



भारत हेवी इलेक्ट्रिकल्स लिमिटेड

Bharat Heavy Electricals Limited

24th July 2020

DISCLOSURE ON CREDIT RATING TO STOCK EXCHANGE BY BHEL

M/s CRISIL has reaffirmed the rating on the long-term bank facilities of the company at 'CRISIL AA' while revising the outlook to 'Negative' from 'Stable'. The rating on the short-term facilities have been reaffirmed at 'CRISIL A1+'. The instrument wise ratings are as under:

Bank Facilities	Rating Action	Primary reason mentioned by the Rating Agency
Long-Term Rating	CRISIL AA/Negative (Rating reaffirmed at 'CRISIL AA'; Outlook revised to 'Negative' from 'Stable')	The revision in outlook reflects moderation of financial risk profile owing to weaker than expected operating performance, elongation in working capital cycle and the continued depletion in net cash levels of the company during fiscal 2020. Operating performance during fiscal 2021 is likely to remain impacted due to lockdown continuing in first half of fiscal 2021 resulting in labor shortage and owing to requirement of maintaining social distancing norms which is having bearing on resumption of work at many sites along with impact on labor efficiency.
Short-Term Rating	CRISIL A1+(Reaffirmed)	