RATING RATIONALE

10 Sep 2026

General Investment and Commercial Corporation Ltd

Brickwork Ratings assigns a long-term rating to proposed bank loans of Rs. 300 crores and upgrades the long- term rating of existing proposed bank loans of Rs. 100 crores of General Investment and Commercial Corporation Ltd

Particulars:

Facilities #	Amount Rs Cr		Tenure	Rating*		
	Previous	Present		Previous 17 March 2026	Present	Regulator
Fund Based: Proposed Bank Loan (Term Loan)	100.00	**100.00**	Long Term	BWR BB-/ Stable (Assignment)	**BWR BBB- / Stable (Upgraded)**	RBI
Fund Based: Proposed Bank Loan (Term Loan)	0.00	**300.00**	Long Term	-	**BWR BBB- / Stable (Assignment)**	RBI
Total	100.00	**400.00**	**Rupees Four Hundred Crores Only**			

Note:

1. Please refer to BWR website **www.brickworkratings.com** for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated

RATING ACTION/OUTLOOK: ASSIGNMENT / UPGRADED / STABLE

Brickwork Ratings assigns the long-term rating for proposed bank loans of Rs. 300.00 Crores at BWR BBB-/Stable, and upgrades the long-term rating of existing proposed bank loans of Rs. 100.00 Crores at BWR BBB-/Stable of General Investment and Commercial Corporation Ltd (GICC or the Company), as tabulated above.

The assignment of rating and upgrade of rating to the proposed bank loans of the company factors its substantial growth in the assets under management (AUM) to Rs. 225.64 crores as of 30 Jun 2026, comfortable capitalisation relative to the existing scale of operations, reflected in a net worth of Rs 230.34 crores and CRAR of 77.80%, adequate liquidity with LCR of 619%, high yielding margins, technological readiness, the asset quality marked by nil slippages with GNPA and NNPA ratios at zero percentage and experienced board and management team. The rating is, however, constrained by the scale of assets under management and its seasoning, for which the company is in the revamping stage, and will maintain a stable mix of secured and unsecured book over the medium term. The company's ability to maintain steady collections post-disbursals shall be monitorable. BWR notes the company's current AUM scale and projected growth as key monitorables. The optimum utilization of capitalization, improved earnings, lower delinquencies, and the seasoning of the portfolio are yet to be seen.

The assignment/ upgrade of the rating also factors in the experienced board and management team of GICC, led by Managing Director Dr. L H Manjunath, the Managing Director of the company. He has led in expanding the business model within the State of Karnataka and strengthening his team by inducting CXOs and a stable ground-level team in the company. He is also instrumental in technological upgradation and readiness for the company's planned growth. BWR notes that changes in the key management personnel, or exclusion of Dr. L H Manjuntha from the company, is a key rating sensitivity and monitorable.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED :
For proposed Bank Term Loans: The proposed Bank Term Loans are yet to be sanctioned (except one term loan sanctioned and disbursed by Unity Small Finance Bank for Rs 5 crores) and shall have the standard covenants applicable to such facilities. The proposed bank term loans will be availed for onward lending purposes.

KEY RATING DRIVERS:

Credit Strengths-:

Substantial Growth in Assets Under Management: GICC Ltd has substantially grown its loan book portfolio from ~ Rs.12 Crores as of 30 Sep 2025 to Rs. 226 Crores as of 30 Jun 2026. It was Rs. 5 crores as of 31 Mar 2025, which increased to Rs. 164 crores as of 31 Mar 2026. The growth in the loan book was supported by substantial capital infusion during FY26. The net worth of the company increased from Rs. 6 Crores as of 31 Mar 2025 to Rs. 224 Crores as of 31 Mar 2026, and it stood at Rs. 230 Crores as of 30 Jun 2026. The capital infused in the company is in the form of securities premium, which will be retained in the company to support the business growth requirements. The Company's borrowings driven by overdraft facilities against fixed deposits amounted to Rs. 166 Crores, and it also had raised ICDs of Rs. 30 crores to support its business growth. The overall gearing was at less than 1x levels, as of 31 Mar 2026 and 30 Jun 2026. The Company's scaling up of business shall be supported by incremental borrowings in the form of term loans proposed with various lenders, and shall maintain gearing up to 3x levels, on a forward-looking basis.

