Bharat Heavy Electricals Limited.
Steering Change...Sustaining Growth...

Supercritical thermal business to spur growth;
Manufacturing Capacity to deliver 20,000 MW per annum on track

BHEL completed another successful year, which saw private as well as public sector utilities and other customers reposing confidence in the company’s capabilities.

### Financial Highlights 2010-11

<table>
<thead>
<tr>
<th></th>
<th>2009 – 10</th>
<th>2010 – 11 (Provisional)</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover (Rs. Crore)</td>
<td>34,154</td>
<td>43,451</td>
<td>27</td>
</tr>
<tr>
<td>Profit Before Tax (Rs. Crore)</td>
<td>6,591</td>
<td>9,016</td>
<td>37</td>
</tr>
<tr>
<td>Net Profit (Rs. Crore)</td>
<td>4,311</td>
<td>6,021</td>
<td>40</td>
</tr>
<tr>
<td>Net Worth (Rs. Crore)</td>
<td>15,917</td>
<td>20,119</td>
<td>26</td>
</tr>
<tr>
<td>Earnings Per Share (Rs.)</td>
<td>88.06</td>
<td>123.00</td>
<td>40</td>
</tr>
<tr>
<td>Value Added per employee (Rs. Lakh)</td>
<td>28.46</td>
<td>39.29</td>
<td>38</td>
</tr>
</tbody>
</table>

**FINANCIAL PERFORMANCE**

The Company has changed its Accounting Policy on Provision for Warranty Obligation for Construction Contracts as below:

"The Company provides Warranty cost at 2.5% of the revenue progressively as and when it recognizes the revenue and maintains the same through the warranty period."

This is against the earlier policy of deferring warranty provision and corresponding revenue till the completion of Trial Operation. The impact of the above, considered in the results are:

a) Increase in Turnover by Rs.2,456 cr.
b) Increase in Profit Before Tax by Rs.414 cr.

- BHEL notched up its highest-ever turnover of **Rs.43,451 Crore**, registering a growth of **27%** over the previous year. Profit Before Tax (PBT) surged **37%** at **Rs.9,016 Crore**, during the year.
- Net Profit (PAT) at **Rs.6,021 Crore** was an increase of **40%** over the previous year. An interim equity dividend of 132.5% was paid for fiscal 2010-11, maintaining the track record of paying dividends uninterrupted since 1976-77.
- Earnings Per Share (EPS) stood at **Rs.123** – an increase of **40%** over that of 2009-10.
- Net Asset Value (NAV) per share stood at **Rs.411**, reflecting the intrinsic strength of the company.
- Economic Value Added (EVA) witnessed a jump of **41%** at **Rs.3,753 Crore** over that of Rs.2,670 Crore in 2009-10 - commendable performance for an engineering company.
- Value Added per employee increased to **Rs.39.29 lakh** from Rs.28.46 lakh in 2009-10.

**Note:** Company results for 2010-11 are provisional, subject to audit

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