

# Letter to Shareholders



## Dear Shareholders,

It is my honor to present the 60<sup>th</sup> Annual Report of your company for the year 2023-24. I am pleased to inform you that your company has maintained its market leadership while focusing on project execution and innovation.

The Indian economy, supported by domestic demand, consistent policy measures, and infrastructure development, is growing steadily, creating business opportunities. Your company has seized these opportunities, achieving its highest ever order book in FY 2023-24, with significant growth in both Power and Industry segments. Our thermal power business witnessed a resurgence, securing orders worth 9.6 GW and achieving 100% market share. Additionally, we have received record orders from the non-fossil sector, including major orders in defence, transportation, and transmission. Our after-sales service business continues to generate a steady stream of orders from various customers and geographies.

## Performance Highlights

Here are the key performance highlights for FY 2023-24:

- Achieved highest ever order inflow of ₹77,907 Crore, with orders in both core thermal power and diversified sectors such as transportation, defence, and transmission.
- Secured orders worth ₹55,642 Crore in the power sector, including the largest power segment order of NLCIL Talabira and the E&M package for India's biggest hydro power plant, Dibang.

- Industry segment saw the highest ever order inflow of ₹21,951 Crores, including the largest order for the supply of 80 Vande Bharat Trains. Also secured prestigious orders for 20 Upgraded Super Rapid Gun Mounts (SRGM) for Indian Navy warships.
- With a renewed focus on project execution, the company posted a revenue of ₹22,921 Crores for 2023-24. We expect revenues to grow in the coming years, having posted a Profit After Tax of ₹260 Crores and EBITDA of ₹1,201 Crores for FY 2023-24.
- Showcased expertise in overseas project execution by commissioning the Maitree Super Thermal Power Plant in Bangladesh, inaugurated by the Prime Ministers of India and Bangladesh.
- Expanded renewable energy footprint by commissioning the 100MW Raghnesda Phase-2 solar project in Gujarat and the 8MW Tamarind Falls solar project in Mauritius.
- Dedicated North Karanpura and Telangana Thermal Power Plants to the nation and achieved significant milestones with the capacity addition for Unit 3 of the Kakrapar Atomic Power Project.
- Successfully commissioned flexible operations capabilities at Adani's Raigarh, West Bengal Power Distribution Company's Sagardighi, and Tata's Trombay plants.
- Energized all three substations associated with the POWERGRID Neemuch Transmission System within the stipulated timelines.

- Manufactured India's first set of catalysts for Selective Catalytic Reduction for limiting NOx emissions for the 5x800 MW Yadadri Thermal Power Station in Telangana.
- Achieved addition of 6 GW of electricity generation capacity in utility, industrial and international sectors.

## Strategic Initiatives and Future Outlook

We are committed to addressing opportunities across our business segments. Key strategic initiatives include:

- Establishment of Central Procurement Cell (CPC) for timely and cost-effective procurement of packages for projects, and Unified Procurement Cell (UPC) for procurement consolidation and cost reduction of raw material/commodities.
- Entered the coal gasification sector through a joint venture with Coal India Ltd to set up a Coal to 2,000 TPD Ammonium Nitrate Plant using BHEL's in-house developed PFBG technology.
- Signed a Technical Assistance and License Agreement (TALA) with General Electric Technology GmbH Switzerland for addressing Gas Turbines market.
- Developed a process for methanol production from coal, and Dimethyl Ether (DME) from methanol to reduce import dependence using Indian coal.
- Formed partnerships with global OEMs to explore opportunities in the defence sector, specifically for air defence guns and marine gas turbines.
- Actively participating in bids to secure high-voltage direct current (HVDC) business in the transmission domain.
- Entered strategic partnership agreements for new areas like railway signaling and electrolyser manufacturing.

We are working on critical technologies, including Advanced Ultra Supercritical (AUSC) technology, propulsion systems for high and semi-high-speed trains, high-power locomotives, strategic defence equipment, and space application batteries. Combining our strengths with those of our partners, we are well-positioned to deliver innovative solutions and achieve sustainable growth.

## Quality and Sustainability

We emphasize robust Quality Management Systems and continuously implement initiatives to enhance their effectiveness. In our Business Excellence journey, a record

ten units participated in the prestigious CII EXIM Bank Award 2023, with Trichy unit bagging the coveted award. Seven units received "Platinum" recognition, and two units achieved "Gold Plus" recognition.