Granular and Diversified Core Retail Engine: The ₹2–5 lakh bucket dominates the business, representing 66.73% of total loan volume (3,792 loans) and 74.06% of outstanding portfolio value (~₹157.76 Cr). This signals a highly focused, standardized underwriting model centered on micro-business and retail needs. Combined, loans under ₹5 Lakhs account for 94.32% of total loan count and 86.59% of total outstanding principal (~₹184.45 Cr). This granular distribution provides extreme protection against systemic single-borrower defaults.

Diversified Product Offerings (SME & Agri Focus): The lending book features a healthy, multi-sector approach catering to Business/Industry (29%), Housing Purchase / Repair / Construction (20.34%), and Agri/Cattle (20.40%). This macro-diversification protects the company against localized down-cycles in any single economic sector.

Diverse Footprint and Technological Readiness: The company plans to scale its business growth with 160 local representative offices opened up to Aug 2026 within the state of Karnataka across Tier II, III, and IV areas of the state and provides a diversified physical network for local MSME sourcing. The company has adopted an app for digital transformation and scalable operations. The company, established in 1940, carries 85 years of financial legacy and brand trust, originated by promoters of the erstwhile Syndicate Bank.

Comfortable Capital Adequacy: GICC had a substantial CRAR of 77.80% as of 30 Jun 2026, which is well above the minimum regulatory requirement of 15% for NBFCs. The healthy CRAR ratio provides a significant buffer for loss absorption and supports business growth without the immediate need for capital infusion. The loan book shall be maintained with a healthy mix of secured and unsecured portfolio; capital infusion, if any, will be to retain the gearing below 3x levels.

Strong Collateral-Backed Anchoring: The company's single largest retail sector exposure is Loan Against Property (LAP), making up 30.5% of the portfolio (₹64.98 Cr across multiple loans). Having a primary retail segment anchored by hard collateral (real estate) offers strong asset protection and higher post-default recovery possibilities, which stabilizes the credit profile. However, given the stable underwriting practices and steady collections, the likelihood of invocation of the collateral is a remote possibility, and the company shall be making adequate provisioning while maintaining comfortable profits.

Credit Risks-:

Seasoning of the Portfolio shall be a monitorable on maintaining stable asset quality: The company's loan book remains largely unseasoned, driven by rapid portfolio expansion in recent operational periods. A substantial proportion of the current Assets Under Management (AUM) comprises recent disbursements that have not yet traversed a full repayment cycle. Consequently, the reported low Non-Performing Assets (NPAs) and delinquency metrics may not accurately reflect the steady-state asset quality or underlying credit risk of the portfolio. Furthermore, the company's credit underwriting standards, risk management practices, and collection capabilities remain untested against adverse macroeconomic shocks, tightening liquidity environments, or localized credit stress. Establishing a track record of maintaining healthy collection efficiency and controlled credit costs through full economic cycles remains a key monitorable over the medium term.

Diversifying the resource profile, at competitive cost to be monitorable: The company's borrowing profile consists of bank borrowings against fixed deposits and inter-corporate deposits, at marginal cost of borrowing. Diversifying the resource profile across bank credit facilities and market instruments like non-convertible debentures shall improve the overall credit risk profile. Availing borrowings at competitive rates shall support the earnings profile of the company. Any incremental cost of borrowings/ high cost of capital shall limit the company's competitive flexibility and impact its Net Interest Margin (NIM).

Asset Concentration (LAP) and High Ticket-Size Risk: Over **30% of the book** is concentrated in **Loan Against Property with Rs. 65 crores outstanding as on July 31st 2026**, making the entity vulnerable to real estate market corrections. The Company has an exposure to a high-ticket-size portfolio; although following the company's laid-down underwriting practices, reducing this exposure to high tickets shall assist in diversifying the credit risk, maintaining stable asset quality and reducing its provisioning costs, if any, in the long term.

