

# INDIA'S ELECTRICITY MARKET TO BECOME THIRD BIGGEST IN THE WORLD AFTER US, CHINA

As per International Energy Agency (IEA), electricity usage across the globe has grown at twice the pace of overall energy demand. Electricity demand is set to accelerate further in coming years. IEA raised its projections of 2035 global electricity demand by 6 percent from last year and warns that countries need to step up investments in clean energy to achieve net zero goals.

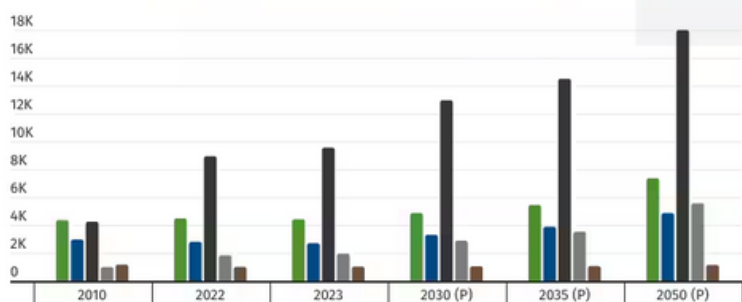
Specific to India, IEA estimates the country to become the third largest user of electricity in the world by 2050. The agency expects demand to grow at an annual average rate of 4 percent. While local agencies such as ICRA project a demand growth of 6-7 percent in current fiscal, electricity usage in India is projected to exceed that of the European Union by 2050. The major reason behind rising electricity demand is housing, buildings and industrial sectors. Rising urbanization and incomes are leading to greater usage of electric appliances, including cooling products.

IEA's projections imply more than a two-fold rise in electricity generation in India by 2050 from 2023 levels (see graph below).

## ELECTRICITY GENERATION

India is estimated to become third largest electricity consumer in the world by 2050. Electricity generation is projected to see a two-fold rise by 2050.

● United States ● European Union ● China ● India ● Japan



Source: IEA; Electricity generation in terawatt hour  
P is projection as per stated policies of respective countries



## GOVERNMENT POLICY

The demand projections imply huge opportunities for companies in the power sector. The government should prepare and implement long term investment plan to meet rising electricity demand in India. Note that power projects are long gestation projects. It takes several years to build coal, hydro and nuclear power plants that generate electricity during peak demand hours and help avoid load shedding. The key is proactive planning and execution.

Report: MoneyControl.com (October 17, 2024)

## UNLISTED SECTOR

**Sterlite Power Transmission Limited** is a leading integrated power transmission developer and solutions provider globally, focused on addressing complex challenges in the sector by tackling the key constraints of time, space and capital and will benefit from the increasing power demand in India.

Contact Investolane to know more or to invest in *Sterlite Power Transmission Ltd.* unlisted equity shares.