As a responsible corporate, we optimize material and natural resource consumption, minimize waste, and implement recycling practices. Our premises have abundant green cover, with 40% of the total land area covered by greenery and water bodies. We have planted over 3.1 lakh saplings in the last five years, including 81,608 saplings in FY 2023-24. Our "Harit BHEL" initiative aims for net-zero emissions by 2047, transforming BHEL into a model "Green PSU."

## Acknowledgements

I extend my sincere thanks to our esteemed customers, business partners, employees, Board members, shareholders, and the Ministry of Heavy Industries for their guidance and support. With our strong foundation, dedicated workforce, and strategic vision, I am confident that your company is poised for a bright future. Your continued support is invaluable as we move forward on our journey of engineering dreams and inspiring innovation.

With warm wishes,



**K. Sadashiv Murthy**  
Chairman & Managing Director  
Bharat Heavy Electricals Limited (BHEL)

New Delhi  
July 27, 2024

# LEADERSHIP AT BHEL

Board of Directors as on 25<sup>th</sup> July 2024

## FUNCTIONAL DIRECTORS



**Shri K. Sadashiv Murthy**  
Chairman & Managing Director



**Shri Jai Prakash Srivastava**  
Director (Engineering, R&D)



**Shri Krishna Kumar Thakur**  
Director (Human Resources)



**Shri Tajinder Gupta**  
Director (Power)



**Ms. Bani Varma**  
Director (Industrial Systems & Products)



**Shri Rajesh Kumar Dwivedi**  
Director (Finance)

## GOVERNMENT DIRECTORS/PART-TIME OFFICIAL DIRECTORS



**Ms. Arti Bhatnagar**  
Additional Secretary & Financial Adviser,  
Ministry of Commerce & Industry



**Shri Vijay Mittal**  
Joint Secretary Ministry of Heavy Industry

## INDEPENDENT DIRECTORS



**Dr. K Sivaprasad**  
Independent Director



**Shri Ramesh Patlya Mawaskar**  
Independent Director

# LEADERSHIP AT BHEL

Management Team as on 25<sup>th</sup> July 2024

## MANAGEMENT TEAM



**K. Sadashiv Murthy**  
Chairman & Managing  
Director



**Jai Prakash  
Srivastava**  
Director (Engineering,  
R&D)



**Krishna Kumar  
Thakur**  
Director (Human  
Resources)



**Tajinder Gupta**  
Director (Power)



**Bani Varma**  
Director (Industrial  
Systems & Products)



**Rajesh Kumar  
Dwivedi**  
Director (Finance)



**T S Murali**  
ED (HEEP & CFFP),  
Haridwar



**Rajeev Singh**  
ED (CQ&BE), New  
Delhi



**Praveen Kishore**  
ED (CPC, addl. charge-  
PEM), Noida



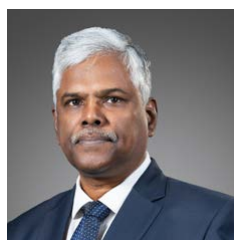
**Vinay Nigam**  
ED (TP), Jhansi



**K Ravishankar**  
ED (Corporate R&D  
Hyderabad, addl.  
charge-CTM), New Delhi



**S Jithender Reddy**  
ED (HPVP), Vizag



**K B Raja**  
ED (HPEP), Hyderabad



**S M Ramanathan**  
ED (HEP), Bhopal



**Jitendra Das**  
ED (Industry Sector &  
International Operations),  
New Delhi



**Alok Kr. Singhal**  
ED (Corp. Law),  
Noida



**Navin Saxena**  
ED (PS-NR), Noida



**M Arunmozhi Devan**  
ED (BAP), Ranipet



**Vinay Kumar Bassi**  
ED (ROD & NREB),  
New Delhi



**Pankaj Rastogi**  
ED (Hydro Business  
Group), Noida



**Rajeev Kumar Gupta**  
ED (CSM & CC),  
Secy. MC, New Delhi



**K Ashok**  
ED (ISG), Bengaluru



**Rahul Bansal**  
ED (PS-HQ New Delhi,  
CFP Rudrapur & FSIP  
Jagdishpur



**S Prabhakar**  
ED (HPBP), Trichy

## MANAGEMENT TEAM



**Sanjay Goel**

ED (TBSG), New Delhi



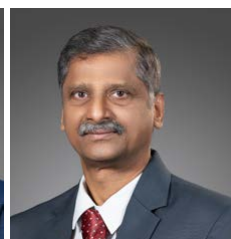
**Sanjeev Kumar Roy**

ED (PS-WR), Nagpur



**S D Goswami**

ED (HSE), Noida



**Y Srinivas Rao**

ED (CPPP & PMG, New Delhi; PE&SD, Hyderabad)



