

"Annexure A"

To,  
The Members,

**Bharat Heavy Electricals Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates  
Company Secretaries



**Sachin Agarwal**  
FCS No.: 5774  
C.P. No.: 5910

Place: New Delhi  
Date: 15<sup>th</sup> June, 2015

## Secretarial Audit Report for the FY 2014-15

Observation	Reply
<p>In terms of Clause 49 (II) (A) of the Listing Agreement and para 3.1.2 &amp; 3.1.4 of the Guidelines on Corporate Governance for Central Public Sector Enterprises, BHEL, having an Executive Chairman, is required to have at least fifty percent Independent Directors.</p> <p>At Present, the number of Independent Directors is less than 50% of the composition of the Board. Clarifications in this regard has also been sought by the Stock Exchanges from the Company. Since BHEL is a Government Company and appointment on the Board of the Company are done by the Department of Heavy Industry, Ministry of Heavy Industries &amp; Public Enterprises, Government of India, the Company is in constant communication with the Department for the appointment of more Independent Directors on their Board in order to comply with the provisions of the Companies Act, 2013, Clause 49 of the listing agreement &amp; DPE Guidelines.</p>	<p>BHEL, being Government Company, the Independent Directors are selected by the Administrative Ministry viz., Department of Heavy Industry in consultation with the Search Committee of the Department of Public Enterprises. The Company is in constant communication with the Department of Heavy Industry for the appointment of requisite number of Independent Directors on their Board in order to comply with the provisions of the Companies Act, 2013, Clause 49 of the listing agreement &amp; DPE Guidelines.</p>

*N.B. The other paras of the report are self-explanatory.*

## Extracts of Annual Return

**Form No. MGT-9**  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31.03.2015  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

i) CIN	:	L74899DL1964GOI004281
ii) Registration Date	:	13 <sup>th</sup> November, 1964
iii) Name of the Company	:	Bharat Heavy Electricals Limited
iv) Category/ Sub-Category of the Company	:	Public Company/ Government Company/ Limited by shares
v) Address of the Registered office and contact details	:	BHEL House, Siri Fort, New Delhi- 110049 Tel: 011-66337000 Fax: 011-26493021 Email: shareholderquery@bhel.in
vi) Whether listed company (Yes / No)	:	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	<b>Karvy Computershare Private Limited</b> Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032 Tel.: 040-67162222 Fax : 040-23001153 Email: madhusudhan.ms@karvy.com; einward.ris@karvy.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Boiler	2513	28.66
2.	Turbine & Generator	2811	16.42
3	Construction & Service	42201	20.77

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	<b>BHEL Electrical Machines Ltd.</b> 283/1&2, Village Puttur, Post Bedradka, Kasargod, Kerala-671124	U31909KL2011GOI027440	Subsidiary	51%	Sec 2(87) of Companies Act, 2013

2.	<b>Raichur Power Corporation Ltd.</b> # 22/23, Sudarshan Complex, Sheshadari Road, Bengaluru- 560009	U40101KA2009PLC049582	Associate	23.54 %	2(6) of Companies Act, 2013
3.	<b>Dada Dhuniwale Khandwa Power Ltd.</b> Shed No. 7, MPSEB Complex, Rampur, Jabalpur- 482008	U40100MP2010PLC023131	Associate	50%	2(6) of Companies Act, 2013
4.	<b>BHEL-GE Gas Turbine Services Pvt. Ltd.</b> Gumidelli Towers, 6 <sup>th</sup> Floor, 1-10-39 to 44, Begumpet Airport Road, Begumpet, Hyderabad- 500016	U51505TG1997PTC040657	Associate	50% less one share	2(6) of Companies Act, 2013
5.	<b>NTPC BHEL Power Projects Pvt. Ltd.</b> NTPC Bhawan, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi- 110003	U40102DL2008PTC177307	Associate	50%	2(6) of Companies Act, 2013
6.	<b>Powerplant Performance Improvement Ltd.</b> 54/ D-9, Kishangarh Village, Vasant Kunj, New Delhi- 110070	U28991DL2003PLC120915	Associate	50% less one share	2(6) of Companies Act, 2013
7.	<b>Latur Power Company Ltd.</b> Prakashgad, 2 <sup>nd</sup> Floor, Plot No. G-9, Anant Kanekar Marg, Bandra (E), Mumbai- 400051	U40102MH2011PLC215884	Associate	50% (JV under liquidation)	2(6) of Companies Act, 2013

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

#### A. Promoters

(1) Indian									
a) Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	1543452000	0	1543452000	63.06	1543452000	0	1543452000	63.06	0.00
c) State Govt. (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>1543452000</b>	<b>0</b>	<b>1543452000</b>	<b>63.06</b>	<b>1543452000</b>	<b>0</b>	<b>1543452000</b>	<b>63.06</b>	<b>0.00</b>

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1543452000</b>	<b>0</b>	<b>1543452000</b>	<b>63.06</b>	<b>1543452000</b>	<b>0</b>	<b>1543452000</b>	<b>63.06</b>	<b>0.00</b>

**B. Public Shareholding**

<b>(1) Institutions</b>									
a) Mutual Funds	7331397	16000	7347397	0.30	39793147	16000	39809147	1.63	1.33
b) Banks / FI	126384705	4000	126388705	5.16	126603246	4000	126607246	5.17	0.01
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	269453404	2000	269455404	11.01	257234080	2000	257236080	10.51	-0.50
g) FIs	395044574	9000	395053574	16.14	393181119	9000	393190119	16.06	-0.08
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)									
Qualified Foreign Investor	200	0	200	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>798214280</b>	<b>31000</b>	<b>798245280</b>	<b>32.61</b>	<b>816811592</b>	<b>31000</b>	<b>816842592</b>	<b>33.37</b>	<b>0.76</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	23585005	6000	23591005	0.96	24212590	6000	24218590	0.99	0.03
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	67963634	1430529	69394163	2.84	53528596	1356741	54885337	2.24	-0.59

# DIRECTORS' REPORT



Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1154975	0	1154975	0.05	437720	0	437720	0.02	-0.03
c) Others (specify)									
Clearing Members	5219828	0	5219828	0.21	1803018	0	1803018	0.07	-0.14
Directors	1600	2000	3600	0.00	4100	0	4100	0.00	0.00
Foreign Nationals	1090	0	1090	0.00	750	0	750	0.00	0.00
Non Resident Indians	5325881	12500	5338381	0.22	3925431	12500	3937931	0.16	-0.06
Trusts	1199678	0	1199678	0.05	2017962	0	2017962	0.08	0.03
<b>Sub-total (B)(2):-</b>	<b>104451691</b>	<b>1451029</b>	<b>105902720</b>	<b>4.33</b>	<b>85930167</b>	<b>1375241</b>	<b>87305408</b>	<b>3.57</b>	<b>-0.76</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>902665971</b>	<b>1482029</b>	<b>904148000</b>	<b>36.94</b>	<b>902741759</b>	<b>1406241</b>	<b>904148000</b>	<b>36.94</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>2446117971</b>	<b>1482029</b>	<b>2447600000</b>	<b>100.00</b>	<b>2446193759</b>	<b>1406241</b>	<b>2447600000</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2014)			Shareholding at the end of the Year (As on 31.03.2015)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	President of India	1543452000	63.06	0.00	1543452000	63.06	0.00	0.00
	<b>TOTAL</b>	<b>1543452000</b>	<b>63.06</b>	<b>0.00</b>	<b>1543452000</b>	<b>63.06</b>	<b>0.00</b>	<b>0.00</b>

**(iii) Change in Promoters' Shareholding (No Change)**

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2014)/ end of the year (31.03.2015)		Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for Increase/ Decrease			Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares	% of total shares of the company	Date	Increase/ Decrease in Share holding	Reason	No. of shares	% of total shares of the company
1.	President of India	1543452000	63.06	NO CHANGE			1543452000	63.06

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2014)/ end of the year (31.03.2015)		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for Increase/ Decrease			Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease in Share holding	Reason	No. of shares	% of total shares of the Company
1.	Life Insurance Corporation of India	242890195	9.92					
				05.12.2014	-2485968	Transfer	240404227	9.82
				12.12.2014	-4078755	Transfer	236325472	9.66
				19.12.2014	-1918505	Transfer	234406967	9.58
				31.12.2014	-3890183	Transfer	230516784	9.42
		230516784	9.42	31.03.2015			230516784	9.42
2.	Lazard Asset Management LLC A/c Lazard Emerging Markets Portfolio	38942264	1.59					
				04.04.2014	14655	Transfer	38956919	1.59
				11.04.2014	18329	Transfer	38975248	1.59
				25.04.2014	24646	Transfer	38999894	1.59
				09.05.2014	16746	Transfer	39016640	1.59
				16.05.2014	24646	Transfer	39041286	1.60
				06.06.2014	-3827530	Transfer	35213756	1.44
				13.06.2014	-1929104	Transfer	33284652	1.36
				20.06.2014	-459078	Transfer	32825574	1.34
				30.06.2014	-2305882	Transfer	30519692	1.25
				04.07.2014	-1654693	Transfer	28864999	1.18
				11.07.2014	-1000907	Transfer	27864092	1.14
				01.08.2014	383511	Transfer	28247603	1.15
				08.08.2014	160874	Transfer	28408477	1.16
28408477	1.16	31.03.2015			28408477	1.16		

# DIRECTORS' REPORT



Sl. No.	Name	Shareholding at the beginning of the year (01.04.2014)/ end of the year (31.03.2015)		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for Increase/ Decrease			Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease in Share holding	Reason	No. of shares	% of total shares of the Company
3	Comgest SA A/c Magellan	30000000	1.23					
				04.04.2014	-1000000	Transfer	29000000	1.18
				11.04.2014	-3000000	Transfer	26000000	1.06
				30.05.2014	-2000000	Transfer	24000000	0.98
				10.10.2014	198396	Transfer	24198396	0.99
				17.10.2014	1610855	Transfer	25809251	1.05
				24.10.2014	666714	Transfer	26475965	1.08
				31.10.2014	326140	Transfer	26802105	1.10
				26802105	1.10	31.03.2015		26802105
4	LIC of India Market Plus 1 Growth Fund	24939880	1.02		No Change			
		24939880	1.02	31.03.2015			24939880	1.02
5	Comgest Growth PLC A/c Comgest Growth Emerging Markets	24307000	0.99					
				03.10.2014	675800	Transfer	24982800	1.02
				10.10.2014	213318	Transfer	25196118	1.03
				17.10.2014	1655505	Transfer	26851623	1.10
				24.10.2014	886111	Transfer	27737734	1.13
				31.10.2014	241428	Transfer	27979162	1.14
				21.11.2014	822428	Transfer	28801590	1.18
		28801590	1.18	31.03.2015		28801590	1.18	
6	LIC of India Money Plus Growth Fund	22406815	0.92		No Change			
		22406815	0.92	31.03.2015			22406815	0.92
7	Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund	19250000	0.79					
				11.04.2014	250000	Transfer	19500000	0.80
				18.04.2014	1500000	Transfer	21000000	0.86
				02.05.2014	1000000	Transfer	22000000	0.90
		22000000	0.90	31.03.2015		22000000	0.90	
8	Life Insurance Corporation of India P& GS Fund	18902990	0.77		No Change			
		18902990	0.77	31.03.2015			18902990	0.77
9	LIC of India Market Plus Growth Fund	18387175	0.75		No Change			
		18387175	0.75	31.03.2015			18387175	0.75
10	LIC of India Profit Plus Growth Fund	17381255	0.71		No Change			
		17381255	0.71	31.03.2015			17381255	0.71



**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name (S/ shri)	Shareholding at the beginning of the year (01.04.2014)/ end of the year (31.03.2015)		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for Increase/ Decrease			Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares	% of total shares of the Company	Date	Increase/ Decrease in Share holding	Reason	No. of shares	% of total shares of the Company
1	B. Prasada Rao Chairman & Managing Director	2000	0.00		No Change			
		2000	0.00	31.03.2015			2000	0.00
2	S.K. Bahri Part-time Official Director	0	0.00		No Change			
		0	0.00	31.03.2015			0	0.00
3	Ambuj Sharma Part-time Official Director (up to 21.12.2014)	0	0.00		No Change			
		0	0.00	31.03.2015			0	0.00
4	Rajesh Kumar Singh Part-time Official Director (w.e.f. 22.12.2014)	0	0.00		No Change			
		0	0.00	31.03.2015			0	0.00
5	Ms. Harinder Hira Part-time Non-Official Director (w.e.f. 08.05.2014)	0	0.00		No Change			
		0	0.00	31.03.2015			0	0.00
6	A.N. Roy Part-time Non-Official Director (w.e.f. 27.08.2014)	0	0.00		No Change			
		0	0.00	31.03.2015			0	0.00
7	P.K. Bajpai Director (Finance)	0	0.00		No Change			
		0	0.00	31.03.2015			0	0.00
8	R. Krishnan Director (HR)	0	0.00		No Change			
		0	0.00	31.03.2015			0	0.00
9	W.V.K. Krishna Shankar Director (IS&P)	100	0.00		No Change			
		100	0.00	31.03.2015			100	0.00
10	Atul Sobti Director (Power)	1500	0.00		No Change			
		1500	0.00				1500	0.00
11	T.N. Veeraraghavan Director (E,R&D) (w.e.f. 07.01.2015)	500	0.00		No Change			
		500	0.00	31.03.2015			500	0.00
12	I.P. Singh Company Secretary	0	0.00		No Change			
		0	0.00	31.03.2015			0	0.00

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2550.00			2550.00
ii) Interest due but not paid	2.89			2.89
iii) Interest accrued but not due	-			-
<b>Total (i+ii+iii)</b>	<b>2552.89</b>			<b>2552.89</b>
Change in Indebtedness during the financial year				
• Addition	-			-
• Reduction	2552.89			2552.89
Net Change	-2552.89			-2552.89
Indebtedness at the end of the financial year				
i) Principal Amount	-			-
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
<b>Total (i+ii+iii)</b>	<b>-</b>			<b>-</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager:

(In ₹)

Sl. no.	Particulars of Remuneration	Name of MD/ WTD/ Manager (S/ shri)						Total Amount
		B. Prasad Rao CMD	P.K. Bajpai Director (Fin.)	R. Krishnan Director (HR)	WVK Krishna Shankar Director (IS&P)	Atul Sobti Director (Power)	T.N. Veeraraghavan Director (E, R&D) wef 07.01.15	
1.	Gross salary							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	40,35,939	35,03,211	35,47,719	38,94,047	31,01,040	6,19,976	1,87,01,932
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,36,458	4,72,821	2,51,286	5,38,501	39,600	48,195	18,86,860

Sl. no.	Particulars of Remuneration	Name of MD/ WTD/ Manager (S/ shri)						Total Amount
		B. Prasada Rao CMD	P.K. Bajpai Director (Fin.)	R. Krishnan Director (HR)	WVK Krishna Shankar Director (IS&P)	Atul Sobti Director (Power)	T.N. Veeraraghavan Director (E, R&D) wef 07.01.15	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961							
2.	Stock Option							
3.	Sweat Equity							
4.	Commission - as % of profit - others, specify...							
5.	Others, please specify							
	<b>Total (A)</b>	<b>45,72,397</b>	<b>39,76,032</b>	<b>37,99,005</b>	<b>44,32,548</b>	<b>31,40,640</b>	<b>6,68,171</b>	<b>2,05,88,792</b>
	Ceiling as per the Act	NA						

B. Remuneration to other directors:

(In ₹)

Sl. no.	Particulars of Remuneration	Name of Directors (S/ shri)			Total Amount
1.	Independent Directors	Ms. Harinder Hira (wef 08.05.14)	A.N. Roy (wef 27.08.14)	-	
	• Fee for attending board / committee meetings	3,55,000	1,20,000	-	4,75,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>3,55,000</b>	<b>1,20,000</b>	<b>-</b>	<b>4,75,000</b>
2.	Other Non-Executive Directors	S.K. Bahri	Ambuj Sharma (up to 21.12.14)	Rajesh Kumar Singh (wef 22.12.14)	
	• Fee for attending board/ committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total (B)=(1+2)</b>	<b>3,55,000</b>	<b>1,20,000</b>	<b>NIL</b>	<b>4,75,000</b>
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act	Sitting fee paid to Independent Director is within the overall Ceiling as per the Companies Act, 2013 (which is ₹ 1,00,000 per Board/ Committee Meeting)			

## C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD:

(In ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	I.P. Singh Company Secretary	CFO	
1.	Gross salary	As per table VI(A)	2483337	As per table VI(A)	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify...				
5	Others, please specify				
	<b>Total</b>		2483337		

## VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
Penalty					
Punishment					
Compounding					
<b>Other Officers in Default</b>					
			NIL		
Penalty					
Punishment					
Compounding					

# Annexure-VII

## 7.1 Conservation of Energy

Energy Conservation (ENCON) is an important thrust area in BHEL. Following main activities were performed during the financial year:

1. Energy Conservation projects (34 Nos.) were implemented across the company, as suggested by the specialised agencies in the Energy Audit reports. The projects included installation of 5 Star Rated Air-Conditioners/ Fans; Energy Efficient Compressors; Energy Efficiency Lighting (LED/ CFL); SWHS (Solar Water Heating System); VFD (Variable Frequency Drives; APFC (Automatic Power Factor Control); Turbo Ventilators; Arresting Leakages; Occupancy & Photo Sensors (to turn ON/OFF lights/ AC); Replacement of conventional (old resistive type) regulators with Electronic Regulators for fans; etc.
2. Specific Energy Consumption (Energy/ Fuel units in kcal/ Gross Turnover – ED) has improved by 7.7% over the base level: 132 kcal/₹ Lacs in 12-13.
3. Energy Audit was conducted by specialized agencies at Trichy, Varanasi, Ranipet, Goindwal, Jhansi and EDN-Bengaluru units.
4. National Energy Conservation Day was celebrated across the company on 14<sup>th</sup> December. Various activities related to ENCON were organized for awareness generation of employees. All the employees working at CFFP-Haridwar were imparted awareness training on Energy Conservation as a part of preparedness for ISO 50001 (Energy Management System).

## 7.2 Technology Absorption and Research & Development

Research & Development

- |  |   |  |
|--|---|--|
| <ol style="list-style-type: none"> <li>1. Specific areas in which R&amp;D carried out by the Company</li> <li>2. Benefits derived as a result of the above R&amp;D</li> <li>3. Future plan of action:</li> </ol> | } | <p>Given in the Directors' Report under R&amp;D and Technological achievement (Annexure V)</p> |
|--|---|--|

The following are the major thrust areas for R&D and technology:

- Conventional thermal power plants with higher efficiencies using supercritical parameters
- Conventional thermal power plants with higher efficiencies using Ultra-supercritical & Advanced Ultra supercritical (Ad-USC) parameters
- Advanced control and instrumentation platform for thermal power plant and industrial application
- Coal research for refinement of understanding Indian coal characteristics
- Integrated Gasification Combined Cycle (IGCC) power plants
- Green technologies for Reduction of emissions such as Underground Coal Gasification, clean development mechanism (CDM) projects etc.
- Atmospheric and Circulating Fluidized Bed Combustion (CFBC) boilers
- Large size hydro power plants with higher efficiency and longer life
- Advanced transmission systems like ±800kV HVDC, 765 kV, 1200 kV Transmission systems/ products
- Flexible AC Transmission systems, including devices such as Thyristor Controlled Series Compensation, Phase Shifting Transformer, Static Synchronized Compensator (STATCOM), Controlled Shunt Reactor, etc.
- Gas Insulated Switchgear up to 765 kV rating
- Efficient, reliable and cost effective transportation solutions including IGBT – based applications, three-phase AC drive system for diesel electric locos, MEMU.
- Higher rating Industrial steam turbines
- Enhancing efficiency of the existing products
- Grid connected renewable energy systems such as solar PV, solar thermal, wind etc.
- Simulators
- Advanced Fabrication Technologies

- Surface coatings including ceramic applications
- Residual life assessment studies
- Deployment of new technologies including deployment of Intelligent machines & robotics, for reducing cycle time and cost
- Specialized engineering software applications
- Knowledge Management
- Total Engineering solutions including EPC with focus on design automation/ KBE/ PLM.
- Vibration and noise reduction
- Applications based on high temperature Superconductors.
- Desalination and Water Treatment Plants
- Flue Gas Desulphurization (FGD) systems
- Nano-technology applications
- Hydrogen energy and fuel cells
- Defence products

#### 4. Expenditure on R&D

1. Total	....	₹ 1018.59 Crore
a) Recurring	....	₹ 995.15 Crore
b) Capital		₹ 23.44 Crore
Expenditure as a percentage of total turnover	....	3.29 %

### 7.3 Technology Absorption and Adoption

Details of technology imported during the last 5 years:

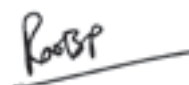
Technology	Year of import	Absorption status
Large size forgings	2010	Technology absorption in progress.
Centrifugal Compressors	2010	Technology absorption in progress.
Flue Gas Desulphurization (FGD) systems	2013	Technology absorption in progress.

### 7.4 Foreign Exchange Earnings and Outgoings

(₹ in Crore)

	2014-15	2013-14
(i) Foreign Exchange Used	4540	6758
(ii) Foreign Exchange Earned	5434	8778

For and on behalf of the Board of Directors of  
**BHARAT HEAVY ELECTRICALS LTD**



**(B. Prasada Rao)**

Chairman & Managing Director

Place : New Delhi  
Dated : 24.07.2015

# Annexure-VIII

## Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate Companies/ joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Crore )

1. Sl. No.	01
2. Name of the subsidiary	BHEL ELECTRICALS MACHINES LIMITED
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
5. Share capital	10.50
6. Reserves & surplus	-5.95
7. Total assets	21.63
8. Total Liabilities	17.08
9. Investments	NIL
10. Turnover (Gross)	21.88
11. Profit before taxation	-5.44
12. Provision for taxation	-1.48
13. Profit after taxation	-3.96
14. Proposed Dividend	NIL
15. % of shareholding	51%

#### Notes:

The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations	NIL
2. Names of subsidiaries which have been liquidated or sold during the year.	NIL

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in Crore)

Name of Joint Ventures	BHEL-GE Gas Turbine Services P. Ltd.	NTPC BHEL Power Projects Pvt Ltd.	Dada Dhuniwale Khandwa Power Ltd.	Raichur Power Corporation Ltd.
1. Latest Audited Balance Sheet Date	31.03.15	31.03.15 <sup>#</sup>	31.03.15	31.03.15 <sup>#</sup>
2. Shares of JVs held by BHEL on the year end				
No.	2379999	50000000	22500000	331523312
Amount of investment	2.38	50	22.5	331.52
Extent of Holding %	50% minus one share	50%	50%	23.54%
3. Description of how there is significant influence	-	-	-	-
4. Reason why the associate/ JV is not consolidated	N.A.	N.A.	N.A.	N.A.
5. Networth attributable to Shareholding as per latest audited Balance Sheet	110.96	66.32	22.88	331.52
6. Profit/ Loss for the year	As per Proportionate Consolidation Method			
i. Considered in consolidation	34.35	0.83	*	NIL**
ii. Not considered in Consolidation	-	-	-	-

#Unaudited \*Less than ₹ One lakh \*\* Pre- operative expenses considered in Capital WIP

M/s Latur Power Company Ltd. is under liquidation. The investment made with M/s Latur Power Company Ltd has been received back. M/s Power Plant Performance Improvement Ltd. is also under liquidation. Hence, both these JVs were not considered in consolidation

For and on behalf of Board of Directors



**(I. P. Singh)**  
Company Secretary



**(Atul Sobti)**  
Director (Finance)



**(B. Prasada Rao)**  
Chairman & Managing Director

For Wahi & Gupta.  
Chartered Accountants  
FRN 002263N



**(CA Anuj Gupta)**  
Partner  
M. No. 076560

For DSP & Associates  
Chartered Accountants  
FRN-006791N



**(CA Sanjay Jain)**  
Partner  
M.No. 084906



## Form AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso there to**

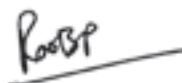
**1. Details of contracts or arrangements or transactions not at arm's length basis:**

- |   |       |
|---|-------|
| (a) Name(s) of the related party and nature of relationship   | : NIL |
| (b) Nature of contracts/arrangements/transactions   | : NIL |
| (c) Duration of the contracts/arrangements/transactions   | : NIL |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any                        | : NIL |
| (e) Justification for entering into such contracts or arrangements or transactions                                    | : NA  |
| (f) Date(s) of approval by the Board  | : NIL |
| (g) Amount paid as advances, if any   | : NIL |
| (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | : NIL |

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- |   |       |
|---|-------|
| (a) Name(s) of the related party and nature of relationship                                     | : NIL |
| (b) Nature of contracts/arrangements/transactions   | : NIL |
| (c) Duration of the contracts/arrangements/transactions   | : NIL |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any: | : NA  |
| (e) Date(s) of approval by the Board, if any  | : NIL |
| (f) Amount paid as advances, if any   | : NIL |

For and on behalf of the Board of Directors of  
BHARAT HEAVY ELECTRICALS LIMITED



**(B. Prasada Rao)**  
Chairman & Managing Director

Place: New Delhi  
Date: 24.07.2015

# Annexure-IX

## Independent Auditors' Report

### To the Members of Bharat Heavy Electricals Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Bharat Heavy Electricals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information in which are incorporated the returns for the year ended on that date audited by us for 11 branches and 24 branches audited by the branch auditors of the company.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2015;
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Emphasis of Matter

We draw attention to :

Amount outstanding in projects under hold for more than 3 years amounting to ₹ 1845 Crores (Refer note no. 31(26))

Our opinion is not qualified in respect of above matter.

## Other Matter

We did not audit the financial statements/information of 24 (Twenty Four ) branches included in the standalone financial statements of the Company whose financial statements / financial information reflect total assets of ₹ 46378.71 Crores as at 31<sup>st</sup> March, 2015 and total revenue of ₹ 24922.28 Crores for the year ended on that date, as considered in the standalone financial statements. The financial statements / information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of

sub-section (11) of section 143 of the Act, we give in the Annexure (A) a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- (2) As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - (c) The reports on the accounts of the branch offices of the Company audited under Section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
  - (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
  - (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors appointed during 2014-15 is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164(2) of the Act. Prior to 01-04-2014, in terms of notification no. GSR 829(E) dated 21.10.2013 issued by the Department of Company Affairs, Govt. of India, the provisions of section 274(1) (g) of the Companies Act, 1956 were not applicable to the company.
  - (g) With respect to the other matters to

be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31(5) to the financial statements.
- ii. The Company has made provision, as required under the applicable law and accounting standards, for

material foreseeable losses, if any, on long-term contracts – Refer Note 31(11) to the financial statements.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (3) As required by section 143(5) of the Act, we have considered the directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact on the accounts and financial statements of the company (Annexure B)

For Wahi & Gupta  
Chartered Accountants  
**FRN 002263N**



**(CA Anuj Gupta)**  
M.No.076560

For DSP & Associates  
Chartered Accountants  
**FRN 006791N**



**(CA Sanjay Jain)**  
M.No.084906

Date : May 26, 2015  
Place : New Delhi

## Annexure (A) to Independent Auditors' Report

**(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of Bharat Heavy Electricals Limited ("the Company"), for the year ended March 31, 2015)**

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) According to the information and explanations given to us, physical verification of fixed assets is being conducted in a phased manner by the management under a programme designed to cover all the fixed assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its business and no material discrepancies were noticed on such verification to the extent verification was made during the year.
- ii) (a) As explained to us physical verification of inventory has been conducted by the management under Perpetual Inventory Programme at regular intervals during the year except for stock of work in progress and finished goods in few units where these are verified at the year end with reference to the inspection reports and production reports of the Production Planning Department of such units. In regard to stocks lying with contractors/fabricators and other parties, confirmations were received in few cases only. In our opinion the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and discrepancies noticed on physical verification of inventories were not material with regard to the size and nature of operations of the Company and have been properly dealt with in the books of account.
- iii) According to the information given to us, the Company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clauses (iii) (a) and (iii)(b) of Paragraph 3 of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control systems.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014.
- vi) We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.

- vii) (a) According to the information and explanations given to us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and any other statutory dues were outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the particulars of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax and Cess which have not been deposited on account of dispute are as under:

(₹ in Crore)

Sl. No.	Name of the Statute	Nature of the Dues	Pending Amount	Amount paid under protest	Forum where dispute is pending
1	Central Sales Tax Act, Work Contract Tax Act, Lease Tax, Entry Tax Act and Sales Tax Act of various States	Sales Tax, Entry Tax & Work Contract Tax	89.55	25.15	Assessing Officer
			302.03	35.96	Dy. Commissioner / Jt. Commissioner/ Commissioner (Appeals)
			378.77	80.28	Appellate Tribunal
			409.35	107.49	High Court
			3.43	3.38	Supreme Court
			360.81	20.25	Various Appellate Authorities
2	Income Tax Act, 1961	Income Tax	1.17	-	Assessing Officer
			15.01	0.70	Commissioner (Appeals)
			0.32		High Court
3	Central Excise Act, 1944	Excise Duty	54.12	9.47	Commissioner (Appeals)
			359.63	8.44	Appellate Tribunal
			45.89	5.50	High Court
4	Service Tax under the Finance Act, 1994	Service Tax	77.96	2.13	Commissioner (Appeals)
			366.51	2.23	Appellate Tribunal
			14.47	-	High Court
5	Customs Act, 1962	Custom duty	2.93	2.83	Assessing Officer
6	The Building and Other Construction Workers Welfare Cess Act, 1996	Cess	11.78	2.50	High Court

- (d) The company has transferred the amount required to be transferred to Investor Education and Protection Fund within time in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- viii) The Company has no accumulated losses as at March 31, 2015 and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- ix) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- x) In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- xi) As per information and explanations given to us, the Company has not obtained any term loan during the year.
- xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Wah! & Gupta  
Chartered Accountants  
**FRN 002263N**



**(CA Anuj Gupta)**  
M.No.076560

For DSP & Associates  
Chartered Accountants  
**FRN 006791N**



**(CA Sanjay Jain)**  
M.No.084906

Date : May 26, 2015  
Place : New Delhi

## Annexure-B

**Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Bharat Heavy Electricals Limited (Standalone) for the year 2014-15 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013**

Sl. No.	Areas Examined	Observation/Finding												
1	If the company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	Department of Disinvestment (DoD) under Ministry of Finance have informed BHEL that a disinvestment of 5% paid up equity capital thro' Offer for Sale of Shares by promoters (GOI) thro' stock exchange mechanism as SEBI Rules & Regulations has been considered. Towards this Merchant Bankers/Selling Brokers have been appointed by DoD. BHEL participation towards this have been (a) Preparation of a presentation material about company & hosting on BHEL's web site (b) Participation in Road Shows planned by DoD along with Merchant Bankers/Selling Brokers. DoD is the agency for this disinvestment and the procedures & time lines are in their purview.												
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved	Debtors amounting to ₹ 31.24 Crore have been written-off during the FY 2014-15 on account of LD levied & recovered by the customers. ₹ 31.43 Crore written off during the FY 2014-15 due to various disallowance/ recoveries made by customer on account of rejections/defects, shortages, transport charges, difference in Taxes, counter claims etc. These are old cases and necessary approval for write off have been taken from competent authorities.												
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities	Proper records are being maintained for the inventories lying with third parties & assets received as gift from Govt. or other authorities. However, during the year there is no case of assets received as gift from Govt. or other authorities.												
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	<p>Age-wise analysis of pending legal &amp; arbitration cases and pending industrial dispute cases are as under :</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>No. of Cases</th> </tr> </thead> <tbody> <tr> <td>Less than 1 year</td> <td>184</td> </tr> <tr> <td>More than 1 year and less than 2 years</td> <td>167</td> </tr> <tr> <td>More than 2 years and less than 3 years</td> <td>154</td> </tr> <tr> <td>More than 3 years</td> <td>664</td> </tr> <tr> <td><b>Total</b></td> <td><b>1169</b></td> </tr> </tbody> </table> <p>Reasons for their pendency is that the legal cases entail procedural rules being adhered to and are finally heard/disposed of by the Court at their own turn. There exists an effective monitoring mechanism for expenditure on all legal cases (foreign and local). A sum of ₹ 19.44 Crore has been incurred as legal fees and expenses which is only 0.06 % of turnover.</p>	Particulars	No. of Cases	Less than 1 year	184	More than 1 year and less than 2 years	167	More than 2 years and less than 3 years	154	More than 3 years	664	<b>Total</b>	<b>1169</b>
Particulars	No. of Cases													
Less than 1 year	184													
More than 1 year and less than 2 years	167													
More than 2 years and less than 3 years	154													
More than 3 years	664													
<b>Total</b>	<b>1169</b>													





No. MAB-III/Rep/01-05/A/cs-BHEL/2015-16/Phase-1

भारतीय लेखा परीक्षा तथा लेखा विभाग 581

कार्यालय प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा

एवं पदेन सदस्य, लेखा परीक्षा बोर्ड-III

नई दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT

Office of the Principal Director of Commercial Audit

& Ex-Officio Member, Audit Board-III

New Delhi

सेवा में,

अध्यक्ष एवं प्रबंध निदेशक,  
भारत हेवी इलेक्ट्रिकल्स लिमिटेड,  
नई दिल्ली

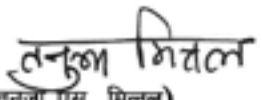
विषय: 31 मार्च 2015 को समाप्त वर्ष के लिये भारत हेवी इलेक्ट्रिकल्स लिमिटेड, नई दिल्ली के वार्षिक लेखाओं पर  
कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक-महालेखा परीक्षक की टिप्पणियाँ।

महोदय,

मैं भारत हेवी इलेक्ट्रिकल्स लिमिटेड, नई दिल्ली के 31 मार्च 2015 को समाप्त वर्ष के लेखाओं पर कंपनी  
अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अंग्रेजित कर रही हूँ।  
कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

संलग्न: यथोपरि।

भवदीया

  
(तनुजा एस. मित्तल)  
प्रधान निदेशक

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARAT HEAVY ELECTRICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2015**

The preparation of financial statements of Bharat Heavy Electricals Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 May 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Bharat Heavy Electricals Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report.

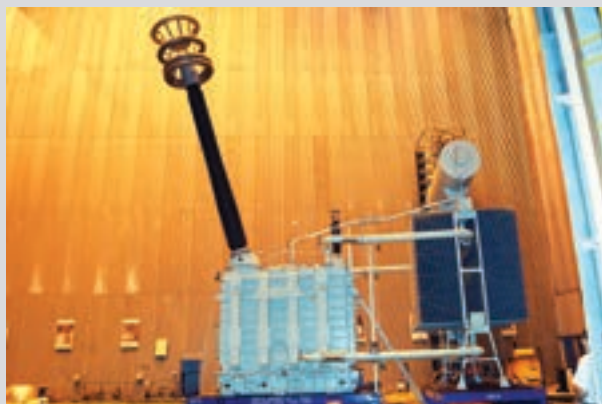
**For and on the behalf of the  
Comptroller & Auditor General of India**

*Tanuja Mittal*  
(Tanuja S. Mittal)

**Principal Director of Commercial Audit &  
Ex-officio Member, Audit Board – III,  
New Delhi**

Place: New Delhi  
Dated: 24 July 2015

## Another leap in efficient Transmission



*765 kV Shunt Reactor designed, manufactured, tested and commissioned by BHEL*

BHEL has successfully designed, manufactured, tested and commissioned 765 kV, 825 MVA 3-phase bank of Generator Transformer (comprising of 3 nos. 275 MVA 1-phase Transformers) and 765 kV 315 MVA 3-phase bank of Inter Connecting Transformer (comprising of 3 nos. 105 MVA Single Phase Transformers) for first unit of 660 MW Lalitpur Supercritical Thermal Power Project in Uttar Pradesh. Earlier, 765 kV 80 MVA, Single Phase Shunt Reactor has also been successfully designed, manufactured, and supplied by BHEL to PGCIL. Transmission of bulk power at 765 kV voltage has grown rapidly in the country during the recent years. With this, BHEL has established itself to address all kind of requirements of power generating and transmission utilities at 765 kV voltage class. In the year 2012, BHEL became the first indigenous Transformer manufacturer to design, manufacture and commission India's first 1200 kV Transformer.

