Meril Healthcare Private Limited

September 28, 2021

Ratings

Facilities	Amount (Rs. crore)	Ratings[1] @	Rating Action
Long-term Bank Facilities	16.00 (Reduced from Rs.22.50 crore)	**CARE AA- (CE); Stable [Double A Minus (Credit Enhancement); Outlook: Stable]**	**Reaffirmed**
Long-term / Short-term Bank Facilities	99.00	**CARE AA- (CE); Stable/ CARE A1+ (CE) [Double A Minus (Credit Enhancement); Outlook: Stable/ A One Plus (Credit Enhancement)]**	**Reaffirmed**
Short-term Bank Facilities	25.00	**CARE A1+ (CE) [A One Plus (Credit Enhancement)]**	**Reaffirmed**
Total Facilities	**140.00 (Rs. One hundred forty crore only)**		

Details of the facilities are in Annexure I

@The ratings are based on the unconditional and irrevocable corporate guarantee issued by Bilakhia Holdings Private Limited.

Unsupported Ratings: *As stipulated vide SEBI circular dated June 13, 2019*	**CARE A-/ CARE A2+ [Single A Minus/A Two Plus] [Reaffirmed]**

Note: Unsupported ratings do not factor in the explicit credit enhancement

Detailed Rationale & Key Rating Drivers

The ratings assigned to the bank facilities of Meril Healthcare Private Limited (MHPL) are based on the credit enhancement in the form of an unconditional and irrevocable corporate guarantee extended by Bilakhia Holdings Private Limited (BHPL), the ultimate holding company of MHPL.

The credit profile of BHPL continues to derive strength from vast experience and resourcefulness of the Bilakhia group which is focused mainly on healthcare, investment and real-estate businesses. The credit profile of BHPL also derives strength from its low leverage, strong liquidity and healthy debt coverage indicators arising from its unencumbered cash equivalents, investments in debt/liquid mutual funds and quoted equity shares (i.e., total liquidity) which provided liquidity to debt coverage (total liquidity/ total debt) in excess of 3x as on June 30, 2021. The credit profile of BHPL also derives strength from its healthcare subsidiary's established market position in the coronary and orthopaedic implant business segments, reduced propensity of BHPL to extend support to the entities of its healthcare business except for its endo-surgery segment; and healthy growth prospects for the key products of its healthcare division.

The long-term credit profile of BHPL is, however, constrained due to lower than envisaged profitability of its healthcare division during FY21 (refers to the period April 01 to March 31) due to prolonged impact of outbreak of Covid-19 pandemic on the domestic demand for its products along with higher legal cost and exceptional item related to reversal of Goods and Service Tax (GST) input tax credit. BHPL's credit profile is further constrained on account of operating loss in one business segment of its healthcare division, i.e., Endo-Surgery (operating under BHPL's step-down subsidiary Meril Endo Surgery Private Limited; MEPL), inherent regulatory risk associated with BHPL's healthcare business along with ongoing litigation against it arising from alleged patent infringement for one of its coronary products by a competitor in certain geographies of Europe, susceptibility of the profitability of its healthcare division to fluctuation in the prices of raw material and foreign exchange rate, and working capital intensive nature of operations of its healthcare division; along with market risk associated with its moderately concentrated portfolio of quoted equity shares.

Rating Sensitivities (for the provider of the credit enhancement - BHPL)

Positive Factors (Factors that could lead to positive rating action/ upgrade)

- Growth in the scale of operations of its healthcare division with total operating income (TOI) greater than Rs.2,500 crore, the PBILDT margin of more than 20% and return on capital employed (ROCE) greater than 15% on a sustained basis; along with maintaining its comfortable overall gearing and quoted liquid investment of around Rs.1,000 crore on a consolidated level.

Negative Factors (Factors that could lead to negative rating action/ downgrade)

- The ratio of market value of its investments in quoted mutual funds/equity shares/other forms of liquidity to its consolidated debt deteriorates to around 1.25 times on a sustained basis.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

- Sustained elongation in the operating cycle along with deterioration in the PBILDT margin of its healthcare division to below 8% on a sustained basis.