**B Shyam Babu**

ED (EDN), Bengaluru



**C Venkat Rao**

ED (Capex, SS&P & CDT), New Delhi



**R P S Sisodia**

ED (PSBG-I, addl. charge Coal to Chemical), New Delhi



**Arumoy Mukherjee**

GM I/c (PS-ER), Kolkata



**Rakesh Singh**

GM & Head (TBG), Noida



**A K Verma**

GM & Head (COM), New Delhi



**M Sridhar**

GM & Head (Human Resources), New Delhi



**Jagat Singh**

GM & Head (PS-TS), Noida



**N Ramesh Kumar**

GM & Head (SBD), Bengaluru



**Vinod Jacob Sam**

GM & Head (PS-SR), Chennai



**Sumeet Salhotra**

GM & Head (Cost Optimisation Cell), Noida



**Yatindra Mohan**

GM (Nuclear Business Group), Noida



**R Veerabahu**

GM (Corporate Internal Audit), New Delhi



**Abhishek Srivastava**

GM (HERP), Varanasi



**Ravinder H Teckchandani**

GM (SSBG), Noida

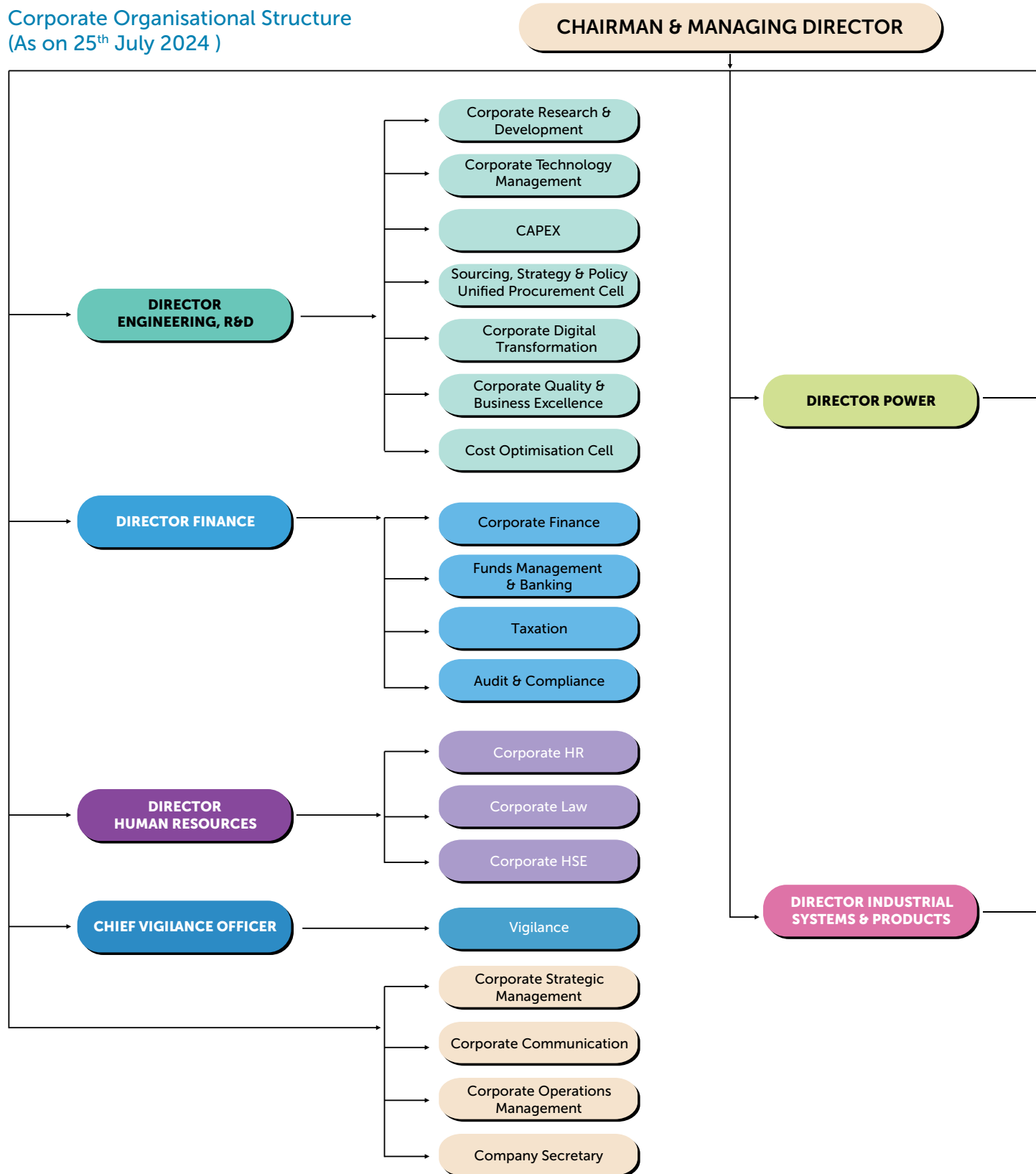


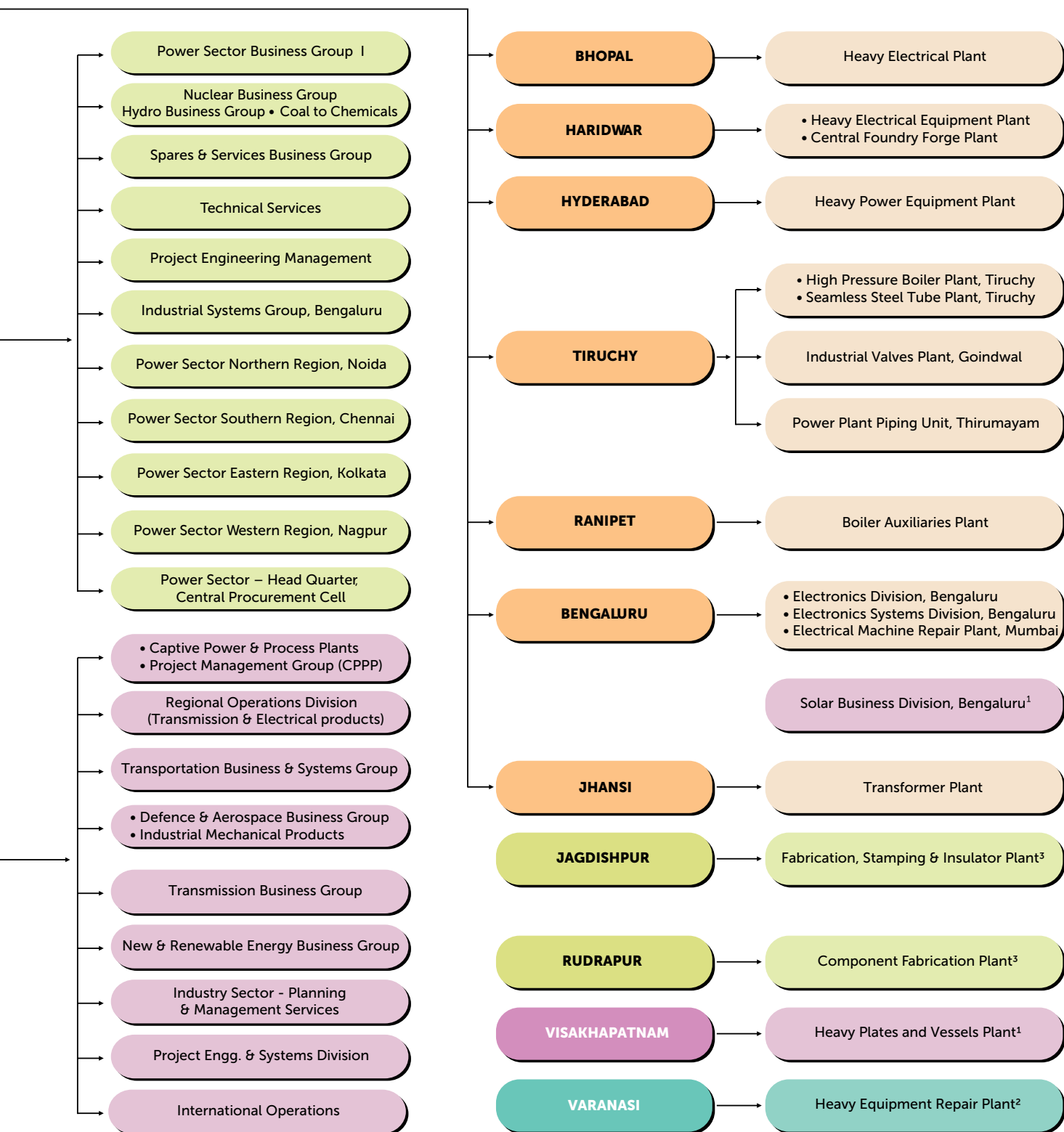