So far, BHEL has supplied more than 500,000 MVAs of Transformers and Reactors to various utilities in India and abroad.

166 Annual Accounts Standalone

213 Consolidated Financial Statements



# Annual Accounts



## Balance Sheet

As at 31<sup>st</sup> March, 2015

(₹ in Crore)

Particulars	Note No.	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share capital	1	489.52		489.52	
(b) Reserves & surplus	2	33595.08	34084.60	32557.53	33047.05
<b>(2) Non-current liabilities</b>					
(a) Long-term borrowings	3	61.00		104.77	
(b) Other Long-term liabilities	4	5358.84		6600.17	
(c) Long-term provisions	5	6755.21	12175.05	7496.43	14201.37
<b>(3) Current liabilities</b>					
(a) Short-term borrowings	6	-		2550.00	
(b) Trade payables	7	8798.94		8717.84	
(c) Other current liabilities	8	9123.31		11445.32	
(d) Short-term provisions	9	4285.23	22207.48	2829.59	25542.75
<b>TOTAL</b>			<b>68467.13</b>		<b>72791.17</b>
<b>II. ASSETS</b>					
<b>(1) Non current assets</b>					
(a) Fixed assets	10				
(i) Tangible assets		3982.20		4525.13	
(ii) Intangible assets		158.32		167.81	
(iii) Capital work-in-progress		500.50		622.01	
(iv) Intangible assets under development		17.30	4658.32	20.11	5335.06
(b) Non-current investments	11	417.67		420.17	
(c) Deferred tax assets (net)	12	2220.73		1968.95	
(d) Long-term loans and advances	13	1219.05		1167.08	
(e) Other non-current assets	14	11413.82	15271.27	11881.07	15437.27
<b>(2) Current assets</b>					
(a) Inventories	15	10101.66		9797.55	
(b) Trade receivables	16	26223.50		28071.92	
(c) Cash and Bank Balances	17	9812.70		11872.93	
(d) Short term loans and advances	18	2224.65		2023.92	
(e) Other current assets	19	175.03	48537.54	252.52	52018.84
<b>TOTAL</b>			<b>68467.13</b>		<b>72791.17</b>
<b>Significant Accounting Policies</b>					
<b>Other notes to financial statements</b>					
	31				

The accompanying notes 1 to 31 & significant accounting policies form an integral part of the financial statements.

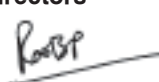
For and on behalf of Board of Directors



(I.P. Singh)  
Company Secretary



(P.K. Bajpai)  
Director (Finance)



(B. Prasada Rao)  
Chairman and Managing Director

As per our report of even date attached

For Wahi & Gupta  
Chartered Accountants  
FRN-002263N

For DSP & Associates  
Chartered Accountants  
FRN-006791N



(CA Anuj Gupta)  
Partner  
M.No. 076560



(CA Sanjay Jain)  
Partner  
M.No. 084906

Place : New Delhi  
Date : May 26, 2015

## Statement of Profit & Loss

For the year ended 31<sup>st</sup> March, 2015

(₹ in Crore)

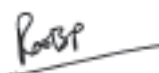
Particulars	Note No.	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
<b>I. Revenue from operations (Gross)</b>	<b>20</b>	<b>30947.04</b>	40337.92
Less : Excise duty		920.42	1342.26
Less : Service tax		484.65	606.84
<b>Revenue from operations (Net)</b>		<b>29541.97</b>	38388.82
<b>II. Other operational income</b>	<b>21</b>	<b>641.01</b>	720.01
<b>III. Other income</b>	<b>22</b>	<b>1220.45</b>	1616.03
<b>Total revenue (I to III)</b>		<b>31403.43</b>	40724.86
<b>IV. Expenses</b>			
Cost of material consumption, erection and engineering expenses	23	17758.32	22102.83
(Increase)/Decrease in work in progress & finished goods	24	-338.04	1053.65
Employees benefits expense	25	5450.00	5933.78
Finance costs	26	91.65	132.63
Depreciation & amortisation expense	10.1	1077.32	982.92
Other expenses of manufacture, administration, selling and distribution	27	3637.33	3308.50
Provisions (net)	28	1604.23	2258.70
Less: Cost of jobs done for internal use		27.50	68.46
<b>Total expenses</b>		<b>29253.31</b>	35704.55
<b>V. Profit before prior period adjustments and tax</b>		<b>2150.12</b>	5020.31
<b>VI. Add/less: Prior period adjustments (net)</b>	<b>29</b>	<b>-10.11</b>	-6.01
<b>VII. Profit before tax for the year</b>		<b>2140.01</b>	5014.30
<b>VIII. Less: Tax expense</b>	<b>30</b>		
a) Current tax		951.07	1911.00
b) Deferred tax		-230.35	-357.48
<b>IX. Profit for the year</b>		<b>1419.29</b>	3460.78
Earnings per share (Basic & Diluted)			
(Refer para no. 19 of Note no. 31) in ₹		5.80	14.14
Face Value per share (in ₹)		2.00	2.00
<b>Significant Accounting Policies</b>			
<b>Other notes to financial statements</b>	<b>31</b>		

The accompanying notes 1 to 31 & significant accounting policies form an integral part of the financial statements.

For and on behalf of Board of Directors

  
(I.P. Singh)  
Company Secretary

  
(P.K. Bajpai)  
Director (Finance)

  
(B. Prasada Rao)  
Chairman and Managing Director

As per our report of even date attached

For Wah! & Gupta  
Chartered Accountants  
FRN-002263N

For DSP & Associates  
Chartered Accountants  
FRN-006791N

  
(CA Anuj Gupta)  
Partner  
M.No. 076560

  
(CA Sanjay Jain)  
Partner  
M.No. 084906

Place : New Delhi  
Date : May 26, 2015

## Cash Flow Statement

for the year ended 31.03.2015

(₹ in Crore)

	2014-15	2013-14
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	2140.01	5014.30
Adjustment for		
Depreciation/Amortisation	1077.65	988.95
Lease Equalisation	0.60	0.51
Provisions (Net)	1125.16	1629.24
Bad Debts & LD & investment written off	62.69	70.30
Profit on sale of Fixed assets	-5.74	-0.05
Profit on sale of Short Term Investments	0.00	-0.02
Finance cost	91.65	132.66
Interest/Dividend Income	-840.92	-652.42
Operating Profit before Working Capital changes	3651.10	7183.47
Adjustment for		
Trade & Other Receivables	1115.59	-952.82
Inventories	-354.43	1945.06
Trade Payable & Advances	-2606.88	-1526.27
Cash generated from operations	1805.38	6649.44
Direct Taxes Paid (Net of refund)	-1029.90	-2131.30
<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>775.48</b>	<b>4518.14</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-500.43	-791.42
Sale and Disposal of Fixed Assets	43.66	121.72
Sale and Disposal of short term Investments	0.00	0.02
Investment in Subsidiary & Joint Ventures (net)	2.50	9.00
Adjustment pursuant to amalgamation		-108.20
Interest & Dividend income	918.58	600.81
<b>Net Cash used in Investing Activities</b>	<b>-464.31</b>	<b>168.07</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short term & Long term Borrowing (Net)	-2604.62	1233.01
Dividend Paid (including tax on dividend)	-594.02	-1315.55
Finance cost	-101.38	-126.65
<b>Net Cash used in Financing Activities</b>	<b>3300.02</b>	<b>209.19</b>
<b>D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-2060.23</b>	<b>4140.88</b>
Opening Balance of Cash and Cash Equivalents	11872.93	7732.05
Closing Balance of Cash and Cash Equivalents (Refer Note no.17)	9812.70	11872.93

Note 1 : Cash & Cash Equivalents consists of cash and bank balance & deposits with banks.

2 : Previous year's figures have been regrouped/rearranged wherever necessary.

3 : Cash & Cash Equivalents includes ₹ 3.72 Crore (Previous year ₹ 3.87 Crore) unclaimed dividend lying in designated bank accounts.

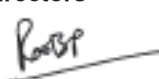
For and on behalf of Board of Directors



(I.P. Singh)  
Company Secretary



(P.K. Bajpai)  
Director (Finance)



(B. Prasada Rao)  
Chairman and Managing Director

As per our report of even date attached

For Wahi & Gupta  
Chartered Accountants  
FRN-002263N

For DSP & Associates  
Chartered Accountants  
FRN-006791N



(CA Anuj Gupta)  
Partner  
M.No. 076560



(CA Sanjay Jain)  
Partner  
M.No. 084906

Place : New Delhi  
Date : May 26, 2015

## 1 - Share Capital

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>Authorised</b>				
1000,00,00,000 equity shares of ₹ 2 each (previous year 1000,00,00,000 equity shares of ₹ 2 each)		<b>2000.00</b>		2000.00
<b>Issued, Subscribed &amp; Paid up Capital</b>		<b>489.52</b>		489.52
244,76,00,000 fully paid equity Shares of ₹ 2 each (previous year 244,76,00,000 equity shares of ₹ 2 each)				
a) The reconciliation of the number of equity shares outstanding is set out below :				
	<b>Number</b>	<b>Amount</b>	<b>Number</b>	<b>Amount</b>
Shares outstanding at the beginning of the year	<b>2447600000</b>	<b>489.52</b>	2447600000	489.52
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>2447600000</b>	<b>489.52</b>	2447600000	489.52
b) Details of shares held by shareholders holding more than 5% shares at the year end	<b>No. of shares</b>	<b>% age of holding</b>	No. of shares	% age of holding
President of India (POI) alongwith nominees	<b>1543452000</b>	<b>63.06%</b>	1543452000	63.06%
Life Insurance Corporation of India	<b>230516784</b>	<b>9.42%</b>	242890195	9.92%
Face Value per share (₹)		<b>2.00</b>		2.00
c) Terms / rights attached to the equity shares:				
The company has only one class of equity shares having par value of ₹ <b>2 per share</b> (previous year ₹ 2 per share). Each holder of the equity shares is entitled to one vote per share.				

## 2 - Reserves & surplus

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>Capital reserve</b>				
Opening Balance	36.56		2.74	
Add: Addition pursuant to amalgamation	-		0.02	
Add: Adjustment on amalgamation	-	36.56	33.80	36.56
<b>General reserve</b>				
Opening balance	31349.72		28849.72	
Add: transfer from surplus i.e. balance in statement of profit and loss	1000.00		2500.00	
Less: Deductions	-	32349.72	-	31349.72
<b>Surplus i.e. balance in statement of profit and loss</b>				
Opening Balance	1171.25		1102.12	
Add: Adjustment pursuant to Amalgamation	-		-81.25	
Less: Depreciation Adjustment (Refer to Para 25 of Note 31)	40.50		-	
Add: profit for the year	1419.29		3460.78	
Profit available for appropriation	2550.04		4481.65	
Less: Appropriation-				
- General reserve	1000.00		2500.00	
- Dividend (including interim dividend of ₹ 132.17 Crore previous year ₹ 320.64 Crore)	283.92		692.68	
- Corporate dividend tax (including tax on interim dividend ₹ 26.43 Crore previous year ₹ 54.49 Crore)	57.32	1208.80	117.72	1171.25
		<b>33595.08</b>		<b>32557.53</b>
<b>Proposed dividend on equity per share (₹)</b>		<b>0.62</b>		<b>1.52</b>



### 3 - Long-term borrowings

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>Unsecured</b>		
Long term maturities of finance lease obligations	61.00	104.77
	<u>61.00</u>	<u>104.77</u>

### 4 - Other long-term liabilities

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Trade payables	701.66	764.91
Advances received from customers & others	4563.02	5759.88
Deposits from contractors & others	94.16	75.38
	<u>5358.84</u>	<u>6600.17</u>

### 5 - Long-term provisions

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Provision for employees benefits	2706.52	2437.96
Contractual Obligation	3597.96	4692.95
Other long-term provisions	450.73	365.52
	<u>6755.21</u>	<u>7496.43</u>

### 6 - Short-term borrowings

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>Secured</b>		
<b>From banks</b>		
<b>Rupee export packing credit</b> (secured by first charge by way of hypothecation of raw materials, components, work-in-progress, finished goods, stores, trade receivables both present and future)	-	2,550.00
	<u>-</u>	<u>2,550.00</u>

### 7 - Trade Payables

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Trade Payables	8754.83	8643.51
Acceptances	44.11	74.33
	<u>8798.94</u>	<u>8717.84</u>

(Refer to Para no. 10 of Note no. 31 for micro and small enterprises disclosure)

## 8 - Other current liabilities

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Current maturities of finance lease obligation	56.83	67.68
Advances received from customers & others	6969.36	8902.48
Deposits from contractors & others	517.16	538.14
Bonds pursuant to amalgamation	0.00	1.00
Unclaimed dividend*	3.72	3.87
Other payables/ liabilities		
- Capex	193.49	268.11
- Statutory dues	454.62	506.76
- Employees dues	322.08	657.99
- Other dues	599.16	482.67
Interest accrued but not due	0.40	0.39
Interest accrued and due on:		
Bonds pursuant to Amalgamation	-	5.52
Rupee export packing credit	-	2.89
State Government Loans	2.33	2.33
Finance lease	4.16	5.49
	<b>9123.31</b>	<b>11445.32</b>

Advances received from customers & others include valuation adjustment-

-(₹ 2637.89 Crore (previous year ₹ 4025.65 Crore))

\* There is no amount due & outstanding as at balance sheet date to be transferred to Investor Education & Protection Fund.

## 9 - Short-term provisions

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Provision for employees benefits	574.45	570.10
Proposed Dividend	151.75	372.04
Corporate dividend tax	30.89	63.23
Contractual obligation	2511.19	943.86
Other short-term provisions	954.01	880.36
Corporate Social Responsibility	62.94	0.00
	<b>4285.23</b>	<b>2829.59</b>

## 10 - Fixed assets

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>(i) Tangible assets</b>		
Gross block	12146.48	11644.66
Less: Accumulated depreciation	8166.53	7122.37
Less: Lease adjustment account	-2.25	-2.84
Net Block	<u>3982.20</u>	<u>4525.13</u>
<b>(ii) Intangible assets</b>		
Gross block	442.29	405.83
Less: Accumulated depreciation/amortisation	283.97	238.02
Net block	<u>158.32</u>	<u>167.81</u>
<b>(iii) Capital work in progress</b>		
Construction work-in-progress -Civil	72.38	121.23
Construction stores (including in transit)	2.88	8.95
Plant & machinery and other equipments		
- Under Erection/ Fabrication/awaiting erection	352.32	345.80
- In transit	72.92	146.03
	<u>500.50</u>	<u>622.01</u>
<b>(iv) Intangible assets under development</b>	<u>17.30</u>	<u>20.11</u>
	<u>17.30</u>	<u>20.11</u>
<b>Total</b>	<u><u>4658.32</u></u>	<u><u>5335.06</u></u>
Refer to details in Note no. 10.1		

## Note 10.1

### Fixed Assets

(₹ in Crore)

	Gross Block			Depreciation						Net Block	
	Cost As at 01.04.2014	Additions/ adjustments during the year	Deductions/ adjustments during the year	Cost As at 31.03.2015	Accumulated Depreciation/ Amortisation As at 01.04.2014	Depreciation for the year	Depreciation adjustments	Lease Adjustment Account as at 31.03.2015	Accumulated Depreciation/ Amortisation as at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Factory/ Office Complex</b>											
<b>(i) Tangible assets</b>											
Freehold land (incl. development exp.)	25.29		0.15	25.14						25.14	25.29
Leasehold land (incl. development exp.)	60.16	0.11		60.27	1.04	0.64			1.68	58.60	59.12
Roads, bridges and culverts	28.24	0.41		28.65	5.73	8.13	4.16		18.02	10.63	22.51
Buildings	1795.11	115.91	27.47	1883.56	699.25	96.97	-10.89		785.33	1098.24	1095.86
Leashold buildings	3.12			3.12	1.44	0.05			1.49	1.63	1.68
Drainage, sewerage and water supply	29.45	0.20		29.65	12.68	0.84	0.38		13.90	15.75	16.77
Railway siding	16.70	2.81		19.51	9.98	0.80			10.78	8.73	6.72
Locomotives and wagons	52.59	2.65		55.24	23.73	3.13	0.30		27.16	28.09	28.86
Plant & Machinery	7294.68	320.79	13.15	7602.32	4725.12	715.91	-14.93		5426.10	2176.22	2569.56
Electronic data processing equipments	175.59	28.86		204.45	170.00	2.51	27.65		200.16	4.29	5.59
Electrical installations	336.62	8.85	0.59	344.88	140.73	29.26	-0.05		169.94	174.94	195.89
Construction Equipment	265.33	6.49	2.17	269.65	193.24	28.77	-0.81		221.20	48.45	72.09
Vehicles	20.12	5.15	0.46	24.82	16.64	1.28	0.69		18.61	6.21	3.48
Furniture & fixtures	55.74	5.17	0.43	60.47	19.01	7.28	0.64		26.93	33.54	36.73
Office & other equipments	182.76	22.34	1.11	203.99	92.83	38.25	12.67		143.75	60.25	89.93
Fixed assets costing up to ₹10,000/-	110.96	6.53	1.36	116.14	110.96	6.55	-1.37		116.13		
Capital expenditure	0.44		0.44		0.44		-0.44				
Assets Given on Lease	497.15			497.15	493.79		3.36	2.25	497.15	2.25	6.20
EDP Equipment taken on lease	396.57	5.87	33.83	368.61	261.03	70.50	-13.58		317.95	50.66	135.54
Office & other equipment taken on lease	4.17	0.45	0.45	4.17	1.04	1.31	0.20		2.55	1.61	3.13
Other assets taken on lease	2.00		0.05	1.95	2.11	0.18	-0.48		1.81	0.14	-0.11
<b>Total Tangible Assets-Factory</b>	<b>11352.81</b>	<b>532.61</b>	<b>81.66</b>	<b>11803.73</b>	<b>6980.79</b>	<b>1012.35</b>	<b>7.49</b>	<b>2.25</b>	<b>8000.63</b>	<b>3805.36</b>	<b>4374.86</b>
<b>(ii) Intangible Assets</b>											
-Internally developed											
Software											
Others	59.88	8.55		68.43	34.70	13.69	0.08		48.46	19.97	25.18
-Others											
Software	150.42	16.03	5.30	161.16	132.57	14.51	-4.87		142.22	18.94	17.85
Technical Know-how	171.28	17.22		188.50	60.67	19.65	-0.96		79.36	109.15	110.61
Others	24.25		0.05	24.20	10.08	3.85			13.93	10.27	14.17
<b>Total intangible Assets-Factory</b>	<b>405.83</b>	<b>41.81</b>	<b>5.35</b>	<b>442.29</b>	<b>238.02</b>	<b>51.70</b>	<b>-5.75</b>		<b>283.97</b>	<b>158.32</b>	<b>167.81</b>
<b>Total of Factory Assets</b>	<b>11758.64</b>	<b>574.41</b>	<b>87.01</b>	<b>12246.02</b>	<b>7218.81</b>	<b>1064.05</b>	<b>1.74</b>	<b>2.25</b>	<b>8284.60</b>	<b>3963.68</b>	<b>4542.67</b>

	Gross Block			Depreciation						Net Block	
	Cost As at 01.04.2014	Additions/ adjustments during the year	Deductions/ adjustments during the year	Cost As at 31.03.2015	Accumulated Depreciation/ Amortisation As at 01.04.2014	Depreciation for the year	Depreciation adjustments	Lease Adjustment Account as at 31.03.2015	Accumulated Depreciation/ Amortisation as at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Township/ Residential</b>											
<b>Tangible assets</b>											
Freehold land (incl. development exp.)	2.39	0.15		2.54						2.54	2.39
Leasehold land (incl. development exp.)	11.43	0.25		11.68	0.66	0.12		0.78		10.89	10.77
Roads, bridges and culverts	7.22	0.59		7.81	3.21	0.61	2.13	5.95		1.86	4.01
Buildings	177.69	39.66		217.35	72.40	5.76	6.55	84.71		132.64	105.29
Leasehold buildings	0.27			0.27	0.27			0.27			
Drainage, sewerage and water supply	19.94	2.81	0.02	22.73	15.10	0.53	0.24	15.87		6.86	4.84
Plant and Machinery	23.76	2.55	0.04	26.27	14.10	2.12	-0.04	16.18		10.09	9.66
Electronic Data Processing Equipment	0.03	0.02		0.05		0.02		0.02		0.03	0.03
Electrical installations	19.54	2.13		21.67	15.88	1.04	0.05	16.97		4.70	3.66
Vehicles	1.00		0.08	0.92	0.96	0.03	-0.08	0.90		0.01	0.04
Furniture & fixtures	1.30	0.29	0.04	1.55	0.58	0.31	-0.03	0.87		0.68	0.72
Office & other equipments	24.25	2.74	0.18	26.81	15.40	2.64	2.24	20.28		6.53	8.85
Fixed assets costing up to ₹ 10000/-	3.02	0.10		3.12	3.02	0.10		3.12			
<b>Total Tangible Assets-Township</b>	<b>291.85</b>	<b>51.27</b>	<b>0.36</b>	<b>342.75</b>	<b>141.58</b>	<b>13.27</b>	<b>11.05</b>	<b>165.90</b>		<b>176.84</b>	<b>150.27</b>
<b>Total of Township Assets</b>	<b>291.85</b>	<b>51.27</b>	<b>0.36</b>	<b>342.75</b>	<b>141.58</b>	<b>13.27</b>	<b>11.05</b>	<b>165.90</b>		<b>176.84</b>	<b>150.27</b>
<b>Total of Tangible Assets</b>	<b>11644.66</b>	<b>583.88</b>	<b>82.03</b>	<b>12146.48</b>	<b>7122.37</b>	<b>1025.62</b>	<b>18.54</b>	<b>8166.53</b>	<b>2.25</b>	<b>3982.20</b>	<b>4525.13</b>
<b>Total of Intangible Assets</b>	<b>405.83</b>	<b>41.81</b>	<b>5.35</b>	<b>442.29</b>	<b>238.02</b>	<b>51.70</b>	<b>-5.75</b>	<b>283.97</b>		<b>158.32</b>	<b>167.81</b>
<b>Total of Factory &amp; Township</b>	<b>12050.49</b>	<b>625.69</b>	<b>87.38</b>	<b>12588.77</b>	<b>7360.39</b>	<b>1077.32</b>	<b>12.80</b>	<b>8450.50</b>	<b>2.25</b>	<b>4140.52</b>	<b>4692.94</b>
<b>Previous year</b>	<b>10783.26</b>	<b>1345.59</b>	<b>78.36</b>	<b>12050.49</b>	<b>6406.47</b>	<b>982.92</b>	<b>-29.01</b>	<b>7360.39</b>	<b>2.84</b>	<b>4692.94</b>	<b>4458.49</b>
<b>The details of R&amp;D capital items included in above</b>											
<b>Plant &amp; Machinery &amp; other Equipments</b>	<b>482.95</b>	<b>48.76</b>	<b>0.67</b>	<b>531.04</b>	<b>302.40</b>	<b>48.06</b>	<b>0.62</b>	<b>351.08</b>		<b>179.96</b>	<b>180.55</b>
<b>Building</b>	<b>41.45</b>	<b>0.02</b>		<b>41.47</b>	<b>18.76</b>		<b>0.02</b>	<b>18.78</b>		<b>22.68</b>	<b>22.69</b>

Gross Block as at 31.03.2015 includes assets condemned and retired from active use ₹ 122.03 Crore (Previous year ₹ 85.29 Crore)

Net Block as at 31.03.2015 includes assets condemned and retired from active use ₹ 1.29 Crore (Previous year ₹ 0.02 Crore)

Gross Block excludes cost of assets purchased out of grant received from Govt. of India for research as executing agency since the property does not vest with the Company.

₹ in Crore	2014-15	2013-14
	49.16	42.04

There is no impairment loss in fixed assets during the year.

Depreciation adjustment includes adjustment to retained earning ₹ 61.94 Crore (refer para 25 of note 31)

## 11 - Non-current investments

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>Long Term Investments (at cost)</b>				
<b>Unquoted Shares (Fully paid up):</b>				
<b>TRADE:</b>				
1892 (previous year 1892) Equity shares of ₹ 10/- each (Previous year ₹ 10 each) of Engineering Projects (India) Ltd.	*		*	
728960 (previous year 728960) Equity shares of ₹ 10/- each of AP Gas Power Corporation Ltd.	0.91		0.91	
5000000 (Previous year 5000000) Equity shares of ₹ 10/- each of Neelachal Ispat Nigam Ltd.	5.00	5.91	5.00	5.91
<b>Subsidiary Company</b>				
5355000 (previous year 5355000) Equity Shares of ₹ 10/- each of BHEL Electrical Machines Ltd.	5.36	5.36	5.36	5.36
<b>Joint Venture Companies</b>				
1999999 (previous year 1999999) Equity Shares of ₹ 10/- each of Powerplant Performance Improvement Ltd.	2.00		2.00	
Less: Provision for diminution in value	2.00		2.00	
- 50000000 (previous year 50000000) Equity Shares of ₹ 10/- each of NTPC-BHEL Power Projects Pvt. Ltd.	50.00		50.00	
- 331523312 (previous year 331523312) Equity Shares of ₹ 10/- each of Raichur Power Corporation Ltd.	331.52		331.52	
- 22500000 (previous year 22500000) Equity Shares of ₹ 10/- each of Dada Dhuniwale Khandwa Power Ltd.	22.50		22.50	
- NIL (previous year 2500000) Equity Shares of ₹ 10/- each of Latur Power Company Ltd.	0.00		2.50	
- 2379999 (previous year 2379999) Equity Shares of ₹ 10/- each of BHEL-GE Gas Turbine Services Pvt. Ltd.	2.38	406.40	2.38	408.90
<b>OTHER THAN TRADE:</b>				
250 shares (Previous year 250) of ₹ 10/- each of BHPV Employees Consumers Cooperative Stores Ltd.		*		*
10 shares (Previous year 10) of ₹ 50/- each of Cuffe Parade Persopolis Premises Cooperative Society Ltd., Mumbai		*		*
20 shares of ₹ 50/- each (Previous year 20) of Hill View Cooperative Housing Society Ltd., Mumbai		*		*
Share Money paid in advance to M/s. Rita Enterprises, Mumbai for allotment of 50 shares of ₹ 10 each		*		*
Share Money paid in advance to M/s. Asish Enterprises, Mumbai for allotment of 50 shares of ₹ 10 each		*		*
* Value of less than ₹ 1 lakh/-				
		<u>417.67</u>		<u>420.17</u>
<b>Aggregate value of unquoted investments</b>		417.67		420.17
<b>Aggregate provision in diminution in value of investments</b>		2.00		2.00
Latur Power Company Ltd. is under liquidation. The amount of investment made (₹ 2.50 Crore) has been received back.				

## 12 - Deferred tax assets (Net)

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Provisions	1512.23	1317.02
Statutory dues	639.32	609.47
Modvat Adjustment	2.88	50.05
Others	8.82	40.66
	<u>2163.25</u>	<u>2017.20</u>
Deferred tax liabilities		
Depreciation	-57.48	48.25
<b>Deferred tax assets (net)</b>	<u><u>2220.73</u></u>	<u><u>1968.95</u></u>

## 13 - Long-term loans and advances

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>Loans</b>		
Loans to employees	0.01	0.01
Loans to public sector undertakings (Bharat Pumps and Compressor Ltd. for capital investment)	4.00	8.00
Interest accrued and or due on loans	0.17	0.32
	<u>4.18</u>	<u>8.33</u>
<b>Sub classification:-</b>		
Secured, considered good ₹ 4.02 Crore (previous year ₹ 8.09 Crore)		
Unsecured, considered good ₹ 0.16 Crore (previous year ₹ 0.24 Crore)		
<b>Advances (recoverable in cash or in kind or for value to be received)</b>		
For purchases	336.12	413.29
Capital advance	35.12	36.06
To Others	57.95	58.85
	<u>429.19</u>	<u>508.20</u>
<b>Sub classification:-</b>		
Unsecured, considered good ₹ 429.19 Crore (previous year ₹ 508.20 Crore)		
<b>Deposits</b>		
Balance with Customs, Port Trust and other Govt. Authorities	78.32	55.49
Other deposits	108.01	65.05
Advance tax/TDS (Net of provision for taxation ₹ 5909.46 Crore (Previous year ₹ 8007.45 Crore))	642.19	563.36
Less: Provisions	42.84	33.35
	<u>785.68</u>	<u>650.55</u>
<b>Sub classification:-</b>		
Unsecured, considered good ₹ 785.68 Crore (previous year ₹ 650.55 Crore)		
Doubtful ₹ 42.84 Crore (previous year ₹ 33.35 Crore)		
	<u><u>1219.05</u></u>	<u><u>1167.08</u></u>
Includes:		
Due from Officers	0.01	0.01

## 14 - Other non-current assets

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
Long term trade receivables	14731.78		14858.76	
Less: Provision for bad & doubtful debts	2956.71		2403.35	
Less: Automatic price reduction adjustment	361.25	11413.82	574.34	11881.07
		<u>11413.82</u>		<u>11881.07</u>
<b>Sub classification: Long term trade receivables</b>				
Secured, considered good		-		-
Unsecured, considered good		11413.82		11881.07
Doubtful		3317.96		2977.69
		<u>14731.78</u>		<u>14858.76</u>
Long term trade receivables include deferred debts- - ₹ 10219.60 Crore (previous year ₹ 11619.96 Crore)				

## 15 - Inventories

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
Raw material & components	4090.04		3877.83	
Material-in-transit	467.45	4557.49	593.50	4471.33
Work-in-progress (including items with sub-contractors)		3210.72		3013.69
Finished goods	1743.74		1498.80	
Inter division transfers in transit	201.99	1945.73	307.07	1805.87
Stores & spare parts				
Production	224.08		227.15	
Fuel stores	5.50		17.06	
Miscellaneous	46.55	276.13	48.69	292.90
Materials with fabricators/contractors		141.73		197.39
Loose tools		35.29		37.55
Scrap (at estimated realisable value)		71.54		65.56
Less: Provision for non-moving inventory	136.97	-136.97	86.74	-86.74
		<u>10101.66</u>		<u>9797.55</u>
Refer to Significant accounting policy No. 9 regarding mode of valuation				



## 16 - Trade receivables

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Debts outstanding for a period exceeding six months	15418.12	15015.42
Other debts	12567.25	14248.31
	<b>27985.37</b>	29263.73
Less : Provision for bad & doubtful debts & automatic price reduction adjustment	1761.87	1191.81
	<b>26223.50</b>	<b>28071.92</b>
Trade receivables include deferred debts- – ₹ 7047.77 Crore (previous year ₹ 6327.62 Crore)		
Trade receivables include goods despatched pending billing – ₹ 1191.93 Crore (previous year ₹ 1328.75 Crore)		
Trade receivables include valuation adjustment- – ₹ 1708.44 Crore (previous year ₹ 1342.28 Crore)		
<b>Particulars of trade receivables :</b>		
Secured, considered good	-	-
Unsecured, considered good	26223.50	28071.92
Doubtful	1761.87	1191.81
	<b>27985.37</b>	<b>29263.73</b>

## 17 - Cash & Bank Balances

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>Cash &amp; cash equivalents</b>		
Balances with Banks*	2510.46	2383.66
Cheques, Demand Drafts on hand	290.74	185.54
Cash & Stamps in on hand	0.58	0.94
Remittances in transit	-	0.06
<b>Other Bank Balances</b>		
Fixed deposit having maturity more than 3 months but not more than 12 months	7010.09	9302.73
Fixed deposit having maturity more than 12 months	0.83	
	<b>9812.70</b>	<b>11872.93</b>
<b>*Includes</b>		
Earmarked against unclaimed dividend	3.72	3.87
Non-repatriable account	4.11	5.87

## 18 - Short-term loans and advances

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>Loans</b>				
Loans to employees	0.01		0.02	
Loans to public sector undertakings (Bharat Pumps and Compressor Ltd. for capital investment)	8.00		8.00	
Interest accrued and or due on loans	1.93	9.94	1.95	9.97
<b>Sub classification:-</b>				
Secured, considered good ₹ 8.04 Crore (previous year ₹ 8.06 Crore)				
Unsecured, considered good ₹ 1.90 Crore (previous year ₹ 1.91 Crore)				
<b>Advances (recoverable in cash or in kind or for value to be received)</b>				
To subsidiaries	0.59		0.51	
To employees	39.08		39.68	
For purchases	463.74		505.78	
To others	1192.49	1695.90	1046.82	1592.79
<b>Sub classification:-</b>				
Secured, considered good ₹ 0.05 Crore (previous year ₹ 0.08 Crore)				
Unsecured, considered good ₹ 1695.85 Crore (previous year ₹ 1592.71 Crore)				
<b>Deposits</b>				
Balance with Customs, Port Trust and other Govt. Authorities	502.52		436.88	
Others	129.58		86.86	
Less: Provision	113.29	518.81	102.58	421.16
<b>Sub classification:-</b>				
Unsecured, considered good ₹ 518.81 Crore (previous year ₹ 421.16 Crore)				
Doubtful ₹ 113.29 Crore (previous year ₹ 102.58 Crore)				
		2224.65		2023.92
Includes:				
Due from officers		0.14		0.15

## 19 - Other current assets

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
Interest Accrued on Banks Deposits	175.03		252.52	
	175.03		252.52	

## 20 - Revenue from operations

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Sales less returns (gross)	24463.73	33136.29
Income from external erection & other services & revenue from works contract	6483.31	7201.63
	<u>30947.04</u>	<u>40337.92</u>
Refer point no. 29a of Note no. 31		

## 21 - Other operational income

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Export Incentives	100.33	27.04
Rental income on leased assets	0.93	0.93
Lease equalisation account	-0.60	-0.51
Scrap sale	243.92	284.88
Receipt from sale/transfer of surplus stock	0.06	0.05
Others	296.37	407.62
	<u>641.01</u>	<u>720.01</u>

## 22 - Other income

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
<b>A. Other income</b>		
Profit on sale of short term investment	0.00	0.02
Profit from sale of fixed assets & capital stores (net)	5.74	0.05
Dividend	29.80	21.38
Exchange variation ( net)	0.00	658.78
Others (including grants of ₹ NIL (previous year ₹ NIL) from Govt. of India for R & D Projects)	373.79	304.76
<b>Total (A)</b>	<u>409.33</u>	<u>984.99</u>
<b>B. Interest Income*</b>		
From customers	0.07	0.09
From banks	798.27	613.85
Others	12.78	17.10
<b>Total (B)</b>	<u>811.12</u>	<u>631.04</u>
*TDS ₹ 81.05 Crore (previous year ₹ 60.36 Crore)		
<b>Total Other Income</b>	<u>1220.45</u>	<u>1616.03</u>

## 23 - Cost of material consumption, erection and engineering expenses

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Consumption of raw material & components	13703.99	17141.26
Consumption of stores & spares	472.54	569.19
Erection and engineering exp. - payment to subcontractors	3581.79	4392.38
	<u>17758.32</u>	<u>22102.83</u>

## 24 - Increase/(Decrease) in work in progress & finished goods

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
<b>Work-in-Progress</b>		
Closing Balance	3210.72	3013.69
Opening Balance	3013.69	4188.13
Less: Stock adjustment on amalgamation	197.03	13.29
		-1187.73
<b>Finished Goods</b>		
Closing Balance	1743.74	1498.80
Opening Balance	1498.80	1359.89
Less: Stock adjustment on amalgamation	244.94	1.11
		137.80
<b>Inter-division transfer in transit</b>	-103.93	-3.72
	<u>338.04</u>	<u>-1053.65</u>
<b>NOTE:</b>		
<b>Element of Excise duty in Finished Goods</b>		
Closing Balance	128.31	130.62
Opening Balance	130.62	126.49

## 25 - Employees benefits expense

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Salaries, wages, bonus, allowances & other benefits	4503.07	5019.40
Contribution to gratuity fund	89.44	107.13
Contribution to provident and other funds	334.67	328.32
Group insurance	11.89	10.56
Staff welfare expenses	510.93	468.37
	<u>5450.00</u>	<u>5933.78</u>

## 26 - Finance cost

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Interest expense	91.65	103.90
Interest on income tax	0.00	4.47
Other Borrowing Costs	0.00	24.26
	<b>91.65</b>	<b>132.63</b>
Less: Borrowing Cost capitalised	-	-
	<b>91.65</b>	<b>132.63</b>

## 27 - Other expenses of manufacture, administration, selling & distribution

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Royalty, technical, Resident consultant's charges & other consultancy charges	118.58	134.03
Rent	82.04	81.95
Excise duty	225.16	285.61
Power & Fuel	554.57	603.52
Rates & taxes	74.30	74.75
Service tax	9.94	8.25
Exchange variation (Net)	386.42	
Insurance	123.02	119.34
Repairs:		
Buildings	88.29	84.04
Plant & machinery	43.64	44.56
Others	133.09	135.40
Other expenses in connection with exports	23.79	23.30
Losses written off	0.02	0.05
Bad debts written off	31.43	8.58
Carriage outward	321.35	382.40
Travelling & conveyance	164.53	186.78
Miscellaneous expenses	1060.91	1027.67
Liquidated damages charged off	31.24	61.67
Donations	0.01	0.06
Corporate social responsibility & sustainability development expenses (Includes ₹ 62.94 Crore for amount yet to be spent on committed projects)	165.00	46.54
	<b>3637.33</b>	<b>3308.50</b>

## 28 - Provisions (net)

(₹ in Crore)

	Figures for the current year ended 31.03.2015		Figures for the previous year ended 31.03.2014	
<b>Doubtful debts, Liquidated damages and loans &amp; advances</b>				
Created during the year	1765.23		1469.92	
Less: written back during the year	<u>802.82</u>	<u>962.41</u>	<u>713.85</u>	<u>756.07</u>
<b>Contracutal Obligations</b>				
Created during the year	1047.26		1116.95	
Less: written back during the year	<u>568.19</u>	<u>479.07</u>	<u>487.49</u>	<u>629.46</u>
<b>Others</b>				
Created during the year	494.14		947.14	
Less: written back during the year	<u>331.39</u>	<u>162.75</u>	<u>73.97</u>	<u>873.17</u>
		<u>1604.23</u>		<u>2258.70</u>

## 29 - Prior period adjustment (net)

(₹ in Crore)

	Figures for the current year ended 31.03.2015		Figures for the previous year ended 31.03.2014	
<b>Income</b>				
Sales less returns	-10.36		0.00	
Other income	<u>0.66</u>	<u>-9.70</u>	<u>0.03</u>	<u>0.03</u>
<b>Expenditure</b>				
Payment to Subcontractor	0.66		0.14	
Consumption of Raw material & components	0.00		0.40	
Depreciation	0.33		6.03	
Interest Cost	0.00		0.03	
Misc. Expenses	<u>-0.58</u>	<u>0.41</u>	<u>-0.56</u>	<u>6.04</u>
		<u>-10.11</u>		<u>-6.01</u>

## 30 - Tax expense

(₹ in Crore)

	Figures for the current year ended 31.03.2015		Figures for the previous year ended 31.03.2014	
<b>a) Current tax</b>				
For current year	1005.33		1899.95	
For earlier years	<u>-54.26</u>	<u>951.07</u>	<u>11.05</u>	<u>1911.00</u>
<b>b) Deferred tax charge / (credit)</b>				
For current year	-340.38		-315.10	
For earlier years	<u>110.03</u>	<u>-230.35</u>	<u>-42.38</u>	<u>-357.48</u>
		<u>720.72</u>		<u>1553.52</u>

## Significant Accounting Policies

### 1 Basis of preparation of Financial Statements

The financial statements have been prepared as of a going concern on historical cost convention and on accrual method of accounting in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 as adopted consistently by the Company.

