

FICCI Survey on Water Use in Industry

60% of survey respondents feel the heat of water inadequacy;

87% see their businesses being impacted in 10 years

Major worry for thermal plants, chemicals, textiles, cement and manufacturing

NEW DELHI, January 7, 2012. The water demand for the industrial sector is on a rise and will account for 8.5 and 10.1 per cent of the total freshwater abstraction in 2025 and 2050 respectively. This is a 4 per cent rise from the current level of 6 per cent of the total freshwater abstraction by the industries in 2010.

FICCI Water Mission undertook a survey with its member companies to gauge the importance Indian companies attach to water, its conservation and management. The survey was also an attempt to understand the water use patterns in industries, risks associated with water, its availability, quality and the subsequent impact on the businesses. It is a prelude to a detailed study on water risks in Indian Industry with Columbia Water Centre, Earth Institute.

Responses were obtained from companies belonging to the sectors - Agriculture, Automobile, Cements, Chemicals, Engineering and Construction, Food Processing, FMCG, Health Care, Hospitality, Infrastructure, IT Services, Manufacturing, Mining, Power, Pharmaceuticals, Real Estate, Petroleum and Natural Gas, Steel and Textiles.

The FICCI survey reveals that availability of water is becoming an area of concern for the industries. This is true for industries across the sectors surveyed. With regard to the current availability of water, while 60 per cent of the respondents agree that availability of water is impacting their business today, the figure rises to 87 per cent after 10 years.

Member industries acknowledge the fact that over the past few years, access to water has become difficult and the problem is likely to increase in the coming years. This is a major worry for industries belonging to the sectors like thermal power plants, chemicals, textiles, cement and manufacturing.

When asked about the nature of risks associated with water there are a variety of responses that emerge from the survey. While inadequate availability is the major risk facing the industries (37 per cent), others agree that poor water quality is another major risk in the running of business (14 per cent). Sectors such as pharmaceuticals, power, food processing and agriculture feel the brunt of poor water quality. High costs for obtaining water are hindering the business interest of smaller industries and the ones which are located in the drier regions of the country.

The fact that 40 per cent of the respondents have faced regular seasonal disruptions highlights that fact that water availability is becoming an important area of concern for Indian businesses.

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