GIRIRAJ

7th March 2026

To,
The Manager
Listing and Compliance Department,
NSE Emerge
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400051.

Scrip Symbol: GIRIRAJ

Sub: Intimation on Credit Rating

Reference: Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

Dear Sir/Madam,

Pursuant to regulation 30 of the SEBI Listing Regulations, this is to inform that the Credit Rating of the Company has been assigned by India Ratings & Research as mentioned below:

Sr. No.	Facilities	Amount in Million	Rating	Rating Action
1	Bank Loan facilities	INR 800	IND BBB/Stable/IND A3+	Assigned

We request you to kindly take the on record.

Thank you,

For GIRIRAJ CIVIL DEVELOPERS LIMITED

Krushang Mahesh Shah

Digitally signed by Krushang Mahesh Shah
Date: 2026.03.07 16:54:14 +05'30'

KRUSHANG MAHESH SHAH
MANAGING DIRECTOR
DIN: 07198525

Place: Mumbai
Encl.: As above

India Ratings & Research
A Fitch Group Company

India Ratings Assigns Giriraj Civil Developers's Bank Loans Facilities 'IND BBB'/Stable

Mar 06, 2026 | Giriraj Civil Developers Limited | Civil Construction

India Ratings and Research (Ind-Ra) has rated Giriraj Civil Developers Limited's (GCDL) bank loan facilities as follows:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/Watch	Rating Action
Bank loan facilities	-	-	-	INR800	IND BBB/Stable/IND A3+	Assigned

Analytical Approach

Ind-Ra has taken a fully consolidated view of GCDL and its seven joint ventures - M/s Dev Engineers-Giriraj, M/s RK Madani -Giriraj, MBPL-GCDL, Giriraj-GSEPL consortium, Giriraj-KK, GCDL-SMBIPL, Prime-Giriraj-KK - due to operational and strategic linkages among them.

Detailed Rationale of the Rating Action

The ratings reflect GCDL's growing scale of operations over FY23-FY25 and Ind-Ra's expectation of the revenue to increase over the near-to-medium term, given the revenue visibility from the unexecuted orderbook. The ratings is supported by comfortable credit metrics and healthy EBITDA margins. However, the ratings are constrained by stretched liquidity and intense competition in the engineering, procurement and construction (EPC) business.

List of Key Rating Drivers

Strengths:

- Healthy order book position supporting revenue visibility
- Timely collection track record mitigating counterparty risk
- Healthy EBITDA margins
- Comfortable credit metrics

Weaknesses:

- Stretched liquidity
- Tender-based operations; intense competition

Detailed Description of Key Rating Drivers

Healthy Order Book Position Supporting Revenue Visibility: GCDL continues to benefit from a healthy order book of INR9,927 million as on 31 December 2025 providing revenue visibility in the near-to-medium term. The company primarily secures EPC contracts from the Indian Railways through competitive bidding. To optimise liquidity and avoid large tender deposits, earnest money requirements and bank guarantee obligations, GCDL also undertakes a meaningful portion of work on a sub-contracting basis. In these arrangements, third parties obtain projects from the Railways, municipal bodies and others, and subsequently subcontract them to GCDL. The third party assumes responsibility for deposits and bank guarantees, and no retention money is deducted from GCDL, thereby reducing working capital intensity.

Historically, GCDL has predominantly executed railway EPC projects; however, in FY26, the company has expanded its portfolio to include solar fencing and building EPC assignments executed for third parties, improving business diversification. The company's consolidated revenue increased significantly to INR3,142.99 million in FY25 (FY24: INR1,743.29 million), supported by the execution of higher-value orders and the strategic scale-up in subcontracting activity. This growth was facilitated by the INR646.70 million equity infusion received over FY23-FY24 (INR216.80 million in FY23 and INR429.90 million in FY24), which strengthened the company's financial flexibility and enabled it to bid for and execute larger projects. The revenue generated on a subcontracting basis increased to 58.35% in FY25 (FY24: 27.79%), with the balance contributed by railway EPC projects.

As on 31 December 2025, the company had an unexecuted order book of INR9,927 million, representing 3.37x of FY25 revenue, providing good revenue visibility. GCDL typically records higher execution in the second half of the year; in FY25, only 24% of revenue was generated in 1HFY25, with the balance recorded in 2HFY25. In line with this trend, the company earned INR1,407.70 million of revenue in 1HFY26, and the execution is likely to accelerate in the remaining period of the year. Ind-Ra expects the revenue to remain stable or grow moderately over the near-to-medium term, supported by the strong order book position, increased subcontracting volumes, and diversification into non-railway EPC verticals.