### 2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the income and expenditure during the reporting period and the assets and liabilities including contingent liabilities at the date of financial statements. The differences between actual results and estimates are recognized in the period in which results are known.

### 3 Fixed Assets

Fixed assets (other than land acquired free from State Government) are carried at the cost of acquisition or construction or book value less accumulated depreciation and impairment, if any. Cost includes value of internal transfers for capital works, taken at actual / estimated factory cost or market price, whichever is lower. Effect of extraordinary events such as devaluation / revaluation in respect of long term liabilities / loans utilized for acquisition of fixed assets is added to / reduced from the cost.

Land acquired free of cost from the State Government is valued at ₹ 1/- except for that acquired after 16<sup>th</sup> July, 1969, in which case the same is valued at the acquisition price of the State Government concerned, by corresponding credit to capital reserve.

### 4 Leases

#### Finance Lease

#### A) (i) Assets Given on Lease Prior to 1<sup>st</sup> April 2001

Assets manufactured and given on finance lease are capitalised

at the normal sale price/fair value/contracted price and treated as sales.

Depreciation on the same is charged at the rate applicable to similar type of fixed assets as per Accounting Policy on 'Depreciation'. Against lease rentals, matching charge is made through Lease Equalisation Account.

Finance income is recognized over the lease period.

#### (ii) Assets Given on Lease on or after 1<sup>st</sup> April, 2001

Assets manufactured and given on finance lease are recognized as sales at normal sale price / fair value/ NPV.

Finance income is recognized over the lease period.

Initial direct costs are expensed at the commencement of lease.

#### B) Assets Taken on Lease on or after 1<sup>st</sup> April 2001

Assets taken on lease are capitalised at fair value / NPV / contracted price.

Depreciation on the same is charged at the rate applicable to similar type of fixed assets as per Accounting Policy on 'Depreciation'. If the lease assets are returnable to the lessor on expiry of lease period, the same is depreciated over its useful life or lease period, whichever is shorter.

Lease payments made are apportioned between finance charges and reduction of outstanding liability in relation to assets taken on lease.

#### Operating Lease

#### A) Assets Given on Lease:

Assets manufactured and given on operating lease are capitalised. Lease income arising there from is recognized as income over the lease period.

#### B) Assets Taken on Lease:

Lease payments made for assets taken

on operating lease are recognized as expense over the lease period.

## 5 Intangible Assets

- A) Intangible assets are capitalised at cost if
- It is probable that the future economic benefits that are attributable to the asset will flow to the company, and
  - The company will have control over the assets, and
  - The cost of these assets can be measured reliably and is more than ₹10,000/- Intangible assets are amortised over their estimated useful lives not exceeding three years in case of software and not exceeding ten years in case of others on a straight line pro-rata monthly basis.
- B) a. Expenditure on research including the expenditure during the research phase of Research & Development Projects is charged to Statement of profit and loss in the year of incurrence.
- b. Expenditure incurred on Development including the expenditure during the development phase of Research & Development Project meeting the criteria as per Accounting Standard on Intangible Assets, is treated as intangible asset.
- c. Fixed assets acquired for purposes of research and development are capitalised.

## 6 Borrowing Costs

Borrowing costs that are attributable to the manufacture, acquisition or construction of qualifying assets, are included as part of the cost of such assets.

A qualifying asset is one that necessarily takes more than twelve months to get ready for intended use or sale.

Other borrowing costs are recognized as expense in the period in which they are incurred.

## 7 Depreciation

- (i) Depreciation on fixed assets (other than

those used abroad under contract) is charged up to the total cost of the assets on straight-line method as per the useful life prescribed in Schedule II of the Companies Act, 2013, except where estimated useful life is shorter as shown hereunder:-

	(Years)
General plant & machinery	12.5
Automatic/semi- automatic machines	10
Erection equipment, Capital tools & tackles	5
Railway sidings, Locomotives & wagons	12.5
Drainage, sewerage & water supply	30
Servers and networks	5

In respect of additions to/deductions from the fixed assets, depreciation is charged on pro-rata monthly basis.

- (ii) Where useful life of a part of the asset (costing at least ₹ 1 Crore or 10% of the cost of the asset, whichever is higher) is different from the useful life of the remaining asset, useful life of that part is determined separately and depreciation charged accordingly.
- (iii) Fixed assets used outside India pursuant to long term contracts are depreciated over the duration of the initial contract.
- (iv) Fixed assets costing ₹ 10,000/- or less and those whose written down value as at the beginning of the year is ₹ 10,000/- or less, are depreciated fully. In so far as township buildings are concerned, the cost per tenement is the basis for the limit of ₹ 10,000/-.
- (v) At erection/project sites: The cost of roads, bridges and culverts is fully amortized over the tenure of the contract, while sheds, railway sidings, electrical installations and other similar enabling works (other than temporary structures) are so depreciated after retaining 5% as residual value.



- (vi) Temporary structures are fully depreciated in the year of construction.
- (vii) Leasehold Land and Buildings are amortised over the period of lease. Buildings constructed on land taken on lease are depreciated over their useful life or the lease period, whichever is earlier.

## 8 Investments

- (i) Long-term investments are carried at cost. Decline, other than temporary, in the value of such investments, is recognized and provided for.
- (ii) Current investments are carried at cost or quoted/fair value whichever is lower. Unquoted current investments are carried at cost.
- (iii) The cost of investment includes acquisition charges such as brokerage, fees and duties.

Any reduction in the carrying amount & any reversals of such reductions are charged or credited to the Statement of profit and loss.

## 9 Inventory Valuation

- (i) Inventory is valued at actual/ estimated cost or net realisable value, whichever is lower.
- (ii) Finished goods in Plant and work in progress involving Hydro and Thermal sets including gas based power plants, boilers, boiler auxiliaries, compressors and industrial turbo sets are valued at actual/estimated factory cost or at 97.5% of the realisable value, whichever is lower.
- (iii) In respect of valuation of finished goods in plant and work-in-progress, cost means factory cost; actual/estimated factory cost includes excise duty payable on manufactured goods.
- (iv) In respect of raw material, components, loose tools, stores and spares cost means weighted average cost.
- (v) **a) For Construction contracts entered into on or after 01.04.2003:**

Where current estimates of cost and selling price of a contract indicates loss, the anticipated loss in respect of such contract is recognized immediately irrespective of whether or not work has commenced.

### b) For all other contracts:

Where current estimates of cost and selling price of an individually identified project forming part of a contract indicates loss, the anticipated loss in respect of such project on which the work had commenced, is recognized.

### c) In arriving at the anticipated loss, total income including incentives on exports/deemed exports is taken into consideration.

- (vi) The components and other materials purchased/ manufactured against production orders but declared surplus are charged off to revenue retaining residual value based on technical estimates.

## 10 Revenue Recognition

Sales are recorded based on significant risks and rewards of ownership being transferred in favour of the customer. Sales include goods dispatched to customers by partial shipment.

### A. For construction contracts entered into on or after 1.4.2003

Revenue is recognized on percentage completion method based on the percentage of actual cost incurred up to the reporting date to the total estimated cost of the contract.

### B. For all other contracts

- (i) Recognition of sales revenue in respect of long production cycle items (Hydro and Thermal sets including gas-based power plants, boilers, boiler auxiliaries, compressors and industrial turbo sets) is made on technical estimates. When the aggregate value of shipments represents 30% or more of the realizable value, they are considered at 97.5% of the realizable value or in its absence, quoted price.

Otherwise, they are considered at actual/estimated factory cost or 97.5% of the realizable value, whichever is lower. The balance 2.5% is recognized as revenue on completion of supplies under the contract.

- (ii) Income from erection and project management services is recognized on work done based on:

Percentage of completion; or

The intrinsic value, reckoned at 97.5% of contract value, the balance 2.5% is recognized as income when the contract is completed.

- (iii) Income from engineering services rendered is recognized at realizable value based on percentage of work completed.
- (iv) Income from supply/erection of non-BHEL equipment/systems and civil works is recognized based on dispatches to customer/work done at project site.

## 11 Accounting for Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.

## 12 Translation of Financial Statements of Integral Foreign Operations

- (i) Items of income and expenditure are translated at average rate except depreciation, which is converted at the rates adopted for the corresponding fixed assets.
- (ii) Monetary items are translated at the closing rate; non-monetary items carried at historical cost are translated at the rates in force on the date of the transaction; non-monetary items carried at fair value are translated at exchange rates that

existed when the value were determined.

- (iii) All translation variances are taken to Statement of Profit and Loss.

## 13 Employee Benefits

Provident Fund and Employees' Family Pension Scheme contributions are accounted for on accrual basis. Liability for Earned Leave, Half Pay Leave, Gratuity, Travel claims on retirement and Post Retirement Medical Benefits are accounted for in accordance with actuarial valuation. Compensation under Voluntary Retirement Scheme is charged off in the year of incurrence on a pro-rata monthly basis.

## 14 Claims by/against the Company

- (i) Claims for liquidated damages against the Company are recognized in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.
- (ii) Claims for export incentives / duty drawbacks / duty refunds and insurance claims etc. are taken into account on accrual.
- (iii) Amounts due in respect of price escalation claims and/or variations in contract work are recognized as revenue only when there are conditions in the contracts for such claims or variations and/or evidence of the acceptability of the same from customers. However, escalation is restricted to intrinsic value.

## 15 Provision for Warranties

- (i) **For construction contracts entered into on or after 01.04.2003:**

The company provides warranty cost at 2.5% of the revenue progressively as and when it recognises the revenue and maintain the same through the warranty period.

- (ii) **For all other contracts:**

Provision for contractual obligations in respect of contracts under warranty at

the year end is maintained at 2.5% of the value of contract. In the case of contracts for supply of more than a single product 2.5% of the value of each completed product is provided.

- (iii) Warranty claims / expenses on rectification work are accounted for against natural heads as and when incurred and charged to provisions in the year end.

## 16 Government Grants

Government Grants are accounted when there is reasonable certainty of their realisation.

Grants related to fixed depreciable assets are adjusted against the gross cost of the relevant assets while those related to non-depreciable assets are credited to capital reserve. Grants related to revenue, unless received as compensation for expenses/losses, are recognized as revenue over the period to which these are related on the principle of matching costs to revenue.

Grants in the form of non-monetary assets are accounted for at the acquisition cost, or at nominal value if received free.

## 17 Taxes on Income

Current tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liability/asset resulting from timing difference between accounting income and taxable income is recognized considering the tax rate and laws that have been enacted or

substantively enacted as on the balance sheet date. Deferred tax asset is accounted for and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

## 18 Impairment

The carrying amount of cash generating units is reviewed at each balance sheet date where there is any indication of impairment . An impairment loss is recognized in the statement of profit and loss where the carrying amount exceeds the recoverable amount of the cash generating units. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

## 19 Segment Reporting

Segment reporting is in line with the accounting policies of the company. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue ,expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/assets/ liabilities".

## 31 - Other Notes on Financial Statements

S. No.	Description		2014-2015	2013-2014
<b>1</b>	<b>Capital &amp; other commitments</b>			
a)	Estimated amount of contracts, net of advances, remaining to be executed on capital account and not provided for	₹ in Crore	<b>294.25</b>	327.92
	The above includes for acquisition of intangible assets	₹ in Crore	<b>8.00</b>	9.80
b)	Investment in the Joint Venture entities for which the company has restrictions for their disposal for five years from the date of incorporation /commercial operation of the project/first unit of the project/completion of first EPC contract, as the case may be.	₹ in Crore	<b>381.52</b>	406.50
c)	Investment in the Subsidiary for which the company has restrictions for their disposal for first four years after the registration of contract (19.01.2011)	₹ in Crore	-	5.36
d)	Commitments towards future investment in the joint venture entities.	₹ in Crore	<b>292.50</b>	137.50
e)	In view of the nature of business, being long term construction contracts, there may be other commitments for purchase of material etc., which has been considered as normal business process, hence not been disclosed.			
<b>2</b>	<b>Land and buildings includes</b>			
a)	(i) Acres of land for which formal transfer/ lease deed have not been executed	Acres	<b>8939.61</b>	8939.61
	Net Block of above	₹ in Crore	<b>74.20</b>	74.68
	(ii) Number of flats for which formal transfer/ lease deed have not been executed	Nos.	<b>12</b>	12
	Net Block of above	₹ in Crore	<b>1.37</b>	1.51
	(iii) Number of buildings for which formal transfer/ lease deed have not been executed	Nos.	<b>0</b>	1
	Net Block of above	₹ in Crore	<b>0.00</b>	5.07
	(iv) including for acres of land for which the cost paid is provisional; registration charges and stamp duty (net of provision already made), if any, would be accounted for on payment.	Acres	<b>528.18</b>	528.18
	Net Block of above	₹ in Crore	<b>67.81</b>	68.28
b)	Acres of land leased to Ministry of Defence, Govt. of India Departments & others	Acres	<b>30.60</b>	30.60
c)	Acres of land being used by Ministry of Defence and for which further approval of the competent authority for continuance of licencing of this land is awaited.	Acres	<b>180.00</b>	180.00
d)	Acres of land under adverse possession/encroachment.	Acres	<b>586.05</b>	598.78
e)	610.06 acres of land pending mutation at Haridwar (Cost of land of 2(b), (c), (d) & (e) above mentioned is not material)			

<b>3</b>	The impact on the profit of providing 100 percent depreciation on fixed assets up to ₹ 10,000/- each, without considering such impact of earlier years, is as under :			
	100% depreciation on assets up to ₹ 10,000/- charged off in the accounting year.	₹ in Crore	<b>8.26</b>	10.59
	Normal depreciation on above.	₹ in Crore	<b>1.42</b>	3.21
	Excess amount charged.	₹ in Crore	<b>6.84</b>	7.38
<b>4</b>	Revenue from Operations			
i)	a) Includes based on provisional prices	₹ in Crore	<b>56.23</b>	154.02
	b) includes for escalation claims raised in accordance with sales contracts, inclusive of escalation claims on accrual basis, to the extent latest indices were available;	₹ in Crore	<b>1232.54</b>	1673.94
	c) includes despatches of equipment held on behalf of customers at their request for which payment has been received by Company ; and	₹ in Crore	<b>17.10</b>	36.22
	d) excludes for price reduction (net of refund) due to delay in delivery as per the terms of the contract .	₹ in Crore	<b>45.43</b>	57.66
ii)	Terminal excise duty refund on deemed export contracts is accounted on dispatch of goods. Export subsidy/duty drawback claims on lodgement of claims and Insurance claims based on acceptance.			
<b>5</b>	Contingent liabilities:			
	Claims against the company not acknowledged as debt :			
i)	a) Income Tax Pending Appeals	₹ in Crore	<b>16.50</b>	0.90
	b) Against which paid under protest included under the head "Deposits "	₹ in Crore	<b>0.70</b>	0.00
ii)	a) Sales Tax Demand	₹ in Crore	<b>1519.28</b>	1343.70
	b) Against which paid under protest included under the head "Deposits"	₹ in Crore	<b>267.66</b>	190.51
iii)	a) Excise Duty demands	₹ in Crore	<b>530.85</b>	489.55
	b) Against which paid under protest included under the head "Deposits"	₹ in Crore	<b>23.40</b>	17.75
iv)	a) Custom Duty demands	₹ in Crore	<b>2.93</b>	3.14
	b) Against which paid under protest included under the head "Deposits"	₹ in Crore	<b>2.83</b>	2.89
v)	Court & Arbitration cases	₹ in Crore	<b>862.72</b>	1033.93
vi)	a) Liquidated Damages	₹ in Crore	<b>4107.19</b>	4347.41
	b) Amount deducted by customers towards LD included in vi)a	₹ in Crore	<b>2405.13</b>	2672.49
vii)	Counter Claim by contractors	₹ in Crore	<b>0.61</b>	0.77
viii)	a) Service Tax Demand	₹ in Crore	<b>458.95</b>	291.71
	b) Against which paid under protest	₹ in Crore	<b>4.36</b>	0.61
ix)	Others	₹ in Crore	<b>102.23</b>	65.26

(In view of the various court cases, litigations and claims disputed by the company, the outflow of resources is not ascertainable at this stage).

- 6 a) Cash credit limit from banks aggregating to ₹ 5000 Crore (previous year ₹ 5000 Crore) and Company's counter guarantee / indemnity obligations in regard to bank guarantee / letters of credit limit aggregating to ₹ 55000 Crore (previous year ₹ 50000 Crore) sanctioned by the consortium banks are secured by first charge by way of hypothecation of raw materials, components, work in progress, finished goods, stores, trade receivables and other current assets both present and future. The outstanding bank guarantees as at 31.03.2015 is ₹ 44915 Crore (previous year ₹ 45007 Crore).
- b) Corporate Guarantees outstanding as on 31.03.2015 is ₹ 2752.27 Crore (Previous year ₹ 3312.07 Crore).
- 7 Other payable/ liabilities include a sum of ₹ 100.51 Crore (previous year ₹ 100.51 Crore) towards guarantee fee demanded by the Government of India in respect of foreign currency loans taken by the Company at the instance of the Government up to 1990-91. The matter for its waiver has been taken up with the Government since there was no stipulation for payment of such guarantee fee at the time the loans (guaranteed by Government) were taken by the company. The Company vide letter dated 09.02.15 has again requested Department of Heavy Industries (DHI) for waiver of the guarantee fee.
- 8 Amorphous Silicon Solar Cell Plant (ASSCP), Gurgaon was taken on April 1, 1999 from Ministry of New and Renewable Energy (MNRE) on lease for a period of 30 years. The formal lease agreement with the Ministry of New and Renewable Energy (MNRE) is yet to be finalised.
- 9 Balances shown under Trade Receivables, Long term Trade receivable, Trade payables, contractors' advances, deposits and stock/ materials lying with sub-contractors/ fabricators are subject to confirmation, reconciliation & consequential adjustment, if any. As the Company is in the business of long term construction contracts, bills are raised on the customers as per contract by the units located at various places as per the approved billing schedule by the customer and the reconciliation is carried out on ongoing basis & provisions made, wherever considered necessary. Final reconciliation with customer is done on completion of project (Trial Operation and PG Test completed). The total receivables (including long term) are ₹ 42717 Crore, (including deferred debts ₹ 17267 Crore not due for payment). The amount reconciled with customer is around ₹ 1900 Crore against the outstanding amount of ₹ 5412 Crore in completed projects.

10	The disclosure relating to Micro and Small Enterprises		2014-15	2013-14
i)	The principal amount remaining unpaid to supplier as at the end of the accounting year	₹ in Crore	201.86	173.85
ii)	The interest due thereon remaining unpaid, to supplier as at the end of accounting year.	₹ in Crore	0.07	0.07
iii)	The amount of interest paid, along with the amounts of the payment made to the supplier beyond appointed day during the year.	₹ in Crore	0.00	0.00
iv)	The amount of interest paid in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day during the year.	₹ in Crore	0.09	0.00
v)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	₹ in Crore	0.15	0.38
vi)	The amount of interest accrued during the year and remaining unpaid at the end of year.	₹ in Crore	0.16	0.45
vii)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure.	₹ in Crore	0.15	0.45

- 11 a) The disclosures relating to Construction Contracts entered on or after 01.04.2003 as per the requirement of Accounting Standard -7 (Revised) ( AS-7R) Construction Contracts are as follows:  
(₹ in Crore)

	2014-15	2013-14
Contract revenue recognised for the year	24136.35	33109.49
In respect of Contract in progress at the end of year :		
The aggregate amount of Cost incurred and recognised profits (less recognised losses)	259994.13	240459.04
Amount of advance received	6779.67	7949.11
Amount of retentions (deferred debts)	18137.26	19009.06
In respect of dues from customers after appropriate netting off		
Gross amount due from customer for the contract work as an asset	4419.12	2903.39
Gross amount due to customer for the contract work as a liability	1590.01	2161.35
Contingencies	-	-

- b) The estimates of total costs and total revenue in respect of construction contracts entered on or after 1<sup>st</sup> April, 2003 in accordance with AS-7R Construction Contracts are reviewed and updated periodically to ascertain the percentage completion for revenue recognition. However, it is impracticable to quantify the impact of change in estimates.

- 12 The details of Research & Development Expenditure incurred during the year which is deductible (other than land & building) under section 35 (2AB) of the Income Tax Act, 1961.

		2014-15	2013-14
<b>A.</b>	<u>Capital Expenditure on R&amp;D</u>		
	Land	₹ in Crore	0.00
	Building	₹ in Crore	4.43
	Plant & Machinery & Other Equipments	₹ in Crore	49.05
	Total Capital Expenditure	₹ in Crore	53.48
<b>B.</b>	<u>Revenue Expenditure on R &amp; D</u>		
	Salaries & Wages	₹ in Crore	198.56
	Material Consumables/spares	₹ in Crore	24.83
	Manufacturing & Other Expenses (Net of Income)	₹ in Crore	79.01
	Total Revenue Expenditure (Net of Income)	₹ in Crore	302.40

- 13 The disclosure relating to derivative instruments:

- a) The derivative instruments that are hedged and outstanding as on 31.03.2015 is Nil (previous year Nil).  
b) The foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:

<b>a) Assets / Receivables</b>		2014-15	2013-14
<b>In foreign currency</b>			
in US \$	in Crore	58.48	69.75
in EURO	in Crore	56.24	57.05
in Libya Dinar ( LYD)	in Crore	0.81	0.83

in Riyal Oman ( RO)	in Crore	<b>0.03</b>	0.03
<b>In Indian currency</b>			
in US \$	₹ in Crore	<b>3409.21</b>	4136.82
in EURO	₹ in Crore	<b>3794.70</b>	4635.44
in LYD	₹ in Crore	<b>36.72</b>	39.75
in RO	₹ in Crore	<b>4.96</b>	5.24
in Others	₹ in Crore	<b>49.93</b>	32.20

**b) Liabilities**

**In foreign currency**

in US \$	in Crore	<b>30.79</b>	26.53
in EURO	in Crore	<b>20.28</b>	18.84
in LYD	in Crore	<b>1.38</b>	1.42

**In Indian currency**

in US \$	₹ in Crore	<b>1940.23</b>	1607.18
in EURO	₹ in Crore	<b>1381.30</b>	1575.57
in LYD	₹ in Crore	<b>69.92</b>	69.36
in Others	₹ in Crore	<b>72.17</b>	210.24

(₹ in Crore)

<b>14</b>	Remuneration paid/payable to Directors (including Chairman & Managing Director)*	<b>2014-15</b>	<b>2013-14</b>
	Salaries & Allowances	<b>1.70</b>	2.39
	Contribution to PF	<b>0.12</b>	0.11
	Contribution to Gratuity Fund	<b>0.05</b>	0.33
	Others	<b>0.17</b>	0.19

\*The above amount includes leave encashment on payment basis & excludes group insurance premium.

The CMD and functional directors have been allowed the use of staff car for both duty and non-duty journeys. The ceiling of non duty journey is 1000 kms p.m against recovery of prescribed amount in accordance with terms and condition of appointment. The monetary value of the perquisite for the use of car, if calculated in accordance with the provisions of I.T. Rules 1962 would amount to ₹ 0.02 Crore (Previous Year ₹ 0.02 Crore)

(₹ in Crore)

<b>15</b>	a) Expenditure on departmental repair & maintenance which are as under:	<b>2014-15</b>	<b>2013-14</b>
	Plant & Machinery	<b>234.01</b>	186.64
	Buildings	<b>55.29</b>	56.41
	Others	<b>43.39</b>	51.13
	b) Agency Commission on exports included in expenses in connection with exports	<b>18.53</b>	11.15
	c) Expenditure on research & development	<b>300.76</b>	311.38
	d) Rent Residential	<b>53.10</b>	50.96



e)	Payment to Auditors (Net of service tax)		
	As Auditors	0.63	0.52
	includes paid abroad	0.07	0.02
	Reimbursement of expenses	0.14	0.15
	Taxation matters (including certification)	0.26	0.14
	includes paid abroad	0.11	0.02
	Other services	0.42	0.35
f)	Payment to Cost Auditors	0.05	0.12
g)	Expenditure on entertainment	6.07	7.41
h)	Expenditure on foreign travel		
	No. of tours	513	734
	Expenditure in Rupees	11.79	15.82
i)	Expenditure on Publicity and Public Relations		
	Salaries allowances & other benefits	10.76	11.96
	Other expenses	10.11	17.52
j)	Director's Fees	0.05	0.08

**16** The disclosure relating to AS-15 (R) – Employee Benefits

**a) Gratuity Plan**

The gratuity liability arises on account of future payments, which are required to be made in the event of retirement, death in service or withdrawal. The liability has been assessed using projected unit credit actuarial method.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended are as follows:

	(₹ in Crore)	
	2014-15	2013-14
1 Change in present value of obligation		
a) Present value of obligation as at the beginning	1904.28	1872.92
b) Acquisition adjustment	-	-
c) Interest Cost	161.86	149.83
d) Past service cost	-	-
e) Current service cost	97.18	92.28
f) Curtailment cost / (Credit)	-	-
g) Settlement cost / (Credit)	-	-
h) Benefits paid	-246.42	-241.55
i) Actuarial (gain) / loss	(7.87)	30.79
j) Present value of obligation at the end of the period	1909.03	1904.28
2 Change in the fair value of plan assets		
a) Fair value of plan assets at the beginning	1904.28	1872.92
b) Acquisition Adjustments	-	-
c) Expected return on plan assets	161.86	159.20

d)	Contributions		-
e)	Benefits paid	-246.42	-241.55
f)	Actuarial gain / (loss) on plan assets	-2.57	-6.15
g)	Fair value of plan assets as at the end of the year	1817.15	1784.42
3	Fair value of plan assets		
a)	Fair value of plan assets at the beginning	1904.28	1872.92
b)	Acquisition Adjustments		-
c)	Actual return on plan assets	159.30	153.05
d)	Contributions		-
e)	Benefits paid	-246.42	-241.55
f)	Fair value of plan assets at the year end	1817.15	1784.42
g)	Funded status	-91.88	-119.86
h)	Excess of actual over estimated return of plan assets	-2.57	-6.15
4	Actuarial gain / loss recognised		
a)	Actuarial gain / (loss) for the period – obligation	7.87	-30.79
b)	Actuarial (gain) / loss for the period – plan assets	2.57	6.15
c)	Total (gain) / loss for the period	-5.30	36.94
d)	Actuarial (gain)/ loss recognised in the period	-5.30	36.94
e)	Unrecognised actuarial (gains)/ losses at the end of the period	-	-
5	The amount recognised in balance sheet and statement of profit and loss		
a)	Present value of obligation as at end of the period	1909.03	1904.28
b)	Fair value of plan assets as at the end of period	1817.15	1784.42
c)	Funded status	-91.88	-119.86
d)	Excess of actual over estimated	-2.57	-6.15
e)	Unrecognised actuarial (gains)/ losses	-	-
	Less: Pursuant to Amalgamation		-12.60
f)	Net asset/ (liability) recognised in balance sheet	-91.88	-107.26
6	Expense recognised in the statement of profit and loss		
a)	Current service cost	97.18	92.28
b)	Past service cost	-	-
c)	Interest cost	161.86	149.83
d)	Expected return on plan assets	-161.86	-159.20
e)	Curtailment cost / (credit)	-	-
f)	Settlement cost / (credit)	-	-
g)	Net actuarial (gain) / loss recognised in the period	-5.30	36.94
h)	Adjustment for reversal of liability	2.44	12.72
i)	Expenses recognized in the statement of profit & loss	89.44	107.13

Assumptions- Discounting rate 8.00% (prev. year 8.50%), Future salary increase 6.00% (prev. year 6.50%), Expected rate of return on plan assets 8.50% (prev. year 8.50%).

		₹ in Crore	
		2014-15	2013-14
<b>b) Post Retirement Medical Benefits Plan</b>			
1	Change in present value of obligation	1360.44	1222.20
	a) Present value of obligation as at the beginning	1360.44	1222.20
	b) Acquisition adjustment	-	0.00
	c) Interest cost	115.64	97.78
	d) Past service cost	-	0.00
	e) Current service cost	26.37	23.40
	f) Curtailment cost / (Credit)	-	0.00
	g) Settlement cost / (Credit)	-	0.00
	h) Benefits paid	-78.35	-68.80
	i) Actuarial (gain) / loss	106.34	85.87
	j) Present value of obligation as at the end of year	1530.44	1360.44
2	Change in the fair value of plan assets	-	-
3	Fair value of plan assets	-	-
	Funded Status	-1530.44	-1360.44
4	Actuarial gain / loss recognised		
	a) Actuarial gain / (loss) for the period - obligation	-106.34	-85.87
	b) Actuarial (gain) / loss for the period – plan assets	-	-
	c) Total (gain) / loss for the year	106.34	85.87
	d) Actuarial (gain)/ loss recognised in the period	106.34	85.87
	e) Unrecognized actuarial (gains)/ losses at the end of the period	-	-
5	The amount recognised in balance sheet and statement of profit and loss		
	a) Present value of obligation as at the end of the year	1530.44	1360.44
	b) Fair value of plan assets as at the end of the year	-	-
	c) Funded status	-1530.44	-1360.44
	d) Net assets / (liability) recognised in balance sheet	-1530.44	-1360.44
6	Expenses recognised in the statement of profit and loss		
	a) Current service cost	26.37	23.40
	b) Interest cost	115.64	97.78
	c) Net actuarial (gain) / loss recognised in the year	106.34	85.87
	d) Expenses recognised in the statement of profit & loss	248.35	207.04

**c) Long Term Leave Liability (EL/NEL/HPL)**

The company provides for earned leave benefit and half pay leave to the employees of the company which accrue half yearly at 15 days (maximum) and 10 days respectively. 73.33% of the earned leave is encashable while in service and up to a maximum of 300 days on retirement. Half pay leave is encashable within 3 months prior to superannuation or on separation beyond the age of 50 years subject to the overall ceiling of 480 days .The leave liability has been treated as other long term benefits and has been assessed using projected unit credit actuarial method.

	(₹ in Crore)	
	2014-15	2013-14
1 Change in present value of obligation		
a) Present value of obligation as at the beginning	1328.62	1174.31
b) Acquisition adjustment	-	-
c) Interest Cost	112.93	93.95
d) Past service cost	-	-
e) Current service cost	51.74	48.75
f) Curtailment cost / (Credit)	-	-
g) Settlement cost / (Credit)	-	-
h) Benefits paid	-242.00	-256.00
i) Actuarial (gain) / Loss	228.58	267.61
j) Present value of obligation at the end of the period	1479.87	1328.62
2 Change in the fair value of plan assets	-	-
a) Fair value of plan assets at the beginning	-	-
b) Acquisition Adjustments	-	-
c) Expected return on plan assets	-	-
d) Contributions	-	-
e) Benefits paid	-	-
f) Actuarial gain / (loss) on plan assets	-	-
g) Fair value of plan assets as at the end of the year	-	-
3 Fair value of plan assets		
a) Fair value of plan assets at the beginning	-	-
b) Acquisition Adjustments	-	-
c) Actual return on plan assets	-	-
d) Contributions	-	-
e) Benefits paid	-	-
f) Fair value of plan assets at the year end	-	-
g) Funded status	-1479.87	-1328.62
h) Excess of actual over estimated return of plan assets	-	-
4 Actuarial gain / loss recognised		
a) Actuarial gain / (loss) for the period - obligation	-228.57	-267.61
b) Actuarial (gain) / loss for the period – plan assets	-	-
c) Total (gain) / loss for the period	228.57	267.61
d) Actuarial (gain)/ loss recognised in the period	228.57	267.61
e) Unrecognised actuarial (gains)/ losses at the end of the period	-	-

5	The amount recognised in balance sheet and statement of profit and loss		
a)	Present value of obligation as at end of the period	1479.87	1328.62
b)	Fair value of plan assets as at the end of period	-	-
c)	Funded status	-1479.87	-1328.62
d)	Excess of actual over estimated	-	-
e)	Unrecognised actuarial (gains)/ losses	-	-
	Less: Pursuant to Amalgamation		
f)	Net asset/ (liability) recognised in balance sheet	-1479.87	-1328.62
6	Expense recognised in the statement of profit and loss		
a)	Current service cost	51.74	48.75
b)	Past service cost	-	-
c)	Interest cost	112.93	93.95
d)	Expected return on plan assets	-	-
e)	Curtailment cost / (Credit)	-	-
f)	Settlement cost / (credit)	-	-
g)	Net actuarial (gain) / loss recognised in the period	228.57	267.61
	Less: Pursuant to Amalgamation		
h)	Expenses recognised in the statement of profit & loss	393.24	410.31
d)	The company has got the actuarial valuation of provident fund done in respect of PF trusts of the units/regions. As per the actuarial valuation certificate liability for likely interest shortfall, to be compensated by the company to the PF trust, has been provided in the accounts.		
	Provision made (withdrawal) for shortfall in PF interest liability based on actuarial valuation for the year	₹ in Crore	
		-3.54	-10.39
	Accumulated provision for shortfall in PF interest liability based on actuarial valuation	₹ in Crore	
		14.95	18.49

## 17 Related Party Transactions:

- i) Related Parties where control exists (Joint Ventures):

Powerplant Performance Improvement Ltd.

