

# 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

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

## 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:

- Increase in Turnover by Rs.2,456 cr.
- 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 uninterruptedly 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