Key Rating Drivers (MHPL – Unsupported Ratings)

The unsupported ratings of MHPL continue to derive strength from the vast experience and resourcefulness of MHPL's promoters - the Bilakhia group, its established presence in the domestic and export markets aided by regulatory approvals in place from authorities in Europe and USA for its products. The ratings also favourably factor MHPL's adequate liquidity and favourable growth prospects for the orthopaedic implant industry.

The unsupported ratings of MHPL, however, continue to be constrained due to its large working capital requirement arising from its elongated operating cycle that is partly funded by working capital borrowing and partly by loans from group companies, along with stiff competition and inherent regulatory and legal risks associated with the healthcare industry. The unsupported ratings also take cognizance of decline in its scale of operations and profitability during FY21 due to lower demand for its products arising from postponement of elective orthopedic surgeries due to the outbreak of Covid-19 pandemic in the domestic market as well as due to exceptional cost related to reversal of GST input credit.

Detailed description of the key rating drivers (For the provider of credit enhancement - BHPL)

Key Rating Strengths

Vast experience and resourcefulness of the Bilakhia group

The Bilakhia group was founded by Mr Gafurbhai Bilakhia and is now being managed by his three sons, Mr Yunus Bilakhia, Mr Jakir Bilakhia and Mr Anjum Bilakhia. In January 2020, the founder promoter of the Bilakhia group, Mr Gafurbhai Bilakhia was conferred with the 'Padma Shri' honor for his contribution to Indian trade and industry.

BHPL is the ultimate holding company of the Bilakhia group which is the erstwhile promoter of Hubergroup India Private Limited (HIPL; rated 'CARE AA+; Stable/ CARE A1+'; erstwhile Micro Inks Limited) and Bayer Vapi Pvt Ltd (BVPL; erstwhile Bilag Industries Private Limited) and presently has diversified business interests in the fields of healthcare, investment, and real estate through its various subsidiaries. Over the years, the promoters have successfully demonstrated their ability to create business models delivering world-class quality products and achieving economies of scale. After divesting their stake in HIPL and BVPL, the group utilized the stake sale proceeds to foray into healthcare business from 2006 onwards. As on March 31, 2021, BHPL had investments of Rs.982 crore in its healthcare division. BHPL holds certain land parcels in its real-estate division. As articulated by the management, as of now, BHPL does not have any plans for the real estate development.

Low leverage along with healthy debt coverage

BHPL's leverage on consolidated basis continued to remain comfortable marked by low overall gearing of 0.13x as on March 31, 2021 (0.18x as on March 31, 2020) due to its healthy net-worth base of Rs.3,059 crore as on March 31, 2021. Furthermore, BHPL, on a consolidated basis, had investments in quoted equity shares, debt/liquid mutual funds and cash and cash equivalents of around Rs.1,275 crore as on March 31, 2021 (Rs.892 crore as on March 31, 2020), which provided healthy debt coverage of around 3.20x as on March 31, 2021 (debt coverage of 1.77x as on March 31, 2020). Furthermore, the market value of BHPL's investments in quoted equity shares, debt/liquid mutual funds and cash equivalents increased to around Rs.1,364 crore on June 30, 2021, resulting in further improvement in its consolidated debt coverage to around 3.60x as on even date. Apart from this, BHPL also derives financial flexibility from its investments in unquoted equity shares and land parcels.

Large product portfolio of its healthcare division along with established presence in the domestic and export markets