BHEL-GE Gas Turbine Services Pvt. Ltd.

NTPC-BHEL Power Projects Pvt. Ltd.

Raichur Power Corporation Ltd.

Dada Dhuniwale Khandwa Power Ltd.

Latur Power Company Ltd.

- ii) Other related parties (Key Management Personnel- Functional Directors: existing & Company Secretary):

CMD : Shri B. Prasada Rao,

Functional Directors : S/Shri P. K. Bajpai, R. Krishnan, W.V.K. Krishna Shankar, Atul Sobti,

T.N. Veeraraghavan (from 07.01.2015) & Company Secretary : Shri I.P. Singh

iii) Details of Transactions

		2014-15	2013-14
Joint Ventures			
Purchase of Goods and Services	₹ in Crore	8.95	39.96
Sales of Goods and services	₹ in Crore	1592.70	1982.39
Receiving of Services	₹ in Crore	27.11	40.60
Rendering of Services	₹ in Crore	430.53	289.86
Dividend income	₹ in Crore	17.08	16.90
Royalty income	₹ in Crore	1.02	1.29
Purchase of shares	₹ in Crore	-	25.00
Sale of Shares	₹ in Crore	2.50	0.00
Amounts due to BHEL at the end of the year	₹ in Crore	1082.68	1034.17
Amounts due from BHEL (incl. advances) at the end of the year	₹ in Crore	277.12	466.79
Provision for Doubtful debts	₹ in Crore	0.74	10.81
Advances given	₹ in Crore	0.75	0.81
Note : Majority of transactions are with BGGTS, NBPPL and Raichur Power Corporation Ltd.			
Key Management Personnel (KMP)			
Payment of Salaries	₹ in Crore	2.31	3.02
Relatives of KMP			
Amounts due to BHEL at the end of the year	₹ in Crore	0.01	0.01
Payment of Salaries	₹ in Crore	0.26	0.24

18 Lease

Details of assets taken on lease on or after 1<sup>st</sup> April 2001 are as under:

i) Finance Lease

		2014-15	2013-14	
a.	Outstanding balance of Minimum Lease payments			
	not later than one year	₹ in Crore	68.70	83.67
	later than one year and not later than five years	₹ in Crore	69.21	121.43
	later than five years	₹ in Crore	0.12	0.23
	Total minimum lease payments at the balance sheet date	₹ in Crore	138.03	205.34
b.	Present Value of (a) above			
	not later than one year	₹ in Crore	56.82	67.68
	later than one year and not later than five years	₹ in Crore	60.89	104.56
	later than five years	₹ in Crore	0.11	0.20
	Total of Present Value at the balance sheet date	₹ in Crore	117.82	172.45
c.1	Finance charges	₹ in Crore	20.21	32.89
c.2	Present value of Residual value, if any	₹ in Crore	0.00	0.00

- ii) The company is in the practice of taking houses for employees, office buildings and EDP equipments etc. on operating lease both as cancellable and non-cancellable.

		2014-15	2013-14
iii) Operating Lease			
The future minimum lease payments under non-cancellable operating lease are as under			
not later than one year	₹ in Crore	1.28	1.47
later than one year and not later than five years	₹ in Crore	2.02	1.95
later than five years	₹ in Crore	2.18	4.15

- iv) Details regarding rentals in respect of assets taken on lease prior to 1.4.2001 are as given below:

Cost of Assets			
Land & Buildings	₹ in Crore	0.01	0.01
Computers & peripherals	₹ in Crore	0.00	0.00
Rentals payable over unexpired period of lease			
Land & buildings	₹ in Crore	0.02	0.02
Computers & peripherals	₹ in Crore	0.00	0.00

## 19 Earnings per Share:

		2014-15	2013-14
Weighted average number of Equity Shares outstanding during the year (A)	Nos. in Crore	244.760	244.760
Face Value of Equity Share	(₹)	2.00	2.00
Net Profit for the year (B)	₹ in Crore	1419.29	3460.78
Basic and Diluted Earnings Per Share (B)/(A)	(₹)	5.80	14.14

## 20 Joint Ventures

Pursuant to compliance of Accounting Standard-27 issued by the Institute of Chartered Accountants of India, relevant disclosures relating to Joint ventures are as follows:

		2014-15	2013-14
a) Names of Joint Ventures	Country of Incorporation	Proportion of Ownership	
Power Plant Performance Improvement Ltd.	India	One share less than 50%	One share less than 50%
BHEL-GE Gas Turbine Services Pvt. Ltd.	India		
NTPC-BHEL Power Projects Pvt. Ltd.	India	50%	50%
Latur Power Company Ltd. (Under liquidation)	India	NIL	50%
Raichur Power Corporation Ltd.	India	23.54%	36.49%
Dada Dhuniwale Khandwa Power Ltd.	India	50%	50%

- b) The provision for diminution in value of investment in Power plant Performance Improvement Ltd. has been made since the company is under liquidation and the amount paid as equity is not recoverable.
- c) Aggregate amount of company's interest in Joint Ventures as per accounts is as under:

<b>BHEL-GE Gas Turbine Services Pvt. Ltd.</b>		
	(₹ in Crore)	
	2014-15	2013-14
Non current asset	10.89	10.86
Net Current Assets	99.24	86.17
Non current liabilities	2.66	4.11
Deferred Tax Assets (net)	3.50	2.82
Shareholders Funds	110.96	96.80
Income	303.64	399.05
Expenses	251.43	341.92
Contingent Liabilities	2.53	2.66
Capital Commitments	0.22	0.41
<b>NTPC-BHEL Power Projects Pvt. Ltd.</b>		
	(₹ in Crore)	
	2014-15	2013-14
Non current asset	92.73	57.22
Net Current Assets	-21.19	12.38
Non current liabilities	7.91	6.18
Deferred Tax Assets (net)	2.71	2.14
Shareholders Funds	66.32	65.56
Income	296.26	43.03
Expenses	295.68	36.03
Contingent Liabilities	34.29	37.75
Capital Commitments	4.82	17.13

*Figures of 2014-15 are based on provisional unaudited financial results*

	(₹ in Crore)	
	2014-15	2013-14
<b>Raichur Power Corporation Ltd.</b>		
Non current asset	2201.52	2398.97
Net Current Assets	-203.59	-197.71
Non current liabilities	1666.41	1856.80
Deferred Tax Assets (net)	0.00	0.00
Shareholders Funds	331.52	331.52
Income	0.17	0.50



Expenses	169.52	163.37
Contingent Liabilities	104.17	161.50

Figures of 2014-15 are based on provisional unaudited financial results

	(₹ in Crore)	
<b>Dada Dhuniwale Khandwa Power Ltd.</b>	<b>2014-15</b>	<b>2013-14</b>
Non current asset	8.14	8.20
Net Current Assets	14.86	14.79
Non current liabilities	0.12	0.12
Deferred Tax Assets (net)	0.00	0.00
Shareholders Funds	22.88	22.87
Income	0.01	0.00
Expenses	0.00	0.02
Contingent Liabilities	0.00	0.00

21 As per the listing agreement with the Stock Exchanges, the requisite details of loans and advances in the nature of loans, given by the Company are given below:

- i) In respect of Subsidiary Company: (₹ in Crore)
- | BHEL Electrical Machines Ltd.   | 2014-15 | 2013-14 |
|---|---------|---------|
| Loans and advances in the nature of loans outstanding                                   | 0.00    | 0.00    |
| Maximum amount of loans and advances in the nature of loans outstanding during the year | 0.00    | 0.00    |
- ii) No loans have been given (other than loans to employees), wherein there is no repayment schedule or repayment is beyond seven years; and
- iii) There are no loans and advances in the nature of loans, to firms/companies, in which directors are interested.

22 The disclosure relating to Accounting Standard -29 (₹ in Crore)

	2014-15	2013-14
<b>a) Liquidated Damages</b>		
Opening Balance	1728.77	1320.46
Add: Adjustment pursuant to amalgamation	0.00	39.61
Additions	734.68	697.84
Usage/ Write off/payment	-31.24	-61.67
Withdrawal/adjustments	-207.18	-267.47
Closing Balance	2225.03	1728.77
<b>Contractual Obligation</b>		
Opening Balance	5636.81	4989.97

Add: Adjustment pursuant to amalgamation	<b>0.00</b>	6.87
Additions	<b>1041.63</b>	1116.95
Usage/ Write off/payment	<b>-239.28</b>	-133.39
Withdrawal/adjustments	<b>-330.01</b>	-343.59
Closing Balance	<b>6109.15</b>	5636.81

- b) Liquidated damages are provided in line with the Accounting Policy of the Company and the same is dealt suitably in the accounts on settlement or otherwise. Contingent liability relating to liquidated damages is shown in item No. 5 of Note No. 31
- c) The provision for contractual obligation is made at the rate of 2.5% of the contract revenue in line with significant Accounting Policy No.15 to meet the warranty obligations as per the terms and conditions of the contract. The same is retained till the completion of the warranty obligations of the contract. The actual expenses on warranty obligation may vary from contract to contract and on year to year depending upon the terms and conditions of the respective contract.
- 23 Assets and Liabilities are classified between Current and Non-current considering 12 months period as operating Cycle.
- 24 Item of expense and income less than ₹ one Lakh are not considered for booking under Prior Period Items.
- 25 a) The Company has revised the accounting policy for depreciation in line with Schedule II of the Companies Act, 2013. Assets, for which the estimated useful life based on the technical evaluation is different from the life given in the Schedule II, have been disclosed in significant accounting policy no. 7. Wherever applicable, depreciation is charged at the increased rate for double and triple shift as prescribed in Note no. 6 of Schedule II of the Companies Act 2013.
- b) Due to the revision in depreciation policy, the depreciation for the year is higher by ₹ 77.58 Crore and profit before tax for the year is lower to this extent. Further, an amount of ₹ 40.50 Crore (net of deferred tax ₹ 21.44 Crore) for assets, whose remaining useful life is NIL as at 1<sup>st</sup> April 2014, has been adjusted with the opening balance of retained earnings.
- 26 There is an outstanding of ₹ 3376 Crore pertaining to 20 projects on hold due to various reasons like environment clearance, fuel linkage, land acquisition, fund constraints, force majeure etc. mainly hold imposed by BHEL due to strategic reasons. This includes ₹ 1845 Crore outstanding for more than 3 years in respect of 11 projects. Total advance available against these 20 hold projects is ₹ 1109 Crore.
- 27 Previous year's figures have been regrouped/ rearranged wherever considered necessary.

## 28. Segment Information

(₹ in Crore)

	For the year ended 31.3.2015			For the year ended 31.3.2014		
<b>A. PRIMARY SEGMENT - BUSINESS SEGMENTS</b>						
	<b>Power</b>	<b>Industry</b>	<b>Total</b>	<b>Power</b>	<b>Industry</b>	<b>Total</b>
<b>I. SEGMENT REVENUE</b>						
a. Segment Revenue	23983.54	6963.50	<b>30947.04</b>	32485.38	7852.54	40337.92
b. Operating Revenue-External	23983.54	6963.50	<b>30947.04</b>	32485.38	7852.54	40337.92
<b>II. SEGMENT RESULTS</b>						
a. Segment Results	2961.65	341.72	<b>3303.37</b>	5385.00	974.57	6359.57
b. Unallocated expenses (Net of income)			<b>1071.71</b>			1212.64
c. Profit before finance cost & Income Tax (a) - (b)			<b>2231.66</b>			5146.93
d. Finance cost			<b>91.65</b>			132.63
e. Net Profit before Income Tax (c) - (d)			<b>2140.01</b>			5014.30
f. Income Tax			<b>720.72</b>			1553.52
g. Net Profit after Income Tax			<b>1419.29</b>			3460.78
<b>III ASSETS &amp; LIABILITIES</b>						
a. Segment Assets	43714.91	10995.76	<b>54710.67</b>	45525.08	11919.56	57444.64
b. Unallocated Assets			<b>13756.46</b>			15346.53
c. Total Assets			<b>68467.13</b>			72791.17
d. Segment Liabilities	27139.91	6148.28	<b>33288.19</b>	29311.07	6662.02	35973.09
e. Unallocated Liabilities			<b>1094.34</b>			3771.03
f. Total Liabilities			<b>34382.53</b>			39744.12
<b>IV OTHER INFORMATION</b>						
a. Cost incurred during the period to acquire fixed assets (Incl. CWIP)	293.85	124.19		339.42	271.51	
b. Depreciation	796.99	212.18		758.83	182.65	
c. Non Cash Expenses (other than depreciation)	1262.80	397.35		2092.03	235.39	
<b>B. SECONDARY SEGMENT - GEOGRAPHICAL SEGMENTS</b>						
	<b>Within India</b>	<b>Outside India</b>	<b>Total</b>	<b>Within India</b>	<b>Outside India</b>	<b>Total</b>
1 Net Sales / Income from Operations	29701.31	1245.73	<b>30947.04</b>	38354.35	1983.57	40337.92
2 Total Assets	67705.43	761.70	<b>68467.13</b>	72164.17	627.00	72791.17
3 Cost incurred during the period to acquire Fixed Assets	500.08	0.35	<b>500.43</b>	713.85	-0.79	713.06

The primary segments have been identified as 'Power' and 'Industry' based on the orders booked by the respective business sectors. The order booked by International operation group is taken to Power or Industry as the case may be.

## 29. Other Information

### a. Sales, Opening Stocks & Closing Stocks

(₹ in Crore)

Product	Unit	Sales during the year 2014-2015		Op. Stock of Fin. Goods as on 01.04.2014		Cl. Stock of Fin. Goods as on 31.3.2015	
		Qty.	Value	Qty.	Value	Qty.	Value
<b>HEP, Bhopal</b>							
<b>SWITCHGEAR, CONTROLGEAR, RECTIFIER, CAPACITORS</b>							
Switchgear-11 kv to 220 kv high speed air blast circuit breakers	Nos.	5157	95.30	101	11.42	0	1.98
Control Panels	Nos.	(5492)	(231.29)	0	(11.44)	(101)	(11.42)
Industrial controlgear	Nos.	244	90.54	12	2.42	0	0.28
	Nos.	(970)	(35.73)	0	(2.41)	(12)	(2.42)
	Nos.	0	2.28	0	0.00	0	0.01
	Nos.	0	(6.80)	0	0.00	0	0.00
Traction controlgear for AC, DC & diesel system	Set	112	75.59	7	1.42	5	2.43
	Set	(166)	(105.31)	0	(0.11)	(7)	(1.42)
Rectifiers with Electronics	Nos.	556	64.89	3	0.27	2	0.31
	Nos.	(529)	(76.82)	0	(0.28)	(3)	(0.27)
Capacitors	MVAR	3374	25.91	382	2.43	278	1.76
	MVAR	(2172)	(17.77)	0	0.00	(382)	(2.43)
Bushings		0	15.25	0	0.70	0	0.93
		0	(22.63)	0	(0.41)	0	(0.70)
<b>TRANSFORMERS</b>							
Power transformers up to 400 kv	MVA	11603	606.35	1398	68.93	3	21.82
	MVA	(21568)	(978.18)	(683)	(26.25)	(1398)	(68.93)
Instrument, welding, transformers and reactors	MVA	384	8.79	36	1.31	163	1.68
	Nos.			0			
	MVA	(552)	(15.33)	(0)	(0.06)	(36)	(1.31)
	Nos.	(468)		(1)		0	
<b>INDUSTRIAL AND TRACTION MACHINES</b>							
Traction Motors for AC,DC & diesel system, main/auxiliary generators	Nos.	1978	431.84	135	9.89	35	4.02
	Nos.	(3444)	(466.94)	(17)	(2.42)	(135)	(9.89)
Industrial machines, AC motors up to 1000 HP, DC motors & generators of all types	Nos.	686	127.66	63	11.88	105	21.65
	Nos.	(819)	(193.48)	(131)	(14.46)	(63)	(11.88)
<b>HEAVY ROTATING PLANT &amp; TURBINES</b>							
Large electrical machines above 1000 HP	Nos.	187	275.99	16	12.82	16	11.25
	Nos.	(217)	(337.30)	(17)	(14.17)	(16)	(12.82)
Water wheel alternators & water turbines & Mini micro turbines & generators	Nos.	2	549.26	0	33.03	4	64.74
	MW	32	0.00			680	
	Nos.	6	197.80	0	14.88	3	71.17
	MW	82				510	
	Nos.	(6)	(611.33)	0	(14.47)	0	(33.03)
	MW	(742)					
	Nos.	(2)	(183.10)	0	(10.68)	0	(14.88)
	MW	(220)					
Turbo Alternators & Steam turbines	Set	5	517.11	0	15.32	0	12.55
	Set	(5)	(605.53)	0	(44.04)	0	(15.32)
Heat Exchangers	Nos.	32	392.48	7	3.66	0	8.11
	Nos.	(27)	(407.98)	(5)	(5.93)	(7)	(3.66)
Others		2018	61.88		0.00		4.96
			(6.70)		(0.39)		0.00
		<b>TOTAL</b>	<b>3538.92</b>		<b>190.38</b>		<b>229.65</b>

(₹ in Crore)

Product	Unit	Sales during the year 2014-2015		Op. Stock of Fin. Goods as on 01.04.2014		Cl. Stock of Fin. Goods as on 31.3.2015	
		Qty.	Value	Qty.	Value	Qty.	Value
<b>TP, Jhansi</b>							
Power transformers and special transformers	Nos.	119	367.17	0	0	3	13.32
ESP Transformer	Nos.	(147)	(451.44)	0	0.00	0	0
AC EMU Transformer	Nos.	955	100.01	0	0.00	0	0
	Nos.	(1179)	(125.00)	0	0.00	0	0.00
Freight Loco transformers	Nos.	6	2.18	0	0.00	0	0.00
	Nos.	(10)	(1.95)	0	0.00	0	0.00
Instrument transformers	Nos.	132	79.20	10	4.85	1	0.30
	Nos.	(94)	(85.17)	(3)	(1.60)	(10)	(4.85)
Bus Duct	Nos./Set	432	14.77	0	0.00	0	0.00
	Nos./Set	(491)	(16.85)	0	0.00	0	0.00
Dry Type Transformer	Nos.	0	0.14	0	0.00	0	0.00
	Nos.	0	(0.23)	0	0.00	0	0.00
Diesel Shunters	Nos.	110	39.64	0	0	0	0
	Nos.	(61)	(28.38)	0	0.00	0	0.00
AC LOCO	Nos.	12	49.74	0	0.00	2	12.03
	Nos.	(11)	(39.39)	0	0.00	0	0.00
New Product Loco	Nos.	0	0.00	0	0.00	0	0.00
	Nos.	0	0.00	0	0.00	0	0.00
Others/Misc.	Nos.	(1)	(7.94)	0	0.00	0	0.00
	Nos.	0	40.02	0	0.00	0	0.00
	Nos.	0	(18.08)	0	(0.02)	0	0.00
		<b>TOTAL</b>	<b>692.87</b>		<b>4.85</b>		<b>25.65</b>
<b>HEEP, Haridwar</b>							
Electrical Machines	MW/ Nos.	0	0	1/2	0.11	1/2	0.12
	MW/ Nos.	0	0	(1/2)	(0.22)	(1/2)	(0.11)
Industrial controls panels	Nos.	0	0	3	0.00	3	0.00
	Nos.	0	0	(3.00)	(0.19)	(3.00)	0.00
<u>Turbo Sets</u>							
Turbine Modules	MW/ Nos.	5520/42		1357/19	313.05	908/17	285.16
	MW/ Nos.	(8991/79)		(1131/19)	(365.05)	(1357/19)	(313.05)
Turbogenerator modules	MW/ Nos.	6161/10.5	2587.17	1711/5.5			
	MW/ Nos.	(13740/28.5)	(5364.74)	(1350/4)		(1711/5.5)	
Hydro sets	MW/ Nos.		0.17	0	0		
	MW/ Nos.	0	(1.47)	0	0	0	0
Super Rapid Gun Mount	Nos.			0	0		
	Nos.	0	0.00	0	0	0	0
Gas Turbine	MW/ Nos.		213.70	0	0		
	MW/ Nos.	(400/4)	(852.74)	0	0	0	0
Others			736.32	0	36.78		37.37
		0	(639.57)	0	(28.72)	0	(36.78)
		<b>TOTAL</b>	<b>3537.36</b>		<b>349.94</b>		<b>322.65</b>

(₹ in Crore)

Product	Unit	Sales during the year 2014-2015		Op. Stock of Fin. Goods as on 01.04.2014		Cl. Stock of Fin. Goods as on 31.3.2015	
		Qty.	Value	Qty.	Value	Qty.	Value
<b>HPBP, Trichy</b>							
Boilers	MT	310796	6508.65	39042	445.06	48786	582.66
	MT	(311288)	(8466.15)	(25498)	(358.83)	(39042)	(445.06)
Valves	Nos.	75053	790.05	17623	30.17	13125	59.41
	Nos.	(130485)	(703.02)	(18964)	(42.13)	(17623)	(30.17)
Income from testing & other services	₹		11.74	0	0		
	₹	0	(10.59)	0	0	0	0
Seamless steel tubes	MT	153	2.11	79	1.01	624	9.49
	MT	(187)	(2.46)	(97)	(1.73)	(79)	(1.01)
		<b>TOTAL</b>	<b>7312.55</b>		<b>476.24</b>		<b>651.56</b>
<b>BAP, Ranipet</b>							
Boiler auxiliaries	MT	149293	1541.13	47304	311.03	37888	307.08
	MT	(129139)	(2018.80)	(40734)	(296.98)	(47304)	(311.03)
Income from testing & other services			9.01				
		0	(2.58)	0	0.00	0.00	0.00
Income from external erection & other services			5.86				
		0	(5.68)	0	0.00	0.00	0.00
		<b>TOTAL</b>	<b>1556.00</b>		<b>311.03</b>		<b>307.08</b>
<b>HPEP, Hyderabad</b>							
Utility Sets (60 MW)	Nos.	7+P	507.86	P	30.65	P	40.56
	Nos.	(7+P)	(388.90)	(P)	(24.41)	(P)	(30.65)
Small & Medium Sets	Nos.	5+P	186.27	P	16.23	1+P	15.45
	Nos.	(11+P)	(354.47)	(2+P)	(11.70)	(P)	(16.23)
Pumps and heaters	Nos.	156+P	1041.96	P	23.72	11+P	34.58
	Nos.	(31+P)	(1904.88)	(P)	(2.09)	(P)	(23.72)
Compressors	Nos.	2+P	168.05	P	7.71	1+P	3.46
	Nos.	(11+P)	(116.82)	(1+P)	(3.45)	(P)	(7.71)
Gas Turbine	Nos.	P	323.91	0	9.50	P	9.50
	Nos.	(12+P)	(635.28)	0	0.00	0	(9.50)
Bowl Mills	Nos.	79+P	577.78	0	0	6+P	4.44
	Nos.	(50+P)	(1235.44)	0	0	0	0
Heat Exchangers	Nos.		1.20	0	0		
	Nos.	0	(2.77)	0	0	0	0
Erection Income			47.60	0	0		
			(37.03)	0	0	0	0
Castings				0	0		
			(0.75)	0	0	0	0
Breakers	Nos.	3	6.82				
	Nos.	(3)	(12.46)	0	0	0	0
Oil Rigs	Nos.	3+P	429.88	0	0.00	0	0
	Nos.	(P)	(513.44)	0	0	0	0
Others (Services)			3.67				
		<b>TOTAL</b>	<b>3295.00</b>		<b>87.81</b>		<b>107.99</b>

(₹ in Crore)

Product	Unit	Sales during the year 2014-2015		Op. Stock of Fin. Goods as on 01.04.2014		Cl. Stock of Fin. Goods as on 31.3.2015	
		Qty.	Value	Qty.	Value	Qty.	Value
<b>ISG, Bengaluru</b>							
Other Services			805.80	0	0		
		0	(1024.82)	0	0	0	0
		<b>TOTAL</b>	<b>805.80</b>		<b>0.00</b>		<b>0.00</b>
<b>EDN, Bengaluru</b>							
Power devices	Nos.	6	0.03	125	0.14	2482	0.39
	Nos.	(3540)	(1.32)	(82)	(0.08)	(125)	(0.14)
Photovoltaics	kWs	58933	339.37	55	0.27	173	13.81
	kWs	(33761)	(177.10)	(48)	(0.21)	(55)	(0.27)
Control Equipments	Cubicles	3516	1052.06	276	20.36	199	10.93
	Cubicles	(3709)	(1274.53)	(266)	(17.45)	(276)	(20.36)
		<b>TOTAL</b>	<b>1391.46</b>		<b>20.77</b>		<b>25.13</b>
<b>EPD, Bengaluru</b>							
Insulators & bushings	MT	8318	109.73	661	7.17	704	9.21
	MT	(7333)	(120.26)	(888)	(10.02)	(661)	(7.17)
Ceralin	MT	2125	30.48	156	1.67	451	4.56
	MT	(3543)	(53.69)	(188)	(2.35)	(156)	(1.67)
Control Panel	Nos.		76.28	56	1.31		2.95
	Nos.	0	(42.12)			(56)	(1.31)
Income from testing & other services		0	0.33				
		(0)	(3.39)	(0)	(0.00)	(0)	(0.00)
		<b>TOTAL</b>	<b>216.82</b>		<b>10.15</b>		<b>16.72</b>
<b>Power Group</b>							
Income from erection & Other services & spares			7112.61		-7.05		-5.59
			(7449.24)		(0.19)		(-7.05)
		<b>TOTAL</b>	<b>7112.61</b>		<b>(7.05)</b>		<b>(5.59)</b>
<b>IP, Jagdishpur</b>							
Insulators	CMT	6569	84.19	1214.51	16.77	1024.46	14.27
	CMT	(5767)	(81.07)	(1048)	(13.27)	(1215)	(16.77)
Ceralin	MT	3373	48.54	269	4.18	178.42	2.70
	MT	(2945)	(53.58)	(83)	(1.55)	(269)	(4.18)
		<b>TOTAL</b>	<b>132.73</b>		<b>20.95</b>		<b>16.97</b>
<b>IVP Goindwal</b>							
Industrial Valves	Nos.	0	0.00	1220	5.80	1633	9.17
	Nos.	0	0.00	(1050)	(5.38)	(1220)	(5.80)
Fuel Pipe Coupling	Nos.			84	0.04		
	Nos.			0	0.00	(84)	(0.04)
Wall Blowers	Nos.					11.00	0.06
		<b>TOTAL</b>	<b>0.00</b>		<b>5.84</b>		<b>9.23</b>
<b>CFP, Rudrapur</b>							
Busduct Project	Sets	35	127.04	24	10.21	18	15.41
	Sets	(49)	(198.67)	(22)	(9.05)	(24)	(10.21)
		<b>TOTAL</b>	<b>127.04</b>		<b>10.21</b>		<b>15.41</b>
<b>HERP, Varanasi</b>							
Spares & Repairs for Boiler/ Turbine & Auxiliaries			231.34		1.49		2.91
			(237.84)	0.00	(0.12)	0.00	(1.49)
		<b>TOTAL</b>	<b>231.34</b>		<b>1.49</b>		<b>2.91</b>

(₹ in Crore)

Product	Unit	Sales during the year 2014-2015		Op. Stock of Fin. Goods as on 01.04.2014		Cl. Stock of Fin. Goods as on 31.3.2015	
		Qty.	Value	Qty.	Value	Qty.	Value
<b>Transmission Business Group</b>							
Spares (Including Services)			557.08 (554.69)		8.66 (16.66)		5.84 (8.66)
		<b>TOTAL</b>	<b>557.08</b>		<b>8.66</b>		<b>5.84</b>
<b>EMRP, Mumbai</b>							
Repair & Project work			33.91 (19.29)		0.07 0.00		0.07 (0.07)
		<b>TOTAL</b>	<b>33.91</b>		<b>0.07</b>		<b>0.07</b>
<b>FP, Jagdishpur</b>							
Fabricated Items	MT	2194	12.57		0.00		
	MT		(0.04)		0.00		0.00
		<b>TOTAL</b>	<b>12.57</b>		<b>0.00</b>		<b>0.00</b>
<b>International Operations</b>							
Income from Sales (Revenue Recognition Adjustment)			9.86 (-13.15)		(1.18) 0.00		-0.10 (-1.18)
		<b>TOTAL</b>	<b>9.86</b>		<b>(1.18)</b>		<b>-0.10</b>
<b>Industry Sector</b>							
Income from Sales (Revenue Recognition Adjustment)			41.06 (70.94)		(1.44) (-0.14)		-2.11 (-1.44)
		<b>TOTAL</b>	<b>41.06</b>		<b>-1.44</b>		<b>-2.11</b>
<b>PE&amp;SD</b>							
Industrial sets			18.57 (74.98)				
Gas Turbine			48.03 (62.53)				
Thermal sets			114.50 (0.03)				
Compressors			0.41				
		<b>TOTAL</b>	<b>181.51</b>				
<b>RMSG</b>							
DG Sets & Erection services			120.01 (111.25)				
		<b>TOTAL</b>	<b>120.01</b>				
<b>HPVP</b>							
Boilers	MT	1475	30.64	438	9.90	675.53	14.05
	MT	(4845.00)	(60.30)	(164)	(1.11)	(438.00)	(9.90)
Cryogenics	MT	9.06	2.80				
	MT	(1767.00)	(43.23)				
Others	MT	1.19	3.94				
	MT	(16.00)	(1.51)				
		<b>TOTAL</b>	<b>37.38</b>		<b>9.90</b>		<b>14.05</b>
<b>CFFP, Haridwar</b>							
Steel Casting	MT	60	3.09	4.70	0.18		
	MT	(14.00)	(1.14)			(4.70)	(0.18)
NF Castings	MT	0.32	0.07				
	MT	(1.00)	(0.27)				
Steel Forging : Medium	MT					9.63	0.63
		<b>TOTAL</b>	<b>3.16</b>		<b>0.18</b>		<b>0.63</b>
<b>GRAND TOTAL</b>			<b>30947.04</b>		<b>1498.80</b>		<b>1743.74</b>
			<b>(40337.92)</b>		<b>(1361.00)</b>		<b>(1498.80)</b>



(₹ in Crore)

	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>b. Value of imports</b>		
CIF basis		
Raw materials	1968.35	2248.67
Components and spare parts	2103.90	4013.10
Capital goods	113.88	85.30
<b>c. Expenditure in foreign currency</b>		
Royalty	104.99	112.06
Know-how	10.82	1.58
Professional & Consultancy fees	9.93	14.28
Interest and others (incl. on foreign sites)	227.89	282.69
Dividend : @		
a) number of non-resident shareholders	8026	9339
b) number of shares held	389362343	361310807
c) gross amount of dividend	59.18	118.87
d) year to which dividend relates	2013-14	2012-13
	<b>(Final Dividend)</b>	<b>(Final Dividend)</b>
Interim Dividend : @		
a) number of non-resident shareholders	7154	8725
b) number of shares held	352044945	393383985
c) gross amount of dividend	19.01	51.53
d) year to which dividend relates	2014-15	2013-14
	<b>(Interim Dividend)</b>	<b>(Interim Dividend)</b>
<p>@ The company has not made any remittance of dividend in foreign currency. The payments have been made in Indian Rupees to the Bankers/Power of Attorney holders of non-resident shareholders.</p>		
<b>d. Value of consumption of raw materials, components, stores &amp; spare parts.</b>		
#Imported (including custom duty)	4213.10	6954.22
Indigenous	9963.43	10756.23
Percentage of total consumption		
Imported	30	39
Indigenous	70	61
<b>e. Earnings in foreign exchange</b>		
Export of goods (FOB basis)	747.36	1358.41
Interest	2.72	0
Erection & other services	275.41	250.16
Miscellaneous	29.24	0
FE in Deemed Exports (incl. domestic contracts and SEZ export)	4378.77	7169.17
# Includes canalised items wherever ascertained.		

(₹ in Crore)

		For the year ended 31.03.2015		For the year ended 31.03.2014	
<b>f. Statement for raw materials and components consumed</b>					
<b>Group of materials</b>	<b>Units</b>	<b>Quantity</b>	<b>Value</b>	<b>Quantity</b>	<b>Value</b>
Ferrous materials					
	MT	233766		252360	
	Meters	4990653		5894301	
	Nos.	1381094		2744341	
	Sq.M	4580		201723	
	Kg.	36771808		36344557	
	Others	110		680	
			2415.50		2522.14
Non-ferrous materials					
	MT	9994		13253	
	Meters	1417133		1316512	
	Nos.	105614		195572	
	Sq.M.	95		327	
	Kg.	5674244		5749753	
	RL	16397		14680	
	Others	25040		29781	
			381.37		425.72
Insulating materials					
	Meters	44533937		39478186	
	MT	14508		14031	
	Nos.	188061		208777	
	Sq.M.	3473306		3681993	
	Kg	472804		674542	
	LT	6037487		6729480	
	RL	112677		80972	
	M2	114513		163327	
	KL	0		6748	
	ST	461		112	
	Others	24934		7660	
			219.83		277.08
Insulated cables and Magnet wires					
	Meters	6356213		6015498	
	Nos.	49260		129112	
	Kg	445209		8163	
	Others	5	78.97	4	86.27
Components			6040.61		8971.01
Others			4567.71		4859.04
			13703.99		17141.26

# Independent Auditors' Report

**To the Board of Directors of  
Bharat Heavy Electricals Limited**

## **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **BHARAT HEAVY ELECTRICALS LIMITED** hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

## **Management’s Responsibility for the Consolidated Financial Statements**

The Holding Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent;

and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## **Auditor’s Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company’s preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such

controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entities as at 31<sup>st</sup> March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Emphasis of Matter

We draw attention to :

For Parent company amount outstanding in projects under hold for more than 3 years amounting to ₹ 1845 Crores (Refer note no. 31(21))

Our opinion is not qualified in respect of above matter.

## Other Matters

(a) We did not audit the financial statements of 1 subsidiary, and 2 jointly controlled entity, whose financial statements reflect total assets of ₹ 262.37 Crores as at 31<sup>st</sup> March, 2015, total revenues of ₹ 324.10 Crores and net cash outflows amounting to ₹ 0.76 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts

and disclosures included in respect of these subsidiary and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary and jointly controlled entity, is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of 2 jointly controlled entities, whose financial statements reflect total assets of ₹ 2578.08 Crores as at 31<sup>st</sup> March, 2015, total revenues of ₹ 296.43 Crores and net cash outflows amounting to ₹ 6.92 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entities, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

The accounts of Powerplant Performance Improvements Ltd. a Joint Venture of BHEL have not been consolidated as the said company is under liquidation and full amount of equity investment has been provided. The accounts of Latur Power company Ltd. have not been consolidated as the said company is under liquidation and full amount of equity investment has been realized

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-

section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled companies incorporated in India,

none of the directors of the Group companies and jointly controlled companies incorporated in India appointed during FY 2014-15 is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act. Prior to 01-04-2014, in terms of notification no. GSR 829(E) dated 21.10.2013 issued by the department of Company Affairs, Govt. of India, the provisions of section 274(1) (g) of the Companies Act, 1956 were not applicable to the company

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entities—Refer Note 31(7) to the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer Note 31(10) to the consolidated financial statements in respect of such items as it relates to the Group and jointly controlled entities and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and jointly controlled companies incorporated in India.

