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## **BHEL to invest INR 1,400 crore in castings and forgings facility**

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It is reported that Bharat Heavy Electricals will invest INR 1,400 crore to build a manufacturing facility for castings and forgings, key components for power equipment.

Mr K Ravi Kumar CMD of BHEL said that "We are planning to invest INR 1,400 crore to build a castings and forgings factory." BHEL has also formed a 50:50 JV company with Heavy Engineering Corporation to cater to the needs of castings and forgings.

As per report, the new JV company would manufacture some of the castings and forgings required by the 2 units of HEC, Heavy Machine Building Plant and Heavy Machine Tools Plant.

A company statement said that "HEC's contribution to the investment of the JV will be in the form of transfer of the plant and equipment and BHEL will invest same amount towards the equity capital of the company. However, the amount has not been disclosed yet. BHEL will also provide the necessary technological support and guidance required by the JV."

It added that business will be given on a preferential basis on a benchmark price to the JV both by BHEL and HEC. BHEL is already investing a significant amount in manufacturing stainless steel tube plant as a part of its casting and forging business.

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