



Bharat Heavy Electricals Limited

www.bhel.com

BHEL's expected performance during 2005-06

A Memorandum of Understanding (MOU) for the year 2005-06 was signed between CMD/**BHEL** and the Secretary (Heavy Industries & Public Enterprises), Government of India, on 30th March 2005, with the following financial parameters & targets:

Financial Turnover (Rs. Millions)	110,000
Gross Margin (Rs. Millions)	16,620
PBDIT to Total Employment (Rs. Millions)	0.387
Gross Margin to Gross Block (%)	40.96
Gross Profit to Capital Employed (at year end) (%)	24.99
Net Profit to Net Worth (at year end) (%)	12.84
Added Value to Gross Sales (%)	10.04

In addition, a number of dynamic and sector specific criteria covering areas such as ISO certification, achievement of TQM score, human resource development, engineering and research & development including technology development projects, project implementation (modernization/expansion), capital expenditure for schemes, globalization through enhanced overseas marketing efforts, supply completion for major projects and corporate governance have been identified with specific target for each of them to be achieved during the year.

**Committed to
enhancing
stakeholder value**