For Wahi & Gupta  
Chartered Accountants  
**FRN-002263N**



**(CA Anuj Gupta)**  
M.No.076560

For DSP & Associates  
Chartered Accountants  
**FRN-006791N**



**(CA Sanjay Jain)**  
M.No. 084906

**Date : 26.05.2015**  
**Place : New Delhi**

## Annexure to Independent Auditors' Report

**(Referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the accounts of Holding company, subsidiary company and jointly controlled companies incorporated in India, for the year ended March 31, 2015)**

- i) (a) The Group including its jointly controlled entities has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, physical verification of fixed assets is being conducted in a phased manner by the management under a programme designed to cover all the fixed assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Group including its jointly controlled entities and nature of its business and no material discrepancies were noticed on such verification to the extent verification was made during the year.
- ii) (a) As explained to us physical verification of inventory has been conducted by the management under Perpetual Inventory Programme at regular intervals during the year except for stock of work in progress and finished goods in few units where these are verified at the year end with reference to the inspection reports and production reports of the Production Planning Department of such units. In regard to stocks lying with contractors/fabricators and other parties, confirmations were received in few cases only. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Group including its jointly controlled entities and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Group including its jointly controlled entities has maintained proper records of its inventories and discrepancies noticed on physical verification of inventories were not material with regard to the size and nature of operations of the Group including its jointly controlled entities and have been properly dealt with in the books of account.
- iii) According to the information given to us, the Group including its jointly controlled entities has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clauses (iii) (a) and (iii)(b) of Paragraph 3 of the Order are not applicable to the Group including its jointly controlled entities.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Group including its jointly controlled entities and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further on the basis of our examination of the books and records of the Group including its jointly controlled entities, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control systems.
- v) According to the information and explanations given to us, the Group including its jointly controlled entities has not accepted any deposits from public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014.
- vi) We have broadly reviewed the books of account and records maintained by the Group including its jointly controlled entities pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.

- vii) (a) According to the information and explanations given to us, in our opinion, the Group including its jointly controlled entities is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and any other statutory dues were outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the particulars of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax and Cess which have not been deposited on account of dispute are as under:

(₹ in Crore)

Sl. No.	Name of the Statute	Nature of the dues	Pending Amount	Amount paid under protest	Forum where dispute is pending
1	Central Sales Tax Act, Work Contract Tax Act, Lease Tax, Entry Tax Act and Sales Tax Act of various States	Sales Tax, Entry Tax & Work Contract Tax	89.55	25.15	Assessing Officer
			302.06	35.96	Dy. Commissioner/ Jt. Commissioner/ Commissioner (Appeals)
			378.85	80.33	Appellate Tribunal
			409.35	107.49	High Court
			3.43	3.38	Supreme Court
			360.81	20.25	Various Appellate Authorities
2	Income Tax Act, 1961	Income Tax	1.17	-	Assessing Officer
			15.01	0.70	Commissioner (Appeals)
			0.32	-	High Court
3	Central Excise Act, 1944	Excise Duty	54.12	9.47	Commissioner (Appeals)
			359.63	8.44	Appellate Tribunal
			45.89	5.50	High Court
4	Service Tax under the Finance Act, 1994	Service Tax	77.96	2.13	Commissioner (Appeals)
			368.93	2.33	Appellate Tribunal
			14.47	-	High Court
5	Customs Act, 1962	Custom duty	2.93	2.83	Assessing Officer
6	The Building and other Construction Workers Welfare Cess Act, 1996	Cess	11.78	2.50	High Court

- (d) The Group including its jointly controlled entities has transferred the amount required to be transferred to Investor Education and Protection Fund within time in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- viii) The Group including its jointly controlled entities has no accumulated losses as at March 31, 2015 and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- ix) According to the records of the Group including its jointly controlled entities examined by us and the information and explanations given to us, the Group including its jointly controlled entities has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- x) In our opinion and according to the information and explanations given to us, the Group including its jointly controlled entities has not given guarantees for loans taken by others from banks or financial institutions.
- xi) As per information and explanations given to us, the Group including its jointly controlled entities has not obtained any term loan during the year.
- xii) During the course of our examination of the books and records of the Group including its jointly controlled entities, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud on or by the Group including its jointly controlled entities has been noticed or reported during the year.

For Wahi & Gupta  
Chartered Accountants  
**FRN-002263N**



**(CA Anuj Gupta)**  
M.No.076560

For DSP & Associates  
Chartered Accountants  
**FRN-006791N**



**(CA Sanjay Jain)**  
M.No. 084906

**Date : 26.05.2015**  
**Place : New Delhi**





No. MAB-III/Rep/26-06/CFS-BHEL/2015-16/586

भारतीय लेखा परीक्षा तथा लेखा विभाग  
कार्यालय प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा  
एवं पदेन सदस्य, लेखा परीक्षा बोर्ड-III  
नई दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT  
Office of the Principal Director of Commercial Audit  
& Ex-Officio Member, Audit Board-III  
New Delhi

To,  
The Chairman and Managing Director,  
Bharat Heavy Electricals Limited,  
New Delhi

Sub: **Comments of the Comptroller and Auditor General of India on the Consolidated Financial Statements of Bharat Heavy Electricals Limited for the year ending 31<sup>st</sup> March 2015 under Section 143(6) (b) read with Section 129(4) of the Companies Act, 2013.**

Sir,

I am enclosing herewith the Comments of the Comptroller and Auditor General of India on the Consolidated Financial Statements of Bharat Heavy Electricals Limited for the year ending 31<sup>st</sup> March 2015 under Section 143(6)(b) read with Section 129(4) of the Companies Act, 2013.

The receipt of the letter alongwith the enclosures may kindly be acknowledged.

Yours faithfully,

Encl: As above

*Tanuja Mittal*  
(Tanuja S. Mittal)  
Principal Director

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BHARAT HEAVY ELECTRICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2015.**

The preparation of consolidated financial statements of Bharat Heavy Electricals Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 May 2015.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) read with Section 129(4) of the Act of the consolidated financial statements of Bharat Heavy Electricals Limited for the year ended 31 March 2015. We conducted a supplementary audit of the financial statements of Bharat Heavy Electricals Limited, but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report.

**For and on the behalf of the  
Comptroller & Auditor General of India**

*Tanuja Mittal*  
(Tanuja S. Mittal)

**Principal Director of Commercial Audit &  
Ex-officio Member, Audit Board – III,  
New Delhi**

Place: New Delhi

Dated: 2 July 2015

ANNEXURE

**List of subsidiaries, associate companies and jointly controlled entities whose financial statements are not audited by the Comptroller and Auditor General of India**

A. Subsidiaries Companies

1. BHEL Electrical Machines Limited

B. Joint Ventures C

C. ompanies

1. BHEL-GE Gas Turbine Services Limited
2. NTPC-BHEL Power Projects Private Limited
3. Dada Dhuniwale Khandwa Project Limited
4. Raichur Power Corporation Limited

## Consolidated Balance Sheet

(As at 31<sup>st</sup> March, 2015)

(₹ in Crore)

Particulars	Note No.	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>I. EQUITY AND LIABILITIES</b>					
(1) <b>Shareholders' Funds</b>					
(a) Share capital	1	489.52		489.52	
(b) Reserves & surplus	2	33717.08	34206.60	32667.35	33156.87
(2) <b>Share application money pending allotment</b>					13.36
(3) <b>Minority Interest</b>			2.23		4.18
(4) <b>Non-current liabilities</b>					
(a) Long-term borrowings	3	1733.62		1961.35	
(b) Other long term liabilities	4	5359.02		6600.18	
(c) Long term provisions	5	6770.09	13862.73	7510.46	16071.99
(5) <b>Current liabilities</b>					
(a) Short-term borrowings	6	96.15		2663.84	
(b) Trade payables	7	9087.71		8831.92	
(c) Other current liabilities	8	9311.98		11661.32	
(d) Short-term provisions	9	4321.28	22817.12	2841.00	25998.08
<b>TOTAL</b>			<b>70888.68</b>		<b>75244.48</b>
<b>II. ASSETS</b>					
(1) <b>Non current assets</b>					
(a) Fixed assets					
(i) Tangible assets	10	4069.99		4561.59	
(ii) Intangible assets		160.09		167.81	
(iii) Capital work-in-progress		2605.01		2909.38	
(iv) Intangible assets under development		17.29	6852.38	21.44	7660.22
(b) Non-current investments	11	5.91		5.91	
(c) Deferred tax assets (net)	12	2229.42		1975.92	
(d) Long-term loans and advances	13	1312.64		1314.62	
(e) Other non-current assets	14	11447.40	14995.37	11892.72	15189.17
(2) <b>Current assets</b>					
(a) Inventories	15	10111.89		9808.69	
(b) Trade receivables	16	26520.12		28198.55	
(c) Cash and bank balances	17	9948.90		12019.97	
(d) Short term loans and advances	18	2281.84		2113.54	
(e) Other current assets	19	178.18	49040.93	254.34	52395.09
<b>TOTAL</b>			<b>70888.68</b>		<b>75244.48</b>

### Significant Accounting Policies

### Other notes to financial statements

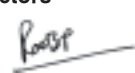
31

The accompanying Notes 1 to 31 & significant accounting policies form an integral part of the consolidated financial statements.

For and on behalf of Board of Directors

  
(I.P. Singh)  
Company Secretary


  
(P.K. Bajpai)  
Director (Finance)

  
(B. Prasada Rao)  
Chairman and Managing Director

As per our report of even date attached

For Wahi & Gupta  
Chartered Accountants  
FRN-002263N

For DSP & Associates  
Chartered Accountants  
FRN-006791N

  
(CA Anuj Gupta)  
Partner  
M.No.076560

  
(CA Sanjay Jain)  
Partner  
M.No. 084906

Place : New Delhi  
Date : 26.05.2015

## Consolidated Statement of Profit and Loss

For the year ended 31<sup>st</sup> March, 2015

(₹ in Crore)

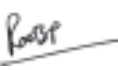
Particulars	Note No.	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
<b>I. Revenue from operations (Gross)</b>	<b>20</b>	<b>31554.76</b>	<b>40801.99</b>
Less: Excise duty		921.66	1344.70
Less: Service tax		485.58	609.00
<b>Revenue from operations (Net)</b>		<b>30147.52</b>	<b>38848.29</b>
<b>II. Other operational income</b>	<b>21</b>	<b>641.07</b>	<b>721.12</b>
<b>III. Other income</b>	<b>22</b>	<b>1230.59</b>	<b>1623.02</b>
<b>Total revenue (I to III)</b>		<b>32019.18</b>	<b>41192.43</b>
<b>IV. Expenses</b>			
Cost of material consumption, erection and engineering expenses	<b>23</b>	<b>18278.50</b>	22465.27
(Increase)/Decrease in work in progress & finished goods	<b>24</b>	<b>-339.50</b>	1053.39
Employee benefits expense	<b>25</b>	<b>5475.48</b>	5956.57
Finance costs	<b>26</b>	<b>92.43</b>	133.46
Depreciation & amortisation expense	<b>10.1</b>	<b>1082.01</b>	985.36
Other expenses of manufacture, administration, selling and distribution	<b>27</b>	<b>3655.50</b>	3323.86
Provisions (net)	<b>28</b>	<b>1604.67</b>	2260.83
Less: Cost of jobs done for internal use		27.49	69.99
<b>Total expenses</b>		<b>29821.60</b>	<b>36108.75</b>
<b>V. Profit before prior period adjustments, exceptional items and tax</b>		<b>2197.58</b>	<b>5083.68</b>
<b>VI. Add/less: Prior period adjustments (net)</b>	<b>29</b>	<b>-10.29</b>	<b>-6.00</b>
<b>VIII. Profit before tax for the year</b>		<b>2187.29</b>	<b>5077.68</b>
<b>IX. Less: Tax expense</b>	<b>30</b>		
a) Current tax		968.87	1934.68
b) Deferred tax		-232.02	-359.34
<b>X. Profit for the year before minority interest</b>		<b>1450.44</b>	<b>3502.34</b>
<b>Less: Minority interest</b>		<b>-1.94</b>	<b>-0.52</b>
<b>XI. Profit after minority interest for the year</b>		<b>1452.38</b>	<b>3502.86</b>
Earning per share (Basic & Diluted) (Refer point no. 15 of Note 31) in ₹		<b>5.93</b>	14.31
Face Value per Share (Refer point no. 15 of Note 31) in ₹		<b>2.00</b>	2.00
<b>Significant accounting policies</b>			
<b>Notes to financial statements</b>	<b>31</b>		

The accompanying notes 1 to 31 & significant accounting policies form an integral part of the consolidated financial statements.  
Total Revenue includes ₹ **600.78 Crore** (previous year ₹ 446.54 Crore) share of jointly controlled entities.  
Total Expenses includes ₹ **543.41 Crore** (previous year ₹ 373.11) share of jointly controlled entities.

For and on behalf of Board of Directors

  
(I.P. Singh)  
Company Secretary

  
(P.K. Bajpai)  
Director (Finance)

  
(B. Prasada Rao)  
Chairman and Managing Director

As per our report of even date attached

For Wahi & Gupta  
Chartered Accountants  
FRN-002263N



(CA Anuj Gupta)  
Partner  
M.No.076560

For DSP & Associates  
Chartered Accountants  
FRN-006791N



(CA Sanjay Jain)  
Partner  
M.No. 084906

Place : New Delhi  
Date : 26.05.2015

## Consolidated Cash Flow Statement

for the year ended March 31, 2015

(₹ in Crore)

	2014-15	2013-14
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	2187.29	5077.68
Adjustment for		
Depreciation/Amortisation	1082.34	991.39
Lease Equalisation	0.60	0.51
Provisions (Net)	1124.47	1629.68
Bad Debts & LD & investment written off	62.64	68.90
Profit on sale of Fixed assets	-5.74	-0.06
Profit on sale of short Term Investments	0.00	-0.02
Finance costs	92.43	133.49
Interest/Dividend Income	-850.82	-661.70
Operating Profit before Working Capital changes	3693.21	7239.87
Adjustment for		
Trade & Other Receivables	956.31	-1135.33
Inventories	-353.45	2039.05
Trade Payable & Advances	-2427.65	-1473.09
Cash generated from operations	1868.42	6670.50
Direct Taxes Paid (Net of refund)	-1047.23	-2158.50
<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>821.19</b>	<b>4512.00</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-325.63	-1604.13
Sale and Disposal of Fixed Assets	48.64	233.52
Sale and Disposal of short term Investments	0.00	0.02
Sale of Investment in Subsidiary & Joint Ventures	0.00	0.02
Pursuant to Amalgamation	0.00	-108.20
Interest & Dividend income	927.39	610.91
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-650.40</b>	<b>867.86</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short-term & Long-term borrowings (Net)	-2806.24	1990.45
Share application money pending allotment	-13.36	-2.28
Dividend Paid (including tax on dividend)	-614.07	-1335.31
Finance costs	-108.99	-129.53
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>3542.66</b>	<b>-523.33</b>
<b>D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-2071.07</b>	<b>4167.47</b>
Opening Balance of Cash and Cash Equivalents	12019.97	7852.50
Closing Balance of Cash and Cash Equivalents (Refer note no. 17)	9948.90	12019.97

Note 1 : Cash & Cash Equivalents consists of cash and bank balance & deposits with banks.

2 : Previous year's figures have been regrouped/rearranged wherever necessary.

3 : Cash & Cash Equivalents includes ₹ 3.72 Crore (previous year ₹ 3.87 Crore) unclaimed dividend lying in designated bank accounts

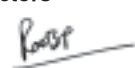
For and on behalf of Board of Directors



(I.P. Singh)  
Company Secretary



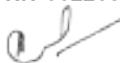
(P.K. Bajpai)  
Director (Finance)



(B. Prasada Rao)  
Chairman and Managing Director

As per our report of even date attached

For Wahi & Gupta  
Chartered Accountants  
FRN-002263N



(CA Anuj Gupta)  
Partner  
M.No.076560

For DSP & Associates  
Chartered Accountants  
FRN-006791N



(CA Sanjay Jain)  
Partner  
M.No. 084906

Place : New Delhi  
Date : 26.05.2015

## 1 - Share Capital

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>Authorised</b>				
1000,00,00,000 equity shares of ₹ 2 each (previous year 1000,00,00,000 equity shares of ₹ 2 each)		<u>2000.00</u>		<u>2000.00</u>
<b>Issued, Subscribed &amp; Paid up Capital</b>		<b>489.52</b>		489.52
244,76,00,000 fully paid equity shares of ₹ 2 each (previous year 244,76,00,000 equity shares of ₹ 2 each)				
a) The reconciliation of the number of equity shares outstanding is set out below:				
	<b>Number</b>	<b>Amount</b>	Number	Amount
Shares outstanding at the beginning of the year	<b>2447600000</b>	<b>489.52</b>	2447600000	489.52
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<u><b>2447600000</b></u>	<u><b>489.52</b></u>	2447600000	489.52
b) Details of shares held by shareholders holding more than 5% shares at the year end	<b>No. of shares</b>	<b>% age of holding</b>	No. of shares	% age of holding
President of India (POI) alongwith nominees	<b>1543452000</b>	<b>63.06%</b>	1543452000	63.06%
Life Insurance Corporation of India	<b>230516784</b>	<b>9.42%</b>	242890195	9.92%
Face Value per share (₹)		<u><b>2.00</b></u>		<u>2.00</u>
c) Terms / rights attached to the equity shares: The company has only one class of equity shares having a par value of ₹ <b>2 per share</b> (previous year ₹ 2 per share). Each holder of the equity shares is entitled to one vote per share.				

## 2 - Reserves & surplus

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>Capital reserve</b>		
Opening Balance	36.56	2.74
Add: Addition pursuant to amalgamation		0.02
Add: Adjustment on amalgamation		33.80
Add: Additions		-
Less: Deductions	-	-
	<b>36.56</b>	<b>36.56</b>
<b>General reserve</b>		
Opening balance	31379.69	28875.91
Add: transfer from surplus of profit & loss	1003.43	2503.79
Less: Deductions		
	<b>32383.12</b>	<b>31379.69</b>
<b>Surplus i.e. balance in statement of profit &amp; loss</b>		
Opening balance	1251.10	1164.56
Pursuant to amalgamation		-81.25
Less Depreciation adjustment (Refer para no. 20 of note 31)	40.57	
Add: net profit for the year	1452.38	3502.86
Less: Adjustments	0.65	1.12
Profit available for appropriation	2662.26	4585.05
Less: Appropriation-		
-General reserve	1003.43	2503.79
-Dividend (including interim dividend of ₹ 149.07 Crore, previous year ₹ 337.53 Crore)	300.82	709.57
-Corporate dividend tax (including ₹ 29.72 Crore, previous year ₹ 57.36 Crore)	60.61	120.59
	<b>1297.40</b>	<b>1251.10</b>
	<b>33717.08</b>	<b>32667.35</b>

## 3 - Long-term borrowings

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>Secured</b>		
Loans from banks	403.00	494.79
(Loan from Banks First pari passu charge on the moveable assets present and future comprising of moveable plant and machinery spares fitting furniture spare parts tools and accessories and stores and other moveables including operating cashflows, treasury income, book debts, receivables, cost commissions and revenue present and future along with a first charge of any other bank account wherever maintained of 2*800 MW Yermurus Thermal power station. First pari passu charge is in favour of Power Finance Corporation and the banks)		
Loans from Power Finance Corporation Ltd.	1269.22	1361.58
(All the moveable and immovable property of RPCL 2*800 MW Yermarus Thermal Power Station including all Plant and Machinery and other assets as specified in MoU and deed of hypothecation dated 14 <sup>th</sup> July 2011 shall be subject to a first charge in favour of PFC)		
	<b>1672.22</b>	<b>1856.37</b>
<b>Unsecured</b>		
Long term maturities of finance lease obligations	61.40	104.98
	<b>61.40</b>	<b>104.98</b>
	<b>1733.62</b>	<b>1961.35</b>

Includes ₹1672.62 Crore (previous year ₹ 1856.56 Crore) share of jointly controlled entities.



## 4 - Other long-term liabilities

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Trade payables	701.82	764.91
Advances received from customers & others	4563.04	5759.89
Deposits from contractors & others	94.16	75.38
	<u>5359.02</u>	<u>6600.18</u>

Includes ₹ **NIL Crore** (previous year ₹ NIL Crore) share of jointly controlled entities.

## 5 - Long-term provisions

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Provision for employee benefits	2713.84	2443.46
Contractual Obligation	3605.24	4701.04
Other long-term provisions	451.01	365.96
	<u>6770.09</u>	<u>7510.46</u>

Includes ₹ **10.46 Crore** (previous year ₹ 10.51 Crore) share of jointly controlled entities.

## 6 - Short-term borrowings

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>Secured</b>		
<b>Loans from banks</b>		
Amount payable to KPCL	94.01	111.90
Cash credit	2.14	1.94
(secured by hypothecation of raw materials, components, stores & spares, work in progress, finished goods, Trade Receivables and other current assets)		-
<b>Rupee export packing credit</b>	0.00	2550.00
(secured by first charge by way of hypothecation of raw materials, components, work-in-progress, finished goods, stores, Trade Receivables and other current assets both present and future)		
	<u>96.15</u>	<u>2663.84</u>

Includes ₹ **94.01 Crore** (previous year ₹ 107.40 Crore) share of jointly controlled entities.

## 7 - Trade payables

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Trade Payables	9043.60	8757.59
Acceptances	44.11	74.33
	<u>9087.71</u>	<u>8831.92</u>

Includes ₹ **283.88 Crore** (previous year ₹ 107 Crore) share of jointly controlled entities.

## 8 - Other current liabilities

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Current maturities of finance lease obligation	57.06	67.88
Advances received from customers & others	7052.17	9016.39
Deposits from Contractors & others	519.29	539.85
Unclaimed dividend	3.72	3.87
Other payables/ liabilities*	1672.85	2008.88
Bonds		1.00
Interest accrued but not due	0.40	7.22
Interest accrued and due on:		
Bonds	0.00	5.52
Packing credit	0.00	2.89
State Government Loans	2.33	2.33
Finance lease	4.16	5.49
	<u>9311.98</u>	<u>11661.32</u>

Advances received from customers & others include valuation adjustment

- ₹ **2637.89 Crore** (previous year ₹ 4025.65 Crore)

Includes ₹ **188.65 Crore** (previous year ₹ 217.56 Crore) share of jointly controlled entities.

\* includes Employees dues and Statutory dues

## 9 - Short-term provisions

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Provision for employee benefits	576.03	570.83
Proposed dividend	156.51	376.80
Corporate dividend tax	31.84	64.04
Contractual obligation	2513.97	944.83
Other short-term provisions	1042.93	884.50
	<u>4321.28</u>	<u>2841.00</u>

Includes ₹ **34.73 Crore** (previous year ₹ 10.92 Crore) share of jointly controlled entities.

## 10 - Fixed assets

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>(i) Tangible assets</b>		
Gross block	12254.50	11697.05
Less: Accumulated depreciation	8186.69	7138.30
Less: Accumulated impairment	0.07	0.00
Less: Lease adjustment account	-2.25	-2.84
Net Block	<u>4069.99</u>	<u>4561.59</u>
<b>(ii) Intangible assets</b>		
Gross block	444.43	405.89
Less: Accumulated depreciation/amortisation	284.34	238.08
Net block	<u>160.09</u>	<u>167.81</u>
<b>(iii) Capital work in progress</b>		
Construction work-in-progress -Civil	277.47	235.04
Construction work-in-progress -Others	328.48	247.40
Construction stores (including in transit)	2.88	8.95
Plant & machinery and other equipments		
-Under Erection/ Fabrication/awaiting erection	1923.26	2271.96
-In transit	72.92	146.03
	<u>2605.01</u>	<u>2909.38</u>
<b>(iv) Intangible assets under development</b>	<u>17.29</u>	<u>21.44</u>
	17.29	21.44
<b>Total</b>	<u>6852.38</u>	<u>7660.22</u>
<b>Refer to details in Note no. 10.1</b>		

Includes ₹ 2187.06 Crore (previous year ₹ 2315.26 Crore) share of jointly controlled entities.

## Note 10.1

### Fixed assets

(₹ in Crore)

	Gross Block			Depreciation/Amortisation					Net Block		
	Cost As at 01.04.2014	Additions/ adjustments during the year	Deductions/ adjustments during the year	Cost As at 31.03.2015	Accumulated Depreciation/ Amortisation as at 01.04.2014	Depreciation for the year	Depreciation Adjustment	Lease Adjustment Account as at 31.03.2015	Accumulated Depreciation/ Amortisation as at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Factory/ Office Complex</b>											
<b>(i) Tangible assets</b>											
Freehold land (incl. development exp.)	25.61		0.15	25.46						25.46	25.61
Leasehold land (incl. development exp.)	68.76	8.12	3.05	73.83	1.04	0.64			1.68	72.16	67.72
Roads, bridges and culverts	30.60	2.17	0.77	32.00	5.83	8.29	4.16		18.28	13.72	24.77
Buildings	1802.52	142.03	28.23	1916.33	699.80	97.40	-11.30		785.90	1130.43	1102.72
Leashold buildings	3.12			3.12	1.44	0.05			1.49	1.63	1.68
Drainage, sewerage and water supply	30.11	1.51	0.23	31.39	12.78	0.86	0.41		14.05	17.34	17.33
Railway siding	16.70	2.81		19.51	9.98	0.80			10.78	8.73	6.72
Locomotives and wagons	52.59	2.65		55.24	23.73	3.13	0.30		27.16	28.09	28.86
Plant & Machinery	7318.01	335.79	13.25	7640.55	4735.06	718.39	-14.93		5438.52	2202.03	2582.95
Electronic data processing equipments	177.30	29.19	0.10	206.39	171.03	2.79	27.67		201.49	4.90	6.27
Electrical installations	338.58	11.69	0.97	349.30	141.47	29.39			170.86	178.44	197.11
Construction Equipment	267.31	8.12	2.37	273.06	194.68	29.13	-0.74		223.07	49.98	72.63
Vehicles	20.12	5.15	0.46	24.82	16.64	1.28	0.69		18.61	6.21	3.48
Furniture & fixtures	56.48	5.21	0.54	61.14	19.30	7.34	0.72		27.36	33.78	37.18
Office & other equipments	183.99	22.59	1.19	205.39	93.53	38.45	12.73		144.71	60.69	90.46
Fixed assets costing up to ₹ 10000/-	111.19	6.53	1.36	116.37	111.19	6.55	-1.37		116.36		
Capital expenditure	0.44		0.44		0.44		-0.44				
Assets Given on Lease	497.15			497.15	493.79		3.36	2.25	497.15	2.25	6.20
Assets taken on Lease											
Plant & Machinery	0.16			0.16	0.16				0.16		
EDP Equipment taken on lease	396.66	5.87	33.83	368.70	261.09	70.51	-13.60		318.00	50.70	135.57
Office & other equipment taken on lease	4.17	0.45	0.45	4.17	1.04	1.31	0.20		2.55	1.61	3.13
Other assets taken on lease	2.92	0.48	0.10	3.30	2.68	0.43	-0.45		2.66	0.64	0.24
<b>Total Tangible Assets-Factory</b>	<b>11404.51</b>	<b>590.38</b>	<b>87.49</b>	<b>11907.37</b>	<b>6996.71</b>	<b>1016.73</b>	<b>7.40</b>	<b>2.25</b>	<b>8020.82</b>	<b>3888.79</b>	<b>4410.64</b>
<b>(ii) Intangible Assets</b>											
- Internally developed											
Software	0.65			0.65	0.60				0.60	0.05	0.05
Patents & Trade Marks											
Technical Know How											
Others	59.88	10.63		70.51	34.70	13.98	0.08		48.76	21.75	25.18
- Others											
Software	149.83	16.03	5.30	160.57	132.03	14.51	-4.87		141.68	18.88	17.80

(₹ in Crore)

	Gross Block			Depreciation/Amortisation						Net Block	
	Cost As at 01.04.2014	Additions/ adjustments during the year	Deductions/ adjustments during the year	Cost As at 31.03.2015	Accumulated Depreciation/ Amortisation as at 01.04.2014	Depreciation for the year	Depreciation Adjustment	Lease Adjustment Account as at 31.03.2015	Accumulated Depreciation/ Amortisation as at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Patents & Trade Marks											
Technical Know-how	171.28	17.22		188.50	60.67	19.65	-0.96		79.36	109.14	110.61
Others	24.25		0.05	24.20	10.08	3.85			13.93	10.27	14.17
<b>Total intangible Assets-Factory</b>	<b>405.89</b>	<b>43.89</b>	<b>5.35</b>	<b>444.43</b>	<b>238.08</b>	<b>51.99</b>	<b>-5.75</b>		<b>284.34</b>	<b>160.09</b>	<b>167.81</b>
<b>Total of Factory Assets</b>	<b>11810.40</b>	<b>634.26</b>	<b>92.84</b>	<b>12351.80</b>	<b>7234.79</b>	<b>1068.72</b>	<b>1.65</b>	<b>2.25</b>	<b>8305.16</b>	<b>4048.88</b>	<b>4578.45</b>
<b>Township/ Residential Tangible assets</b>											
Freehold land (incl. development exp.)	2.39	0.15		2.54						2.54	2.39
Leasehold land (incl. development exp.)	11.43	0.25		11.68	0.66	0.12			0.78	10.89	10.77
Roads, bridges and culverts	7.22	0.59		7.81	3.20	0.61	2.13		5.94	1.87	4.03
Buildings	178.36	43.34		221.70	72.41	5.77	6.55		84.73	136.97	105.95
Leasehold buildings	0.27			0.27	0.27				0.27		
Drainage, sewerage and water supply	19.94	2.81	0.02	22.73	15.10	0.53	0.24		15.87	6.86	4.84
Plant and Machinery	23.76	2.55	0.04	26.27	14.10	2.12	-0.04		16.18	10.09	9.66
Electronic Data Processing Equipment	0.03	0.02		0.05		0.02			0.02	0.03	0.03
Electrical installations	19.53	2.13		21.66	15.88	1.04	0.05		16.97	4.69	3.65
Vehicles	1.00		0.08	0.92	0.96	0.03	-0.08		0.90	0.01	0.04
Furniture & fixtures	1.30	0.29	0.04	1.55	0.58	0.31	-0.03		0.87	0.68	0.72
Office & other equipments	24.27	2.75	0.18	26.84	15.40	2.65	2.24		20.29	6.55	8.87
Fixed assets costing up to ₹ 10000/-	3.03	0.10		3.13	3.03	0.10			3.13		
<b>Total Tangible Assets-Township</b>	<b>292.54</b>	<b>54.96</b>	<b>0.36</b>	<b>347.13</b>	<b>141.59</b>	<b>13.29</b>	<b>11.05</b>		<b>165.93</b>	<b>181.20</b>	<b>150.95</b>
<b>Total of Township Assets</b>	<b>292.54</b>	<b>54.96</b>	<b>0.36</b>	<b>347.13</b>	<b>141.59</b>	<b>13.29</b>	<b>11.05</b>		<b>165.93</b>	<b>181.20</b>	<b>150.95</b>
<b>Total of Tangible Assets</b>	<b>11697.05</b>	<b>645.34</b>	<b>87.86</b>	<b>12254.50</b>	<b>7138.30</b>	<b>1030.02</b>	<b>18.45</b>	<b>2.25</b>	<b>8186.76</b>	<b>4069.99</b>	<b>4561.59</b>
<b>Total of Intangible Assets</b>	<b>405.89</b>	<b>43.89</b>	<b>5.35</b>	<b>444.43</b>	<b>238.08</b>	<b>51.99</b>	<b>-5.75</b>		<b>284.34</b>	<b>160.09</b>	<b>167.81</b>
<b>Total of Factory &amp; Township</b>	<b>12102.94</b>	<b>689.23</b>	<b>93.21</b>	<b>12698.92</b>	<b>7376.38</b>	<b>1082.01</b>	<b>12.71</b>	<b>2.25</b>	<b>8471.10</b>	<b>4230.08</b>	<b>4729.40</b>
<b>Previous year</b>	<b>11083.90</b>	<b>1287.67</b>	<b>268.70</b>	<b>12102.94</b>	<b>6420.23</b>	<b>985.36</b>	<b>-29.22</b>	<b>2.84</b>	<b>7376.38</b>	<b>4729.40</b>	<b>4667.02</b>

Gross Block as at 31.03.2015 includes assets condemned and retired from active use ₹ 122.20 Crore (Previous year ₹ 85.29 Crore)

Net Block as at 31.03.2015 includes assets condemned and retired from active use ₹ 1.31 Crore (Previous year ₹ 0.02 Crore)

Gross Block excludes cost of assets purchased out of grant received from Govt of India for research as executing agency since the property does not vest with the Company.

	2014-15	2013-14
₹ in Crore	49.16	42.04

There is no impairment loss in fixed assets during the year except in case of P&M of BHEL EML ₹ 0.07 Crore and the same shown in Depreciation adjustment

Change due to shareholding in RPCL has been included in respective adjustment columns.

Gross Block includes ₹ 99.17 Crore (previous year ₹ 41.70 Crore) Share of joint controlled entities

Depreciation for the year includes ₹ 3.69 Crore (Previous Year ₹ 1.50 Crore) Share of joint controlled entities.

Depreciation adjustment includes adjustment to retained earning ₹ 62.01 Crore (refer para 20 of note 31)

## 11 - Non-current investments

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>Long Term Investments (at cost)</b>				
<b>Unquoted Shares (Fully paid up):</b>				
<b>TRADE:</b>				
1892 (previous year 1892) Equity shares of ₹ 10/- each (Previous year ₹ 10 each) of Engineering Projects (India) Ltd.		*		
728960 (previous year 728960) Equity shares of ₹ 10/- each of AP Gas Power Corporation Ltd.	0.91		0.91	
5000000 (Previous year 5000000) Equity shares of ₹ 10/- each of Neelachal Ispat Nigam Ltd.	5.00	5.91	5.00	5.91
<b>Joint Ventures Companies</b>				
1999999 (previous year 1999999) Equity Shares of ₹ 10/- each of Powerplant Performance Improvement Ltd.	2.00		2.00	
Less: Provision for diminution in value	2.00	0.00	2.00	0.00
<b>OTHER THAN TRADE</b>				
3 shares of ₹ 100/- each of BHEL House Building Cooperative Society Ltd., Hyderabad		*		*
250 shares of ₹ 10/- each of BHPV Employees Consumers Cooperative Stores Ltd.		*		*
10 shares of ₹ 50/- each of Cuffe Parade Persopolis Premises Cooperative Society Ltd., Mumbai		*		*
20 shares of ₹ 50/- each of Hill View Cooperative Housing Society Ltd., Mumbai		*		*
<b>Share Money paid in advance to</b>				
M/s. Rita Enterprises, Mumbai for allotment of 50 shares of ₹ 10 each		*		*
M/s. Asish Enterprises, Mumbai for allotment of 50 shares of ₹ 10 each		*		*
* Value of less than ₹ 1 lakh				
		<u>5.91</u>		<u>5.91</u>
<b>Aggregate value of Unquoted Investments</b>		5.91		5.91
<b>Aggregate provision in diminution in value of Investments</b>		2.00		2.00

## 12 - Deferred tax assets (Net)

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Provisions	1518.82	1323.32
Statutory dues	639.31	609.47
Modvat Adjustment	2.88	50.05
Others	12.03	41.66
	<u>2173.04</u>	<u>2024.50</u>
Deferred Tax Liabilities		
Depreciation	-56.38	48.58
Others		
<b>Deferred tax assets (net)</b>	<u>2229.42</u>	<u>1975.92</u>

Includes ₹ 6.20 Crore (previous year ₹ 5.97 Crore) share of jointly controlled entities.

