

Trident Jewels Private Limited

August 26, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term / Short-term bank facilities	100.00	CARE BBB; Stable / CARE A3+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Trident Jewels Private Limited (TJPL) reflect its established track record in the gold jewellery segment and CARE Ratings Limited's (CareEdge Ratings') expectations that the company will sustain its adequate performance in the medium term supported by its long relationships with reputed clientele. Ratings factor in sustained improvement in scale of operation in the last four years, as reflected by its revenue compounded annual growth rate (CAGR) of ~28% between FY21 and FY25, backed by growth in volume and prices. Total operating income (TOI) grew by ~25% year-on-year (y-o-y) to ~₹750 crore and its profit before interest, lease rentals, depreciation and taxation (PBILDT) margin stood at 3.33% in FY25 (provisional). CareEdge Ratings expects TJPL's revenue to grow by 8-10% y-o-y over the next 2-3 years, supported by repeat orders from its existing clients and rising prices, with PBILDT margin sustaining in the range of 3.25-3.50% per annum, translating into adequate gross cash accruals (GCA).

Ratings also consider the company's adequate capital structure and comfortable debt coverage metrics. Its capital structure improved in the last few years supported by higher accruals and extension of subordinated unsecured loans (₹25 crore as on March 31, 2025) by promoters translating into gearing of 1.02x and total operating liabilities to total net worth (TOL/TNW) of 1.10x as on March 31, 2025 (provisional) compared to 1.04x and 1.19x, respectively, as on March 31, 2024. Its PBILDT interest cover also stood adequate at 3.14x in FY25. CareEdge Ratings expects TJPL to maintain an adequate financial risk profile over the coming years. The rating also derives comfort from the reputed client base and extensive experience of TJPL's promoters in the domestic jewellery industry.

However, the rating is constrained by moderate scale of operation and profitability and its exposure to gold price volatility. The company remains exposed to intense competition in the jewellery manufacturing industry, which limits its pricing flexibility and regulatory risks faced by the sector.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:

- Consistently growing scale of operations over ₹1000 crore and sustenance of PBILDT margin above 3.5%.
- Improvement in PBILDT interest cover above 3.5x on a sustained basis.

Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade:

- Significantly lower-than-envisaged turnover and profitability margins leading to deterioration in cash accruals.
- Debt-funded capex or extensive working capital utilisation leading to increasing debt levels, deteriorating TOL/TNW over 1.5x or PBILDT interest coverage below 2.5x.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CareEdge Ratings' expectations that TJPL will continue to maintain an adequate financial risk profile in the medium term while benefiting from its established operational track record and experience with resourcefulness of promoters.

Detailed description of key rating drivers:

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

Key strengths

Established client base

The company has an established client base for its mangalsutra and chains portfolio with reputed branded jewellers including P N Gadgil Jewellers Limited, GRT Jewellers (India) Private Limited, Tribhuvandas Bhimji Zaveri Limited and D P Abhushan, among others with a track record of repeat orders from key customers. TJPL's total operating income (TOI) has reported sustained growth at compounded annual growth rate (CAGR) of 28% in the last four years ended FY25. Going forward, its operational performance is likely to sustain in the near-to medium term.

Adequate leverage and coverage metrics

The entity's capital structure is adequate marked by overall gearing at 1.02x (PY: 1.04x) in the absence of term debt and net worth being supported by unsecured loans worth ₹25 crore from promoters, which are subordinated to the working capital facilities availed from bank. TOL/TNW is at 1.10x (PY: 1.19x) as on March 31, 2025, considering purchase of raw materials on advances. Debt coverage indicators also stood at adequate levels marked by PBILDT interest coverage at 3.14x in FY25 (PY: 3.12x) and total debt/PBILDT at 3x. Going forward, credit metrics are likely to remain stable with accretion of profits and no major debt funded capex.

Efficient working capital management

TJPL's working capital cycle days remained moderate at 64 days in FY25 (PY: 63 days). The entity's operations remained moderately working capital intensive marked by funds primarily being blocked towards inventory holding. In FY25, the average inventory days stood at 48 days (PY: 52 days) and average collection period stood at 15 days (PY: 12 days). Average working capital utilisation of fund-based facilities in the last 12 months ending June 2025 stood at ~61%. The entity has enhanced its working capital limits to ₹90.00 crore from ₹65.00 crore in December 2025, that will add some liquidity cushion.

Key weaknesses

Moderate scale of operations

TJPL reported TOI of ₹756 crore in FY25 (provisional), up 25% y-o-y supported by steady rise in gold prices during the year even as volume growth remained muted. Its scale of operations remains moderate which limits its operating flexibility in unfavourable market conditions. Its profit margins remain constrained by intense competition and limited value addition in the chains and mangalsutra product segments.

Exposure to volatility in gold prices

TJPL follows a stock-and-sell model where it procures gold at spot prices from suppliers and banks, manufactures jewellery based on in-house designing and sells jewellery to domestic clients at prevailing spot prices. Since production is not order backed, its revenue and profitability remain exposed to volatility in gold prices and significant decline in gold prices could translate into inventory losses. TJPL procures gold from suppliers and at the same time it sells jewellery to customer on the spot price prevailing on the day, and also with moderate inventory holding period in the range of ~40 to 50 days, mitigates the risk to an extent.

Presence in highly competitive and fragmented jewellery business

The gems and jewellery (G&J) industry is highly fragmented with a high level of competition from organised and unorganised players, which limits the pricing power. Low value-added operations constrain the profit margins for jewellery manufacturers. Industry players are also exposed to regulatory risks which could impact operations.

Liquidity: Adequate

The liquidity position is expected to remain adequate in the medium term marked by sufficient projected cash accruals in the range of ₹10-15 crore per annum in the next three years against nil debt repayment obligation. Average working capital utilisation of the entity's fund-based facilities stood at ~60% in last 12 months ending June 2025 providing liquidity buffer. The company has enhanced its working capital limits to ₹90.00 crore from ₹65 crore in December 2024, that will add some liquidity cushion. As on March 31, 2025, the current ratio stood at 2.41x (PY: 2.26x). The free cash and bank balance stood negligible at ₹0.57 crore as on March 31, 2025. The company also has a track record of fund infusion by promoters in terms of unsecured loans for supporting the business operations.

Assumptions/Covenants: Not applicable

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

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Manufacturing Companies](#)
[Financial Ratios – Non financial Sector](#)
[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer durables	Consumer durables	Gems, jewellery and watches

The company was established by G R Jain in 1992 as a partnership firm which was later converted as private limited entity in April 2018 and is currently managed by Rishab Jain (Director), Avinash Jain, Vivek Jain, Aayod Jain, and Ghisulal Jain. TJPL is engaged in manufacturing and wholesaling gold jewellery ornaments with an installed manufacturing capacity of ~2,000 Kg per annum.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (P)	Q1FY26 (UA)
Total operating income	604.41	756.64	133.03
PBILDT	25.82	25.20	NA
PAT	13.07	12.58	NA
Overall gearing (times)	1.04	1.02	NA
Interest coverage (times)	3.12	3.14	NA

A: Audited; P: Provisional; UA: Unaudited; NA: Not Available; 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/Non-fund-based-LT/ST		-	-	-	100.00	CARE BBB; Stable / CARE A3+

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/Non-fund-based-LT/ST	LT/ST	100.00	CARE BBB; Stable / CARE A3+				

LT/ST: Long-term/Short-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/Non-fund-based-LT/ST	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CareEdge 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.

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