



Press Release
Divine Solutions Private Limited
May 27, 2024

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	6.00	ACUITE D Downgraded Issuer not co-operating*	-
Bank Loan Ratings	14.00	-	ACUITE D Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	20.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.20.00 crore bank facilities of Divine Solutions Private Limited (DSPL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

The downgrade is based on information available from CRIF Highmark which reports irregularities in its loans in the recent past, latest being as on April 2024.

About the Company

Delhi based, Divine Solutions Private Limited (DSPL) was incorporated in 2006 by Mr. Deept Sarup Agarwal and Mr. Priyanshu Agarwal. The operations of the company started in 2015. It is engaged in the trading of sanitary ware, bathroom fittings and fixtures.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	86.35	69.89
PAT	Rs. Cr.	0.30	0.28
PAT Margin	(%)	0.34	0.40
Total Debt/Tangible Net Worth	Times	2.67	2.70
PBDIT/Interest	Times	1.61	1.39

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
25 Aug 2023	Cash Credit	Long Term	6.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	14.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
08 Jun 2022	Cash Credit	Long Term	6.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	14.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
05 Mar 2021	Cash Credit	Long Term	6.00	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Letter of Credit	Short Term	14.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.00	ACUITE D Downgraded Issuer not co-operating* (from ACUITE B+)
Punjab National Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	14.00	ACUITE D Downgraded Issuer not co-operating* (from ACUITE A4)

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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