## 13 - Long-term loans and advances

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Loans to employees	0.28	0.11
Loans to Public Sector Undertakings (Bharat Pumps and Compressor Ltd. For capital investment)	4.00	8.00
Interest accrued and or due on loans	<u>0.26</u>	<u>0.32</u>
	4.54	8.43
<b>Sub classification:-</b>		
Secured, considered good ₹ 4.02 Crore (previous year ₹ 8.09 Crore)		
Unsecured, considered good ₹ 0.52 Crore (previous year ₹ 0.34 Crore)		
<b>Advances (Recoverable in cash or in kind or for value to be received)</b>		
For purchases	336.11	413.29
Capital advance	123.62	178.70
To Others	<u>57.95</u>	<u>58.86</u>
	517.68	650.85
<b>Sub classification:-</b>		
Unsecured, considered good ₹ 517.68 Crore (previous year ₹ 650.85 Crore)		
<b>Deposits</b>		
Balance with customs, Port Trust and other Govt Authorities	78.33	55.54
Other Deposits	110.80	67.39
Advance Tax/TDS (Net of Provision for Taxation)	644.13	565.76
Less: Provisions	<u>42.84</u>	<u>33.35</u>
	790.42	655.34
<b>Sub classification:-</b>		
Unsecured, considered good ₹ 790.42 Crore (previous year ₹ 655.34 Crore)		
Doubtful ₹ 42.84 Crore (previous year ₹ 33.35 Crore)		
	<u>1312.64</u>	<u>1314.62</u>
Includes:		
Due from Officers	0.01	0.01

Includes ₹ 93.53 Crore (previous year ₹ 147.79 Crore) share of jointly controlled entities.

## 14 - Other non-current assets

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
Long term trade receivables	14766.04		14870.40	
Less: Provision for bad & doubtful debts	2957.39		2403.34	
Less: Automatic price reduction adjustment a/c	361.25	11447.40	574.34	11892.72
		<u>11447.40</u>		<u>11892.72</u>
<b>Sub classification: Long term trade receivables</b>				
Secured, considered good		-		-
Unsecured, considered good		11447.40		11892.72
Doubtful		3318.64		2977.68
		<u>14766.04</u>		<u>14870.40</u>
Long term trade receivables include deferred debts- - (₹ 10219.60 Crore (previous year ₹ 11619.96 Crore)				
Includes ₹ 32.95 Crore (previous year ₹ 11.67 Crore) share of jointly controlled entities.				

## 15 - Inventories

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
Raw material & components	4091.65		3883.17	
Material-in-transit	469.09	4560.74	594.74	4477.91
Work-in-progress (including items with sub-contractors)		3212.12		3014.84
Finished goods	1746.24		1500.09	
Inter division transfers in transit	201.99	1948.23	307.07	1807.16
Stores & spare parts				
Production	227.19		227.37	
Fuel stores	5.50		17.06	
Miscellaneous	46.55	279.24	48.69	293.12
Materials with fabricators/contractors		141.73		197.39
Loose tools		35.28		37.77
Scrap (at estimated realisable value)		71.54		67.24
Less: Provision for non-moving inventory		136.99		86.74
		<u>10111.89</u>		<u>9808.69</u>

Refer to Significant Accounting Policy No. 9 regarding mode of valuation

Includes ₹ 4.95 Crore (previous year ₹ 6.82 Crore) share of jointly controlled entities.



## 16 - Trade receivables

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
Debts outstanding for a period exceeding six months	15473.64	15063.71
Other debts	12812.63	14332.69
	<u>28286.27</u>	<u>29396.40</u>
Less : Provision for bad & doubtful debts & automatic price reduction adjustment	1766.15	1197.85
	<u>26520.12</u>	<u>28198.55</u>
Trade receivables include deferred debts- – ₹ 7065.22 Crore (previous year ₹ 6345.85 Crore)		
Trade receivables include goods despatched pending billing- – ₹ 1192.30 Crore (previous year ₹ 1328.75 Crore)		
Trade receivables include valuation adjustment- – ₹ 1740.69 Crore (previous year ₹ 1342.28 Crore)		
<b>Particulars of current trade receivables :</b>		
Secured, considered good	-	-
Unsecured, considered good	26520.12	28198.55
Doubtful	1766.15	1197.85
	<u>28286.27</u>	<u>29396.40</u>

Includes ₹ 294.19 Crore (previous year ₹ 117.66 Crore) share of jointly controlled entities.

## 17 - Cash & Bank Balances

(₹ in Crore)

	Figures as at 31.03.2015	Figures as at 31.03.2014
<b>Cash &amp; Cash equivalents</b>		
Balances with Banks*	2611.63	2478.33
Cheques, Demand Drafts on hand	290.74	200.80
Cash & Stamps in on hand	0.60	0.93
Remittances in transit	0.00	0.06
<b>Other Bank Balances</b>		
Fixed Deposit having maturity more than 3 months & less than 12 months	7045.10	9339.85
Fixed Deposit having maturity more than 12 months	0.83	
	<u>9948.90</u>	<u>12019.97</u>
<b>*Includes</b>		
Earmarked against unclaimed dividend	3.72	3.87
Non-repatriable account	4.11	5.87

Includes ₹ 135.94 Crore (previous year ₹ 146.56 Crore) share of jointly controlled entities.

## 18 - Short-term loans and advances

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
<b>Loans</b>				
Loans to Employees	0.19		0.17	
Loans to Public Sector Undertakings (Bharat Pumps and Compressor Ltd. For capital investment)	8.00		8.00	
Interest accrued and or due on loans	1.93	10.12	1.95	10.12
<b>Sub classification:-</b>				
Secured, considered good ₹ 8.04 Crore (previous year ₹ 8.06 Crore)				
Unsecured, considered good ₹ 2.08 Crore (previous year ₹ 2.06 Crore)				
<b>Advances (Recoverable in cash or in kind or for value to be received)</b>				
To subsidiaries	0.59		0.05	
To employees	39.83		39.76	
For purchases	507.78		584.50	
To Others	1202.52	1750.72	1055.32	1679.63
<b>Sub classification:-</b>				
Secured, considered good ₹ 0.05 Crore (previous year ₹ 0.08 Crore)				
Unsecured, considered good ₹ 1750.67 Crore (previous year ₹ 1679.55 Crore)				
<b>Deposits</b>				
Balance with customs, Port Trust and other Govt. Authorities	504.51		439.33	
Others	129.84		87.10	
<b>Less: Provision for doubtful loans &amp; advances</b>	113.35	521.00	102.64	423.79
<b>Sub classification:-</b>				
Unsecured, considered good ₹ 521.00 Crore (previous year ₹ 423.79 Crore)				
Doubtful ₹ 113.35 Crore (previous year ₹ 102.64 Crore)				
		2281.84		2113.54
Includes:				
Due from Officers		0.14		0.15
Includes ₹ 58.08 Crore (previous year ₹ 89.69 Crore) share of jointly controlled entities.				

## 19 - Other current assets

(₹ in Crore)

	Figures as at 31.03.2015		Figures as at 31.03.2014	
Interest Accrued on Banks Deposits	176.51		253.00	
Other Current Assets	1.67		1.34	
	178.18		254.34	
Includes ₹ 3.15 Crore (previous year ₹ 1.81 Crore) share of jointly controlled entities.				

## 20 - Revenue from operations

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Sales less returns	25012.29	33484.92
Income from external erection & other services & revenue from works contract	6542.47	7317.07
	<u>31554.76</u>	<u>40801.99</u>

Includes ₹ 590.65 Crore (previous year ₹ 434.02 Crore) share of jointly controlled entities.

## 21 - Other Operational Income

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Export Incentives	100.32	27.93
Rental income on leased assets	0.93	0.93
Lease equalisation account	-0.60	-0.51
Scrap sale	243.99	285.00
Receipt from sale/transfer of surplus stock	0.06	0.05
Others	296.37	407.72
	<u>641.07</u>	<u>721.12</u>

Includes ₹ Nil Crore (previous year ₹ 0.98 Crore) share of jointly controlled entities.

## 22 - Other Income

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
<b>A. Other income</b>		
Profit on sale of Short Term Investments	0.00	0.02
Profit from sale of fixed assets & capital stores (net)	5.74	0.06
Dividend	29.80	21.38
Exchange variation (net)	0.00	656.50
Others (including grants of ₹ Nil (previous year ₹ Nil Crore) from Govt of India for R & D Projects)	374.03	304.74
<b>Total (A)</b>	<u>409.57</u>	<u>982.70</u>
<b>B. Interest Income</b>		
From customers	0.07	0.09
From banks	808.15	623.11
Others	12.80	17.12
<b>Total (B)</b>	<u>821.02</u>	<u>640.32</u>
<b>Total Other Income</b>	<u>1230.59</u>	<u>1623.02</u>

Includes ₹ 10.13 Crore (previous year ₹ 11.54 Crore) share of jointly controlled entities.

## 23 - Cost of material consumption, erection and engineering expenses

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Consumption of raw material & components	14198.83	17462.84
Consumption of stores & spares	475.57	573.52
Erection and Engineering exp. - payment to subcontractors	3604.10	4428.91
	<u>18278.50</u>	<u>22465.27</u>

Includes ₹ 509.42 Crore (previous year ₹ 341.15 Crore) share of jointly controlled entities.

## 24 - Increase/(Decrease) in work in progress & finished goods

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
<b>Work-in-progress</b>		
Closing Balance	3212.12	3014.84
Opening Balance	<u>3014.84</u>	<u>4202.56</u>
	197.28	-1187.72
<b>Finished Goods</b>		
Closing Balance	1746.24	1500.09
Opening Balance	<u>1500.09</u>	<u>1362.04</u>
	246.15	138.05
<b>Inter-division transfer in transit</b>	-103.93	-3.72
	<u>339.50</u>	<u>-1053.39</u>
<b>NOTE:</b>		
<b>Element of Excise duty in Finished Goods</b>		
Closing Balance	128.59	130.73
Opening Balance	130.73	126.59

Includes ₹ 0.25 Crore (previous year ₹ 0.17 Crore) share of jointly controlled entities.

## 25 - Employee benefits expense

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Salaries, wages, bonus, allowances & other benefits	4522.77	5038.01
Contribution to gratuity fund	89.56	107.27
Contribution to provident and other funds	337.77	329.85
Group insurance	11.94	10.63
Staff welfare expenses	513.44	470.81
	<u>5475.48</u>	<u>5956.57</u>

Includes ₹ 17.88 Crore (previous year ₹ 15.86 Crore) share of jointly controlled entities.

## 26 - Finance cost

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Interest expenses	91.99	104.20
Interest on income tax	0.00	4.47
Other Borrowing Costs	0.44	24.79
	<b>92.43</b>	<b>133.46</b>
Less: Borrowing Cost capitalised	0.00	0.00
	<b>92.43</b>	<b>133.46</b>

Includes ₹ 0.51 Crore (previous year ₹ 0.59 Crore) share of jointly controlled entities.

## 27 - Other expenses of manufacture, administration, Selling & distribution

(₹ in Crore)

	Figures for the current year ended 31.03.2015	Figures for the previous year ended 31.03.2014
Royalty, technical, Resident consultant's charges & other consultancy charges	121.45	136.76
Rent	83.46	83.10
Excise duty	225.32	285.64
Power & Fuel	556.46	605.54
Rates & taxes	74.90	75.04
Service tax	9.94	8.26
Exchange variation (Net)	387.94	
Insurance	123.37	119.39
Repairs:		
Buildings	88.30	84.06
Plant & machinery	44.06	44.93
Others	133.77	136.11
Other expenses in connection with exports	23.80	23.30
Losses written off	0.02	0.05
Preliminary expenses written off		0.31
Bad debts written off	31.44	8.59
Carriage outward	321.54	382.59
Travelling & conveyance	168.25	189.75
Miscellaneous expenses	1065.18	1033.57
Liquidated damages charged off	31.18	60.26
Donations	0.01	0.06
Corporate social responsibility & sustainability development expenses (includes ₹ 62.94 Crore for amount yet to be spent on committed projects)	165.11	46.55
	<b>3655.50</b>	<b>3323.86</b>

Includes ₹ 16.69 Crore (previous year ₹ 13.68 Crore) share of jointly controlled entities.

## 28 - Provisions (net)

(₹ in Crore)

	Figures for the current year ended 31.03.2015		Figures for the previous year ended 31.03.2014	
<b>Doubtful debts, Liquidated Damages and Loans &amp; advances</b>				
Created during the year	1765.75		1470.10	
Less written back during the year	<u>804.40</u>	<u>961.35</u>	<u>713.86</u>	<u>756.24</u>
<b>Contractual Obligations</b>				
Created during the year	1048.61		1119.53	
Less written back during the year	<u>568.41</u>	<u>480.20</u>	<u>488.38</u>	<u>631.15</u>
<b>Others</b>				
Created during the year	494.93		947.41	
Less written back during the year	<u>331.81</u>	<u>163.12</u>	<u>73.97</u>	<u>873.44</u>
		<u>1604.67</u>		<u>2260.83</u>

Includes ₹ -0.84 Crore (previous year ₹ 1.96 Crore) share of jointly controlled entities.

## 29 - Prior period adjustments (net)

(₹ in Crore)

	Figures for the current year ended 31.03.2015		Figures for the previous year ended 31.03.2014	
<b>INCOME</b>				
Sales less returns	-10.35		0.00	
Other income	<u>0.66</u>	<u>-9.69</u>	<u>0.04</u>	<u>0.04</u>
<b>EXPENDITURE</b>				
Payment to Subcontractors	0.66		0.14	
Consumption of Raw material & components			0.40	
Depreciation	0.33		6.03	
Interest Cost			0.03	
Misc. Expenses	<u>-0.39</u>	<u>0.60</u>	<u>-0.56</u>	<u>6.04</u>
		<u>-10.29</u>		<u>-6.00</u>

Includes ₹ Nil Crore (previous year ₹ Nil Crore) share of jointly controlled entities.

## 30 - Tax expense

(₹ in Crore)

	Figures for the current year ended 31.03.2015		Figures for the previous year ended 31.03.2014	
<b>a) Current tax</b>				
for current year	1023.13		1923.63	
for earlier years	<u>-54.26</u>	<u>968.87</u>	<u>11.05</u>	<u>1934.68</u>
<b>b) Deferred tax charge / (credit)</b>				
for current year	-342.05		-316.96	
for earlier years	<u>110.03</u>	<u>-232.02</u>	<u>-42.38</u>	<u>-359.34</u>
		<u>736.85</u>		<u>1575.34</u>

Includes ₹ 17.61 Crore (previous year ₹ 22.08 Crore) share of jointly controlled entities.

## Significant Accounting Policies (Consolidated Financial Statements)

### 1. Basis of preparation of Financial Statements

The financial statements have been prepared as of a going concern on historical cost convention and on accrual method of accounting in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 as adopted consistently by the Company.

### 2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the income and expenditure during the reporting period and the assets and liabilities including contingent liabilities at the date of financial statements. The differences between actual results and estimates are recognized in the period in which results are known.

### 3. Fixed Assets

- (a) Fixed assets (other than land acquired free from State Government) are carried at the cost of acquisition or construction or book value less accumulated depreciation and impairment, if any.
- (b) Cost includes value of internal transfers for capital works, taken at actual / estimated factory cost or market price, whichever is lower. Effect of extraordinary events such as devaluation / revaluation in respect of long term liabilities / loans utilized for acquisition of fixed assets is added to / reduced from the cost.
- (c) Land acquired free of cost from the State Government is valued at ₹1/- except for that acquired after 16<sup>th</sup> July 1969, in which case the same is valued at the acquisition price of the State Government concerned, by corresponding credit to capital reserve.

### 4. Leases

#### Finance Lease

#### A) i) Assets Given on Lease Prior to 1<sup>st</sup> April, 2001

Assets manufactured and given on finance lease are capitalized at the normal sale price/fair value/contracted price and treated as sales.

Depreciation on the same is charged at the rate applicable to similar type of fixed assets as per Accounting Policy on 'Depreciation'. Against lease rentals, matching charge is made through Lease Equalization Account.

Finance income is recognized over the lease period.

#### (ii) Assets Given on Lease on or after 1<sup>st</sup> April, 2001

Assets manufactured and given on finance lease are recognized as sales at normal sale price / fair value/ NPV.

Finance income is recognized over the lease period.

Initial direct costs are expensed at the commencement of lease.

#### B) Assets Taken on Lease on or after 1<sup>st</sup> April, 2001

Assets taken on lease are capitalized at fair value / NPV / contracted price.

Depreciation on the same is charged at the rate applicable to similar type of fixed assets as per Accounting Policy on 'Depreciation'. If the lease assets are returnable to the lesser on expiry of lease period, the same is depreciated over its useful life or lease period, whichever is shorter.

Lease payments made are apportioned between finance charges and reduction of outstanding liability in relation to assets taken on lease.

### Operating Lease

#### A) Assets Given on Lease

Assets manufactured and given on operating lease are capitalized. Lease income arising there from is recognized as income over the lease period.

#### B) Assets Taken on Lease

Lease payments made for assets taken on operating lease are recognized as expense over the lease period.

## 5. Intangible Assets

- A. Intangible assets are capitalised at cost if
- it is probable that the future economic benefits that are attributable to the asset will flow to the company, and
  - the company will have control over the assets, and
  - the cost of these assets can be measured reliably and is more than ₹ 10,000/-

Intangible assets are amortized over their estimated useful lives not exceeding three years in case of software and not exceeding ten years in case of others on a straight line pro-rata monthly basis.

- B. a. Expenditure on research including the expenditure during the research phase of Research & Development Projects is charged to statement of profit and loss in the year of incurrence.
- b. Expenditure incurred on Development including the expenditure during the development phase of Research & Development Project meeting the criteria as per Accounting Standard on Intangible Assets, is treated as intangible asset.

- c. Fixed assets acquired for purposes of research and development are capitalised.

## 6. Borrowing Costs

Borrowing costs that are attributable to the manufacture, acquisition or construction of qualifying assets, are included as part of the cost of such assets.

A qualifying asset is one that necessarily takes more than twelve months to get ready for intended use or sale.

Other borrowing costs are recognised as expense in the period in which they are incurred.

## 7. Depreciation

- (i) Depreciation on fixed assets (other than those used abroad under contract) is charged up to the total cost of the assets on straight-line method as per the useful life prescribed in Schedule II of the Companies Act, 2013, except where estimated useful life is shorter as shown hereunder:-

	(Years)
General plant & machinery	12.5
Automatic/semi- automatic machines	10
Erection equipment, Capital tools & tackles	5
Railway sidings, Locomotives & wagons	12.5
Drainage, sewerage & water supply	30
Servers and networks	5

In respect of additions to/deductions from the fixed assets, depreciation is charged on pro-rata monthly basis.

- (ii) Where useful life of a part of the asset (costing at least ₹ 1 Crore or 10% of the cost of the asset, whichever is higher)



is different from the useful life of the remaining asset, useful life of that part is determined separately and depreciation charged accordingly.

- (iii) Fixed assets used outside India pursuant to long term contracts are depreciated over the duration of the initial contract.
- (iv) Fixed assets costing ₹10,000/- or less and those whose written down value as at the beginning of the year is ₹10,000/- or less, are depreciated fully. In so far as township buildings are concerned, the cost per tenement is the basis for the limit of ₹10,000/-.
- (v) At erection/project sites: The cost of roads, bridges and culverts is fully amortized over the tenure of the contract, while sheds, railway sidings, electrical installations and other similar enabling works (other than temporary structures) are so depreciated after retaining 5% as residual value.
- (vi) Temporary structures are fully depreciated in the year of construction.
- (vii) Leasehold Land and Buildings are amortised over the period of lease. Buildings constructed on land taken on lease are depreciated over their useful life or the lease period, whichever is earlier.

**In the case of BGGTS**

Depreciation is provided on pro-rata basis on the straight line method over the estimated useful life of the assets, which are equal/lower than the rates prescribed under Schedule II of the Companies Act, 2013. In order to reflect the actual usage of assets, the estimated useful lives of the assets is based on a technical evaluation.

<b>Asset category</b>	<b>Estimated useful life</b>
Plant and machinery	2-15
Electrical Installations	3-10
Civil Structures	5-10
Furniture and fixtures	1-8
Computers	3
Office equipment	3-5

Depreciation is charged on a proportionate basis for all assets purchased and sold during the year. Individual assets costing less than ₹ 5000/- each are depreciated fully in the year of purchase.

**In the case of Raichur Power Corporation Limited**

Depreciation is provided on straight line method at the rates specified in the CERC Regulation 2009. In respect of assets for which rates are not specified in the CERC regulations, at the rates specified under Schedule II of the Companies Act, 2013.

Assets are depreciated to the extent of 90% of the cost and 10% is retained as residual value.

Depreciation on additions to assets is provided for the full year irrespective of the date of addition.

Depreciation is not charged on assets sold/ dismantled in the year of sale/ discard/ dismantling.

Individual assets costing up to ₹ 5000 are fully depreciated in the year in which they are put to use.

**In the case of NTPC BHEL Power Projects Pvt. Ltd.**

Depreciation on fixed assets is charged on straight line method as per the rates prescribed in Schedule II of the Companies Act, 2013.

At erection/project sites: The cost of roads, bridges, culverts, sheds, railway sidings, electrical installations and other similar enabling works (other than purely temporary erections, wooden structures) is fully amortized over the tenure of the contract.

**In the case of Dada Dhuniwale Khandwa Power Limited**

Depreciation on fixed assets is provided on straight line basis at the rates and in the manner prescribed in schedule II to the Companies Act, 2013.

Depreciation on additions/deduction in respect of fixed assets are charged pro-rata from / up to the date in which the asset is available for use/ disposal.

In respect of individual assets costing less than ₹ 5000/-, full depreciation has been provided in the year of addition.

## 8. Investments

- (i) Long-term investments are carried at cost. Decline, other than temporary, in the value of such investments, is recognized and provided for.
- (ii) Current investments are carried at cost or quoted/fair value whichever is lower. Unquoted current investments are carried at cost.
- (iii) The cost of investment includes acquisition charges such as brokerage, fees and duties.

Any reduction in the carrying amount & any reversals of such reductions are charged or credited to the statement of Profit and Loss.

## 9. Inventory Valuation

- (i) Inventory is valued at actual/estimated cost or net realizable value, whichever is lower.
- (ii) Finished goods in Plant and work in progress involving Hydro and Thermal sets including gas based power plants, boilers, boiler auxiliaries, compressors and industrial turbo sets are valued at actual/estimated factory cost or at 97.5% of the realizable value, whichever is lower.
- (iii) In respect of valuation of finished goods in plant and work-in-progress, cost means factory cost; actual/estimated factory cost includes excise duty payable on manufactured goods.
- (iv) In respect of raw material, components, loose tools, stores and spares cost means weighted average cost.
- (v) a) For Construction contracts entered into on or after 01.04.2003:

Where current estimates of cost and selling price of a contract indicates loss, the anticipated loss in respect of such contract is recognized immediately irrespective of whether or not work has commenced.

- b) For all other contracts:

Where current estimates of cost and selling price of an individually identified project forming part of a contract indicates loss, the anticipated loss in respect of such project on which the work had commenced, is recognized.

- c) In arriving at the anticipated loss, total income including incentives on exports/deemed exports is taken into consideration.

- (vi) The components and other materials purchased/manufactured against production orders but declared surplus are charged off to revenue retaining residual value based on technical estimates.

### In the case of BGGTS

Traded stock is valued at the lower of cost and net realizable value. Cost is determined under the first-in-first-out method.

## 10. Revenue Recognition

Sales are recorded based on significant risks and rewards of ownership being transferred in favor of the customer. Sales include goods dispatched to customers by partial shipment.

### A. For construction contracts entered into on or after 1.4.2003

Revenue is recognized on percentage completion method based on the percentage of actual cost incurred up to the reporting date to the total estimated cost of the contract.

### B. For all other contracts

- (i) Recognition of sales revenue in respect of long production cycle items (Hydro and Thermal sets including gas-based power plants, boilers, boiler auxiliaries, compressors and industrial turbo sets) is made on technical estimates. When the aggregate value of shipments represents 30% or more of the realizable value, they are considered at 97.5% of the realizable value or in its absence, quoted price. Otherwise, they are considered at actual/estimated factory cost or 97.5% of the

realizable value, whichever is lower. The balance 2.5% is recognized as revenue on completion of supplies under the contract.

- (ii) Income from erection and project management services is recognized on work done based on:

Percentage of completion; or

The intrinsic value, reckoned at 97.5% of contract value, the balance 2.5% is recognized as income when the contract is completed.

- (iii) Income from engineering services rendered is recognized at realizable value based on percentage of work completed.
- (iv) Income from supply/erection of non-BHEL equipment/systems and civil works is recognized based on dispatches to customer/work done at project site.

## 11. Accounting for Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.

## 12. Translation of Financial Statements of Integral Foreign Operations

- (i) Items of income and expenditure are translated at average rate except depreciation, which is converted at the rates adopted for the corresponding fixed assets.
- (ii) Monetary items are translated at the closing rate; non-monetary items carried at historical cost are translated at the rates in force on the date of the transaction; non-monetary items carried at fair value are translated at exchange rates that existed when the value were determined.
- (iii) All translation variances are taken to statement of Profit and Loss.

## 13. Employee Benefits

Provident Fund and Employees' Family Pension Scheme contributions are accounted for on accrual basis. Liability for Earned Leave, Half Pay Leave, Gratuity, Travel claims on retirement and Post Retirement Medical Benefits are accounted for in accordance with actuarial valuation. Compensation under Voluntary Retirement Scheme is charged off in the year of incurrence on a pro-rata monthly basis.

### In the case of NTPC BHEL Power Projects Pvt. Ltd.

In respect of employees seconded/deputed from NTPC/BHEL, company's contribution towards employee benefits is determined as a percentage of pay under an agreement, and is recognized in the Statement of Profit and Loss.

## 14. Claims by / against the Company

- (i) Claims for liquidated damages against the Company are recognized in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.
- (ii) Claims for export incentives / duty drawbacks / duty refunds and insurance claims etc. are taken into account on accrual.
- (iii) Amounts due in respect of price escalation claims and/or variations in contract work are recognized as revenue only when there are conditions in the contracts for such claims or variations and/or evidence of the acceptability of the same from customers. However, escalation is restricted to intrinsic value.

## 15. Provision for Warranties

### i) For construction contracts entered into on or after 01.04.2003:

The company provides warranty cost at 2.5% of the revenue progressively as and when it recognises the revenue and maintain the same through the warranty period.

**ii) For all other contracts:**

Provision for contractual obligations in respect of contracts under warranty at the year end is maintained at 2.5% of the value of contract. In the case of contracts for supply of more than a single product 2.5% of the value of each completed product is provided.

**(iii) Warranty claims/ expenses on rectification work are accounted for against natural heads as and when incurred and charged to provisions in the year end.**

## 16. Government Grants

Government Grants are accounted when there is reasonable certainty of their realization.

Grants related to fixed depreciable assets are adjusted against the gross cost of the relevant assets while those related to non-depreciable assets are credited to capital reserve.

Grants related to revenue, unless received as compensation for expenses/losses, are recognized as revenue over the period to which these are related on the principle of matching costs to revenue. Grants in the form of non-monetary assets are accounted for at the acquisition cost, or at nominal value if received free.

## 17. Taxes on Income

Current tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liability/asset resulting from timing difference between accounting income and taxable income is recognised considering the tax rate and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax asset is accounted for and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that

there will be sufficient future taxable income available to realise such assets.

## 18. Impairment

The carrying amount of cash generating units is reviewed at each balance sheet date where there is any indication of impairment. An impairment loss is recognised in the statement of profit and loss where the carrying amount exceeds the recoverable amount of the cash generating units. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

## 19. Segment Reporting

Segment reporting is in line with the accounting policies of the company. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/expenses/assets/liabilities".

## 31 - Other notes to consolidated financial statements

- 1 The Consolidated Financial Statements relate to Bharat Heavy Electricals Limited (the company), its Subsidiary and its interest in Joint Venture entities. The consolidated Financial Statements have been prepared on the following basis:-

Basis of Accounting:

- i) The financial statements of the subsidiary company and interest in joint ventures in the consolidation are drawn up to the same reporting date as of the parent company.
- ii) The consolidated financial statements have been prepared in accordance with Accounting Standard-21 on "Consolidated Financial Statements" and Accounting Standard - 27 on "Financial Reporting of interest in Joint Ventures".

Principles of Consolidation:

- (a) The Financial Statements of the Parent Company and its Subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating the intra-group balances and intra-group transactions and unrealized profits or losses in accordance with Accounting Standard - 21 on "Consolidated Financial Statements".
- (b) The financial statements of Joint Venture entities have been combined by applying proportionate consolidation method on a line by line basis on items of assets, liabilities, income and expenses in accordance with Accounting Standard- 27 on "Financial Reporting of Interests in Joint Ventures".
- (c) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements except as otherwise stated in the Significant Accounting Policies.
- (d) The difference between the costs of investments in the subsidiary over the net assets at the time of acquisition of shares in the Subsidiary is recognized in the Financial Statements as Goodwill or Capital Reserve as the case may be.
- (e) Minority interest' share of net loss of consolidated subsidiary for the year is adjusted against the income of the group in order to arrive at the net income attributable to shareholder of the Company.
- (f) Minority interest share of net liabilities of consolidated subsidiary is identified and presented in consolidated balance sheet separate from assets/liabilities & equities of the company shareholder.

### 2 The Consolidated Financial Statements includes the result of following entities:

Name of Company		Country of Incorporation	Proportion (%) of Shareholding as on 31.03.2015	Proportion (%) of Shareholding as on 31.03.2014
<b>Subsidiary Company</b>				
1)	BHEL Electrical Machines Ltd. (BHEL EML)	India	51	51
<b>Joint Venture Companies</b>				
1)	BHEL-GE Gas Turbine Services Ltd.	India	one share less than 50%	one share less than 50%
2)	NTPC-BHEL Power Projects Pvt. Ltd.	India	50	50
3)	Dada Dhuniwale Khandwa Power Ltd.	India	50	50
4)	Raichur Power Corporation Limited	India	23.54	36.49

- (a) The financial statements of BHEL EML are consolidated based on the audited financial statement for the year ended on 31.03.2015.

- (b) The interest in Joint Venture Companies in respect of BHEL-GE Gas Turbine Services Ltd. and Dada Dhuniwale Khandwa are considered based on audited financial statements for the year ended as on 31.03.2015.
- (c) The interest in Joint Venture in respect of Power Plant Performance Improvement Ltd. (PPIL) has not been considered in preparation of Consolidated Financial Statements as the company is under liquidation and full amount of equity investment has been provided for diminution in the value of investment.
- (d) The Latur Power Corporation Ltd. is under liquidation. The amount of investment made ₹ 2.50 Crore has been received back.
- (e) The interest in Joint Venture in respect of NTPC BHEL Power Projects Private Limited and Raichur Power Corporation Ltd. is considered based on unaudited financial statements for the year ended on 31.03.2015.

		2014-2015	2013-2014
3	Capital & other commitments		
a)	Estimated amount of contracts, net of advances, remaining to be executed on capital account and not provided for	₹ in Crore	₹ in Crore
	The above includes for acquisition of intangible assets	₹ in Crore	₹ in Crore
		<b>299.28</b>	345.46
		<b>8.00</b>	9.80
4	Land and buildings includes		
a) i)	Acres of land for which formal transfer/ lease deed have not been executed	Acres	Acres
	Net Block of above	₹ in Crore	₹ in Crore
		<b>8939.61</b>	8939.61
		<b>74.20</b>	74.68
ii)	Number of flats for which formal transfer/ lease deed have not been executed	Nos.	Nos.
	Net Block of above	₹ in Crore	₹ in Crore
		<b>12</b>	12
		<b>1.37</b>	1.51
iii)	Number of buildings for which formal transfer/ lease deed have not been executed	Nos.	Nos.
	Net Block of above	₹ in Crore	₹ in Crore
		<b>0</b>	1
		<b>0.00</b>	5.07
iv)	Acres of land for which the cost paid is provisional; registration charges and stamp duty (net of provision already made), if any, would be accounted for on payment	Acres	Acres
	Net Block of above	₹ in Crore	₹ in Crore
		<b>528.18</b>	528.18
		<b>67.81</b>	68.28
b)	Acres of land leased to Ministry of Defence, Govt. of India Departments & others	Acres	Acres
		<b>30.60</b>	30.60
c)	Acres of land being used by Ministry of Defence and for which further approval of the competent authority for continuance of licencing of this land is awaited.	Acres	Acres
		<b>180.00</b>	180.00
d)	Acres of land is under adverse possession/encroachment	Acres	Acres
		<b>586.05</b>	598.78
e)	610.06 acres of land pending mutation at Haridwar (Cost of land mentioned above in 4 (b), (c) (d) & (e) is not material)		
5	The impact on the profit of providing 100 percent depreciation on fixed assets up to ₹ 10,000/- each, without considering such impact of earlier years, is as under: 100% depreciation on assets up to ₹ 10,000/- charged off in the accounting year.	₹ in Crore	₹ in Crore
		<b>8.27</b>	10.64

	Normal depreciation on above.	₹ in Crore	<b>1.42</b>	3.21
	Excess amount charged.	₹ in Crore	<b>6.85</b>	7.43
6	Revenue from operations			
	a Includes based on provisional prices	₹ in Crore	<b>56.23</b>	154.02
	b Includes for escalation claims raised in accordance with sales contracts, inclusive of escalation claims on accrual basis, to the extent latest indices were available;	₹ in Crore	<b>1232.54</b>	1673.94
	c Includes despatches of equipment held on behalf of customers at their request for which payment has been received by Company ; and	₹ in Crore	<b>17.10</b>	36.22
	d Excludes for price reduction (net of refund) due to delay in delivery as per the terms of the contract	₹ in Crore	<b>45.43</b>	57.66
7	Contingent liabilities :			
	A Claims against the company not acknowledged as debt :			
	i) a Income Tax Pending Appeals	₹ in Crore	<b>16.50</b>	0.90
	b Against which paid under protest included under the head "deposit "	₹ in Crore	<b>0.70</b>	0.00
	ii) a Sales Tax Demand	₹ in Crore	<b>1519.87</b>	1344.13
	b Against which paid under protest included under the head "deposit "	₹ in Crore	<b>267.80</b>	190.56
	iii) a Excise Duty demands	₹ in Crore	<b>530.85</b>	489.55
	b Against which paid under protest included under the head "deposit "	₹ in Crore	<b>23.40</b>	17.75
	iv) a Custom Duty demands	₹ in Crore	<b>2.93</b>	3.14
	b Against which paid under protest included under the head "deposit "	₹ in Crore	<b>2.83</b>	2.89
	v) Court & Arbitration cases	₹ in Crore	<b>874.56</b>	1045.24
	vi) a Liquidated Damages	₹ in Crore	<b>4107.19</b>	4347.41
	b Amount deducted by customers towards LD included in vi)a	₹ in Crore	<b>2405.84</b>	2673.51
	vii) Counter Claim by contractors	₹ in Crore	<b>4.76</b>	0.77
	viii) a Service Tax Demand	₹ in Crore	<b>461.37</b>	294.13
	b Against which paid under protest	₹ in Crore	<b>4.46</b>	0.70
	ix) Others	₹ in Crore	<b>124.61</b>	91.52
	(In view of the various court cases, litigations and claims disputed by the company, the outflow of resources is not ascertainable at this stage).			
8	a) Cash credit limit from banks aggregating to ₹ 5000 Crore (previous year ₹ 5000 Crore) and Company's counter guarantee / indemnity obligations in regard to bank guarantee / letters of credit limit aggregating to ₹ 55000 Crore (previous year ₹ 50000 Crore) sanctioned by the consortium banks are secured by first charge by way of hypothecation of raw materials, components, work in progress, finished goods, stores, trade receivables and other current assets both present and future. The outstanding bank guarantees as at 31.03.2015 is ₹ 45018.65 Crore (previous year ₹ 45083.60 Crore).			
	b) Corporate Guarantee outstanding as on 31.03.2015 is ₹ 2752.27 Crore (Previous year ₹ 3312.07 Crore)			

9 Balances shown under Trade Receivables, Long term Trade receivable, Trade payables, contractors' advances, deposits and stock/ materials lying with sub-contractors/ fabricators are subject to confirmation, reconciliation & consequential adjustment, if any. As the Company is in the business of long term construction contracts, bills are raised on the customers as per contract by the units located at various places as per the approved billing schedule by the customer and the reconciliation is carried out on ongoing basis & provisions made, wherever considered necessary. Final reconciliation with customer is done on completion of project (Trial Operation and PG Test completed). The total receivables (including long term) are ₹ 42717 Crore, (including deferred debts ₹ 17267 Crore not due for payment). The amount reconciled with customer is around ₹ 1900 Crore against the outstanding amount of ₹ 5412 Crore in completed projects.