Geographical Concentration: The Company currently is focusing on the interiors of the State of Karnataka, and has been able to build up its loan book portfolio. Continuation of the same will support its loan book growth estimates; however, given the constraints of limiting the business in a single state exposes the company to risks pertaining to regional economic slowdowns and local political/regulatory changes, if any, in the short term.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA : STANDALONE

To arrive at its ratings, BWR has taken a standalone view of General Investment and Commercial Corporation Limited. BWR has applied its rating methodology as detailed in the Rating Criteria below (hyperlinks provided at the end of this rationale).

RATING SENSITIVITIES:

Positive :

- Achieving the loan book portfolio at 20% over and above its projected loan book for FY27, with improved disbursements and steady collection efficiency over 98%
- Demonstrating stable asset quality with GNPA ratios below 2% and improved earnings profile with ROA above 2%
- Expanding high-quality secured lending (such as LAP and Housing/Site Construction, which currently account for 30.5% of AUM) with healthy capitalisation ratios

Negative :

- Overall Asset Quality Deterioration, especially in Unsecured/Agri Sectors: Spike in Non-Performing Assets (NPAs) originating from the uncollateralized Personal Loan segment or climate-dependent Agriculture/Dairy segments. Overall GNPA ratios above 4% and gearing above 3x levels shall be monitorable on the rating sensitivity
- Underperformance in Secured Yields: Rising delinquencies in Housing or LAP segments, leading to prolonged legal enforcement or reduced liquidity realization from underlying collateral.
- Liquidity or Capitalization Pressures: Deterioration in Asset-Liability Management (ALM) profile, tight liquidity buffers, or leverage expansion without adequate capital buffer to support rapid growth.

LIQUIDITY: ADEQUATE

LCR of **619%** as of 30 June 2026 is exceptionally high, far exceeding the typical regulatory minimum of 100%. This indicates a massive liquidity surplus, meaning the entity can cover its expected monthly obligations six times over. As per the ALM statement of 30 June 2026, there were no negative cumulative mismatches across the maturity buckets. With a **CRAR of 77.80%** and an **LCR of 619%**, GICC Ltd is prioritized for safety and regulatory compliance over aggressive asset utilization. BWR notes that the repayment obligations on the incremental borrowings, once sanctioned and availed, shall be supported by the buffer of available unencumbered cash and bank balances, and expected steady collections over the next twelve months

ABOUT THE COMPANY

Macro Economic Indicator	Sector	Industry	Basic Industry
Financial Services	**Financial Services**	**Finance**	**Non Banking Financial Company (NBFC)**

Established on 17th April 1940 by the late Sri Upendra Ananth Pai, one of the founder-promoters of the erstwhile Syndicate Bank, GICC Ltd is among the oldest companies incorporated in pre-Independence India. What began with the primary objective of financing under hire purchase and leasing has today evolved into a trusted Non-Banking Financial Company (NBFC) with a strong legacy of reliability, innovation, and integrity.

Registered with the Reserve Bank of India under Certificate No. B-02-00074 dated 14th September 2004, the entity is empowered to carry on a wide range of non-banking financial activities. Guided by its founding principles, the entity continues to blend tradition with modern financial practices, serving individuals and businesses while upholding a legacy of over eight decades of financial stewardship. The promoters are well known in the financial sector. Having realised the potential and the need for adequate credit at the MSME level, they have ventured to scale up the NBFC activity

ENVIRONMENT SOCIAL GOVERNANCE: ESG PROFILE - Not Applicable

Key Financial Performance - General Investment and Commercial Corporation Ltd

Particulars	Units	FY24	FY25	FY26	Q1FY27
		Audited	Audited	Audited	Unaudited
Loan Book	Rs.in Crores	4.39	5.08	164.50	225.64
Total Income	Rs.in Crores	0.49	0.86	10.49	14.56
PAT	Rs.in Crores	2.26	0.68	4.87	8.13
Total Borrowings	Rs.in Crores	3.66	3.84	107.77	-
Net Worth	Rs.in Crores	5.91	6.45	224.35	230.34
Gearing Ratio	Times	0.62	0.60	0.48	-
GNPA	%	Nil	Nil	Nil	Nil
NNPA	%	Nil	Nil	Nil	Nil

