



Q1FY23 Results

Supplementary Information
Chief Investors Relation Officer
Bharat Heavy Electricals Ltd.
August 04th, 2022

Context

Subsequent to the declaration of the results of Q1FY23 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

Particulars (Rs Crore)	Q1FY23	Q1FY22	Change (%)
Turnover	4,449	2,724	63%
Revenue From Operations	4,672	2,901	61%
EBITDA	(90)	(399)	77%
Profit before Tax	(255)	(594)	57%
Profit after Tax	(192)	(445)	57%

Business Environment

- Strong aggregate demand from both private and government have boosted economic growth – grew by 8.7% (GDP) in FY22
- Industrial activity (IIP index) has attained pre-pandemic levels and grew by 11.4% during FY22
- Core sectors of the economy displayed robust growth in Q1FY23
- High inflation in industrial input material and market non-readiness to accept higher price – weakening profitability
- PLI schemes in identified sectors expected to provide the much needed push to capex in the economy
- Core sectors of economy like cement, steel, refinery etc are expected to firm up their capacity expansion plans
- Indian Railways going for big-ticket procurement – requirement of semi-high speed trainsets, high HP locomotives for freight
- Close to double digit fiscal deficits (centre+state), growing CAD and high levels of public debt in high interest rate environment may limit fiscal space



Operations

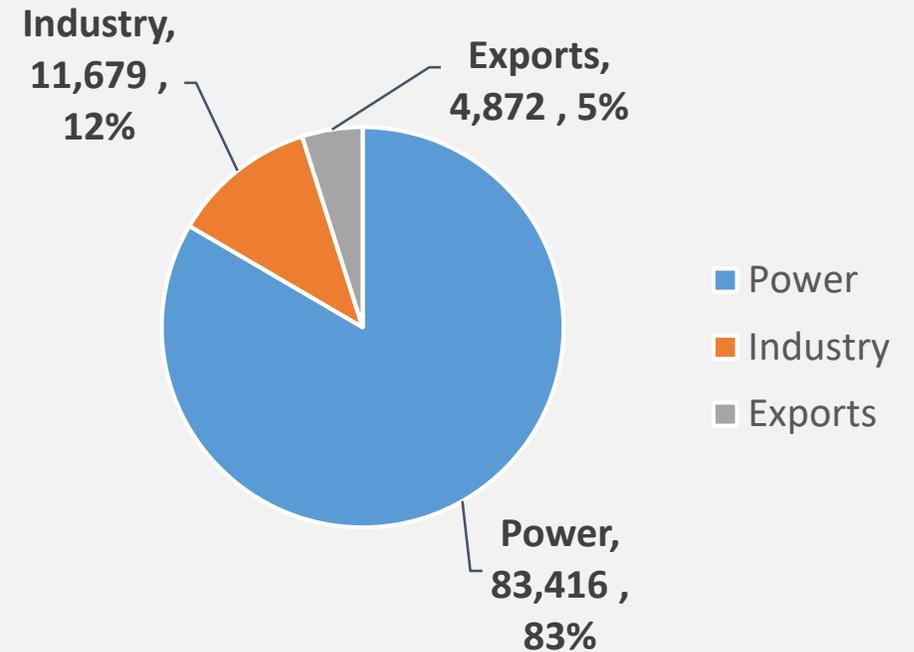
In Q1FY23, focus on project deliveries led to:

- Commercial Operation Declaration of Unit#3 of 3x660 MW of NPGCL-Nabinagar Project, Bihar (BHEL scope—SG Pkg)
- Synchronizations achieved for:
 - Unit#6 of 500MW (BHEL Scope- combustion modification works (De-NOx)) of NTPC Kahalgaon.
 - Unit#1 of 6x60 MW (BHEL Scope- Renovation & Modernization) of Balimela HEP, Odisha Hydro Power Corporation Limited (OPHC).
 - 53 MW STG set of Gallantt Ispat Ltd., Gorakhpur.
 - 10 MW (25 MW completed out of 50 MW) of SPV Project of MAHAGENCO, Maharashtra
- BHEL manufactured 43rd Steam Generator was dispatched from Trichy Unit on May 2022 for 'Gorakhpur Haryana Anu Vidyut Pariyojna'
- Capacity Addition of Unit#1&2 of 2x60 MW Vyasi UJVNL HEP
- Solar Projects commissioning achieved for:
 - 10 MW (35 MW completed out of 50 MW) of MAHAGENCO, Maharashtra.
 - 20 MW at NTPC Gandhar in Gujrat.



