



BHARAT HEAVY ELECTRICALS LIMITED
UNAUDITED STANDALONE FINANCIAL RESULTS (After Limited Review)
FOR THE QUARTER ENDED 31ST DECEMBER 2008

(Rs. Millions)

SL. NO.	PARTICULARS	3 Months Ended 31.12.2008	Corresponding 3 Months in the previous year ended 31.12.2007	9 Months Ended 31.12.2008	Corresponding 9 Months in the previous year ended 31.12.2007	Year to date figures for the previous year ended 31.03.2008 (Audited)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Sales / Income from Operations	64533	55289	169551	135378	214977
	Less:Excise Duty/Service Tax	4310	5647	12610	13744	21322
2	Net sales/income from operations	60223	49642	156941	121634	193655
3	Value of production (Net of Excise duty/Service Tax)	65609	50227	166293	125328	200904
4	Other Operating Income	1266	949	3144	2463	4927
5	Total Expenditure	50881	40428	138224	103745	162959
a)	(Increase)/decrease in stock-in-trade and work in progress	-5537	-687	-9793	-4342	-8273
b)	Consumption of raw materials	40587	28509	101977	72952	114895
c)	Staff Cost	9202	7464	27053	19799	31459
d)	Depreciation	865	762	2334	2145	2972
e)	Other expenditure	5764	4380	16653	13191	21906
6	Profit from operations before other income, interest & taxation (2+4-5)	10608	10163	21861	20352	35623
7	Other income	1797	1700	5908	7258	9035
8	Profit before interest & taxation (6+7)	12405	11863	27769	27610	44658
9	Interest	179	98	226	312	354
10	Profit Before Tax (8-9)	12226	11765	27543	27298	44304
11	a)Provision for Taxation (incl deferred tax)	4139	4000	9312	9333	15322
	b)Prior period tax	90		90	310	118
	c)Fringe Benefit Tax	91	46	234	170	271
12	Net Profit (10-11)	7906	7719	17907	17485	28593
13	Paid-up Equity Share Capital (Face Value per Share (Rs.))	4895 (10)	4895 (10)	4895 (10)	4895 (10)	4895 (10)
14	Reserves excluding revaluation reserves					102847
15	Earnings per Share Basic and Diluted (not annualised) (Rs.)	16.15	15.77	36.58	35.72	58.41
16	Public shareholding					
	No. of Shares	158009600	158006600	158009600	158006600	158008800
	Percentage of shareholding	32.28%	32.28%	32.28%	32.28%	32.28%

Segmentwise Revenue, Results and Capital Employed

(Rs. Millions)

		3 Months Ended 31.12.2008	Corresponding 3 Months in the previous year ended 31.12.2007	9 Months Ended 31.12.2008	Corresponding 9 Months in the previous year ended 31.12.2007	Year to date figures for the previous year ended 31.03.2008 (Audited)
1	<u>Segment Revenue</u>					
	A. Power	48189	42046	127365	102447	159188
	B. Industry	17522	14354	45334	35974	60106
	Total	65711	56400	172699	138421	219294
	Inter segmental revenue	1178	1111	3148	3043	4317
	Sales / Income from operations	64533	55289	169551	135378	214977
2	<u>Segment Results (Profit before Tax and interest)</u>					
	A. Power	7125	8612	21310	21570	39310
	B. Industry	2234	2469	6302	4558	10863
	Total	9359	11081	27612	26128	50173
	Less Interest	179	98	226	312	354
	Other un-allocable expenditure net of income	-3046	-782	-157	-1482	5515
	Total Profit before Tax	12226	11765	27543	27298	44304
3	<u>Capital Employed</u> (Segment Assets - Segment Liabilities)					
	A. Power			879	-1317	3746
	B. Industry			15745	18369	12476
	Capital Employed (including unallocable common)			100681	90558	73624

The figures have been regrouped, wherever necessary.

Notes:-

1 **Details of Investor Complaints:**

Pending as on 01.10.2008	Received during the quarter	Resolved during the quarter	Pending as on 31.12.2008
Nil	204	204	Nil

- Estimated wage revision provision of Rs. 13130 millions for 08-09 is apportioned in proportion to the actual turnover upto the quarter to estimated turnover for the year (Rs. 8390 millions) as operations are not uniform through the year. However, Auditors have expressed that provision should be uniform quarterwise (i.e. Rs. 9850 millions upto Q3/08-09).
- The company has an outstanding order book position of about Rs. 1135000 millions at the end of Quarter III.
- 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 29th January, 2009.
- The above results have been reviewed by the Auditors as per clause 41 of the listing agreement.
- An interim dividend of Rs. 9 per share has been declared by the Board in its meeting on 29.01.2009.

For Bharat Heavy Electricals Limited

Sd\-

(C. S. Verma)

Director (Finance)

Place : New Delhi

Dated : 29.01.2009

HIGHLIGHTS

Financial Performance

The sales / income from operations has registered a growth of 25.24% as compared to the period upto 3rd quarter of 2007-08. The value of production (net of excise duty) has also improved by 32.69%. Other income upto Qtr3/08-09 is placed at Rs. 5908 million as against Rs. 7258 million in 07-08 during the corresponding period which included one time Interest income (Rs. 2670 million) on IT refund of earlier years. With the above the profit before tax and after tax are placed at Rs. 27543 million and Rs.17907 million as against Rs. 27298 million (Rs. 24798 million excluding interest on IT refund) and Rs. 17485 million (Rs. 16195 million excluding interest on IT refund) respectively during the corresponding period of the previous year. The profit after tax registered a growth of 10.6% over the corresponding period of the previous year if compared after removing the one time impact of interest on income tax refund in the results upto Q3 of 2007-08. Further the profit as compared to corresponding period of last year is also impacted by additional provision for wage revision.

Order Book

Orders worth Rs.152000 Millions have been received during the third quarter of the current year. The order outstanding as at the end of Quarter 3 is about Rs. 1,135,000 Millions.

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

- Rs.50400 Million contract for installing 4x600 MW Thermal Sets from Jindal Power Limited
- Rs.31500 Million contract for installing 2x600 MW at Malwa from MPPGCL
- Rs. 21000 Million contract for installing 2x500 MW SG and STG packages at Mauda STPP, located in Nagpur in Maharashtra.
- Rs.14740 Million order for 2x660 MW Steam Turbine Generator Sets with Supercritical parameters by NTPC Ltd. at Barh Thermal Power Project Stage-II
- Rs.13250 Million order for installing 1x600 MW at Kakatiya Thermal Power Station Stage-II at Bhoopalpally in Andhra Pradesh

Joint Venture/ MOU

Bharat Heavy Electricals Limited (BHEL) and Tamil Nadu Electricity Board (TNEB) have formed a Joint Venture Company (JVC) for setting up the first supercritical thermal power project in Tamil Nadu. The JVC has been set up for the execution of the first 2x800 MW Supercritical Thermal Power Project in Tamil Nadu, with principal equity stake from BHEL and TNEB.

Awards

- Mr. K. Ravi Kumar, CMD, BHEL has been conferred the prestigious 'ENERTIA Individual Contribution Award in Thermal Power Sector', for the year 2008. The award was presented by Mr. R.V. Shahi, Former Secretary - Power, Govt. of India.
- Mr. C.S. Verma, Director (Finance), Bharat Heavy Electricals Limited (BHEL) has been awarded the 'TOP RANKERS Excellence Award' for Best Finance Professional for the year 2007-08. The award was presented by Mr. S.K. Chaturvedi, CMD, Power Grid Corporation of India Ltd (PGCIL) at the 'National Workshop on Talent Management: A Way to Business Excellence'.