BHPL's healthcare division has four business segments, i.e., coronary implants, orthopaedic implants [entities operating under these verticals are MLSPL, Meril Life Sciences India Private Limited (Meril India) and Meril Healthcare Private Limited (MHPL)], diagnostic products and endo-surgery products [entities operating under these verticals are Meril Diagnostics Private Limited (MDPL) and MEPL, respectively). MLSPL manufactures and sells various types of coronary stents, peripheral stents, balloon catheters and heart valves. MLSPL is the first Indian company to launch Bioresorbable scaffold and heart valves in India. It has also received Drug Controller General of India (DCGI) approval for selling heart valves in the domestic market. All the products of MLSPL are CE marked (European Conformity) and its balloon catheters are also USFDA (United States Food and Drug Administration) approved. Furthermore, MLSPL became the first company to receive exemption from price cap for its Bioresorbable scaffolds in the Indian market. MHPL manufactures and sells various types of knee implant, hip implant and trauma implants. Knee/hip replacement products and trauma implants of MHPL are also CE marked and USFDA approved. MHPL also started to market surgical robot in the domestic market during FY21 which is expected to improve sales of its implant in the long-term. The products of MDPL include various types of analyzers, reagents for those analyzers and rapid diagnostic kits for various diseases. Furthermore, MDPL also launched whole range of diagnostic test kits for the detection of Covid-19 virus in the domestic market during FY21. MEPL's product portfolio includes various kinds of sutures, staplers, hernia repair solutions and contraceptive solutions.

BHPL's healthcare division is one of the leading domestic manufacturers of coronary stents and knee/hip replacement products in the domestic market with well recognized brands and backed by a widespread selling and distribution network. Furthermore, it also sells its products in more than 100 countries through its various overseas subsidiaries.

Reduced propensity of BHPL to support its healthcare division

Despite decline in the profitability of Micro Life Sciences Private Limited (Micro; the holding company of BHPL's healthcare division), BHPL did not make any new investment in any of the entities of its healthcare division. MLSPL, Meril India, MHPL and MDPL are expected to generate healthy cash accruals and do not need any support from its parent. MEPL is still incurring operating loss and will require support from its parent. However, any additional support required by MEPL will mostly be met by recouping investments in other healthcare entities.

During FY21, despite net loss incurred by Micro, it had strong cash flow from operation of Rs.215 crore compared to Rs.22 crore in FY20. Consequently, the consolidated debt level of Micro reduced to Rs.586 crore as on March 31, 2021, as compared with Rs.681 crore as on March 31, 2020. The debt level is unlikely to increase materially in near to medium term in anticipation of healthy cash accruals and absence of any debt-funded capex plans.

Healthy growth prospects for the healthcare industry

There are good demand prospects for the healthcare industry in India as well as in other developing countries. Rising health consciousness, increasing cases of sedentary lifestyle diseases including coronary heart diseases and increased healthcare expenditure is expected to drive the market for BHPL's healthcare division's products in the medium term. Other prominent growth drivers include the rapidly growing medical technology industry and rising affordability. In addition, there is an increasing demand for in-vitro diagnostic kits and reagents and rapid diagnostic kits in developing countries (including India). Furthermore, the penetration of other products including coronary stent is much lower in India and other developing countries compared to developed countries like the USA, European Union and Japan, indicating good demand prospects from these countries.

Key Rating Weaknesses

Lower than envisaged profitability due to prolonged adverse impact of outbreak of Covid-19 on the domestic demand along with higher legal cost and one-time exceptional cost item

TOI of Micro (holding company of BHPL's healthcare business) declined by around 11% during FY21 over FY20 mainly due to decline in the domestic sales by around 27% during the same period, while there was a growth in the export revenue. India imposed one of the strictest lockdowns during Q1FY21 which adversely impacted the domestic demand. Furthermore, some of the implant surgeries which are elective in nature were postponed across the countries which had also impacted the demand during the subsequent period. The adverse impact of decline in the demand for the implants were partially mitigated by 61% growth in MDPL's domestic sales led by launch of Covid-19-related diagnostics products. However, Micro's revenue is expected to grow by around 20% during FY22 led by recovery in demand for implants in the domestic market, steady sales growth in the export market and sizable growth in the sales of its Covid-19-related diagnostics products. Moreover, CARE Ratings expects Micro's medium-term sales growth to remain healthy.

