

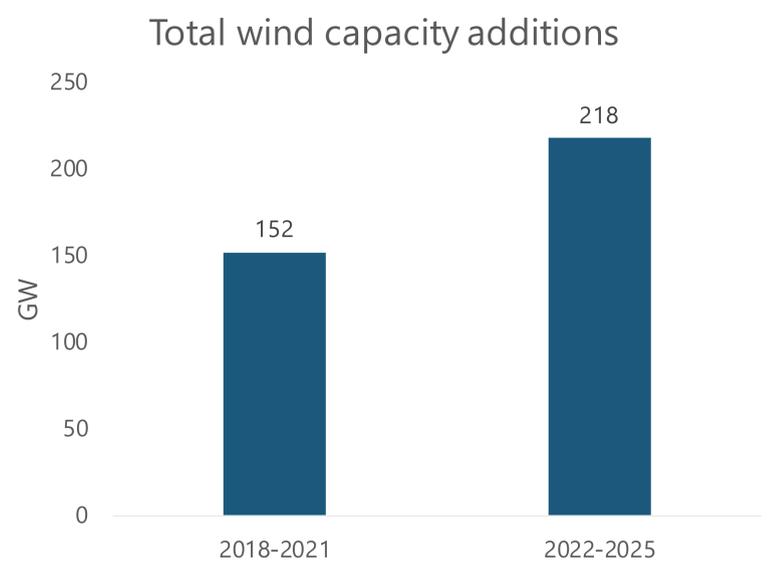
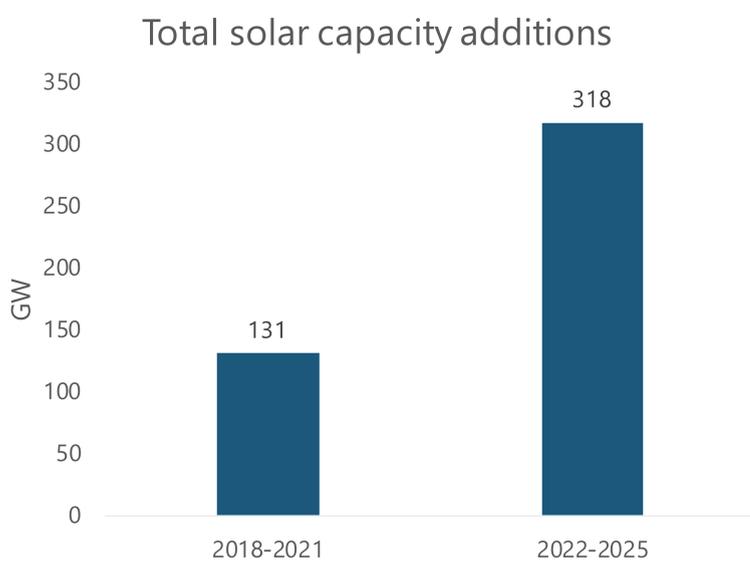
## Introduction



- After the Paris Agreement and the COP26 Summit, countries around the world have set ambitious renewable energy targets.
- Increasing the percentage share of renewables in the current energy mix will call for the expansion and modernization of the power grid.
- This in turn is expected to drive the transformers market in the forecast years.
- Renewables are usually connected at the MV (medium voltage) levels to the grid and, thus, the impact is more significant on distribution transformers.

## Comparison of historical and forecast years

~143% and 43% higher capacity additions in forecast years for solar and wind, respectively

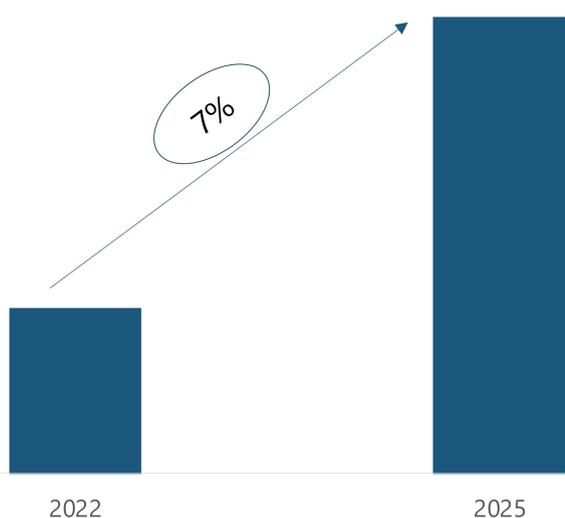


After the COP26 Summit, India has pledged to add 500 GW of its installed capacity through non-fossil fuels and 50% of its energy requirement from renewables, by 2030. This means that India is expected to invest heavily in wind and solar installations in order to be able to achieve these targets. This, in turn, will have an impact on both the transmission and distribution grids, driving the demand for transformers.

## Growth in the Distribution Transformers Market

Renewables will call for the upgradation of the grid, driving demand in the transformers market

Distribution Transformer Revenue CAGR



The grid in India was made for centralized energy generation sources and is not suited to decentralized energy resources like renewables. The grid will need to undergo upgradation and expansion in order to be able to incorporate solar and wind energy. The power grid corporation of India has recently announced an investment plan of USD 2.2 Billion to implement several power grid projects as part of its grid expansion plan.