

VAYU Interview with Mr Bhanu Prakash Srivastava, CMD, BEL

VAYU : Please tell us about your participation in Aero India this year.

CMD: BEL will showcase state-of-the-art products and systems spanning every domain of its business at the 14th edition of Aero India 2023. The products and systems to be on display have been clustered as 'Communication', 'Electro-Optics and Laser', 'EW and Avionics', 'Homeland Security & Smart Cities', 'Medical Electronics', 'Naval Systems', 'Network Centric Systems', 'Radar and Fire Control Systems', 'Tank Electronics and Gun Upgrade', 'Weapon System', and 'Outdoor Display Products'. In addition, BEL will also showcase its R&D capabilities by launching/demonstrating some of its new products and technologies. The company has set up an Experience Centre at its stall to showcase its Voice Analysis Software and Augmented Reality/Virtual Reality for Universal Simulator.

The highlight of BEL's outdoor display will be Weapon Locating Radar (mountain version), Akash Air Defence System, Ant-Radiation Decoy System, Surveillance Radar, Air Defence Fire Control Radar, Automatic Manpack SATCOM Terminal, Anti Drone System and Mobile Communication Terminal. The entire set of state-of-art equipment on offer will be a force multiplier for any defence force and civilian requirements.

VAYU : Can you brief us about BEL's financial performance; what has been the impact of the pandemic on your growth?

CMD: BEL continues to be a profit-making PSU, despite challenges posed by the pandemic, global chip shortage and stiff competition. FY 2021-22 saw the company registering a record turnover of Rs. 15,044 Crores, a growth of 9% over the previous year. BEL became the first Defence PSU to cross the landmark market capitalisation figure of Rs.80,000 Crores, and declare the highest ever dividend of 450%. The company has increased its authorised capital three-fold to Rs.750 Cr and issued bonus shares in the ratio 2:1. This year, we are



confident of continuing the good show and achieve a revenue growth of 15 per cent and EBIDTA Margin of 21%-23%.

On this occasion, I would like to share with you the good news that the Ghaziabad Unit of BEL has won the twin honour of CII EXIM Bank Business Excellence Award (2022) and the Jury's Commendation for Role Model Organisation. The Award is the highest level of recognition in the CII-EXIM Bank Award for Business Excellence, established by the Confederation of Indian Industry (CII) and Export Import Bank of India in 1994 with the aim of enhancing the competitiveness of India Inc.

VAYU : Please tell us about BEL's exports. What are the major products and who are the customers?

CMD: BEL achieved recorded an export turnover of 33.30 Million USD during FY 2021-22. Major products exported included Coastal Surveillance System, Trans-Receive (TR) Modules, EO-IR Payload System, Compact Multi-Purpose Advanced Stabilisation System (EOS CoMPASS), Solar Hybrid Power Plant, Data Link, Electro-Mechanical parts, Low Band Receivers (LBREC), Medical Electronics, Spares for Radars, etc.

BEL is fast expanding its global presence, putting its best foot forward to give a thrust to exports worldwide. All-out efforts are being made to tap new markets across the globe, including the Indian Ocean Region (IOR) and friendly foreign countries (FFCs).

The Government is encouraging defence exports through many policy initiatives and

has set a target of Rs. 35,000 Crs by 2025. BEL has identified Exports & Offsets as one of its thrust areas and has drawn up plans to offer its select products and systems to various export markets.

Some of the other products and systems which are being promoted for exports include Homeland Security solutions, Smart City solutions, Border Protection Systems and Coastal Surveillance System. Having established a Coastal Surveillance System (CSS) for a few neighbouring countries, BEL is interacting with the Ministry of External Affairs for supply of CSS to other friendly countries.

BEL is also focusing on Offset as a potential avenue for revenue generation. BEL is interacting with many foreign OEMs to meet Offset obligations in various programmes of the MoD. BEL has identified contract manufacturing (build-to-print and build-to-spec) for foreign OEMs and partnerships in the form of Transfer of Technology of the latest systems and solutions as areas of emerging export opportunities. Efforts are also on to establish long term supply chain relationship with global players.

VAYU : Tell us about your initiatives to diversify into the civilian business.

CMD: Defence, being the mainstay of BEL, has traditionally been contributing to around 80% of the Company's annual sales revenue. BEL, however, has been continuously exploring opportunities in allied non-defence areas. The Company aims to increase its non-defence share in the overall business in the coming years.