Despite decline in marketing and promotion expenses during FY21, Micro's PBILDT declined by around 30% on Y-o-Y basis and stood lower than envisaged. Lower sales realization in the domestic market due to weak demand and higher legal cost associated with its ongoing lawsuit in the European market led to decline in PBILDT. The company incurred a legal cost of Rs.107 crore during FY21 and it is expected to incur around Rs.70 crore to Rs.80 crore each year in near to medium term towards its ongoing lawsuit in Europe which shall restrict its profitability and cash flows to an extent. Furthermore, two of Micro's subsidiaries had to reverse the GST credit that they had availed in the earlier years as the suppliers did not pay the collected tax to the exchequer. This resulted in exceptional expenses of around Rs.82 crore during FY21. However, despite relatively higher legal cost, CARE Ratings expects Micro's profitability to improve during FY22 and FY23 on account of expected benefit of economies of scale and absence of any exceptional cost.

Continued operating loss in one of its healthcare division subsidiaries

One of BHPL's subsidiaries, i.e., MEPL incurred operating loss of around Rs.11 crore during FY21 (reduced from operating loss of Rs.15 crore in FY20). The gestation period of business under MEPL is long owing to high sales promotion expenditure on brand building and intense competition due to commoditized nature of products. MEPL is expected to incur operating losses during FY22. BHPL is expected to fund its operations by recouping its investment from other entities operating under its healthcare division.

Regulatory risk associated with healthcare business along with ongoing litigation against MLSPL arising from alleged patent infringement for one of its coronary products by a competitor; and heavy legal costs associated with it

BHPL's healthcare business remains exposed to the changes in regulations in domestic and export markets including likely price cap as well as large compensation to be paid to the patients in case of faulty implants; albeit mitigated by adequate cover through product liability insurance taken by the company.

In February 2017, National Pharmaceuticals Pricing Authority (NPPA) put a price cap on DES (drug eluting stents) and Bioresorbable scaffold at Rs.28,000 and on BMS (Bare Metal Stents) at Rs.7,400. In March 2021, NPPA revised the price cap on DES and Bioresorbable scaffold to Rs.30,811 and on BMS to Rs.8,462 (allowing only 0.54% price hike compared with previous price cap announced in February 2020). The hike on the price caps by NPPA is linked to the Wholesale Price Index (WPI). However, NPPA exempted MLSPL's Bioresorbable scaffold from the price control by acknowledging its different properties compared to DES. Furthermore, in 2017, NPPA had fixed the ceiling prices of Cobalt Chromium knee implant at Rs.54,270 and titanium oxidized zirconium at Rs.76,600. In August 2019, NPPA allowed the increase in ceiling price by 10%. However, in its meeting held in September 2020, NPPA has extended the existing price caps on knee implants till September 2021. The impact of price cap revision was relatively low on BHPL's healthcare division's products since its realizations were already lower than the ceiling price imposed by NPPA.
Apart from the above inherent regulatory risk, MLSPL is also involved in a litigation with one of its competitors in certain geographies of the European market. Its competitor has accused MLSPL of violating its patent for heart valve. According to the management of MLSPL, they did not violate any patent and has hired the best legal team to defend its case in those geographies. MLSPL has been incurring significant legal cost for the same. Any adverse ruling may lead to probable loss of sale of heart valves in such geographies. However, its other products, i.e., all kinds of stents and balloon catheters do not face any kind of legal dispute in any geographies.

Susceptibility of profit margin to fluctuation in raw material prices and foreign exchange rate
Profitability margins of BHPL's healthcare division is exposed to the fluctuation in the raw material prices especially medical grade metal alloys and polymers as it has limited ability to fully pass on any increase in the raw material prices to its customers due to price cap on two of its major products, i.e., coronary stents and knee implants.
As a policy, BHPL's healthcare division keeps its foreign currency trade receivable exposure open and completely hedges its trade payable exposure as it expects Indian rupee to depreciate against US Dollar in long-term. Furthermore, BHPL's healthcare division derives close to 45% to 50% of its revenue from the export market, which also exposes its profitability margin to adverse movement in the foreign exchange rate.

