



Q3FY22 Results

Supplementary Information
Chief Investors Relation Officer
Bharat Heavy Electricals Ltd.
January 27th , 2022

Introduction

- **Context**

- Subsequent to the declaration of the results of Q3FY22 on NSE, BSE and www.bhel.com post approval from the Board, following supplementary information is shared for the interest of broader investor community.

- **Cautionary Statement**

- Statements in this “presentation” describing the company’s objectives, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include global and Indian demand supply conditions, finished goods prices, cyclical demand and pricing in the company’s principal markets, changes in government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour negotiations. The company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.

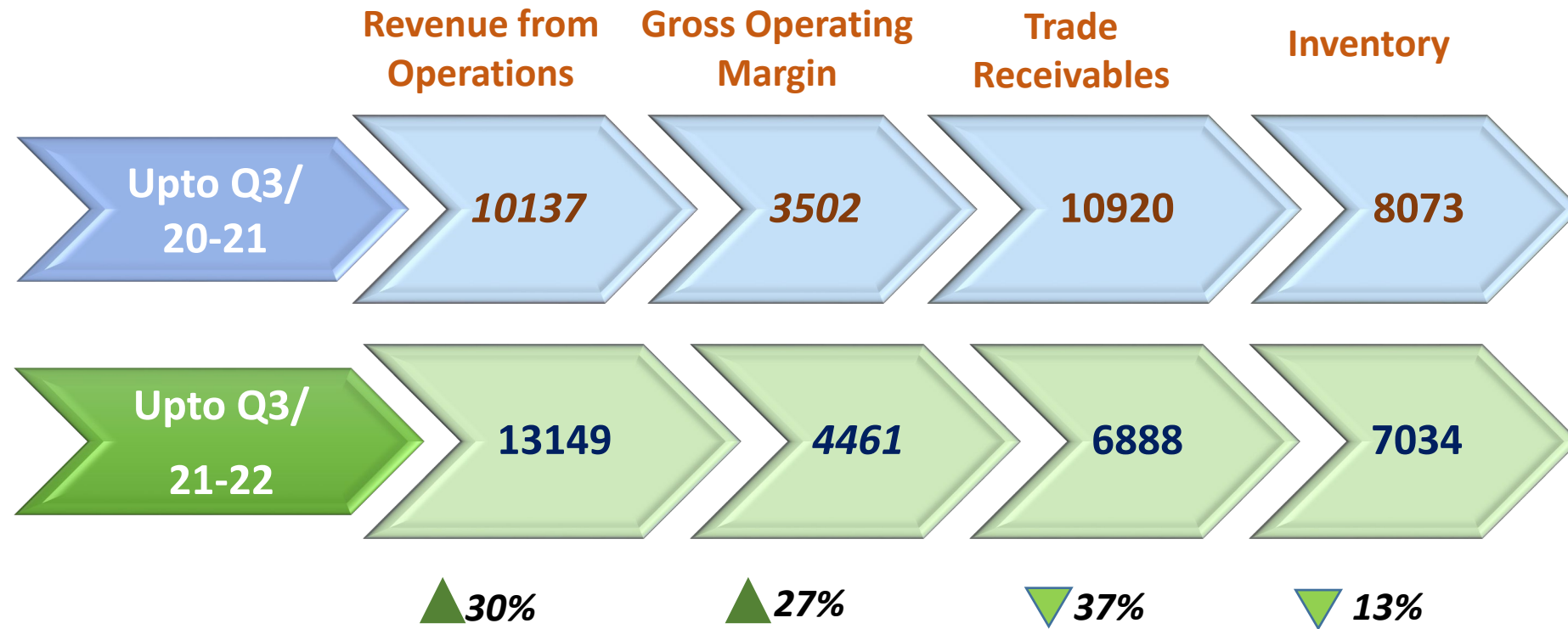
Financial performance

Rs Crore	Q3FY22	Q3FY21	Change, %
Turnover	4919	4203	17%
Revenue From Operations	5136	4451	15%
EBITDA	180	(94)	291%
Profit before Tax	20	(293)	107%
Profit after Tax	14	(231)	106%

- Revenue at Rs.4919 Cr, a growth of 17% (YoY), Growth upto Q3: 32%
- Achieved Break-even at PBT level for Q3/21-22, mainly contributed by focus on provision withdrawal and strict Budgetary control on expenses

Financial & operational highlights- upto Q3 (YoY)

(In Crores)



Business Environment

- Domestic economy projected to grow by 9.2% in FY22 (Advance estimate, NSO)
- Downside risks to growth have risen with the renewed surge of COVID-19 infections, expected to impact the growth momentum in the last quarter of FY22
- Industrial activity (IIP index) recorded 19.9% growth (April-October 2021), as against a 17.3 per cent contraction registered during the corresponding period last year.
- Production Linked Incentive (PLI) schemes in critical sectors expected to provide the much needed push to capex
- India committed to reach carbon neutrality by 2070 during COP26
- Expected demand side policy interventions for green hydrogen to catalyze hydrogen growth
- Headwinds continue to be posed by global supply chain bottlenecks and commodity prices inflation

Operations

Amid continued disruptions due to COVID in Q3FY22, focus on project deliveries led to:

- Commercial Operation Declaration (COD) achieved for Unit#8 of 2x660 MW Suratgarh TPS of RRVUNL, and Unit#4 of 4x250 MW Nabinagar TPS of BRBCL.
- Synchronization achieved for:
 - ✓ Unit#4 of 4x270 MW Bhadradi TPS at Manuguru of TSGENCO, 1x800MW of Dr Narla Tata Rao TPS at Vijayawada of APGENCO, 1x800 MW Sri Damodaram Sanjeevaia SDSTPS Stage-II, near Krishnapatnam of APPDCL, Unit#2 of 6X60 MW (R & M) Balimela Hydro Electric Project of OHPCL, near Bhubaneswar
 - ✓ 10 MW Solar Photovoltaic Power Project of Singareni Collieries Company Limited (SSCL) at Ramagundam, and 22.5 MW (40 MW completed out of total 100 MW) of floating solar power plant at NTPC Ramagundam
- Full load achieved for 1x525 MW of Tuticorin Thermal Power Station Stage IV, and Unit#4 of 4x250 MW of Nabinagar Thermal Power Station of BRBCL
- First 3 Phase Mainline Electrical Multiple Unit (MEMU) having BHEL electrics rolled out from RCF, Kapurthala

Order Book

Order Book (Rs Cr)	Power	Industry	Exports	Total
Received, Upto Q3FY22	16684	2643	66	19393
Total, as on 31.12.21	91079	10473	5506	107058

Some of the Prominent orders received in Q3FY22 are:

- Maiden Order for 'Flexible operation study and implementation of study finding' from REGL Raigarh for 600 MW TPP. This will enable BHEL to demonstrate its capabilities for flexible operations of coal based power plants.
- Order for Flue gas Desulphurization (FGD) Package for 2x500 MW of NTPC Sipat TPP received during current quarter, taking total FGD orders received by BHEL from Indian Power Sector Utilities to about 32 GW
- Two international orders including 8 MWac Grid-connected Solar PV Project, Mauritius, and supply of AVR spares for Tuncbilek Thermal Power Plant, Turkey
- Supply & Services of 36 sets of IGBT based 2x500 kVA Hotel Load Converter for 3 Phase WAP-7 Electric Locos and 76 nos. of Traction Motor type 6FRA-6068 from CLW, Chittaranjan, and 104 nos. of Traction Motor type 6FRA from DMW, Patiala.
- Motor (VFD) driven Compressor package for coker unit and Wet Gas Compressor Pkg. from IOCL, Barauni, and Recycle Gas Compressor Pkg. at NRL Numaligarh from TOYO Engg. India Ltd.

Accounts receivables

- Consistent improvement in Cash Collection Ratios, with net cash surplus generated in Q3/21-22
- Trade Receivables now at their lowest level in last 27 Quarters

Rs Crore	Q3FY22	Q3FY21	FY21
Trade Receivables	6888	10920	7213
Contract Assets	24075	23886	24079
Total	30963	34806	31292

Category	Central Utilities	State Utilities	Private Sector	Exports
Share, % (Q3FY22)	35.4%	42.3%	14.4%	7.9%

Provisions

Rs Crore	Q3FY22	Q3FY21	FY21
Creation	196	331	3593
Withdrawal	560	415	2404
Write off	45	33	278
Net Provisions	(319)	(52)	1467

Notable successes

- BHEL's four major units (Haridwar, Bhopal, Hyderabad & Trichy) won accolades under the '**CII-EXIM Bank Award for Business Excellence 2021**'. The Award is based on the internationally recognized European foundation of quality management (EFQM) excellence model
- ICAI award for Excellence in Financial reporting for 2nd consecutive year. Award also received last year after a gap of 40 years, which is testimony to the highest quality of financial reporting
- Some of the other Awards/ Recognition to BHEL:
 - 25 Employees of the company won 7 'Vishwakarma Rashtriya Puraskar' (Performance year- 2018)' declared by Ministry of Labour & Employment, GoI
 - Three Manufacturing Units of the Company (Bengaluru, Jagdishpur, Trichy) won 8 nos. 'National safety Awards' announced by DGFASLI (Ministry of Labour & Employment, GoI).
 - 'EEPC India Northern Region Award' for Engineering Export Excellence in the category of Top Exporter for the year 2017-18 - "Top exporters for the year 2017-18, Silver Trophy - Large Enterprise".
- BHEL is now certified and operating at People Capability Maturity Model Level 3 (out of 5 levels) as part of its ongoing transformation to revamp and strengthen its internal processes and systems- certification done by M/s MacLead.

Atmanirbhar Bharat

- 9000 HP Electric locomotives with BHEL electrics, successfully completed rating, performance and adhesion trials between Kharagpur Bhadrak section.
- Successfully manufactured and supplied, first time in India, environment friendly 1350 HP Diesel Electric Shunting Locomotive meeting US EPA (Environment Protection Agency) Tier-II standards
- Entered into a License Agreement for Upgraded Super Rapid Gun Mount (the main gun on Indian warships)
- Successful completion of design and engineering of a compact, modular design 420 kV hybrid gas insulated switchgear (HGIS)- placing the company in a position to offer 420 kV, 50/63 kA and 3150 / 4000 A HGIS with horizontally mounted single break circuit breaker design and cast aluminum alloy enclosure.
- Slurry Recirculation Prototype Pump developed in-house and successfully tested at BHEL's HPEP Hyderabad Unit. This pump has been designed to handle wet limestone-based slurry in FGD
- BHEL's BAP Ranipet Unit has been certified with AS9100 standards by M/s Novo Star Management Systems Solutions India Pvt. Ltd., with the scope of manufacturing and supply of Aerospace components, which is valid till November 2024.



Thanks!

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