



भारत हेवी इलेक्ट्रिकल्स लिमिटेड
Bharat Heavy Electricals Limited

Corporate Strategic Management
BHEL House, Siri Fort, New Delhi - 110 049, India
P: +91 11 6633 7008

Ref: AA:CSM:56

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Subject.: Clarification in respect of 'Provisions' in FY21 Results

Keeping in view the concerns raised by Equity Analysts, Institutional Investors and other stakeholders on the rising receivables, the company, in FY2020-21, has reviewed the receivables and created additional merit based provisions (which could have been deferred) of about Rs. 1800 Cr. The provisioning has been done in case of projects where the collections may have been doubtful.

The company took a call to conservatively provide these receivables as a matter of utmost financial prudence, so as to strengthen the receivables management process and better reflect the receivables position in the balance sheet.

16/06/21

Rajiv Bhatnagar
GM & Head (Corp Strategic Management) and
Chief Investors Relation Officer