Working capital intensive business of its healthcare division
Business of healthcare division remains working capital intensive marked by Micro's elongated operating cycle of 270 days during FY21 (249 days during FY20) and gross current asset days of 313 days during FY21 (313 days during FY120). The main products of healthcare division, i.e., coronary stent and orthopedic implants vary in length, diameter, thickness and flexibility. Hence, the company has to maintain very large inventory to make its products available immediately upon requirement which results in elongated inventory holding period of 181 days during FY21 (168 days during FY20). This apart, it extends credit period of around 130 days on an average on its sales. Cumulatively, these lead to an elongated operating cycle for Micro.

Moderately concentrated investment portfolio and market risk associated with it
BHPL has sizable investment in financials assets which includes investment in various debt/liquid mutual funds, quoted/unquoted equity shares and venture capital funds. Market value of quoted equity shares stood around Rs.841 crore as on March 31, 2021 and Rs.948 crore as on June 30, 2021, which is around 70% of its total investments in financial assets as on respective dates. Furthermore, investment in the top two quoted equity shares and top ten quoted equity shares constituted around 70% and 96% of the total portfolio of quoted equity shares, respectively, as on June 30, 2021, which represents risk associated with a moderately concentrated investment portfolio. The value of investments in quoted equity shares are also exposed to fluctuation in the market price; albeit the investments are largely in fundamentally sound companies.

Liquidity: Strong
Apart from its liquid investments providing healthy debt coverage, liquidity of BHPL is also underpinned by the growing cash-flows of its healthcare division. Furthermore, utilization of fund-based working capital facilities availed by subsidiaries operating under BHPL's healthcare division remained moderate around 60% to 80% during the trailing 12 months ended July 2021. BHPL on a consolidated basis has external term-debt repayment obligation of around Rs.47 crore during FY22 and around Rs.53 crore during FY23. BHPL's liquidity with value of around Rs.1,364 crore as on June 30, 2021 and envisaged cash accruals of its healthcare division will be more than adequate to meet its term-debt repayment obligation and incremental capex/working capital requirement.

Analytical Approach:
For Credit Enhanced Rating: Assessment of the consolidated financials of the guarantor, BHPL.
CARE Ratings has considered consolidated financials of BHPL for its credit risk assessment as it has extended corporate guarantees for most of the bank facilities/instruments availed by its subsidiaries/step-down subsidiaries apart from extending loans and advances to them and investing through preference shares in them. On a standalone basis, BHPL does not have any debt on its books. Entities operating under its healthcare division have availed debt which are guaranteed by

BHPL. The consolidated approach has been taken on account of fungibility of funds across all its subsidiaries and management's past track record and willingness to extend support to its subsidiaries in case of any exigencies. *List of subsidiaries and associates whose financials are consolidated in the financials of BHPL are placed at* ***Annexure - 4***

For unsupported ratings: Standalone financials of MHPL along with its strong linkages with its parent, BHPL.

Applicable Criteria
Criteria on assigning 'outlook' and 'credit watch' to credit ratings
CARE's Policy on Default Recognition
Criteria for Short Term Instruments
CARE's methodology for manufacturing companies
Financial ratios – Non-Financial Sector
Rating Methodology: Consolidation
Rating Methodology: Notching by factoring linkages in Ratings
Rating of loans by investment holding companies
Criteria for Rating Credit Enhanced Debt
Liquidity analysis of non-financial sector entities

About the guarantor (BHPL)
BHPL is an investment company registered with the Reserve Bank of India (RBI) as a Non-Deposit taking Systematically Important Non-Banking Financial Company (ND-SI NBFC). BHPL is the ultimate holding company of the Bilakhia group. After divesting their stake in HIPL and BVPL, the group forayed into the healthcare business in 2006. Apart from the healthcare business, the group is also involved in diverse businesses like investment in land parcels, quoted and un-quoted equity/mutual fund, etc.

Brief Financials - BHPL (Consolidated) (Rs. Crore)	FY20 (Aud.)	FY21 (Prov.)
	IND AS	
Total operating income	1,185	1,076
PBILDT	162	130
PAT	28	(67)
Total Comprehensive Income @	(28)	309
Overall gearing (times)	0.18	0.13
Interest coverage (times)	3.52	3.40

@ At the time of adoption of IND-AS, BHPL classified its investments in quoted equity shares as Fair Value Through Other Comprehensive Income (FVTOCI). Hence, profit/loss on sale of quoted equity shares and its fair value change during the year are classified under Other Comprehensive Income (OCI). Earlier under I-GAAP, fair value change was not accounted for, while profit/loss on sales of investments was recognized in the profit and loss account.

