



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

(Rs. Millions)

SL. NO.	PARTICULARS	3 Months Ended 30.09.2008	Corresponding 3 Months in the previous year ended 30.09.2007	6 Months Ended 30.09.2008	Corresponding 6 Months in the previous year ended 30.09.2007	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	57983	44393	105018	80089	214977
	Less:Excise Duty/Service Tax	4557	4739	8299	8097	21322
2	Net sales/income from operations	53426	39654	96719	71993	193655
3	Value of production (Net of Excise duty/Service Tax)	57630	43291	100685	75101	200904
4	Other Operating Income	3072	5009	5990	7072	13962
5	Total Expenditure	47062	33396	87344	63318	162959
	a) (Increase)/decrease in stock-in-trade and work in progress	(4400)	(3798)	(4257)	(3655)	(8273)
	b) Consumption of raw materials	36212	25434	61391	44442	114895
	c) Staff Cost	8898	6296	17851	12335	31459
	d) Depreciation	743	694	1470	1384	2972
	e) Other expenditure	5609	4769	10889	8812	21906
6	Profit before interest & taxation (2+4-5)	9436	11267	15365	15747	44658
7	Interest	22	193	48	214	354
8	Profit (+) / Loss (-) Before Tax (6-7)	9414	11074	15317	15533	44304
9	a) Provision for Taxation (incl deferred tax)	3192	3823	5172	5333	15322
	b) Prior period tax		310		310	118
	c) Fringe Benefit Tax	64	64	143	124	271
10	Net Profit (+) / Loss (-) (8-9)	6158	6877	10002	9766	28593
11	Paid-up Equity Share Capital (Face Value per Share (Rs.))	4895 (10)	4895 (10)	4895 (10)	4895 (10)	4895 (10)
12	Reserves excluding revaluation reserves					102847
13	Earnings per Share Basic and Diluted (not annualised) (Rs.)	12.58	14.05	20.43	19.95	58.41
14	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 30.09.2008	Corresponding 3 Months in the previous year ended 30.09.2007	6 Months Ended 30.09.2008	Corresponding 6 Months in the previous year ended 30.09.2007	Year to date figures for the previous year ended 31.03.2008 (Audited)
1	<b><u>Segment Revenue</u></b>					
	A. Power	44090	33039	79177	60401	159188
	B. Industry	14961	12422	27811	21620	60106
	Total	59051	45461	106988	82021	219294
	Inter segmental revenue	1068	1068	1970	1932	4317
	Sales / Income from operations	57983	44393	105018	80089	214977
2	<b><u>Segment Results (Profit before Tax and interest)</u></b>					
	A. Power	7610	7643	14185	12958	39310
	B. Industry	2259	1747	4069	2089	10863
	Total	9869	9390	18254	15047	50173
	Less Interest	22	193	48	214	354
	Other un-allocable expenditure net of income	433	(1877)	2889	(700)	5515
	Total Profit before Tax	9414	11074	15317	15533	44304
3	<b><u>Capital Employed</u></b> (Segment Assets - Segment Liabilities)					
	A. Power			301	(92)	3746
	B. Industry			10104	17045	12476
	Capital Employed (including unallocable common)			91433	82920	73624

The figures have been regrouped, wherever necessary.

Notes:-

1 **Details of Investor Complaints:**

Pending as on 01.07.2008	Received during the quarter	Resolved during the quarter	Pending as on 30.09.2008
Nil	112	112	Nil

- The Profit before Tax and Net profit for and upto Q2 of 2007-08 included an amount of Rs. 2500 millions (net) and Rs. 1290 millions respectively on account of interest income on income tax refund relating to earlier years.
- Provision for wage revision was reassessed in the current year at Rs.19070 millions for the period from 01.01.07 to 31.03.09. Amount already provided upto 31.03.08 was Rs.5940 millions. Balance Rs.13130 millions is being provided in the year 08-09. In the first 2 quarters of 08-09, Rs. 5470 millions has been provided.
- The company has an outstanding order book position of about Rs. 1040000 millions at the end of Quarter II.
- 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 24th October, 2008.
- 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 : 24.10.2008

Sd/-  
(C. S. Verma)  
Director (Finance)

## **HIGHLIGHTS**

### **Financial Performance**

The sales / income from operations have registered a growth of 31.13%, as compared to the period upto 2<sup>nd</sup> quarter of 2007-08. The value of production (net of excise duty) has also improved by 34.07%. Other operating income upto Qtr2/08-09 is placed at Rs. 5990 million as against Rs. 7072 million in 07-08 during the corresponding period which included one time interest income (Rs. 2670 million) on IT refund of earlier years. The profit before tax and after tax upto Q2/08-09 are placed at Rs. 15317 million and Rs.10002 million as against Rs. 15533 million (Rs. 13033 million excluding interest on IT refund) and Rs. 9766 million (Rs. 8476 million excluding interest on IT refund) respectively during the corresponding period of the previous year. The profit after tax registered a growth of 18.01% over the corresponding period of the previous year if compared after removing the one time impact of income tax refund in the results upto Q2 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.143500 Millions have been received during the second quarter of the current year. The order outstanding as at the end of Quarter 2 is about Rs. 1,040,000 Millions.

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

- Rs. 26900 Million order from MSPGCL for 2x500 MW BTG + Elec. Package at Chandrapura TPS
- Rs. 25,000 Million Maiden order from APPDCL for 2x800 MW Steam Generator (SG) package at Krishnapatnam in Nellore District of Andhra Pradesh.
- Rs. 22,000 Million order for 726 MW, Gas Turbine based CCPP to be installed at Pallatanam, Tripura.
- Rs.11,550 Million BHEL by GVK Power Ltd. (GVKPL) for setting up 2x270 MW thermal power generating units at Goindwal Sahib, Punjab.
- Rs. 9,900 Million Contract by RRVUNL for installing 2 thermal sets of 250 MW each in Rajasthan
- Rs. 6,400 Million Contract by SJVNL for installing 6 x 68.67 MW sets at Rampur HEP.
- Rs. 3,380 Million ICB contract for 3 Turbo-blower Packages from SAIL, the highest-value single order ever received for Compressors
- Rs. 3,000 Million order for setting up 4xFr. 6B GTG package from IER, Dubai (UAE)
- Rs. 2,850 Million order for setting up 13 electric sets from ICF, Chennai.
- Rs. 1,560 Million order for setting up 3x18 MW BTG package from PT MP, Indonesia.
- Rs. 1,380 Million order for setting up the Nyaborongo Hydro Electric Power Project (2x14 MW) is the first order received by BHEL from East-African country Rwanda.

## **Joint Venture/ MOU**

BHEL and Heavy Engineering Corporation Ltd. have signed a MoU to form JV Company for supply of Castings and Forgings to ease the supply of critical input material for manufacture of Power Plant Equipment.

## **Awards**

- BHEL has won EEPC's Top Export Award for the 18th consecutive year.
- BHEL employees win 3 '*Vishwakarma Rashtriya Puraskars*' for the year 2007. With this, the total number of Vishwakarma awards won by BHEL employees has gone up to a 103 awards.
- One National Safety Award has also been won by BHEL's Hyderabad unit for outstanding achievements in terms of the longest accident free period and lowest accident frequency rate at their works.