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY: There is no outstanding Rating under Non-Cooperation from other CRAs

ANY OTHER INFORMATION: None

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

SI. No.	Name of Instrument/ Facility	Current Rating (Sept 2026)			Rating History			
		Type	Amount (Rs. in Crs)	Rating	2026 March 17 2026	2025	2024	2023
1	**Proposed - Bank Term Loan facility**	Long term	100.00	BWR BBB-/ (Stable) (Upgraded)	BWR BB-/ (Stable) (Assigned)	-	-	-
2	**Proposed - Bank Term Loan facility**	Long term	300.00	BWR BBB-/ (Stable) (Assigned)	-	-	-	-
Total			**400.00**		**Rupees Four Hundred Crores Only**			

Hyperlink/Reference to applicable Criteria

- [General Criteria]
- [Approach to Financial Ratios]
- [NBFC]

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General Investment and Commercial Corporation Ltd

ANNEXURE-I
Details of Bank Loan Facilities rated by BWR:

Sr No	Name of Bank / Financial Institution	Type of facility	Long Term (In crs)	Short Term (In crs)	Total (In crs)	Complexity of the facility#
1	Proposed facility	Term Loan	400.00	0.00	400.00	Simple
	Total		400.00	0.00	400.00	-
	Total Rupees Four Hundred Crores Only					

 # For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

ANNEXURE -II
INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS - Not applicable

Instrument	Issue Date	Amount [Rs.Crs.]	Coupon Rate	Maturity Date	ISIN Particulars	Complexity of the instrument
NA	NA	NA	NA	NA	NA	NA

Total Rs. NIl..Crs. Only

ANNEXURE III
List of entities consolidated - Not applicable

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA
NA	NA	NA	NA

ANNEXURE - IV
List of instruments and names of regulators of the instruments

A.	Rating activities	
Sr. No.	Instrument/activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs,HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference shares (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA@

*** Includes securitisation transactions involving assignee payout and acquirer's payout. ~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI, or MCA, and can only be determined upon issuance. In PRs subsequent to issuance(s), Brickwork Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with the names of respective regulators. ^ Includes bank facilities such as liquidity facility, second loss facility, which are part of securitisation transactions. # There is no instrument being rated, and hence, the Regulator of the Instrument**

is not applicable. The rating scale and definitions are being followed as stipulated in the SEBI Master Circular for CRAs.**

@ These ratings were assigned during the regulatory regime prior to the introduction of the SEBI CRA Circular dated Feb 10, 2026, and the investor-side regulators have accordingly been included. $ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B	Other Activities	Regulator of the Instruments
1	Monitoring Agencies	SEBI
2	Research activities incidental to rating such as research for Economy, Industries and Companies *	NA

Grievance Management: For any grievances relating to the rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available
For any grievances relating to the rating of instruments regulated by other FSR (Financial Sector Regulators), please contact grievance@brickworkratings.com

DISCLOSURE ON CONFLICT OF INTEREST: BWR Board of Directors have no influence over rating decisions, nor do they sit on the rating committee or review, discuss or evaluate any credit rating during the Board meetings.

About Brickwork Ratings
Brickwork Ratings (BWR) is a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and is accredited by the Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009, and its corporate office is in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner.

Brickwork offers credit ratings of Bank Loan, Non- convertible/convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

Disclaimer

Nature of Ratings & Information: BWR ratings are opinions on the relative ability of an entity/instrument to meet its financial obligations and are based on information obtained from issuers and other sources believed to be reliable. BWR does not conduct audits, due diligence, or independent verification of such information and does not guarantee its accuracy, adequacy, or completeness. Ratings are current only as of the date of publication and may be revised based on new or unavailable information.

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