

BHEL sustains profitability momentum
Diversification to Drive Next Wave of Growth
Revenue from Operations up 10%, PAT at Rs. 448 Crore

New Delhi, May 29: In FY 2022-23, Bharat Heavy Electricals Limited (BHEL) has sustained the momentum achieved in the previous fiscal, ending the year with significant traction in growth drivers.

During the year, BHEL recorded revenue from operations of Rs.23,365 Crore, up 10% over the previous year. The company achieved a Profit Before Tax (PBT) of Rs.450 Crore, and Profit After Tax (PAT) of Rs.448 Crore with continued focus on cost control and prudent resource management.

Notably, BHEL's strategic shift towards project-centric operations and focus on optimising project execution over the last four years has paid rich dividends. The company's construction tonnage in projects across the country has shot up by a massive 100% in FY 2022-23 as compared to FY 2019-20, showcasing the increase in pace and efficiency of project execution. Liquidity has been maintained due to improved execution focus with realisation from current year billing going up from 59% to 86% over the past 4 years.

During the year, BHEL commissioned 1,580 MW of power generating equipment, in addition to synchronising captive/solar projects of ~ 298 MW. With this, the company's global installed power generating capacity has gone up to 195 GW.

Recent project execution successes include the successful commissioning of the first unit of the prestigious Maitree Supercritical power project in Bangladesh; commercial operation of 660 MW Unit-1 of 3x660 MW North Karanpura Thermal Power Station, the first supercritical thermal unit installed with Air Cooled Condenser; and dispatch of BHEL's 43rd nuclear steam generator for Gorakhpur Haryana Anu Vidyut Pariyojana. In FY 22-23, BHEL equipment enabled record power transmission of 6,000 MW, over the ± 800 kV, 6,000 MW Ultra High Voltage Direct Current (UHVDC) link between the Western Region Grid (Raigarh, Chhattisgarh) and the Southern Region Grid (Pugalur, Tamil Nadu) and the Performance Guarantee (PG) test for India's largest floating solar power plant - 100 MW NTPC Ramagundam floating SPV Project was successfully completed with 10% excess generation vis-à-vis guaranteed generation.

Significant milestones during FY 2022-23 included the only EPC thermal power plant tender awarded in the country (2x660 MW NTPC Talcher) after a gap of more than 3 years and all time high order booking in the spares and services as well as defence segment. Major successes in industry segment business included the largest ever order in the defence business of 20 nos. upgraded SRGMs - the main gun on Indian warships - from the Indian Navy and a two and a half times surge in orders for transformers at 35,700 MVA. Notably, the share of the industry sector business segment in the yearly order booking rose to 40% in FY 2022-23, which is the highest ever for BHEL, and the sector registered a significant 90% growth during the year.

BHEL secured orders worth Rs.23,548 Crore (excluding taxes) during 2022-23 in its power, industry and export segments and the company ended the year with a total order book of over Rs.91,336 Crore (excluding taxes). Significantly, this outstanding order book has crossed Rs.1,00,000 Crore (excluding taxes) with finalisation of the prestigious Vande Bharat trainset order in April 2023. The BHEL-TWL (BHEL-Titagarh Wagons Ltd.) consortium have been awarded an order valued at about Rs.23,000 Crore (excluding taxes) for 80 Vande Bharat Trains in one of the biggest Railway tenders for manufacturing-cum-maintenance of Vande Bharat Trains. This order will give further impetus to the company's diversification drive.

As part of its diversification strategy, BHEL has also leveraged its Pressurised Fluidised Bed Gasification technology for coal gasification and has entered into an MoUs with Coal India Limited and NLCIL for development of coal gasification projects.

Leveraging the capabilities of its Welding Research Institute (WRI) at Trichy - a leading welding and certification research institute in the country - the company is setting up Common Engineering Facility Centres (CEFC) at its Haridwar, Bhopal, Ranipet, Jhansi and Varanasi units including expansion at WRI Trichy, for imparting skills in advanced welding technologies under the 'Enhancement of Competitiveness in the Indian Capital Goods Sector, Phase-II' scheme of the Ministry of Heavy Industries. These centres aim to train 2,000 beneficiaries in the first year and 5,000 every year thereafter.

Apart from strengthening internal processes for high quality, cost effective and timely execution, BHEL is continuing to work towards capitalising on emerging opportunities for sustained growth.
