



RIGHTFULLY AMBITIOUS: B P Rao, chairman & managing director, Bhel

MIGHT OF A MAHARATNA

A FAT ORDER BOOK PROMPTS BHEL TO RAISE 2012 TURNOVER TARGET

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THAT power equipment giant Bharat Heavy Electricals Ltd (Bhel) is one of the companies likely to get the coveted 'Maharatna' status shortly is not surprising. With an effective monopoly in the domestic power equipment space, it offers a veritable backbone for the country's power sector and is one of the largest engineering and manufacturing enterprises in the world. And, it is still growing.

Since its inception 45 years back, Bhel has been at the helm of ushering in the indigenous heavy electrical equipment industry in India. Its manufacturing capacity has grown multifold from a few megawatts to 15,000 Mw today. This capacity is now being expanded at a much faster pace with plans to add another 5,000 Mw within two years.

Based on this performance and years of experience – the cumulative capacity of projects installed worldwide having already crossed over 100,000 Mw – the company secured a place among the top nine public sector companies granted

Navratna status over 12 years back.

With the government having boldly decided to ramp up the country's power capacity addition to about 80,000 Mw in the current Plan period, Bhel has been entrusted the task of meeting the rising demand in the sector.

The company has been growing at an impressive rate of 30 per cent over the past few years. This growth has been made possible primarily due to its diversified portfolio of businesses, apart from committed manpower and ability to foresee market demand, says Chairman and Managing Director of Bhel, BP Rao.

"We have multiple portfolios operating at the same time. Apart from power segment, which is the main one, we have presence in many industry segments. So, even if one portfolio goes down, the other takes care of the downside."

With an order book in excess of Rs 134,000 crore, the company was originally targeting a turnover of Rs 45,000 crore by the end of the current Plan period ending 2012. "I now expect it to be Rs 50,000 crore plus," says Rao. This is despite the enormous competition from new players on the domestic front as well as from overseas suppliers, especially the Chinese, who supply low-cost equipment in shorter timeframes. ■