Order Book

Order Book (Rs Cr)	Power	Industry	Exports	Total
Received, during Q1FY23	1,574	869	65	2,508
Total Outstanding, as on 30.06.22	83,416	11,679	4,872	99,967





Order Book

Some of the prominent Power sector orders received in Q1FY23 are:

- Supply of Turbine and Auxiliaries, Main Inlet Valve, Generator etc for 850 MW Ratle Hydro-Electric Project.
- Supply and supervision of Erection & Commissioning of Turbine-Generator sets for 2x115 MW Lower Sileru HEP.
- Various spares orders from different customers (viz. spares for boiler pressure parts; 275 MVA single phase GT; HP Module & IP Rotor with Hydraulic Turning Gear etc)
- Various spares and repair orders from different customers (viz. repair of TG stator for 500MW, set of conductor bars & accessories etc.)
- Supply of IP Bladed Rotor (250 MW) and repair of old HP Turbine Rotor of 210 MW.



Order Book

BHEL's focus on Industry sector is reflected in winning following prominent orders in Q1FY23 :

Transportation

- 6.5 MVA Main Transformers
- Maiden order for '3-Phase Propulsion Electrics' for Kolkata metro.
- Supply of upgradation kits for 9000 HP Freight Locomotive and supply of traction converter sets for 3-phase locomotive
- Traction motors type 6FRA
- IGBT based composite converter for 3-Phase WAP-5 locomotives

Transmission

- 2x500 MVA, 400 kV & 2x200 MVA, 220 kV Transformer packages
- 200 MVA Single Phase Generator Transformer and R&M of C&I Pkg for Unit#5&6 of 500 MW for Chandrapur
- Supply, installation, testing and commissioning of 6 nos. of 500 MVA, 765 kV Inter Connecting Transformers



Order Book

Others

- 5 MW vapour compressor along with steam turbine for Propylene Recovery Unit (PRU) at IOCL Barauni
- Heater package work for Propane Dehydrogenation Unit
- BOF Converters for JSL Jajpur, Odisha project
- BOF Converters to Vedanta Electrosteel project, Bokaro - this marks the Company's maiden entry in Contract manufacturing for the Steel Sector
- Service Assistance for 05 Types of Thermopressed Plates from Heavy Vehicle Factory (HVF), Avadi

Accounts receivables

Particulars (Rs. Crore)	Q1FY23	Q1FY22
Trade Receivables	7,065	7,336
Contract Assets	26,837	23,550
Total	33,903	30,885

Category	Central Utilities	State Utilities	Private Sector	Exports
Share, % (Q1FY23)	36%	42%	15%	7%

Provisions

Particulars (Rs. Crore)	Q1FY23	Q1FY22
Creation	258	140
Withdrawal	-535	-333
Write off	73	8
Net Provisions	-204	-185



Notable successes

- BHEL equipment enabled record power transmission of 6 GW over recently commissioned ± 800 kV, 6 GW Ultra High Voltage Direct Current (UHVDC) link between Western Region grid and Southern Region grid
- BHEL commissioned '**22 MW Floating Solar Power Project**' at NTPC Kayamkulam which has been inaugurated in online mode by Shri K. Krishnankutty, Hon'ble Minister for Electricity, Govt. of Kerala, in the presence of Adv. A.M. Ariff, Hon'ble Member of Parliament.
- Commissioned '**India's largest floating Solar PV plant rated 100 MW**' at NTPC Ramagundam' in Telangana, dedicated to the nation by Hon'ble Prime Minister Shri Narendra Modi (30th July 2022)
- Some of the other Awards/ Recognition to BHEL:
 - '**Star Performer for 2018-19**' in the product group: Project Exports—'*Large Enterprise*' at the 51st EEPC India National Awards.
 - Award for '**Highest procurement in number of orders on GeM in FY 21-22**'
 - Award for Excellence in Manufacturing of '**Advanced Electric Components**' for Railways at 3rd edition of '*Rail Analysis Innovation and Excellence Summit 2022*'
 - **SKOCH 'Order of Merit' Awards** for the projects 'Technology Deployment for Learning & Development' and 'Pressure Vacuum Swing Adsorption (PVSA) Based MO₂ Plant'.



R&D, Innovation

- Completed design of Vacuum belt filter system (32 TPH) and its control & Instrumentation (C&I) as part of in-house development of Gypsum Dewatering System (GDS), for Flue Gas Desulphurization (FGD) applications – a significant step towards Aatmanirbhar Bharat
- Completed hydraulic design of Slurry Recirculation Pump for Flue Gas Desulphurization (FGD) of 5x800 MW Yadadri TPP
- Completed dynamic simulation study of flexible operations on 800 MW Turbine & regenerative cycle equipment. This will enable BHEL to optimise its solutions to customers for load cycling / flexible operation of Thermal Power Plants



Thanks!

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