Timely Collection Track Record Mitigating Counterparty Risk: GCDL experiences low counterparty risk due to its exposure to strong and timely-paying clients, primarily the Indian Railways, and established subcontracting partners. Payments from the Railways are generally received within 15-30 days, while realisations from subcontracting customers occur within 15-20 days, reflecting healthy cash flow predictability. The company's subcontracting counterparties include long-standing partners such as ABECO Infrastructure Pvt Ltd, Landmark Corporation Pvt Ltd, Dev Engineers, among others, with whom GCDL has maintained relationships for the past three-to-five years. These entities have demonstrated a consistent payment track record, enabling GCDL to scale up its subcontracting operations in recent years. The comfort derived from timely receipts and the absence of bank guarantee or retention requirements in subcontracted work contributed to an increase in the subcontracting revenue share in FY25. Ind-Ra believes GCDL's long-standing relationships, demonstrated collection efficiency, collectively mitigate counterparty risk.

Healthy EBITDA margins: GCDL's consolidated EBITDA margins decreased to 8.06% in FY25 (FY24: 9.04%) due to the varying levels of in-house execution versus subcontracting, and the differing margin structures across project types. The return on capital employed increased to 16.90% in FY25 (FY24: 14.20%). The group achieved an EBITDA margin of 7.76% in 1HFY26. Ind-Ra expects the EBITDA margins to increase further in the near term since a major portion of the revenue is generated in 2HFY26; this is likely to further increase in the medium term due to the execution higher-margin solar fencing contracts.

Comfortable Credit Metrics: The rating also reflects the group's comfortable credit metrics, evidenced by an interest coverage (operating EBITDA/gross interest expense) of 7.35x in FY25 (FY24: 5.49x) and net leverage (adjusted net debt/operating EBITDA) of 0.96x (0.42x). The interest coverage increased on account of a significant increase in the EBITDA to INR253.40 million in FY25 (FY24: INR157.57 million). However, the net leverage deteriorated marginally in FY25 on account of an increase in the total debt to INR264.49 million (FY24: INR116.55 million). Ind-Ra expects the metrics to improve in the near-to-medium term on account of no debt-led capex planned in the near term and a likely increase in the scale of operations as evidenced by the current orderbook.

Stretched liquidity: Please refer to the liquidity section below

Tender-based Operations; Intense Competition: In this business, revenue and profitability are heavily reliant on the ability to win tenders due to intense competition. This often necessitates aggressive bidding to secure contracts, which can limit operating margins to moderate levels.

Liquidity

Stretched: GCDL's average maximum utilisation of the fund-based limits was 91.76% and that of the non-fund-based limits was 79.63% during the 12 months ended December 2025. The utilisation is likely to have been in the same levels in the following months. The cash flow from operations improved but remained negative at INR46.92 million in FY25 (FY24:

negative INR406.96 million), due to an increase in the EBITDA and favourable changes in the working capital. The cash and cash equivalents stood at INR21.08 million at FYE25 (FYE24: INR50.56 million). The net working capital cycle lengthened marginally at 126 days in FY25 (FY24: 124 days), on account of a decrease in the creditor days to 65 (90), coupled with an increase in the inventory days to 115 (137). GCDL has debt repayment obligations of INR16.89 million and INR13.11 million in FY26 and FY27, respectively.

Rating Sensitivities

Positive: A substantial improvement in the scale of operations, timely execution of orders along with an improvement in the liquidity position while maintaining the credit metrics, all on a sustained basis, could be positive for the ratings.

Negative: Substantial deterioration in the scale of operations or the liquidity position, leading to a stress on the overall credit metrics, with the interest coverage ratio falling below 4x, all on a sustained basis, could be negative for the ratings.

Any Other Information

Not applicable

About the Company

GCDL, incorporated in 2005, was converted into a public limited company and subsequently listed on the National Stock Exchange under the small and medium enterprises small and medium enterprises segment in 2018. The company is headquartered in Mumbai. Since its inception, GCDL, along with its joint ventures, has been engaged in the business of civil construction, primarily executing railway projects. The company operates across multiple Indian states, including Maharashtra, Madhya Pradesh, Himachal Pradesh and Uttar Pradesh.

Key Financial Indicators

Particulars	FY25	FY24
Revenue (INR million)	3,142.99	1,743.29
EBITDA (INR million)	253.40	157.57
EBITDA margin (%)	8.06	9.04
Gross interest coverage (x)	7.35	5.49
Net leverage (x)	0.96	0.42
Source: GCDL; Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook		
	Rating Type	Rated Limits (million)	Rating
Bank loan facilities	Long-term/Short-term	INR800	IND BBB/Stable/IND A3+

Bank wise Facilities Details

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Bank loan facilities	Low

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity- indicators.

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About India Ratings

India Ratings and Research (Ind-Ra) is India's SEBI registered credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

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APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance

Corporate Rating Methodology

Short-Term Ratings Criteria for Non-Financial Corporates

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