10 a) The disclosures relating to Construction Contracts entered on or after 01.04.2003 as per the requirement of Accounting Standard -7 (Revised) are as follows:

	(₹ in Crore)	
	2014-15	2013-14
Contract revenue recognised for the year	<b>24667.65</b>	33377.46
In respect of Contract in progress at the end of year :		
The aggregate amount of Cost incurred and recognised profits (less recognised losses)	<b>260748.35</b>	240909.16
Amount of advance received	<b>6861.91</b>	7952.36
Amount of retentions (deferred debts)	<b>18187.41</b>	19038.41
In respect of dues from customers after appropriate netting off		
Gross amount due from customer for the contract work as an asset	<b>4451.62</b>	2913.68
Gross amount due to customer for the contract work as a liability	<b>1590.01</b>	2167.28
Contingencies	-	-

b) The estimates of total costs and total revenue in respect of construction contracts entered on or after 1<sup>st</sup> April 2003 in accordance with Accounting Standard (AS) -7 (R) Construction Contracts are reviewed and up dated periodically to ascertain the percentage completion for revenue recognition. However, it is impracticable to quantify the impact of change in estimates.

11 The disclosure relating to derivative instruments:

- a) The derivative instruments that are hedged and outstanding as on 31.03.2015 is Nil (previous year Nil).
- b) The foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under :

		2014-15	2013-14
<b>a) Assets / Receivables</b>			
<b>In foreign currency</b>			
in US\$	in Crore	<b>58.83</b>	69.90
in EURO	in Crore	<b>56.24</b>	57.05
in LYD	in Crore	<b>0.81</b>	0.83
in RO	in Crore	<b>0.03</b>	0.03
<b>In Indian currency</b>			
in US\$	₹ in Crore	<b>3431.02</b>	4145.94



in EURO	₹ in Crore	<b>3794.70</b>	4635.44
in LYD	₹ in Crore	<b>36.72</b>	39.75
in RO	₹ in Crore	<b>4.96</b>	5.24
in Others	₹ in Crore	<b>49.93</b>	32.20

**b) Liabilities**

**In foreign currency**

in US\$	in Crore	<b>31.40</b>	27.24
in EURO	in Crore	<b>20.28</b>	18.84
in LYD	in Crore	<b>1.38</b>	1.42

**In Indian currency**

in US\$	₹ in Crore	<b>1978.08</b>	1649.57
in EURO	₹ in Crore	<b>1381.30</b>	1575.57
in LYD	₹ in Crore	<b>69.92</b>	69.36
in Others	₹ in Crore	<b>72.17</b>	210.24

12 a) Expenditure on departmental Repair & maintenance which are as under :

	(₹ in Crore)	
	2014-15	2013-14
Plant & Machinery	<b>234.03</b>	186.73
Buildings	<b>55.29</b>	56.43
Others	<b>43.45</b>	51.15
b) Agency Commission on exports included in expenses in connection with exports	<b>18.53</b>	11.15
c) Expenditure on research & development	<b>300.76</b>	311.38
d) Rent Residential	<b>53.12</b>	50.98
e) Payment to Auditors (Net of Service Tax)		
As Auditors	<b>0.69</b>	0.58
includes paid abroad	<b>0.07</b>	0.02
Reimbursement of expenses	<b>0.14</b>	0.16
Taxation matters(including certification)	<b>0.28</b>	0.15
includes paid abroad	<b>0.11</b>	0.02
Other services	<b>0.44</b>	0.36
f) Payment to Cost Auditors	<b>0.05</b>	0.12
g) Expenditure on entertainment	<b>6.07</b>	7.42
h) Expenditure on foreign travel		
Expenditure in Rupees	<b>11.79</b>	15.82
i) Expenditure on Publicity and Public relations		
Salaries allowances & other benefits	<b>10.76</b>	11.96
Other expenses	<b>10.11</b>	17.52
j) Director's Fees	<b>0.07</b>	0.10

13 As required by AS-18 ' Related Party Disclosures' are given below :

- i) Related Parties - Joint Venture Companies
- 1 Powerplant Performance Improvement Ltd.
  - 2 BHEL-GE Gas Turbine Services Pvt. Ltd.
  - 3 NTPC-BHEL Power Projects Pvt. Ltd.
  - 4 Latur Power Company Ltd. (Under liquidation)
  - 5 Raichur Power Corporation Ltd.
  - 6 Dada Dhuniwale Khandwa Power Ltd.

ii) Key Management Personnel

S/Shri

B. Prasada Rao, P. K. Bajpai, R. Krishnan, W.V.K. Krishna Shankar, Atul Sobti, T.N. Veeraraghavan (from 07.01.2015), I.P. Singh, S. Basu, Anand Bansal, S. Srinivasa Rao, Y.K. Rastogi, R.S. Sharma, Raju Chandra Pal, Kalpana Yadav, M.K. Patil, R. Nagaraja, M. Maheshwar Rao, Atul Saraya (from 28.04.14), K. Rajendran (till 28.04.14), Anant N. Goyal (from 15.09.14), A.B. Ravichandran, Bhavaraju Srinivasa Rao (till 15.09.14), S. Kannan (from 01.08.14), Ritu Arora.

iii) Details of Transactions

<b>Joint Ventures</b>		2014-15	2013-14
Purchase of Goods and Services	₹ in Crore	8.95	39.96
Sales of Goods and services	₹ in Crore	1592.70	1982.39
Receiving of Services	₹ in Crore	27.11	40.60
Rendering of Services	₹ in Crore	430.53	289.86
Dividend income	₹ in Crore	17.08	16.90
Royalty income	₹ in Crore	1.02	1.29
Purchase of shares	₹ in Crore	-	25.00
Sale of Shares	₹ in Crore	2.50	0.00
Amounts due to BHEL at the end of the year	₹ in Crore	1082.68	1034.17
Amounts due from BHEL at the end of the year	₹ in Crore	277.12	466.79
Provision for Doubtful debts	₹ in Crore	0.74	10.81
Advances given	₹ in Crore	0.75	0.81

**Note :** Majority of transactions are with BGGTS, NBPPL and Raichur power corporation Ltd.

**Key Management Personnel (KMP)**

Payment of Salaries	₹ in Crore	3.92	4.15
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**Relatives of KMP**

Amounts due to BHEL at the end of the year	₹ in Crore	0.01	0.01
Payment of Salaries	₹ in Crore	0.26	0.24

## 14 Lease

Details of assets taken on lease on or after 1<sup>st</sup> April 2001 are as under:

### i) Finance Lease:

		2014-15	2013-14
a. Outstanding balance of Minimum Lease payments			
not later than one year	₹ in Crore	69.01	83.90
later than one year and not later than five years	₹ in Crore	69.66	121.68
later than five years	₹ in Crore	0.12	0.23
<b>Total minimum lease payments at the balance sheet date</b>	₹ in Crore	<b>138.79</b>	205.81
b. Present Value of (a) above			
not later than one year	₹ in Crore	57.05	67.87
later than one year and not later than five years	₹ in Crore	61.29	104.78
later than five years	₹ in Crore	0.11	0.02
<b>Total Present Value at the balance sheet date</b>	₹ in Crore	<b>118.45</b>	172.67
c.1 Finance charges	₹ in Crore	20.34	33.14
c.2 Present value of Residual value, if any	₹ in Crore	0.01	0.00

ii) The company is in the practice of taking houses for employees, office buildings and EDP equipments etc. on operating lease both as cancellable and non-cancellable.

iii) Operating Lease		2014-15	2013-14
The future minimum lease payments under non-cancellable operating lease are as under:			
not later than one year	₹ in Crore	2.02	2.10
later than one year and not later than five years	₹ in Crore	3.58	3.92
later than five years	₹ in Crore	2.18	4.15

iv) Details regarding rentals in respect of assets taken on lease prior to 1.4.2001 are as given below:

Cost of Assets			
Land & Buildings	₹ in Crore	0.01	0.01
Computers & peripherals	₹ in Crore	0.00	0.00
Rentals payable over unexpired period of lease			
Land & buildings	₹ in Crore	0.02	0.02
Computers & peripherals	₹ in Crore	0.00	0.00

## 15 Earnings per Share:

		2014-15	2013-14
Weighted average number of Equity Shares outstanding during the year (A)	Nos. in Crore	244.760	244.760

Nominal Value of Equity Share	(₹)	<b>2.00</b>	2.00
Net Profit for the year after adjusting minority interest (B)	₹ in Crore	<b>1452.38</b>	3502.86
Basic and Diluted Earnings Per Share (B)/(A)	(₹)	<b>5.93</b>	14.31

**16 The disclosure relating to Accounting Standard -29**

(₹ in Crore)

**a) Liquidated Damages**

	2014-15	2013-14
Opening	<b>1728.77</b>	1356.49
Additions	<b>734.68</b>	697.84
Usage/ Write off/payment	<b>-31.24</b>	-61.51
Withdrawal/adjustments	<b>-207.18</b>	-264.05
Closing Balance	<b>2225.03</b>	1728.77

**Contractual Obligation**

Opening	<b>5645.87</b>	5012.62
Additions	<b>1043.86</b>	1119.53
Usage/ Write off/payment	<b>-239.28</b>	-133.39
Withdrawal/adjustments	<b>-331.25</b>	-352.89
Closing Balance	<b>6119.20</b>	5645.87

b) Liquidated damages are provided in line with the Accounting Policy of the company and the same is dealt suitably in the accounts on settlement or otherwise. Contingent liability relating to liquidated damages is shown in item No. 7 of Note-31.

c) The provision for contractual obligation is made at the rate of 2.5% of the contract revenue in line with significant Accounting Policy to meet the warranty obligations as per the terms and conditions of the contract. The same is retained till the completion of the warranty obligations of the contract. The actual expenses on warranty obligation may vary from contract to contract and on year to year depending upon the terms and conditions of the respective contract.

**17** Item of expense and income less than ₹ one Lakh are not considered for booking under Prior Period Items.

**18** For certain items, the Company and its Joint Ventures have followed different accounting policies as indicated in Significant Accounting policies. However, impact of the same is not material. The share of jointly controlled entities has been indicated in each Notes of annual account by way of a note.

**19** RPCL, a JV of the company, proposes to Install a total of 2400 MW (3\*800 MW) 2 units of 800 MW at Yermarus and one 800 MW unit at Edlapur. MOEF clearance is awaited for Edlapur

**20** Due to the revision in depreciation policy, the depreciation for the year is higher by ₹ 77.59 Crore and profit before tax for the year is lower to this extent. Further, an amount of ₹ 40.57 Crore (net of deferred tax ₹ 21.44 Crore) for assets, whose remaining useful life is NIL as at 1<sup>st</sup> April, 2014, has been adjusted with the opening balance of retained earnings. The Company has revised the accounting policy for depreciation in pursuant to Schedule II of the Companies Act 2013.

**21** There is an outstanding of ₹ 3376 Crore pertaining to 20 projects on hold due to various reasons like environment clearance, fuel linkage, land acquisition, fund constraints, force majeure etc mainly hold imposed by BHEL due to strategic reasons. This includes ₹ 1845 Crore outstanding for more than 3 years in respect of 11 projects. Total advance available against these 20 hold projects is ₹ 1109 Crore.

22 Capital WIP includes pre operative expenses capitalised by RPCL, a JV of the company. Details are as follows:

Particulars	(₹ in Crore)	
	2014-15	2013-14
Opening Capital WIP	248.1	85.2
Less deductions due to change in share holding	88.05	0
Opening Capital WIP (Revised) (A)	160.05	85.2
Employee Benefit Expense	2.5	2.51
Financial Costs	164.02	154.27
Depreciation and amortization expense	0.46	0.5
Other Expenses	1.62	6.12
Other Incomes	-0.17	-0.50
Sub Total (B)	168.43	162.9
Closing WIP (A+B)	328.48	248.1

23 Additional Information:

(₹ in Crore)

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
	1	2	3	4
BHEL	98.44	33,672.53	97.72	1,419.29
Subsidiaries-Indian				
1. BHEL Electrical Machines Ltd. (BHEL EML)	0.01	4.62	-0.28	-4.03
Minority Interests in BHEL EML (Investment as per the equity method)	-0.01	-2.23	0.13	1.94
Joint Ventures - Indian (As per proportionate consolidation)				
1. NTPC-BHEL Power Projects Pvt. Ltd.	0.19	66.32	0.06	0.83
2. BHEL - GE Gas Turbine Services Ltd.	0.32	110.96	2.37	34.35
3. Dada Dhuniwale Khandwa Power Ltd.	0.07	22.88	0.00	0.01
4. Raichur Power Corporation Ltd.	0.97	331.52	-	-
<b>Total</b>	100.00	34,206.60	100.00	1,452.38

24 Previous year's figures have been regrouped /rearranged wherever considered necessary.

25. SEGMENT INFORMATION - CONSOLIDATED

(₹ in Crore)

	For the year ended 31.3.2015			For the year ended 31.3.2014		
<b>A. PRIMARY SEGMENT - BUSINESS SEGMENTS</b>						
	<b>Power</b>	<b>Industry</b>	<b>Total</b>	<b>Power</b>	<b>Industry</b>	<b>Total</b>
<b>I. SEGMENT REVENUE</b>						
a. Segment Revenue	24574.17	6980.59	<b>31554.76</b>	32919.37	7882.62	40801.99
b. Inter-Segment Revenue	-	-	-	-	-	-
c. Operating Revenue-External (a) - (b)	24574.17	6980.59	<b>31554.76</b>	32919.37	7882.62	40801.99
<b>II. SEGMENT RESULTS</b>						
a. Segment Results	3014.97	336.54	<b>3351.50</b>	5450.54	973.51	6424.05
b. Unallocated expenses (Net of income)			<b>1071.78</b>			1212.91
c. Profit before finance cost & Income Tax (a) - (b)			<b>2279.72</b>			5211.14
d. Finance cost			<b>92.43</b>			133.46
e. Net Profit before Income Tax (c) - (d)			<b>2187.29</b>			5077.68
f. Income Tax			<b>736.85</b>			1575.34
g. Net Profit after Income Tax			<b>1450.44</b>			3502.34
<b>III ASSETS &amp; LIABILITIES</b>						
a. Segment Assets	46524.74	11010.68	<b>57535.42</b>	48362.37	11940.97	60303.34
b. Unallocated Assets			<b>13353.26</b>			14941.14
c. Total Assets			<b>70888.68</b>			75244.48
d. Segment Liabilities	29424.27	6161.18	<b>35585.45</b>	31634.41	6676.07	38310.48
e. Unallocated Liabilities			<b>1094.40</b>			3759.59
f. Total Liabilities			<b>36679.85</b>			42070.07
<b>IV OTHER INFORMATION</b>						
a. Cost incurred during the period to acquire fixed assets (Incl. CWIP)	928.02	124.54		1354.62	271.53	
b. Depreciation	800.68	213.20		760.34	183.59	
c. Non Cash Expenses (other than depreciation)	1262.13	398.62		2094.17	235.56	
<b>B. SECONDARY SEGMENT - GEOGRAPHICAL SEGMENTS</b>						
	<b>Within India</b>	<b>Outside India</b>	<b>Total</b>	<b>Within India</b>	<b>Outside India</b>	<b>Total</b>
1 Net Sales / Income from Operations	30256.44	1298.33	<b>31554.76</b>	38791.39	2010.60	40801.99
2 Total Assets	70120.30	768.38	<b>70888.68</b>	74607.93	636.55	75244.48
3 Cost incurred during the period to acquire Fixed Assets	1134.60	0.35	<b>1134.95</b>	1729.07	-0.79	1728.28

Notes:

- The primary segments have been identified as 'Power and Industry' based on the orders booked by the respective business sectors. the order booked by International operation group is taken to Power or Industry as the case may be.
- BGGTS (JV) is in the business of sale of parts and components of gas turbines, Engineering services, repair services and uprate repairs and other joint ventures are in setting up power projects or under power business the same has been considered under 'Power Segment'.
- BHEL EML (Subsidiary Co.) manufacturing of rotating electrical machines, considered under 'Industry segment'.

## Breaking the barriers!



*Ms. M. Girija awarded the All India Second Prize for the Best Woman Employee in non-executive category among Maharatna PSEs by SCOPE*

Ms M Girija, a young artisan in the welder trade from BHEL Trichy has broken the gender barrier by emerging as one of the top three performers in the recently concluded National Selection for the World Skill Competition 2015. Her achievement is augmented by the fact that she was the only female contestant in this competition. Her dedication and focussed training sessions at the Welding Research Institute of BHEL, Trichy enabled her to perform all the complex welding tasks during the competition. Recognizing her achievements, she has also been awarded the All India Second Prize for the Best Woman Employee in non-executive category among Maharatna PSEs by Standing Committee on Public Enterprises (SCOPE) for the year 2013-14. Currently pursuing her Diploma in Mechanical Engineering, Ms Girija intends to become a specialist in welding.

For all the young girls who wish to emulate her, she has the following words: “Be confident, work with passion and have courage to explore”.

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## Additional Information for Stakeholders



## Ten Years Financials

(₹ in Crore)

	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
<b>I EARNINGS/OUTGOINGS</b>										
<b>Earnings</b>										
Turnover (Gross)	30947	40338	50156	49510	43337	34154	28033	21401	18739	14525
Revenue from Operations (Net)	29542	38389	47618	47228	41566	32861	26212	19305	17237	13374
Other Operational Income	641	720	807	751	680	493	514	422	379	277
Other Income	1220	1616	1121	1266	1021	1155	983	1023	445	280
<b>Total Earnings</b>	<b>31403</b>	<b>40725</b>	<b>49546</b>	<b>49245</b>	<b>43267</b>	<b>34509</b>	<b>27709</b>	<b>20750</b>	<b>18061</b>	<b>13931</b>
<b>Outgoings</b>										
Cost of material consumption, Erection & Engineering Expenses	17758	22103	27899	28908	23209	20672	17620	11821	10182	8145
(Increase)/Decrease in work in progress & Finished Goods	(338)	1054	116	(823)	(127)	(787)	(1152)	(827)	(181)	(386)
Employee benefit expenses	5450	5933	5753	5466	5397	6540	2984	2608	2369	1879
Other expenses of manufacture, administration, selling and distribution (Incl. prior period items)	3648	3315	3777	3242	2537	2057	1823	1644	1496	1177
Provisions (Net)	1604	2259	1566	1403	2715	-934	1281	778	172	283
Less : Cost of job done for internal use	28	68	76	104	69	121	61	38	28	36
<b>Outgoings before finance cost &amp; depreciation</b>	<b>28094</b>	<b>34596</b>	<b>39035</b>	<b>38092</b>	<b>33662</b>	<b>27427</b>	<b>22495</b>	<b>15986</b>	<b>14009</b>	<b>11062</b>
<b>Profit before depreciation, finance cost &amp; tax</b>	<b>3309</b>	<b>6129</b>	<b>10511</b>	<b>11153</b>	<b>9605</b>	<b>7082</b>	<b>5214</b>	<b>4763</b>	<b>4052</b>	<b>2869</b>
Depreciation	1077	983	953	800	544	458	334	297	273	246
<b>Gross Profit</b>	<b>2232</b>	<b>5146</b>	<b>9558</b>	<b>10353</b>	<b>9061</b>	<b>6624</b>	<b>4880</b>	<b>4466</b>	<b>3779</b>	<b>2623</b>
Finance Cost	92	133	125	51	55	33	31	36	43	59
<b>Profit before tax</b>	<b>2140</b>	<b>5014</b>	<b>9432</b>	<b>10302</b>	<b>9006</b>	<b>6591</b>	<b>4849</b>	<b>4430</b>	<b>3736</b>	<b>2564</b>
Tax Expense (Net)	721	1553	2817	3262	2995	2280	1711	1571	1321	885
<b>Profit after tax</b>	<b>1419</b>	<b>3460</b>	<b>6615</b>	<b>7040</b>	<b>6011</b>	<b>4311</b>	<b>3138</b>	<b>2859</b>	<b>2415</b>	<b>1679</b>
Dividend	284	693	1323	1567	1525	1141	832	746	600	355
Corporate Dividend Tax	57	118	221	254	249	191	141	127	93	50
<b>Retained Profit</b>	<b>1078</b>	<b>2649</b>	<b>5071</b>	<b>5219</b>	<b>4237</b>	<b>2979</b>	<b>2165</b>	<b>1986</b>	<b>1722</b>	<b>1274</b>
<b>II WHAT THE COMPANY OWNED</b>										
<b>Fixed Assets</b>										
Gross Block	12589	12050	10783	9707	8050	6580	5225	4443	4135	3822
Less: Accumulated Depreciation & Lease Adj.	8448	7357	6325	5410	4649	4165	3754	3462	3146	2840
<b>Net Block</b>	<b>4141</b>	<b>4693</b>	<b>4458</b>	<b>4297</b>	<b>3401</b>	<b>2415</b>	<b>1471</b>	<b>981</b>	<b>989</b>	<b>982</b>
Capital WIP incl. Intangible Assets under development	517	642	1172	1348	1733	1530	1157	658	302	185
Non-Current Investments	418	420	429	462	439	80	52	8	8	8
Deferred Tax Assets(Net)	2221	1969	1551	1546	2164	1527	1840	1338	935	674
Current Assets, Loans & Advances and other non current assets	61170	65067	62518	59123	51523	42915	36901	27906	20980	16331
<b>Total assets</b>	<b>68467</b>	<b>72791</b>	<b>70128</b>	<b>66776</b>	<b>59260</b>	<b>48467</b>	<b>41421</b>	<b>30892</b>	<b>23214</b>	<b>18180</b>



## Ten Years Financials (Contd.)

(₹ in Crore)

	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
<b>III WHAT THE COMPANY OWED</b>										
Long Term Borrowings	61	105	129	123	102	81	105	61	58	539
Liabilities & Provisions	34321	39639	39555	41280	39004	32489	28377	20056	14368	10340
Total liabilities	34382	39744	39684	41403	39106	32570	28482	20117	14426	10879
<b>IV NET WORTH OF THE COMPANY</b>										
Share Capital	490	490	490	490	490	490	490	490	245	245
Reserves & Surplus	33595	32557	29954	24883	19664	15427	12449	10285	8544	7057
Less : Deferred Revenue Expenditure		-	-	-	-	-	-	-	-	-
Net Worth	34085	33047	30444	25373	20154	15917	12939	10775	8788	7301
<b>V NET WORKING CAPITAL</b>	26877	28026	24273	17892	12551	10426	8524	7850	6612	5991
<b>VI CAPITAL EMPLOYED</b>	31435	33139	29161	22651	16391	12968	10091	8873	7640	7001
<b>VII VALUE ADDED</b>	11983	15046	19460	19098	18476	13171	9894	8323	7182	5683
<b>VIII RATIOS</b>										
PBDIT to total assets (%) #	4.7%	8.6%	15.4%	17.7%	17.8%	15.8%	14.4%	17.6%	19.6%	17.3%
Gross profit to capital employed (%) #	6.9%	16.5%	36.9%	53.0%	61.7%	57.5%	51.5%	54.1%	51.6%	40.5%
Turnover/ gross block	2.5	3.3	4.7	5.1	5.4	5.2	5.4	4.8	4.5	3.8
Earnings per share (₹) †	5.80	14.14	27.03	28.76	24.56	17.61	12.82	11.68	9.86	6.86
Net worth per share (₹) †	139.26	135.02	124.38	103.67	82.34	65.03	52.86	44.02	35.90	29.83
Current Ratio	1.78	1.76	1.64	1.43	1.32	1.32	1.30	1.40	1.50	1.60
Total Debt / Equity	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.08
Return on Net Worth	4.2%	10.5%	21.7%	27.7%	29.8%	27.1%	24.3%	26.5%	27.5%	23.0%
Gross profit margin	7.2%	12.8%	19.1%	20.9%	20.9%	19.4%	17.4%	20.9%	20.2%	18.1%
Net profit margin	4.6%	8.6%	13.2%	14.2%	13.9%	12.6%	11.2%	13.4%	12.9%	11.6%

# On the basis of average assets and capital employed

† Figures are restated on post-split made in 2011-12 and bonus issue of 1:1 in 2007-08

## Value Addition Statement

(₹ in Crore)

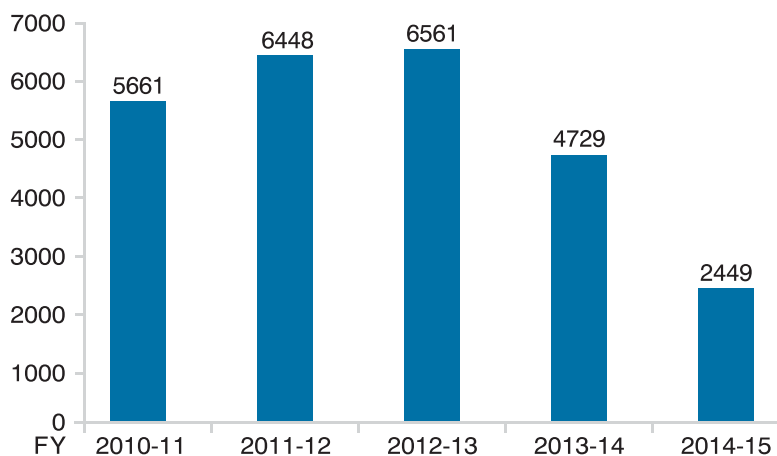
Description	2014-15	2013-14	2012-13	2011-12	2010-11
<b>A. Generation of Value Addition</b>					
Value of Production (less excise duty)	29755	37077	47219	47815	41527
Less - Direct Material, Power & Fuel and Payments to Contractors	17772	22031	27759	28717	23051
Value Added	11983	15046	19460	19098	18476
Less - Other Operating Exp (Net of income)	3224	2982	3196	2479	3461
Net Value Addition	8759	12064	16264	16619	15015
% to value of production	29.44%	32.54%	34.44%	34.76%	36.16%
<b>B. Application of Value Addition</b>					
Employees payments	5450	5934	5753	5466	5410
% to net value addition	62.22%	49.19%	35.37%	32.89%	36.03%
Depreciation	1077	983	953	800	544
% to net value addition	12.30%	8.15%	5.86%	4.81%	3.62%
Financing charges :					
- Interest on borrowings	92	133	125	51	55
% to net value addition	1.05%	1.10%	0.77%	0.31%	0.36%
Tax Provision (Income Tax, Def. Tax & Prior Period)	721	1554	2818	3262	2994
% to net value addition	8.23%	12.88%	17.32%	19.63%	19.94%
Dividend (incl. dividend tax)	341	810	1544	1821	1775
% to net value addition	3.90%	6.71%	9.49%	10.95%	11.82%
Retained Profit	1078	2651	5071	5219	4236
% to net value addition	12.30%	21.97%	31.18%	31.41%	28.22%

## Performance Annual Plan

(₹ in Crore)

Category of Investment	2014-15	2013-14
Schemes	217	340
Modernisation and Rationalisation, others	119	141
Customer Project Related Capital Investment	59	63
<b>Total</b>	<b>395</b>	<b>544</b>

## Contribution to Exchequer (₹ in Crore)

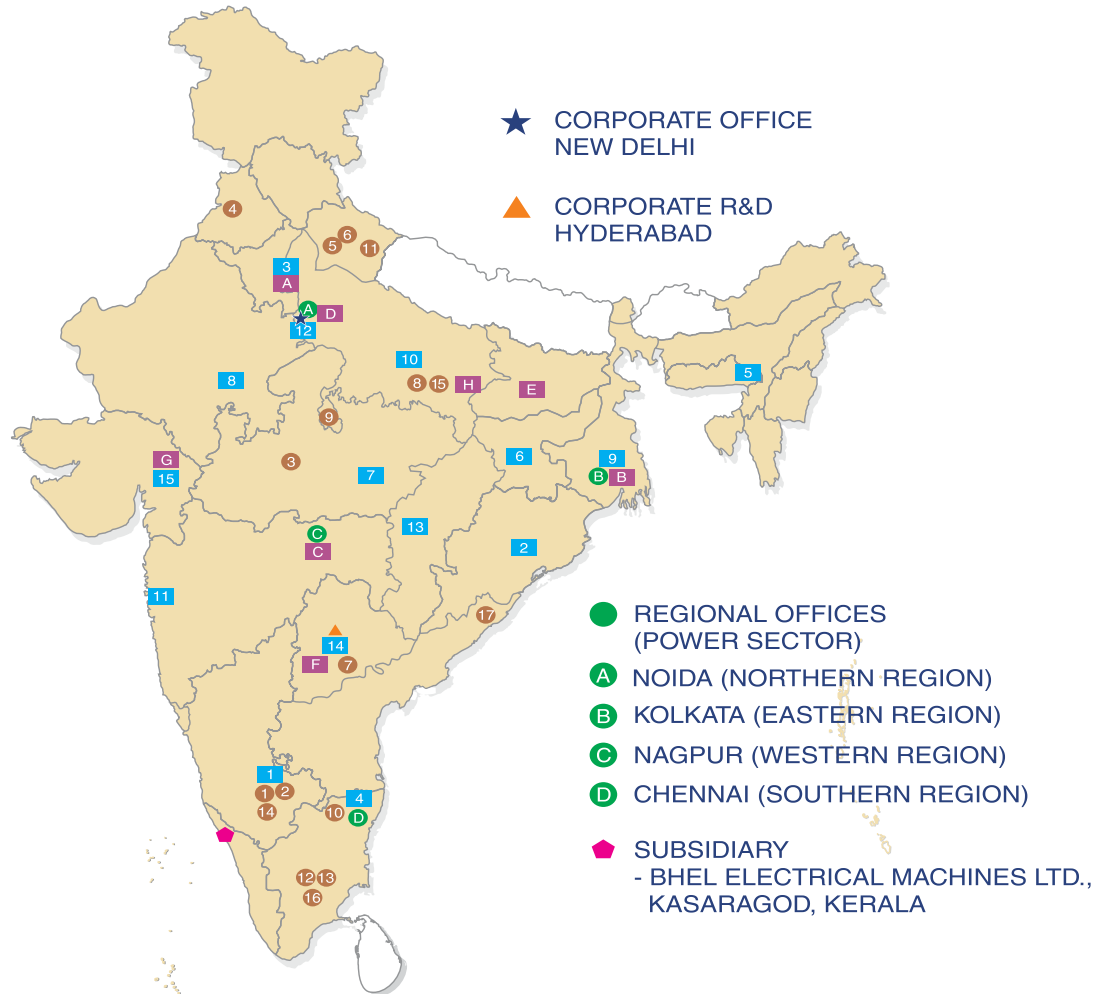


## Enterprise Value

(₹ in Crore)

	2014-15	2013-14	2012-13	2011-12	2010-11
Market value of equity	57506	48169	43322	62940	100971
Add: Debt	127	2740	1500	193	163
less: Cash & Cash Equivalent	9813	11873	7732	6672	9630
<b>Enterprise Value</b>	<b>47820</b>	<b>39036</b>	<b>37090</b>	<b>56461</b>	<b>91504</b>

# BHEL in India



■ BUSINESS OFFICES	● MANUFACTURING UNITS	■ SERVICE CENTRES
1 BENGALURU	14 1 2 BENGALURU	A CHANDIGARH
2 BHUBANESWAR	3 BHOPAL	B KOLKATA
3 CHANDIGARH	4 GOINDWAL	C NAGPUR
4 CHENNAI	5 6 HARIDWAR	D NOIDA
5 GUWAHATI	7 HYDERABAD	E PATNA
6 RANCHI	8 15 JAGDISHPUR	F SECUNDERABAD
7 JABALPUR	9 JHANSI	G VADODARA
8 JAIPUR	10 RANIPET	H VARANASI
9 KOLKATA	11 RUDRAPUR	
	12 13 TIRUCHIRAPPALLI	
	16 THIRUMAYAM	
	17 VISAKHAPATNAM	
10 LUCKNOW		
11 MUMBAI		
12 NEW DELHI		
13 RAIPUR		
14 SECUNDERABAD		
15 VADODARA		

*This graphical representation does not purport to be the political map of India*

# Product Profile

## THERMAL POWER PLANTS

- Steam Generators, Steam Turbines, Turbo Generators along with regenerative feed cycle up to 800 MW capacities for fossil-fuel and combined-cycle applications. Capability to design and manufacture Steam Generators, Steam Turbines with supercritical steam cycle parameters and matching Turbo Generators of up to 1000 MW unit size.
- Condensers, Condensate Extraction Pumps, Boiler Feed Pumps, Valves and Heat Exchangers meeting above requirement of TG Sets up to 1000 MW.

## NUCLEAR POWER PLANTS

- BHEL can engineer, manufacture and supply Reactor side Components like Steam Generator, Reactor Header, End Shield, special purpose Heat Exchangers, Pressure Vessels, etc. for PHWR based Nuclear Power plants up to 700 MWe capacity. BHEL also provides complete solution to Secondary Side of Nuclear Power Projects and has capability to supply Turbines, Turbo Generators and Condensers, etc. for Nuclear Power plants up to 700 MWe capacity.
- BHEL has the capability to design, manufacture and supply various components of both Reactor side and Secondary side for Nuclear Power Plant Projects up to 500 MWe rating based Fast Breeder Reactors (FBR)

## GAS-BASED POWER PLANTS

- Gas turbines and matching generators ranging up to 299 MW (ISO) rating tailored to meet specific needs with regard to plant layout, type of fuels, emission and noise requirements. The features of these machines include
  - Capability to burn a variety of fuels, both gaseous and liquids.
  - Mixed firing of many of these combinations of gases and liquids.
  - Low exhaust emission levels up to 15ppm of NOx with DLN combustors.
- Gas turbine-based co-generation and combined-cycle systems for industry and utility applications.

## HYDRO POWER PLANTS

- Custom-built conventional hydro turbines of Kaplan,

Francis and Pelton types with matching generators, pump turbines with matching motor-generators up to 300 MW, Bulb turbine with matching generators up to 10 MW

- High capacity pumps along with matching motors for Lift Irrigation Schemes (up to 150 MW)
- Small hydro power plants 10- 25 MW unit rating capacity
- Electro Hydraulic Microprocessor based Digital Governor for conventional turbines
- Microprocessor based Digital Controller for lift irrigation schemes
- Static excitation systems for Hydro generators & motors
- Brushless exciter for Hydro generators & motors
- Special purpose Motor Generator sets
- Spherical (rotary) valves, butterfly valves and auxiliaries for hydro stations

## SOLAR POWER PLANTS

- EPC solutions from Concept to Commissioning for grid interactive and Stand alone PV applications ranging from kW to MW size plants which include supply of PV module & Balance of System (BOS), Civil, E&C and O&M.