**Dr. Yogesh R Chhabra**

Company Secretary

# LEADERSHIP AT BHEL

Corporate Organisational Structure  
(As on 25<sup>th</sup> July 2024 )





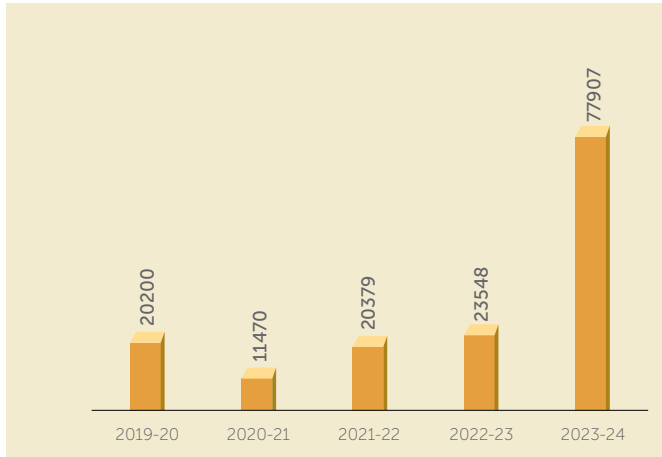
1. Report to Director (Industrial Systems &amp; Products)

2. Report to Director (Engineering, R&amp;D) 3. Report to Director (Power)

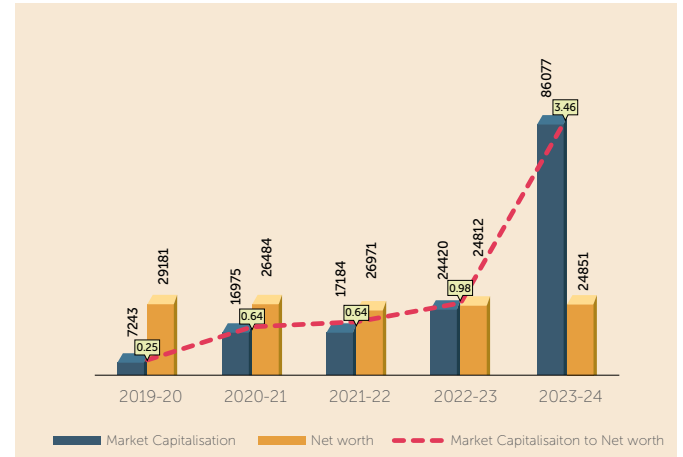
# YEAR AT A GLANCE 2023-24

(Figures are in ₹ Crore unless otherwise stated)

