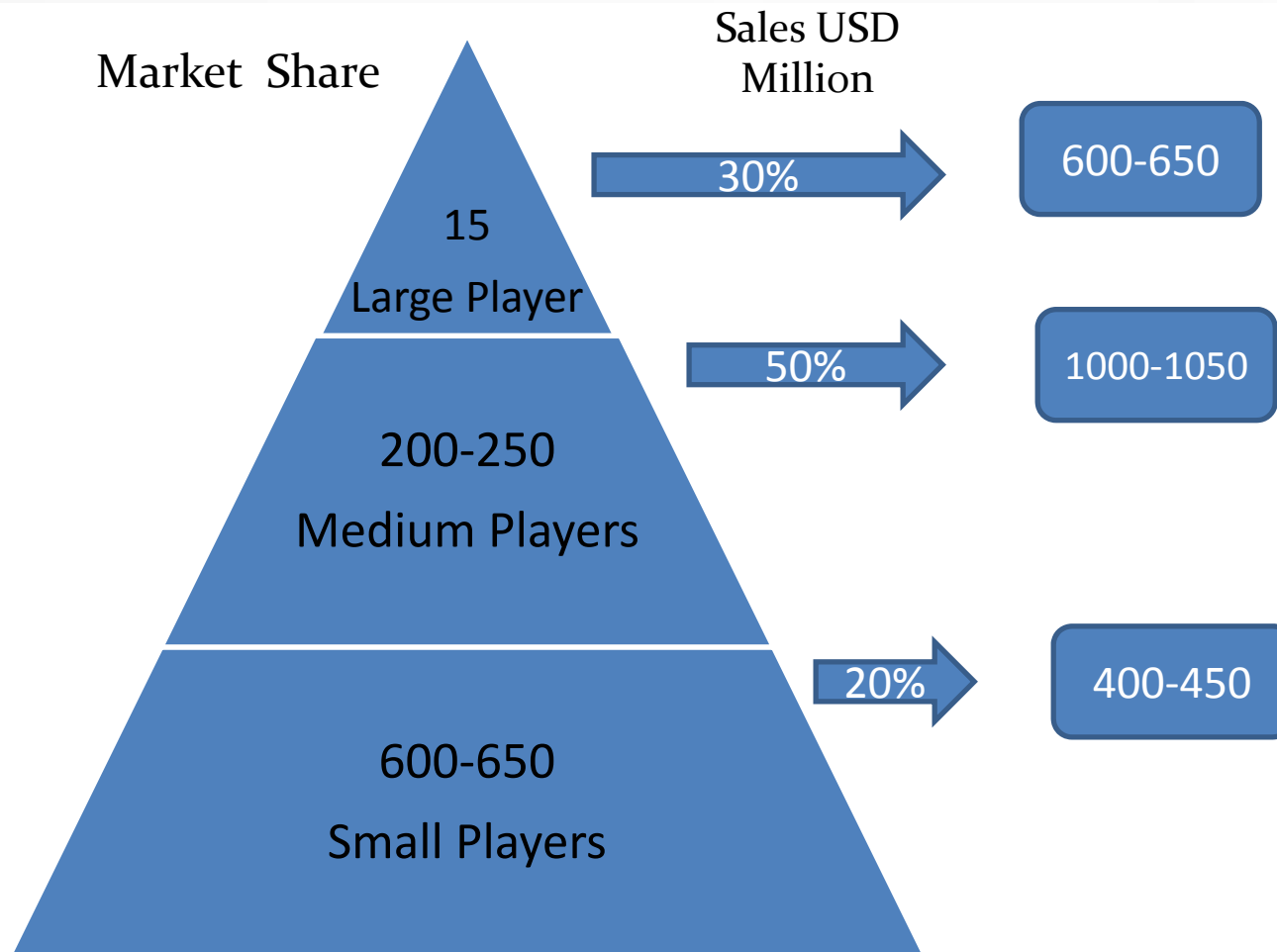


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Opportunity across the value Chain



Market Structure



Major Player in Indian water Sector

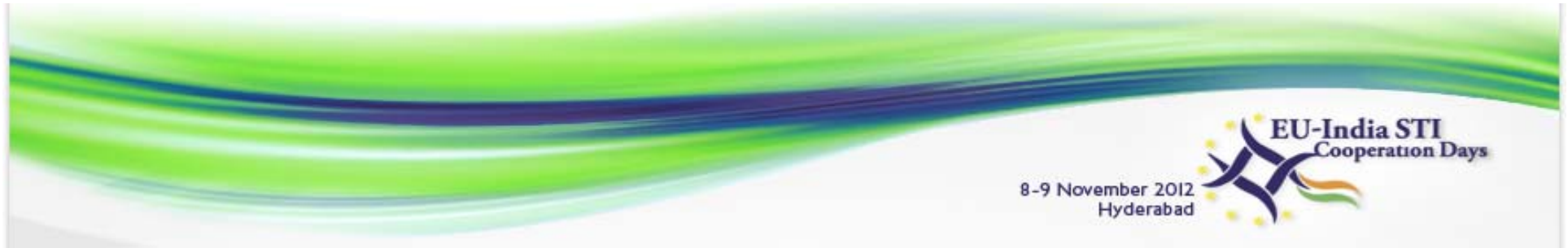


International

- Acciona Agua
- Befesa-Acqua
- Cascal
- Hydro-comp
- Manila Water
- Metito Berlinwasser
- NWSC
- Ranhill
- Salcon
- Suez
- Veolia

Domestic

- Infrastructure Leasing and Financial Services (IL&FS) Water
- Ion Exchange
- IVRCL Ltd.
- Jain Irrigation
- Jamshedpur Utilities & Services Company (JUSCO) Ltd.
- Jindal Water Infrastructure Limited
- JMC Projects
- L&T Ltd.
- Mahindra Infrastructure Developers
- Nagarjuna Construction Company Ltd.
- Pratibha Industries
- Ramky Infrastructure
- Shriram EPC
- SPML Limited
- Tatva Global Water Technologies
- Vishva Infraprojects



Thank You



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