About the company (MHPL)
MHPL is a part of the Gujarat-based Bilakhia group. MHPL is a wholly-owned subsidiary of Micro which, in turn, is a wholly-owned subsidiary of BHPL – the ultimate holding company of the Bilakhia group. Incorporated in 2011, MHPL is engaged in the manufacturing and selling of Knee/Hip replacement products and trauma implants. It sells its products under brands 'Destiknee', 'Opulent', 'Latitud', 'Armar' and 'MBoss'. Products of MHPL are CE marked and USFDA approved and are being sold in more than 60 countries around the world.

Brief Financials - MHPL (Rs. crore)	FY20 (A)	FY21 (A)
	IND AS	
Total operating income	266.12	175.23
PBILDT	70.29	22.55
PBT (before deducting non-cash interest)	45.53	(2.07)
Exceptional Item	-	26.63
Non-cash Interest expenses#	8.10	8.22
PAT	28.67	(37.14)
Overall gearing (times)*	1.44	1.77
Interest coverage (times)	7.26	2.97

*#Notional interest charged on preference shares and interest free unsecured loans, *Tangible net-worth includes redeemable preferences shares of Rs.88.00 crore and as quasi-equity during end-FY20 and end-FY21.*

During Q1FY22, MHPL reported total income of Rs.52 crore and PBILDT of around Rs.8 crore as against total income of Rs.27 crore and PBILDT of around Rs.7 crore during Q1FY21.

Status of non-cooperation with previous CRA: Not Applicable
Any other information: Not Applicable
Rating History (Last three years): Please refer Annexure 2
Complexity level of various instruments rated for this Company: Please refer Annexure 3
Covenants of rated instrument/ facility: Not Applicable

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	January 2023	16.00	CARE AA- (CE); Stable
Fund-based - LT/ ST-Cash Credit	-	-	-	77.00	CARE AA- (CE); Stable / CARE A1+ (CE)
Non-fund-based - LT/ ST-Letter of credit	-	-	-	22.00	CARE AA- (CE); Stable / CARE A1+ (CE)
Fund-based - ST-EPC/PSC	-	-	-	25.00	CARE A1+ (CE)
Un Supported Ratings- (LT/ST)	-	-	-	0.00	CARE A- / CARE A2+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Term Loan	LT	16.00	CARE AA- (CE); Stable	-	1)CARE AA- (CE); Stable (07-Jan-21)	1)CARE AA- (CE); Stable (03-Jan-20)	1)CARE AA- (SO); Stable (26-Nov-18)
2.	Fund-based - LT/ ST-Cash Credit	LT/ST	77.00	CARE AA- (CE); Stable / CARE A1+ (CE)	-	1)CARE AA- (CE); Stable / CARE A1+ (CE) (07-Jan-21)	1)CARE AA- (CE); Stable / CARE A1+ (CE) (03-Jan-20)	1)CARE AA- (SO); Stable / CARE A1+ (SO) (26-Nov-18)
3.	Non-fund-based - LT/ ST-Letter of credit	LT/ST	22.00	CARE AA- (CE); Stable / CARE A1+ (CE)	-	1)CARE AA- (CE); Stable / CARE A1+ (CE) (07-Jan-21)	1)CARE AA- (CE); Stable / CARE A1+ (CE) (03-Jan-20)	1)CARE AA- (SO); Stable / CARE A1+ (SO) (26-Nov-18)
4.	Fund-based - ST-EPC/PSC	ST	25.00	CARE A1+ (CE)	-	1)CARE A1+ (CE) (07-Jan-21)	1)CARE A1+ (CE) (03-Jan-20)	1)CARE A1+ (SO) (26-Nov-18)
5.	Un Supported Rating-Un Supported Rating (LT/ST)	LT/ST	0.00	CARE A- / CARE A2+	-	1)CARE A- / CARE A2+ (07-Jan-21)	1)CARE BBB+ / CARE A2 (03-Jan-20)	-

