

Reva Proteins Limited

April 16, 2019

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
LT-Fund based- cash credit	8.14	8.14	[ICRA]BBB+ (SO) (Stable)
LT-Fund based (sublimit)	(8.00)	(8.00)	withdrawn
ST – Non-fund based	2.00	2.00	[ICRA]A2 (SO) withdrawn
ST – Non-fund based (sublimit)	(2.00)	(2.00)	
Total	10.14	10.14	

*Instrument details are provided in Annexure-1

Rationale

The long-term rating of [ICRA]BBB+ (SO) with Stable outlook and short-term rating of [ICRA]A2 (SO) for the Rs. 10.14-crore bank lines of Reva Proteins Limited (RPL) stand withdrawn as it has been merged with its parent company, Nitta Gelatin India Limited, with effect from April 3, 2019. The rating withdrawal is in accordance with ICRA's Policy on Withdrawal and Suspension.

Outlook: Not Applicable

Key rating drivers: Not applicable

Liquidity position: Not applicable

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA's Policy on Withdrawal and Suspension of Credit Rating Approach for rating debt instruments backed by third-party explicit support
Parent/Group Support	The assigned rating was based on unconditional and irrevocable corporate guarantee extended by Nitta Gelatin India Limited
Consolidation / Standalone	The rating was based on corporate guarantee and undertaking provided by the guarantor, that it would ensure that the related debt obligations are serviced on or prior to the due date

About the company:

Reva Proteins Limited (RPL, “the company”), incorporated in July 2009, is a subsidiary of Nitta Gelatin India Limited (NGIL; 74.55% stake), and a consolidated subsidiary of Nitta Gelatin Inc., Japan, which has 25.45% shareholding in RPL. RPL has established 1700 TPA Limed Ossein plant, which is the key raw material in manufacture of gelatin, and 4426 TPA DCP plant at the Gujarat Industrial Development Corporation (GIDC) Industrial Estate at Jhagadia, Gujarat. RPL’s board has approved its merger with its parent company, NGIL, subject to regulatory approvals and approvals from various stakeholders

About the Guarantor (Nitta Gelatin India Limited)

Nitta Gelatin India Limited was incorporated in 1975 as a joint venture between Kerala State Industrial Development Corporation (KSIDC) and Nitta Gelatin Inc, Japan. NGIL holds 74.55% stake in RPL. NGIL started commercial operations in 1979 and is listed in Bombay and Kerala Stock exchange. NGIL manufactures ossein, limed ossein, gelatin, di-calcium phosphate (DCP), and collagen peptide-based consumer products. NGIL’s board has approved RPL’s merger with NGIL and the same is subject to regulatory approvals.

Key financial indicators (audited): Not Applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

S. No.	Instrument	Current Rating (FY2020)	Chronology of Rating History for the past 3 years @					
			Type	Amount Rated (Rs. crore)	Amount Outstanding as on March 31, 2018 (Rs crore)	Date & Rating	Date & Rating in FY19	Date & Rating in FY18
					April 2019	October 2018	April 2017	-
1	LT-Fund based- cash credit	Long-term	8.14	NA	[ICRA]BBB+ (SO) (Stable) withdrawn	[ICRA]BBB+ (SO) (Stable)	[ICRA]BBB+ (SO) (Stable)	-
2	LT-Fund based (sublimit)	Long-term	(8.00)	NA	[ICRA]BBB+ (SO) (Stable) withdrawn	[ICRA]BBB+ (SO) (Stable)	[ICRA]BBB+ (SO) (Stable)	-
3	ST – Non-fund based	Short-term	2.00	NA	[ICRA]A2 (SO) withdrawn	[ICRA]A2 (SO)	[ICRA]A2 (SO)	-
4	ST – Non-fund based (sublimit)	Short-term	(2.00)	NA	[ICRA]A2 (SO) withdrawn	[ICRA]A2 (SO)	[ICRA]A2 (SO)	-

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
Na	LT-Fund based- cash credit	NA	NA	NA	8.14	[ICRA]BBB+ (SO) (Stable) withdrawn
NA	LT-Fund based (sublimit)	NA	NA	NA	(8.00)	[ICRA]BBB+ (SO) (Stable) withdrawn
NA	ST – Non-fund based	NA	NA	NA	2.00	[ICRA]A2 (SO) withdrawn
NA	ST – Non-fund based (sublimit)	NA	NA	NA	(2.00)	[ICRA]A2 (SO) withdrawn

Source: Company

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