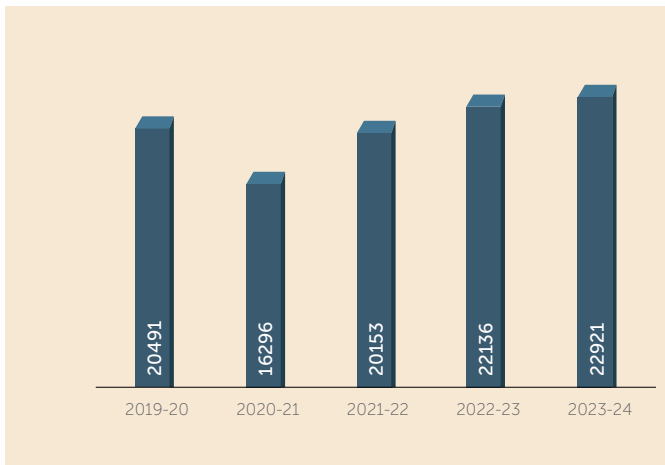
## ORDER RECEIVED



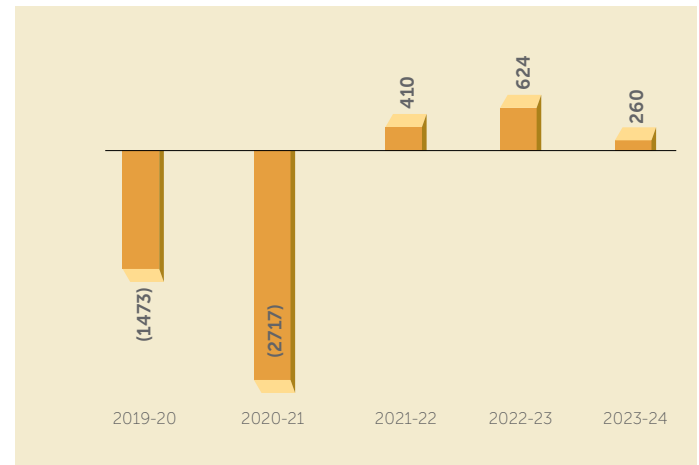
## MARKET CAPITALISATION TO NET WORTH



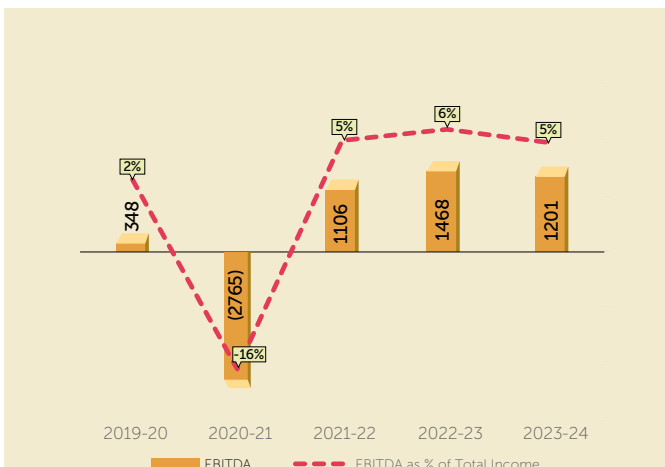
## REVENUE



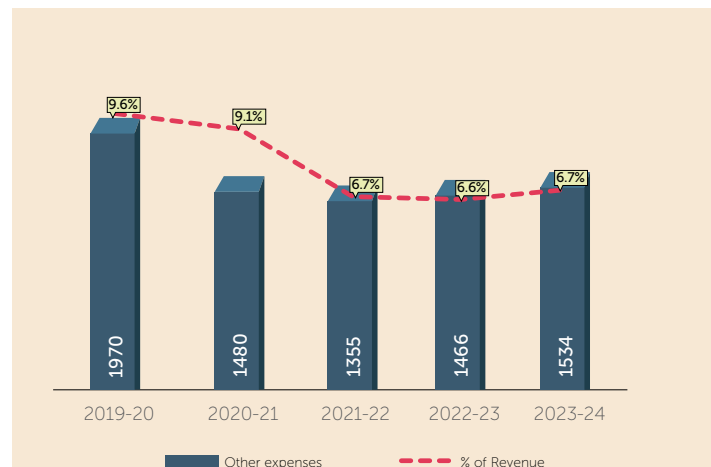
## PROFIT AFTER TAX



## EBITDA



## OTHER EXPENSES TO REVENUE %



# Key Highlights of the Year

## POTENTIAL UNLEASHED



### ORDER BOOKING

- Highest-ever yearly order booking
- Highest decadal outstanding order book



### DIVERSIFICATION

- Highest ever yearly order-booking in Industry segment
- Booked orders for VandeBharat trains, Super Rapid Gun Mounts, etc.



### PROJECT EXECUTION

Achieved addition of 6 GW of electricity generation capacity in utility, industrial and international sectors



### GOING GREEN

- 'Harit BHEL' launched - Net Zero target by the year 2047
- 5 units got GreenCo rating  
› 3 silver › 2 bronze



### ALLIANCES & PARTNERSHIPS

Incorporated Joint Venture company with CIL "Bharat Coal Gasification and Chemicals Ltd." for Coal- to-Ammonium Nitrate Plant



### INNOVATION

- Filed 543 patents & copyrights
- ~2.5% of revenue on R&D expenditure consistently