

Original Kerala Jewellers

July 31, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	30.00	CARE B; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE B+; Stable and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. (CareEdge Ratings) has been seeking information from Original Kerala Jewellers (OKJ) to monitor the rating vide e-mail communications dated July 07, 2025, July 11, 2025, July 16, 2025, among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating. The rating on Original Kerala Jewellers bank facilities will now be denoted as **CARE B; Stable; ISSUER NOT COOPERATING***.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings have been revised on account of non-availability of requisite information due to non-cooperation by Original Kerala Jewellers with CARE's efforts to undertake a review of the outstanding ratings as CareEdge Ratings views information availability risk as key factor in its assessment of credit risk profile.

The rating assigned to the bank facilities of Original Kerala Jewellers (OKJ) continues to be constrained by entity's reliance on a single showroom presence in a highly competitive industry with small scale of operations, moderate capital structure, elongated working capital cycle and partnership nature of the constitution. However, the rating derives comfort from the strategically located showroom premise and established track record and experience of the promoter family of over 4 decades in the jewellery business.

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on July 05, 2025, the following were the rating strengths and weaknesses.

Key weaknesses

Modest scale of operation with reliance on single showroom in a highly competitive industry

The scale of operation remained modest, marked by TOI of ₹ 69.84 crore in FY23 as against ₹ 61.41 crore in FY22. In FY24, OKJ has achieved TOI of ₹ 79.62 crore with the traded volume of jewellery remaining almost flat for the past few years. OKJ operates out of a single owned showroom in T-Nagar, Chennai. Major competitors of OKJ are established brands like Tanishq Jewellery, GRT Jewellers, Saravana Stores Elite Gold, Kalyan Jewellers and Bhima Jewellers which have a presence in the vicinity.

Moderate capital structure and elongated working capital cycle

Capital structure of the firm is moderate marked by overall gearing of 2.92 as of Mar-24 (PY: 2.48) majorly owing to high working capital utilisation, term loans availed, unsecured loans from individuals and advances from customers for gold scheme. Total debt to GCA ratio stood high at 202.90 as of Mar-24 (PY: 154.81). With reliance on a single showroom in a highly competitive industry, OKJ maintains higher level inventory to maintain large display of products with varieties of designs and patterns leading to higher inventory days and elongated working capital cycle. Inventory holding stood at 316 days in FY24 (PY: 341 days).

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Partnership nature of constitution with inherent risk of capital withdrawal

OKJ is constituted as a partnership entity wherein it is exposed to potential withdrawal of capital and resultant erosion of the net worth despite the firm's long history of successfully running the firm. Additionally, the partnership firms' limited access to external borrowing restricts their potential for expansion. However, large withdrawals leading to erosion of capital have not been observed in the recent past.

Key strengths

Established track record of operations with experienced promoters in jewellery industry

OKJ is a partnership firm founded in the late 1970s, by the erstwhile promoter Mr. P.V. Emmanuel. The promoter family has been engaged in the gems & jewellery business since 1933 with origins in Kerala. The firm is presently run by fourth generation entrepreneur Mr. Emmanuel Babu and his family members. The Firm has been able to maintain its scale of operations in the past years despite challenges posed by covid and intense competition due to customer loyalty, brand recall, established relationship with suppliers and large display of jewellery designs.

Strategically located showroom premise

OKJ operates out of its owned showroom located at a prime location in T Nagar, Chennai. T. Nagar is part of Chennai's central business district and is a prominent retail hub. The showroom building has three floors with 10,000 Sq. ft. area of which 2 floors are dedicated for jewellery display. The showroom has been operational for over two decades and has sustained multiple economic cycles.

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Retail](#)

About the entity and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Gems, Jewellery And Watches

OKJ is a partnership firm founded in 1978, by the erstwhile promoter Mr. P.V. Emmanuel and is into retailing of gold and other jewellery. The promoter family has been engaged in the gems & jewellery business since 1933 with origins in Kerala. The firm is presently run by fourth generation entrepreneur Mr. Emmanuel Babu and family. OKJ's operations are presently based out of its own 10,000 sq. ft. store in T-Nagar, Chennai and is predominantly into retailing of gold jewellery followed by silver, diamond, platinum, and other articles.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	61.41	69.84	79.62
PBILDT	3.24	3.79	4.41
PAT	0.09	0.15	0.10
Overall gearing (times)	2.40	2.48	2.92
Interest coverage (times)	1.09	1.10	1.07

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	30.00	CARE B; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	30.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable (05-Jul-24)	-	-

*Issuer did not cooperate; based on best available information.

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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