## DG POWER PLANTS

- HSD, LDO, FO, LSHS, natural gas based diesel generator power plants, unit rating of up to 20 MW and voltage up to 11 kV, for emergency, peaking as well as base load operations on turnkey basis

## DESALINATION AND WATER TREATMENT PLANTS

- Reverse Osmosis (RO) based Desalination Plants for treating Seawater, high Brackish and brackish water for domestic and industrial applications
- Reverse Osmosis / Membrane based treatment solutions for Power plants and Industries to meet Service/Potable/Boiler feed make-up water requirements
- Various types of Pre Treatment (Membrane / Conventional) Systems to condition Raw Water Suitable for further treatment applications
- Sewage & Effluent Treatment Plants for water re-use and re-cycling
- Operation & Maintenance of desalination and water treatment plants

## DEFENCE

- Super Rapid Gun Mount (SRGM) for naval ships
- Integrated Platform Management system (IPMS) for naval ships
- Training Simulator for vehicles, platforms, radars, weapons, missiles
- Turret Casting and Thermopressed components for Tanks
- Casting for ships
- Castings and Forgings for Defence application
- Strategic equipment, etc.

## SYSTEMS AND SERVICES

### Power Generation Systems

- Turnkey power stations/ EPC contracts
- Combined-cycle power plants
- Cogeneration systems
- Captive power plants
- Electrical Balance of Plant (eBoP)
- Concept to Commissioning solutions for Solar Photovoltaic systems
- Modernization and renovation of power stations and RLA studies
- Software packages including simulators for utilities
- Erection, commissioning, support services, spares management and consultancy services for all the above systems

### Transmission Systems

- EHV & UHV Sub-stations/Switchyards both AIS & GIS type ranging from 33 kV to 765 kV
- Shunt and Series Reactive compensation systems
- Power system studies, Feasibility studies
- HVDC transmission systems up to  $\pm 800$  kV

## BOILERS

- Steam generators for utilities, ranging from 30 to 800 MW capacity, using coal, lignite, oil, natural gas or a combination of these fuels; capability to manufacture boilers with supercritical parameters up to 1000 MW unit size
- Fuel Flexible boilers capable of all combination of blending / co-firing diverse qualities of imported/ indigenised coals, blending of lignite, petcoke, etc.
- Steam generators for industrial applications of the following types ranging from 40 to 450 T/Hour capacity, using coal, natural gas, industrial gases, biomass, lignite, oil, Bagasse or a combination thereof
  - Pulverized coal / lignite fired boilers
  - Stoker fired boilers

- Bubbling fluidized bed combustion (BFBC) boilers.
- Circulating fluidized bed combustion (CFBC) boilers up to 250 MW.
- Heat-recovery steam generators (HRSG).
- Chemical recovery boilers for paper industry, ranging from capacity of 100 to 1000 T/Day of dry solids.

## BOILER AUXILIARIES

### Electrostatic Precipitators (ESP)

- Electrostatic precipitators of any capacity with outlet emission as low as 17 mg/Nm<sup>3</sup> (efficiency up to 99.97%) for coal fired utility and industrial applications including Bio mass fired boilers, cement plants, steel plants, soda recovery boilers etc.
- Bag Filters for Utility and Industrial applications

### Fans

- Axial reaction fans of single stage and double stage for clean air application and dust laden hot gases applications up to 200°C, with capacity ranging from 40 to 1300m<sup>3</sup>/s and pressure ranging from 400 to 1,500 mmwc
- Axial impulse fans for both clean air and flue gas applications up to 200°C, with capacity ranging from 25 to 600m<sup>3</sup>/s and pressure up 300 to 700 mmwc
- Single and double-suction radial fans (plate aerofoil bladed) for clean air and dust-laden hot gases applications up to 400°C, with capacity ranging from 4 to 660m<sup>3</sup>/s and pressure ranging from 200 to 3000 mmwc

### Air-Preheaters

- Tubular Air Preheaters for industrial and utility boilers
- Rotary regenerative Air-Preheaters for boilers and process furnaces
- Large rotary regenerative Air-Preheaters for utilities of capacity up to 800 MW

### Pulverizers

- Bowl mills of slow and medium speed for coal fired thermal stations with capacity from 10 T /Hour to 120 T/ Hour catering to 60 MW to 1000 MW thermal power stations
- Ball Tube mills for pulverizing low-grade coal with high ash content from 30 T/ Hour to 110 T/ Hour catering to 110 MW to 500 MW thermal power stations
- Apart from strong presence in the Indian market for utility thermal power stations, BHEL also caters to the requirement of:
  - Steel Plants for Pulverised Coal Injection to Blast furnace
  - Cement Plants for coal pulverising

- Fertilizer Plants for their captive power generation

### Other systems

- Guillotine gates with electric / pneumatic actuator. Sizes up to 6m height & 7m width (with split) 100% leak proof with seal air
  - Bi-plane dampers with electric actuator. Sizes up to 7m height & 5m width. 100% leak proof with seal air
  - Louver dampers (Open close / Regulating) with electric / pneumatic actuator. Sizes up to 7m height & 5m width
  - Control dampers (Regulating) with pneumatic actuator. Sizes up to 11m height (split construction) & 4.5m width
- Flue gas desulphurization (FGD) systems with sea water/ limestone slurry scrubber
- Steel Chimneys for Heat Recovery Steam Generators (HRSG), Industrial Boilers, Auxiliary Boilers and other flue gas exhaust applications

### SOOT BLOWERS

- Long retractable soot blowers (LRSB) for travel up to 12.2m
- Furnace temperature probe (FTP) for travel length 6.9m and 8.3m
- Long Retractable Non-rotating (LRNR) soot blowers with forward blowing for air heaters
- Ash discharge valve for CFBC boiler application
- Soot blowers with integral starters
- Soot blower Sequential PLC control panel
- Rack type Long Retractable Soot blowers
- Wall blowers
- Rotary Soot blowers

### VALVES

- High and Low-pressure turbines Bypass Valves & hydraulic system for utilities and industrial application
- High and medium-pressure Valves, Cast and Forged Steel Valves of Gate, Globe, Non-Return (Swing-Check and Piston Lift-Check) types for steam, oil and gas duties up to 950 mm diameter, maximum pressure class 4500 (791 kg/cm<sup>2</sup>) and 650 °C temperature
- Hot reheat and cold reheat Isolating Devices up to 900 mm pipe size class 1500 and steam of 650°C temperature
- High capacity Spring Loaded Safety Valves for set pressure up to 372 kg/cm<sup>2</sup> and temperature up to 630°C, and automatic electrically operated

pressure relief valves for set pressure up to 210 kg/cm<sup>2</sup> and temperature up to 593°C

- Safety relief valves for applications in power, process and other industries for set pressure up to 421 kg/cm<sup>2</sup> and temperature up to 537° C
- Reactive cum absorptive type vent Silencers maximum diameter of 2700 mm
- Direct Water Level Gauges
- Angle Drain Valves - Single & Multi Stage for Turbine Drain Application
- Severe Service Control Valves for RH & SH Spray Lines
- Quick Closing Non return Valves for Extraction lines and Cold Reheat Non Return valves, up to 800mm diameter, 158 kg/cm<sup>2</sup> pressure and 540°C temperature
- Butterfly Valves (Fabricated/ cast body & door)

### PIPING SYSTEMS

- Power cycle piping, Constant load Hangers, Variable spring Hangers, Hanger components, Low Pressure piping including Circulating Water Piping for power stations up to 1000 MW capacity including supercritical sets
- Piping systems for Nuclear Power Stations, Combined Cycle Power Plants & Industrial boilers and for power plants in Process Industries

### SEAMLESS STEEL TUBES

- Hot-finished and cold-drawn seamless steel tubes with a range varying from outer diameter of 19 to 133 mm and wall thickness of 2 to 14 mm, in carbon steel and low-alloy steels to suit ASTM/API and other international specifications including Rifled tubes and Spiral finned tubes

### STEAM TURBINES

- Steam Turbines of higher ratings up to 800 MW for thermal Sets conforming to international Specifications
- Steam turbines for 500 MW Nuclear Power Plants

### TURBOGENERATORS

- Turbogenerators of higher rating up to 800 MW supercritical parameters
- Turbogenerators for 270 MW, 540 MW and 700 MW Nuclear Power Plants

### INDUSTRIAL SETS

- Industrial turbo-sets of rating from 7 to 200 MW
- Industrial steam turbines and gas turbines for drive applications and co-generation applications
- Reheat steam turbines and matching generators

ranging from 120 to 200 MW captive, utility and combined cycle power plants

## CASTINGS AND FORGINGS

- Sophisticated heavy castings and forgings of creep resistant alloy steels, stainless steel and other grades of alloy steels meeting stringent international specifications for components of sub critical, supercritical and ultra supercritical technology

## CONDENSER AND HEAT EXCHANGERS

### Surface Condenser

- 236 MW, 500 MW & 700 MW for Nuclear power plants
- 12.5 MW Marine applications
- Industrial Condensers

### Feed Water Heaters (HP Heaters, LP Heaters, Drain Coolers, Duplex Heater, etc.)

- Thermal : 7 to 500 MW (sub-critical) & 300-800 MW (supercritical with single stream)
- Nuclear 236 MW, 500 MW and 700 MW rating

### Moisture Separator & Reheater (MSR)

- 236 MW, 500 MW & 700 MW Nuclear sets

### Live Steam Reheater (LSR)

- 500 MW FBR Nuclear sets

### Auxiliary Heat Exchangers for Turbo and Hydro Generators

- Air Coolers (Frame & Tube Type)
- Oil Coolers (Shell & Tube Type and Plug In Type)
- Hydrogen Coolers (Frame & Tube Type)

### Auxiliary Heat Exchangers for Transformers

- Oil Coolers (Shell & Tube Type Single Tube or Concentric Double Tube Type) (Frame & Tube Type)

### Auxiliary Heat Exchangers for General Application

- Water - Water Coolers (Shell & Tube Type)
- Industrial Heat Exchangers for Refineries, Petro-Chemicals & Fertilizers industries.
- Flash Tanks for thermal & nuclear sets
- Service Tanks, Storage Tanks & Pressure vessels for Thermal, Nuclear sets of all ratings & industrial applications
- CS/SS/Non-ferrous shell and tube heat exchangers and pressure vessels (For all applications irrespective of rating)
- Air-cooled heat exchangers for GTG up to Fr-9E, and Compressor applications of all ratings
- Steam jet air ejectors for all condensers up to 150 MW

- Deaerators from 7 MW to 800 MW
- Gland steam condensers 7 MW to 150 MW
- Gas coolers for all possible compressor applications
- Oil coolers-STG up to 150 MW, GTG up to Fr-9E
- Generator Air coolers up to 150 MW STG and GTG up to 9 FA

## PUMPS

- Pumps for various utility power plant applications up to a capacity of 1000 MW:
  - Boiler feed pumps (motor or steam turbine driven) and Boiler feed booster pumps
  - Condensate extraction pumps
  - Circulating water pumps (also known as Cooling water Pumps)

## COMPRESSORS

- Multi stage Centrifugal compressors along with auxiliary system for various applications are manufactured and supplied with following configuration & parameters
  - Model –
  - Horizontally split type up to 40 bar design pressure
  - Vertically split type up to 350 bar design pressure
  - Capacity – 300000 m<sup>3</sup>/hr
  - Gas – Air, CO<sub>2</sub>, N<sub>2</sub>, H<sub>2</sub>, NH<sub>3</sub>, Natural Gas, Wet Gas, Propylene etc.
  - Sealing system – Dry Gas Seal
  - Industry – Refineries, Fertilizers, Oil & Gas, Steel, Power and Natural Gas Transportation
  - International standard – API 617
  - Testing capability – MRT, Performance test, full load, full pressure full speed test, Complete Unit Test
  - Driver – Steam Turbine, Gas Turbine, Motor

## SOLAR PHOTOVOLTAICS

- Mono/ Multi Crystalline Solar Cells (156 mm)
- Mono/ Multi Crystalline PV Modules (150 to 300 Wp)
- PV Systems: Grid Interactive, Hybrid and stand alone PV power plants
- Space grade solar panels
- Space grade batteries

## AUTOMATION AND CONTROL SYSTEMS

- Steam Generator/ Boiler Controls including Boiler Protection



- Steam Turbine Controls
- Boiler Feed Pump (BFP) Drive Turbine Control
- Station Control and Instrumentation/ DCS
- Offsite/Off base controls/ Balance of Plant Controls
  - Ash Handling Plant (AHP)
  - Coal Handling Plant(CHP)
  - Water System for power plant
  - Mill Reject System (MRS)
  - Condensate On-Load Tube Cleaning system (COLTCS)
  - Gas Booster Compressor (GBC)
  - Condensate Polishing Unit (CPU)
  - Heating, Ventilation & Air conditioning (HVAC)
  - Fuel Oil Unloading System (FOUS)
- Hydro Power Plant Control System
- Gas Turbine Control System
- Nuclear Power Plant Turbine & Secondary Cycle Control System
- Nuclear Power Plant Primary Cycle Control Centre Instrumentation Package(CCIP)
- Power block of solar thermal power plant
- Industrial Automation
- Sub-Station Automation System (SAS) and Supervisory Control & Data Acquisition System (SCADA) for Substation & PV Plants
- Non-FST HVDC control panels
- Electrical Control System (ECS) for Refineries
- Energy Management System (EMS) for Power Plant
- Electrical Interface System for MV/LV Switchgear

### POWER ELECTRONICS

- Excitation system
- AC Drive System
- Static Starters
- Induction Heating Equipment

### TRANSMISSION SYSTEM CONTROL

- Flexible AC Transmission system (FACTS) solutions
  - Fixed Series Compensation (FSC)
  - Thyristor Controlled Series Compensation (TCSC)
  - Static VAR Compensation (SVC)
  - Controlled Shunt Reactor (CSR)
  - IGBT based Static Compensator (STATCOM)
  - Phase Shifting Transformer (PST)

### POWER SEMICONDUCTOR DEVICES

- Diodes- Ranging from 1400-4400V/250-2000A
- Thyristors- Ranging from 1400-7000V/150-4950A
- Rotating Diodes for Turbo generators.

### SOFTWARE SYSTEM SOLUTION

- Merit Order rating
- Performance Analysis, Diagnostics & Optimization (PADO) for Thermal Utilities
- Performance Calculation & Optimization system
- OPC connectivity from DCS to third party systems
- Enterprise Asset Management System (EAMS)
- Enterprise Resource Planning (ERP)
- Operator Training Simulator
- Power House intranet software
- Alarm Analysis system
- Real Time Performance Data Monitoring system
- Historical Replay System

### SWITCHGEAR

Medium Voltage Vacuum Switchgear of various types for indoor and outdoor applications for voltage ratings up to 36 kV and Gas insulated switchgears (36 kV, 145 kV, 420kV)

- Indoor switchgears up to 12 kV, 50 kA, 4000 Amp for thermal, nuclear, hydro and combined cycle Power Plant Projects
- Indoor switchgears up to 36 kV, 40 kA, 2500 Amp for Industries and refineries
- Indoor Compact switchgear 12 kV, 25 kA, 1250 Amp for distribution system
- Outdoor Vacuum circuit breakers (12 kV, 25 kA, 1250 Amp / 36 kV, 25 kA , 2000 Amp / 25 kV, 25 kA, 1600 Amp) for distribution network/ track side railway application
- Outdoor pole mounted 12 kV Autorecloser/sectionaliser / capacitor switch for rural segment
- Gas insulated switchgears (36 kV, 40 kA, 2500 Amp/ 145 kV, 40 kA, 2500 Amp/ 420 kV, 50 kA, 3150 Amp) For transmission & distribution network, Refineries/ hydro station/ metro.
- SF<sub>6</sub> circuit breakers (400 kV)

### BUS DUCTS

- Bus-ducts with associated equipment to suit generator power output of utilities of up to 800 MW capacity.

### TRANSFORMERS

- Power transformers for voltage up to 1200 kV
  - Generator transformers (up to 500 MVA, 400 kV, 3 Ph / 400 MVA, 765 kV, 1 Ph/ 400 MVA, 400 kV, 1 Ph)
  - Auto transformers (up to 1000 MVA, 400 kV, 3 Ph / 600 MVA, 400 kV, 1 Ph / 1000 MVA, 765 kV, 1 Ph / 1000 MVA, 1200 kV, 1 Ph)

- Converter Transformers 3 phase (up to 500 MVA  $\pm$ 500 kV)
- Converter Transformers 1 phase (up to 300 MVA  $\pm$ 800 kV)
- Shunt Reactors (up to 150 MVA, 420 kV, 3 Ph / 110 MVA, 765 kV, 1 Ph)
- Controlled Shunt Reactors (up to 200 MVA, 420 kV, 3 Ph / 150 MVA, 420 kV, 1 Ph / 110 MVA, 765 kV, 1 Ph)
- Phase Shifting Transformers (up to 315 MVA, 400 kV, 3 Ph, up to 333 MVA 420 kV, 1 Ph, PST (1000 MVA bank in 3 Phase) for transmission lines)
- Instrument transformers
  - Current transformers up to 400 kV
  - Electro-magnetic voltage transformers up to 220 kV
  - Capacitive voltage transformers (33KV to 1200 kV)
- Special Transformers
  - Rectifier transformer (up to 120 kA, 132 kV)
  - Furnace transformer (up to 33 kV, 60 MVA)
- ESP transformers up to 95 kvp, 1600 mA
- Smoothing reactors up to 3.3 mH , 2700 Amp.
- Dry Type reactor up to 300 mH, 120 Amp.
- DC Choke up to 0.5 mH, 4600 Amp.
- Dry type transformers up to 15 MVA 33 kV.

### CAPACITORS

- H.T. Capacitors for Power factor correction (Motor Capacitors) 3.3 to 11 kV delta connected Capacitor banks
- H.T. Capacitors for Shunt, Series & SVC (Static VAR compensation), Harmonic filter & HVDC applications (3.3 kV to 500 kV, 1 Ph/ 3 Ph capacitor banks of rating 0.5 MVA to 250 MVA)
- Capacitor Divider for CVT
- Coupling Capacitor for PLCC
- Surge Capacitor for protection of Generators & Transformers (11kV to 40 kV)
- Roof Capacitor for traction locomotive
  - Capacitor Divider for CVT up to 1200 kV
  - Coupling Capacitor for PLCC up to 400kV

### BUSHINGS

- 52 to 400 kV OIP condenser bushings for transformer applications
- 25 kV Locomotive bushings
- Special application bushings like Oil cable box, wall bushing, higher creepage, high cantilever load, High altitude bushing

### ON LOAD TAP CHANGERS (OLTC)

On Load Tap Changer for various application like Power Transformer, Furnace Transformer, Station Transformer, Rectifier Transformer etc.

- On Load Tap Changer up to 765 kV class Transformer
- Off Circuit Tap Switch up to 400 kV class Transformer

### CONTROL GEAR

#### Industrial Control Gear

- Electronic controllers for industries/ power plants
- Digital Excitation control system (1000 A, 400 V DC/, 400 V DC with redundant thyristor stacks & DC field breaker)
- Large current rectifiers with PLC Based digital controls
- Digital Hydraulic/ compact Governors
- Digital AVR (1 Ph, 300 V DC/ 3 Ph, 400 V DC)
- Control panels and cubicles for applications in steel, aluminium, cement, paper, rubber, mining, sugar and petrochemical industries

#### Contactors

- LT air break type AC for voltages up to 660 V
- LT air break type DC contactors for voltages up to 600 V
- HT vacuum type AC for voltages up to 11kV

#### Control and Relay Panels

- Control & Protection Panels (up to 400 kV) for EHV Transmission projects
- Synchronizing Trolley / Swing Panels
- Protection panels for large Generators up to 800 MW for thermal, nuclear, hydro and combined cycle Power Plant Projects
- Remote Control and relay panels for MV Switchgear
- Turbine gauge panels for hydro sets
- Outdoor type control panels and marshalling kiosks
- Remote Transformer Tap-Changer Control panels
- LT Switchgear, SCAP, Thyristor, RAPCON and STATCON Panels

### INSULATORS

#### PORCELAIN INSULATORS

- High-tension Porcelain Disc insulators for AC/ DC applications, ranging from 70kN to 420 kN electro-mechanical strength, for clean and polluted atmospheres, Suitable for application up to 1200kV AC &  $\pm$ 800kV HVDC transmission line & Sub-stations
- Hollow porcelains up to 765 kV for Transformers & SF6 circuit breakers

- Solid core insulators up to 400 kV for Bus Post & Isolators for substation applications

### COMPOSITE INSULATORS

- For 25 kV Railway Traction
- Long Rod insulator up to 765 kV for transmission lines
- Hollow Insulators up to 765 kV for Instrument Transformers

### WEAR RESISTANT MATERIAL (CERALIN)

- Ceramic Liners for Wear Resistant Application in Thermal Power Station and other various applications
- Ceramic Liners for Ash Slurry Application

### INDUSTRIAL AND SPECIAL CERAMICS

- EWLI—Electronic Water Level Indicators used in Boiler Drum Water Level Monitoring (BHELVISION system)
- Ceramic and Tungsten Carbide Flow Beans for Christmas tree valves.
- Grinding Media for Pulverizing in Thermal Power Plant.

### ELECTRICAL MACHINES

AC Squirrel cage, Slip ring, Synchronous, Variable speed motors; Industrial Alternators and Motors for Hazardous areas are manufactured as per range summarized below. Special-purpose machines are manufactured on request.

- Voltage - AC - 415 V to 13800 V
- Frequency - 50 Hz & 60 Hz
- Enclosure - TETV, TEFC, CACW, CACA & Duct Ventilated
- AC Machines for Safe Area Application
  - Induction Motors
  - Squirrel cage motors -150 kW to 21000 kW
  - Slip ring motors - 150 kW to 10000 kW
  - Synchronous motors- 1000 kW to 20000 kW
  - Variable speed Motors
    - 150 kW to 21000 kW (Squirrel cage motors)
    - 1000 kW to 20000 kW (Synchronous motors)
- AC Machines for Hazardous Area Application (Fixed speed or with VFD)
  - Flame-proof squirrel cage Induction motors (Ex 'd') (150 kW to 1500 kW)
  - Non-sparking squirrel cage Induction Motors (Ex 'n') (150 kW to 4000 kW (higher ratings on request))
  - Increased safety squirrel cage Induction Motors (Ex 'e') (150 kW to 4000 kW (higher ratings on request))

- Pressurized motors (Ex 'p')
  - 150 kW to 21000 kW (Squirrel cage motors)
  - 1000 kW to 20000 kW (Synchronous motors)
- Mill Duty Motors (150 kW to 5000 kW with speed base speed > 150 rpm) for steel mills.
- Industrial Alternators (Steam turbine, Gas turbine and Diesel engine driven) (1500 kVA to 25000 kVA)
- Induction Generators (300 kVA to 6000 kVA) for mini/ micro HEP
- 2 Pole Gas Turbine driven Generators up to 330 MW and matching Exciters
- 4 Pole Gas Turbine driven Generators up to 60 MW and matching Exciters
- 2 Pole Steam Turbine driven Generators up to 330 MW and matching Exciters
- 4 Pole Steam Turbine driven Generators up to 60 MW and matching Exciters
- Permanent Magnet Based Generators up to 5 MW.
- Gas Turbine generators up to 270 MW

### TRANSPORTATION EQUIPMENT

#### Traction Machines

- AC traction motors (up to 1150 kW) for all locos & EMUs
- DC traction motors (up to 630 kW) for all ranges of locos & EMUs
- AC traction alternators (up to 3860 kW) for all ranges of DE locos & EMUs
- DC traction generators up to 2000 kW
- Motor generator sets (up to 25 kW) for all type of requirements
- Auxiliary generators and exciters (up to 50 kW) for all type of requirements
- Eddy current clutch for radiator fan
- DC blower motors (up to 50 kW) for dynamic braking system
- Traction grade gears and pinions

#### Rolling Stock

- AC electric locomotives (up to 5000 HP, 25 kV AC, 1500 V DC)
- AC-DC dual voltage electric locomotives
- Diesel-electric (up to 2600 HP) & Diesel hydraulic locomotives
- AC EMU Coaches
- Battery powered locomotive
- OHE recording-cum-test car
- Bogies
- Dynamic track stabilizers
- Wagon (Up to 28 Axle, 296 Tonne)

- Rail cum Road vehicle
- Utility vehicle
- Ballast cleaning machines

## TRACTION DRIVE SYSTEM

- Traction Propulsion Systems comprising traction converter, auxiliary converter and Vehicle Control Electronics for:
  - 6000 HP GTO/ IGBT based AC Locomotives
  - 1600 HP AC Electrical Multiple Unit (EMUs)
  - 1400 HP Diesel Electrical Multiple Units (DEMUs)

### Traction Control Gear

- Control gear equipments for AC Electric & Diesel Electric Locomotives, EMUs, DEMU, DETC, metro railways and other traction applications
- EP contactors, EM contactors, EM relays, Reversers & EP Offload switches, Isolating switches, resistors, resistor panels etc. for traction applications
- Master controllers
- Main Starting Resistors (MSR) & Dynamic braking resistors (DBR)
- Control cubicles
- Excitation control & Voltage regulator panels for DE Locomotives
- Rectifiers (up to 1200V), converter/ inverter for AC/ DC EMUs
- Aux converters/ Static Inverter for AC Locomotives

### Traction Transformer

- Electric loco transformer up to 5400 kVA for conventional locomotives & up to 7775 KVA for 3 phase drive locomotives.
- AC EMU transformers up to 1050 KVA conventional AC EMU/ MEMUs & up to 1578 kVA for 3 phase EMU

## OIL FIELD EQUIPMENT

- Oil Rigs – A variety of on-shore drilling rigs with AC-SCR and AC technology, work-over rigs, mobile rigs, for drilling up to depths of 9,000 metres, complete with matching draw-works and hoisting equipment including:
  - Mast and substructure
  - Rotating equipment : Draw works; Rotary; Swivels; Travelling Blocks
  - Independent Rotary drive unit
  - Mud System including pumps
  - Power packs and rig electrics
  - Rig instrumentation
  - Rig utilities and accessories
  - Refurbishment and upgradation of BHEL and Non BHEL make Oil Rigs
  - DC Oil rig motors of all required ranges

- Oil rig alternators of all required ranges
- Accessory and load gear box for Gas Turbine
- Inlet and exhaust duct for Gas Turbine
- Well heads and X-mas Trees up to 15 000 psi, Mud Line Suspension, Choke and Kill manifold, CBM Wellheads, DSPM H- Manifold Assembly, Mud valves, ESP hangers, Block type X-mas Trees & Landing Bases for Casing Heads.
- Oil Rig Controls
  - AC Power Control Room
  - DC Power Control Room
  - AC Power Pack up to 1450 kVA for DG sets
    - AC Control Module
    - DC Control Module
  - Driller's Console
  - Cable set, cable trays, cable box and crew room for oil rigs.
  - Mobile lightening Tower, Rig Lightening Tower
  - DG set for Oil rig application (63/ 250/ 380/500 kVA)

## FABRICATED EQUIPMENT AND MECHANICAL PACKAGES

- Air separation Units for extraction of N<sub>2</sub>, O<sub>2</sub> and Argon
- Cryogenic systems for liquid N<sub>2</sub>, O<sub>2</sub> and Argon
- Cryogenic storage tanks, Mounded storage systems and storage spheres
- Column and Reactors for Petrochemical plants
- Pressure Vessels, Shell and Tube type and Air Fin Type Heat Exchangers
- Fired Heaters
- Purge Gas Recovery Unit for Fertilizer Industry

## INDUSTRIAL SYSTEMS

- Complete Coal Handling Plant and Ash Handling Plant including Civil & Structural, Mechanical, Electrical works and Automation systems
- Complete Mine Winder Systems
- Complete Electrics, Drives, Controls & Automation Systems for Processing & Compacting of Raw Materials, Iron Making, Primary & Secondary Steel Making, Casters & steel Finishing like Mills & process Lines for both long products & flat products
- Complete Raw Material Handling System including Civil & Structural, Mechanical, Electrical and Automation systems for Steel and other industries
- Complete Electrics & Automation Systems for High Current Rectifiers for Aluminium Smelters and Processing Mills for Aluminium Plants
- Automated Storage & Retrieval Systems (ASRS)
- Balance of Plant (BOP) for Hydro power plants

# Glossary & Abbreviations

AIS	Air Insulated Substation	M&A	Merger & Acquisitions
APPDCL	Andhra Pradesh Power Development Company Limited	MEMU	Mainline Electric Multiple Unit
ASEAN	Association of South East Asian Nations	MHI&PE	Ministry of Heavy Industries & Public Enterprises
BHPVL	Bharat Heavy Plates & Vessels Limited	MOEF	Ministry of Environment & Forests
BSE	Bombay Stock Exchange	MoU	Memorandum of Understanding
BSPGCL	Bihar State Power Generation Company Limited	MUs	Million Units
C&I	Control & Instrumentation	NALCO	National Aluminium Company
CCPP	Combined Cycle Power Plant	NEEPCO	North Eastern Electric Power Corporation Limited
CDM	Clean Development Mechanism	NPCIL	Nuclear Power Corporation of India Limited
CEA	Central Electricity Authority	NPGCL	Nabinagar Power Generation Company Limited
CFBC	Circulating Fluidised Bed Combustion	NSE	National Stock Exchange
CIS	Commonwealth of Independent States	NSPCL	NTPC-SAIL Power Company Private Limited
CISF	Central Industrial Security Force	NTPC	National Thermal Power Corporation
CLW	Chitaranjan Locomotive Works	OA	Operational Availability
CMIE	Centre for Monitoring Indian Economy	OECD	Organisation for Economic Co-operation and Development
CPCL	Chennai Petroleum Corporation Limited	OEM	Original Equipment Manufacturer
CPRI	Central Power Research Institute	ONGC	Oil and Natural Gas Corporation Limited
CPSE	Central Public Sector Enterprise	OPGCL	Odisha Power Generation Corporation Limited
CSO	Central Statistical Office	OPTCL	Odisha Power Transmission Corporation Limited
CSR	Corporate Social Responsibility	OTPC	ONGC Tripura Power Company
CVC	Central Vigilance Commission	PGCIL	Power Grid Corporation of India Limited
DEMU	Diesel Electric Multiple Unit	PLM	Product Lifecycle Management
DETC	Diesel Electric Tower Car	PSEs	Public Sector Enterprises
DSIR	Department of Scientific and Industrial Research	PSPCL	Punjab State Power Corporation Limited
E&C	Engineering & Construction	R&M	Renovation & Modernisation
ED	Executive Director	RAPP	Rajasthan Atomic Power Project
EHV	Extra High Voltage	RCF	Rail Coach Factory
EMU	Electric Multiple Unit	RDSO	Research, Design & Standards Organisation
EPC	Engineering, Procurement & Construction	RPCL	Raichur Power Company Limited
ESP	Electrostatic Precipitator	S&P	Standard & Poor's
FACTS	Flexible Alternating Current Transmission System	SAIL	Steel Authority of India Limited
FD Fan	Forced Draft Fan	SCOPE	Standing Conference of Public Enterprises
GIS	Gas Insulated Substation	SCR	Silicon Controlled Rectifier
GSECL	Gujarat State Electricity Corporation Limited	SD	Sustainable Development
GTG	Gas Turbine Generator	SEBI	Securities and Exchange Board of India
GTO	Gate turn-off Thyristor	SECI	Solar Energy Corporation of India
GTPP	Gas Turbine Power Plant	SG	Steam Generator
HFO	Heavy Fuel Oil	SPV	Solar Photo Voltaic
HP Turbine	High Pressure Turbine	STATCOM	Static Synchronous Compensator
HVDC	High Voltage Direct Current	STPP	Super Thermal Power Plant
ICF	Integral Coach Factory	TANGEDCO	Tamil Nadu Generation and Distribution Corporation
ID Fan	Induced Draft Fan	TG	Turbine & Generator
IEA	International Energy Agency	TL&JV	Technology Licensing & Joint Venture
IGBT	Insulated-Gate Bipolar Transistor	TOLIC	Town Official Language Implementation Committee
IGCAR	Indira Gandhi Centre for Atomic Research	TPS	Thermal Power Station
IOCL	Indian Oil Corporation Ltd.	TSGENCO	Telangana Power Generation Corporation
IPR	Intellectual Property Right	UHVAC	Ultra High Voltage AC
IR	Indian Railways	UMPP	Ultra Mega Power Project
ISO	International Organization for Standardization	UPJVNL	UP Jal Vidyut Nigam Limited
ISRO	Indian Space Research Organisation	VCU	Vehicle Control Unit
JSEB	Jharkhand State Electricity Board	VFD	Variable Frequency Drive
KAPP	Kakrapar Atomic Power Project	WAG	W (broad gauge), A (AC traction), G (goods duty)
KBUNL	Kanti Bijlee Utpadan Nigam Ltd.	WBPDCL	West Bengal Power Development Corporation Limited
KSCA	Kilogram-force per Square Centimetre Absolute		
LP Turbine	Low Pressure Turbine		

## Bankers

Allahabad Bank  
Andhra Bank  
Bank of Baroda  
Canara Bank  
Corporation Bank  
Central Bank  
Indian Bank  
Indian Overseas Bank  
Oriental Bank of Commerce  
Punjab National Bank  
Punjab & Sindh Bank  
State Bank of India  
State Bank of Hyderabad  
Syndicate Bank  
State Bank of Travancore  
UCO Bank  
Union Bank of India  
United Bank of India  
Vijaya Bank  
IDBI  
CITI Bank N.A  
Deutsche Bank AG  
The Hongkong and Shanghai Banking Corporation Ltd.  
Standard Chartered Bank  
The Royal Bank of Scotland N.V.  
J P Morgan  
Axis Bank  
The Federal Bank Limited  
HDFC  
Kotak Mahindra Bank  
ICICI  
IndusInd Bank  
Yes Bank

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## Auditors

Wahi & Gupta, New Delhi  
DSP & Associates, New Delhi  
Vinay Kumar & Co., Allahabad  
SBA & Co., Bhopal  
V. Narayanan & Co., Trichy  
Rao Associates, Bengaluru  
Anjaneyulu & Co., Hyderabad  
J.V. Ramanujam & Co., Chennai

## Cost Auditors

Jugal K Puri & Associates, New Delhi  
Sanjay Kasliwal & Associates, Bhopal  
Narasimha Murthy & Co., Hyderabad  
Vishwanath Bhat & Co., Bengaluru  
Sunil Singh & Co., Lucknow  
RKMS & Associates, Chennai

## Cost Audit Report

Financial Year	Due date of filing Cost Audit Report	Actual date of filing Cost Audit Report
2013-14	27.09.2014	20.09.2014
2014-15	27.09.2015	Will be filed on due date

## Share Transfer Agent

**M/s Karvy Computershare Private Ltd.**

UNIT: BHEL

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E-mail: ksbl Delhi@karvy.com

**Hyderabad:** Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
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# Igniting the minds, forever!



The sides of the mountain sustain life, not the peak. This is where things grow, experience is gained, and technologies are mastered. The importance of the peak lies only in the fact that it defines the sides.

– Dr. A.P.J. Abdul Kalam



True to your vision, we continue to pioneer technology for people and the planet!  
Your visionary thoughts and actions will continue to inspire us.....

– BHEL



# Shoring up the defence!



INS Kolkata is the lead ship of the Kolkata-class guided-missile destroyers of the Indian Navy. She was constructed at Mazagon Dock Limited (MDL). The most distinctive and noticeable armament of the Kolkata class is its 76 mm Super Rapid Gun Mount (SRGM) naval gun located forward of the bridge. The gun provides anti-shipping capability and anti-air capability in addition to naval gun fire support for land based operations. The gun is manufactured and supplied by BHEL. BHEL has supplied more than 30 SRGMs to Indian Navy till date.

The ship was officially commissioned by the Honourable Prime Minister of India, Shri Narendra Modi in a ceremony on 16 August, 2014.



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