

BHEL Surges forward in its Transformational Journey
Quantum Jump in Profits: Net Profit up by 50.7%
Earning Per Share up by 52.3%
Diversification Initiatives Bearing Fruits
Total Dividend of 100%

New Delhi, May 27: As a result of strategic initiatives taken, Bharat Heavy Electricals Limited (BHEL) has registered quantum growth in its profitability and entered several new business areas in fiscal 2018-19, ending the year with significant traction in growth drivers. The continued commitment and efforts to deliver on its purpose – to help in building a New BHEL, and a New India, have resulted in the company continuing on the path of improved performance.

During the year, the company achieved a profit before tax (PBT) of Rs.2,058 Crore, compared to a PBT of Rs.1,585 Crore in the year before, registering a surge of 29.8%. Net profit (PAT) for the year stands at Rs.1,215 Crore, against Rs.807 Crore in the previous fiscal, a 50.7% jump. Earning Per Share (EPS) for FY18-19 is Rs.3.35 as against Rs.2.20 in FY17-18, up by 52.3%. The topline has also grown by 5.4% to Rs.29,349 Crore, as against Rs.27,850 Crore in the previous year.

	2018-19	2017-18	% change
Turnover	29349	27850	5.4%
Profit Before Tax (PBT)	2058	1585	29.8%
Profit After Tax (PAT)	1215	807	50.7%
Earning Per Share (EPS)	3.35	2.20	52.3%

An interim equity dividend of 40% has been paid for 2018-19, on the equity following a bonus issue in the year before, maintaining the impeccable track record of rewarding investors by paying dividends uninterruptedly for over four decades. In addition, the company has recommended a final dividend of 60%, subject to the approval of shareholders. With this, the total dividend for the year 2018-19 would stand at 100%, on the equity. Significantly, the total dividend outflow for the year 2018-19 shall be the highest during the last six years.

Prudent strategies of garnering business in a shrunken and highly competitive business environment coupled with thrust on diversification, have resulted in several breakthroughs. During the year, the company booked the highest-ever orders in its transportation business segment and spares and services; developed in-house India's first state-of-the-art regenerative braking system for 5000 HP WAG-7 electric locomotive and delivered BHEL's first 6,000 HP electric locomotive to Indian Railways. BHEL also received its maiden order for track electrification of rail route of 440 track km. The company made forays into the floating solar power business with the first commercial scale order of 5 MW at Sagardighi, and the Electric Vehicle (EV) market with maiden order for installation of Solar-based EV Chargers along the Delhi-Chandigarh highway. In addition, the company has entered other new segments like lake purification, municipal water segment, PV plants with Battery storage, etc.

In the power sector, maintaining its market leadership in an intensely competitive market, BHEL secured the main plant package order (1x660 MW Sagardighi Extn. Unit 5) for a thermal power plant in West Bengal. The company has ended the year with a healthy order book of around Rs.1,09,000 Crore for execution in 2019-20 and beyond. The company also had created a new benchmark of successfully commissioning 800 MW thermal unit within a record time of 46 months at Kothagudem Thermal Power Station in Telangana.

BHEL has been a major player in the emission control equipment business for more than a decade and was one of the earliest entrants in the country. The company bagged orders for Flue Gas De-sulphurisation (FGD) packages for 17 sets and state-of-the-art Selective Catalytic Reduction (SCR) packages for 2 sets in 2018-19. With this, BHEL has so far secured orders for FGD packages for 34 sets and SCR packages for 11 sets. BHEL's plan to indigenously manufacture major equipment for emission control provides a twin boost to the Government's plan of 'Making in India' and its Intended National Determined Contributions (INDC) for limiting the carbon footprint of the nation.

In overseas markets, despite challenging circumstances, BHEL has secured 50 orders for projects, products, systems and services from 17 countries in the current fiscal. This includes a prestigious order for the largest hydro power plant in Nepal, 4x225 MW Arun-3 Hydroelectric Project. BHEL is also well-placed in the opportunity for its first overseas solar EPC project - 32 MW Djermaya Solar Power project, Chad.

With focus on core business, equal efforts are being made to increase the share of business from 'Non-Coal' areas to 50% from the current level of 30%. BHEL is pursuing new initiatives in various areas such as solar, water, defence, aerospace, electricity storage solutions, e-mobility, railway electrification, etc.

Going forward, BHEL continues to lay strong foundations for new avenues of future growth. Initiatives in the new business areas will require technology development as the most critical input. The company has taken up in-house development of important technologies in mission mode including Advanced Ultra Supercritical Technology (AUSC), Coal to Methanol, propulsion technology, etc. Significant progress has been made in the AUSC project, and among other milestones, BHEL has successfully poured the world's heaviest casting for alloy 625M turbine casings (approx. 50 T). BHEL is also in the process of setting up a rail-based logistics terminal at Haridwar and plans to make Bengaluru a solar business hub along with further expansion of solar PV manufacturing capacity.
