



BHARAT HEAVY ELECTRICALS LIMITED
UNAUDITED STANDALONE FINANCIAL RESULTS (After Limited Review)
FOR THE QUARTER ENDED 30TH JUNE 2008

(Rs. Millions)

| SL. NO. | PARTICULARS | 3 Months Ended 30.06.2008 | Corresponding 3 Months in the previous year ended 30.06.2007 | Year to date figures for the previous year ended 31.03.2008 (Audited) |
|---------|--|------------------------------|--|---|
| (1) | (2) | (3) | (4) | (5) |
| 1. | Sales / Income from Operations | 47036 | 35696 | 214977 |
| | Less:Excise Duty/Service Tax | 3743 | 3357 | 21322 |
| 2 | Net sales/income from operations | 43293 | 32339 | 193655 |
| 3 | Value of production (Net of Excise duty) | 43055 | 31810 | 200904 |
| 4 | Other Income | 2917 | 2063 | 13962 |
| 5 | Total Expenditure | 39555 | 29232 | 159987 |
| | a) (Increase)/decrease in stock-in-trade and work in progress | 143 | 143 | -8273 |
| | b) Consumption of raw materials | 25179 | 19008 | 114895 |
| | c) Staff Cost | 8953 | 6039 | 31459 |
| | d) Other expenditure | 5280 | 4042 | 21906 |
| 6 | Interest | 26 | 22 | 354 |
| 7 | Gross Profit (+) / Loss(-) after interest but before depreciation & taxation (2+4-5-6) | 6629 | 5148 | 47276 |
| 8 | Depreciation | 726 | 689 | 2972 |
| 9 | Profit (+) / Loss (-) Before Tax (7-8) | 5903 | 4459 | 44304 |
| 10 | a)Provision for Taxation (incl deferred tax) | 1980 | 1510 | 15322 |
| | b)Prior period tax | | | 118 |
| | c)Fringe Benefit Tax | 79 | 60 | 271 |
| 11 | Net Profit (+) /Loss (-) (9-10) | 3844 | 2889 | 28593 |
| 12 | Paid-up Equity Share Capital (Face Value per Share (Rs.)) | 4895 (10) | 4895 (10) | 4895 (10) |
| 13 | Reserves excluding revaluation reserves | | | 102847 |
| 14 | Earnings per Share Basic and Diluted(not annualised) (Rs.) | 7.85 | 5.90 | 58.41 |
| 15 | Public Shareholding | | | |
| | No. of Shares | 158009600 | 158006600 | 158008800 |
| | Percentage of shareholding | 32.28% | 32.28% | 32.28% |

Segmentwise Revenue, Results and Capital Employed

| | | Rs./Millions | | |
|---|---|---------------------------------|--|---|
| | | 3 Months Ended 30.06.2008 | Corresponding 3 Months in the previous year ended 30.06.2007 | Year to date figures for the previous year ended 31.03.2008 (Audited) |
| 1 | <u>Segment Revenue</u> | | | |
| | A. Power | 35087 | 27362 | 159188 |
| | B. Industry | 12851 | 9198 | 60106 |
| | Total | 47938 | 36560 | 219294 |
| | Inter segmental revenue | 902 | 864 | 4317 |
| | Sales / Income from operations | 47036 | 35696 | 214977 |
| 2 | <u>Segment Results (Profit(+)/ Loss (-) before tax and interest.</u> | | | |
| | A. Power | 6575 | 5315 | 39310 |
| | B. Industry | 1810 | 342 | 10863 |
| | Total | 8385 | 5657 | 50173 |
| | Less Interest | 26 | 22 | 354 |
| | Other un-allocable expenditure net of income | 2456 | 1176 | 5515 |
| | Total Profit before Tax | 5903 | 4459 | 44304 |
| 3 | <u>Capital Employed</u> (Segment Assets - Segment Liabilities) | | | |
| | A. Power | -452 | 3406 | 3746 |
| | B. Industry | 7967 | 19717 | 12476 |
| | Capital Employed (including unallocable common) | 87165 | 77049 | 73624 |

The figures have been regrouped, wherever necessary.

Notes:-

1 **Details of Investor Complaints:**

| Pending as on 01.04.2008 | Received during the quarter | Resolved during the quarter | Pending as on 30.06.2008 |
|-----------------------------|--------------------------------|--------------------------------|-----------------------------|
| Nil | 137 | 137 | Nil |

- 2 The company has an outstanding order book position of about Rs. 950000 millions at the end of Quarter I.
- 3 The above results have been reviewed by the Audit Committee and were taken on record by the Board of Directors in their meeting held on 21st July, 2008.
- 4 The above results have been reviewed by the Auditors as per clause 41 of the listing agreement.

For Bharat Heavy Electricals Limited

Place : New Delhi
Dated : 21.07.2008

Sd\
(C. S. Verma)
Director (Finance)

Highlights

Financial Performance

The first quarter of 2008-09 has witnessed a reasonable growth in all areas of operations as compared to the corresponding period of 2007-08.

As compared to the 1st quarter of 2007-08 the sales / income from operations has registered a growth of 31.8%. The value of production (net of excise duty) has also improved by 35.4%. The increase in staff cost is mainly on account of provision for wage revision which has been reviewed and reassessed based on the recommendation of the 2nd Pay Revision Committee for PSUs. The profit before tax and after tax are placed at Rs. 5903 Millions and Rs. 3844 Millions as against Rs. 4459 Millions and Rs. 2889 Millions during the corresponding period of the previous year.

Order Book

Orders worth Rs.145000 Millions have been received during the first quarter of the current year. The orders outstanding at the end of Quarter1 is about Rs. 950000 Millions.

A few major orders received during the year are as follows:-

- Rs. 35,880 million turnkey contract for Pragati III Combined Cycle Power Plant of four Advanced class Frame 9FA Gas Turbines to be installed at Bawana in Delhi.
- Rs. 22570 million Contract for installing two units of 500 MW each at the upcoming Marwa thermal power project by Chhattisgarh State Electricity Board (CSEB) .
- Rs.21,750 million EPC contract for New Rating of 600 MW Thermal Set from TNEB, North Chennai.
- Rs.20,800 million Turnkey Contract for 400 MW Thermal Power Plant Highest-value single order in Syria.
- Rs.18,400 million Turnkey Contract from DVC for setting up 500 MW unit at Bokaro TPS.

Joint Ventures and Acquisitions

- The joint venture company M/s NTPC-BHEL POWER PROJECT PVT. LTD has been incorporated on 28th April, 2008.
- The company has taken over M/s Bharat Heavy Plates and Vessels as its subsidiary.

Awards

BHEL has been conferred the prestigious ICWAI National Awards for Excellence in Cost Management 2007 for the third successive year. An independent jury headed by the former Chief Justice of India, Mr. J.S. Verma unanimously selected BHEL's Bhopal, Haridwar and Jhansi Units for the Awards for 2007. Instituted in the year 2003, by the Institute of Cost and Works Accountants of India, the awards are presented annually to corporate entities in their journey towards excellence in cost, quality and delivery. The awards were presented by Mr. Prem Chand Gupta, Union Minister for Corporate Affairs to Mr. C.S. Verma, Director Finance, BHEL, at a function held in Vigyan Bhawan, New Delhi.