Annexure 3: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Term Loan	Simple
2.	Fund-based - LT/ ST-Cash Credit	Simple
3.	Fund-based - ST-EPC/PSC	Simple
4.	Non-fund-based - LT/ ST-Letter of credit	Simple
5.	Un Supported Rating-Un Supported Rating (LT/ST)	Simple

Annexure 4: List of Subsidiaries/associates consolidated in BHPL as on March 31, 2021

Sr. No.	Name of company	Effective % holding by BHPL	Relationship
1	Mixon Holdings Pvt. Ltd.	100	Direct Subsidiary
2	Minix Holdings Pvt. Ltd.	100	Direct Subsidiary
3	Marco Pvt. Ltd.	100	Direct Subsidiary
4	M3 Investment Pvt. Ltd.	100	Direct Subsidiary
5	Mexus Corporation Pvt. Ltd.	100	Direct Subsidiary
6	Milestone Holdings & Infrastructure Pvt. Ltd.	100	Direct Subsidiary
7	Micro Life Sciences Pvt. Ltd.	100	Direct Subsidiary
8	Mylife Pvt. Ltd.	100	Direct Subsidiary
9	Mitsu Energy Pvt. Ltd.	100	Direct Subsidiary
10	Mitsu Pvt. Ltd.	100	Direct Subsidiary
11	Marco Infrastructure Holdings Pvt. Ltd.	100	Direct Subsidiary
12	Meril Life Sciences Pvt. Ltd.	100	Step-down Subsidiary
13	Meril Life Sciences India Pvt. Ltd.	100	Step-down Subsidiary
14	Meril Diagnostics Pvt. Ltd.	100	Step-down Subsidiary
15	Meril Healthcare Pvt. Ltd.	100	Step-down Subsidiary
16	Meril Endo Surgery Pvt. Ltd.	100	Step-down Subsidiary
17	Meril Gmbh,Germany	100	Step-down Subsidiary
18	Doc Med Comerico Importacao E Expotacao LTDA-Me, Brazil	99.99	Step-down Subsidiary
19	Meril Tibbi Cihazlar Imalat Ve Ticaret Anonim Sirketi, Turkey	100	Step-down Subsidiary
20	Meril INC,USA	100	Step-down Subsidiary
21	Mexus Education Pvt. Ltd.	98.5	Step-down Subsidiary
22	Mexus Technology Pvt. Ltd.	100	Step-down Subsidiary
23	Mipro Solution Pvt. Ltd.	100	Step-down Subsidiary
24	Mapel Infrastructure Pvt Ltd	100	Step-down Subsidiary
25	Maxis Nature Resorts Pvt Ltd.	99.99	Step-down Subsidiary
26	Motif Infrastructure Pvt Ltd.	100	Step-down Subsidiary
27	Matru Bio Green Pvt Ltd	99.99	Step-down Subsidiary
28	Maharashtra Valley View Private Limited	100	Step-down Subsidiary
29	Maxwell Eco Green Pvt Ltd.	99.99	Step-down Subsidiary
30	Merill Medical LLC,Russia	100	Step-down Subsidiary
31	Meril Bangladesh Pvt Ltd	99.99	Step-down Subsidiary
32	Meril SA Pty Ltd	100	Step-down Subsidiary
33	Meril Australia Pty Ltd.	100	Step-down Subsidiary
34	Meril (China) Co. Limited	100	Step-down Subsidiary
35	Meril UK Limited	100	Step-down Subsidiary
36	Meril Cardiology Pty, Ltd.	100	Step down Subsidiary
37	Maxx Medical Pte.Ltd	45	Joint Venture
38	Maxx Orthopedics INC	45	Subsidiary of a Joint Venture
39	Variegate Realestate Pvt Ltd.	46.55	Associate of a subsidiary

Annexure 5: Bank Lender Details: Not Applicable

Note on complexity levels of the rated instrument: *CARE Ratings has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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