भारत हेवी इलेक्ट्रिकल्स लिमिटेड
Bharat Heavy Electricals Limited

No. AA/SCY/NSE/11 Dated: 4th April, 2011

Shri K. Hari
Asst. Vice President
National Stock Exchange Ltd.
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East),
MUMBAI-400 051

Dear Sir,

Sub: Flash Results of BHEL for the year ended 31st March, 2011

Please refer to our notice dated 28.03.2011 wherein we had notified that it is customary on the part of BHEL, being a Public Sector Undertaking, to announce tentative financial performance for the financial year 2010-11, immediately after its closure.

We would like to inform you that the following tentative financial results (flash results), as approved by the Board of Directors in its meeting held today in the forenoon, would be announced by CMD/BHEL in the press conference to be addressed by him today, at 12.30 PM.

(Rs. in Crores)

	2009-10 (Audited)	2010-11 (Provisional)
Turnover	34154	**43451**
Economic Value Added (EVA)	2670	**3753**
Profit Before Tax (PBT)	6591	**9016**
Net Profit (PAT)	4311	**6021**
Orders inflow	59037	**60507**
Value Added per employee (Rs. in Lakhs)	28.46	**39.29**
Earnings per Share (Rs.)	88.06	**123.00**

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 recognises 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:

- ***(a) Increase in Turnover by Rs 2456 cr.***
- ***(b) Increase in Profit Before Tax by Rs 414 cr.***

This is for your information.

Thanking you,
Yours faithfully,

(I.P. Singh)
Company Secretary