Ref: ACG: S&L: October 9, 2026

To,
BSE Limited
First Floor, New Trading Ring
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai 400 001

Ref: ISIN: INE451C01013
Script Code: 505036

Dear Sir/ Madam,

Sub: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Reaffirmation of Credit Rating.

Pursuant to Regulations 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), please find below the details of the reaffirmation of credit rating issued by CARE Ratings Limited vide its press release dated October 8, 2026:

Name of the Company	Type of Credit Rating	Previous Rating	Revised Rating
Automobile Corporation of Goa Limited	Fund-based - LT-Cash Credit	CARE AA-; Stable	CARE AA-; Stable/CARE A+1
	Non-fund-based - ST-BG/LC	CARE A1+	CARE AA-; Stable/CARE A+1

This is for your information and records.

Thanking you,

Yours faithfully,
For Automobile Corporation of Goa Ltd.

SANTHOSH SHADADAL Digitally signed by SANTHOSH SHADADAL Date: 2026.10.09 13:49:21 +05'30'

Santhosh Shadadal
Company Secretary

Automobile Corporation of Goa Limited

October 08, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term / Short-term bank facilities	RBI	8.00	CARE AA-; Stable / CARE A1+	LT rating and Stable outlook assigned and ST rating reaffirmed
Long-term / Short-term bank facilities	RBI	32.00 (Enhanced from 5.00)	CARE AA-; Stable / CARE A1+	LT rating reaffirmed and ST rating assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings assigned to bank facilities of Automobile Corporation of Goa Limited (ACGL) reflects consistent improvements in its operating and financial performance, supported by healthy growth in volumes, improved realisations and profitability. Ratings also factor in strong operational and managerial linkages with Tata Motors Limited (TML; rated CARE AA+; Stable/CARE A1+), which holds 48.98% stake in ACGL as on September 03, 2026. ACGL remains a strategic supplier to TML, catering to 1/3rd of its bus body requirements, leading to a significant portion of ACGL's revenue being sourced from TML. The company has enhanced its installed bus-manufacturing capacity to 12,000 (PY:10,000). However, ratings remain constrained by delays in the timely pass-through of input-cost changes, cyclicality in commercial vehicles industry, and competition from global players in the bus segment. TML's demerger will have no impact on ACGL's operations, as the company's business will continue seamlessly under TML's commercial vehicle business segment post-demerger.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors:

- Significant improvement in revenues and operating margins ~10% on a sustained basis.
- Strengthening of credit profile or linkages with TML.

Negative factors:

- Weakening of credit profile or weakening of linkages with TML.
- Large debt-funded capital expenditure deteriorating its overall gearing ratio over 0.50x on a sustained basis.

Analytical approach:

Factoring strong operational and managerial linkages with TML. For arriving at ratings, CARE Ratings Limited (CareEdge Ratings) has used its notch-up framework, considering the support derived from being part of TML.

Outlook: Stable

CareEdge Ratings has assigned a Stable outlook to ACGL's facilities, supported by its strong operational and managerial linkages with TML, sustained business growth, and a healthy financial profile. The company's scale is expected to further improve, driven by higher bus demand from TML.

Detailed description of key rating drivers

Key strengths

Strong linkages with Tata Motors Limited (TML)

ACGL maintains strong operational linkages with TML, serving as one of its key suppliers for bus body requirements and catering to 1/3rd of TML's Internal Combustion Engine (ICE) bus body needs. Girish Wagh, Managing Director and Chief Executive Officer (MD and CEO) of TML, also serves as a Non-Executive, Non-Independent Director on the Board of ACGL and Venkata Gopal Ramanan, Chief Finance Officer (CFO) of TML since October 1, 2025, also serves as a Non-Executive, Non-Independent Director

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.
[2]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

of ACGL. The company derives a substantial portion of its revenue from TML, which accounted for ~88% of total revenue in FY26. In line with these strong linkages, the analytical approach for rating TML factors in the consolidation of ACGL.

Healthy operational performance

The company reported healthy growth in its total operating income (TOI), which increased by 41.5% to ₹937.38 crore in FY26 (PY: ₹662.55 crore), supported by better realisations and higher volumes. Bus sales touched an all-time high of 9,328 units (PY: 7,265 units), lifting capacity utilisation to 77.7% (PY: 73%). PBILDT margins improved to 9.54% in FY26 (PY: 8.17%). In Q1FY27, total income stood at ₹248.94 crore (Q1FY26: ₹256.41 crore), with PBILDT of ₹13.15 crore (Q1FY26: ~₹20.95 crore) and a margin of 5.28% (PY: 10.11%). Margins moderated during the period primarily due to an unfavourable product mix and lower International business (IB) volumes. Margins are expected to improve with the easing of geopolitical uncertainties and recovery in IB volumes; however, the extent and timing of improvement remain monitorable.

Robust financial risk profile

The company is net debt-free and has no long-term debt obligations. Total debt of ₹9.52 crore in FY26 (₹85.74 crore in FY25), primarily represents outstanding customer bill discounting facilities, which are availed in the company's name but ultimately settled by TML. Since these facilities are on a recourse basis, they are classified as short-term borrowings in the financials until settlement by TML. Overall gearing improved to 0.03x as on March 31, 2026 (PY: 0.34x), driven by an 88.9% reduction in total debt to ₹9.52 crore (PY: ₹85.74 crore), following lower year-end bill-discounting utilisation. It is expected to remain in a similar range going forward. During the year, the company declared a dividend of ₹16.74 crore, representing ~24% of its profit after tax. CareEdge Ratings expects that the company's capital structure will remain strong in the near-to-medium term in the absence of major debt-funded capex plans.

Liquidity: Strong

The company maintains a strong liquidity position, with cash and bank balances and liquid investments amounting to ~₹200 crore in Q1FY27. Fund-based utilisation stood at ~26%, while non-fund-based utilisation stood at ~29%, providing additional liquidity headroom. In FY26, the company generated gross cash accruals of ₹75.73 crore. ACGL has planned a capex of ~₹10-15 crore for the year, primarily for capacity expansion and maintenance. The entire capex will be funded through internal accruals and cash and bank balance, with no reliance on additional debt.

Key weaknesses

Cyclicality in the Commercial Vehicle (CV) Industry

The company's revenue remains closely linked to the bus segment of the commercial vehicle (CV) industry, which is inherently cyclical and influenced by government budget allocations for public transportation as well as broader economic conditions. Demand volatility in this segment often results in underutilized capacity, higher fixed cost absorption, and delays in achieving operational efficiencies, thereby exerting pressure on cash flows.

Intense competition

The bus body-building industry is witnessing increasing competitive intensity with the entry of global players and the expansion of domestic manufacturers. This trend could put pressure on established OEMs such as TML, which in turn may impact ACGL's performance in the future, despite the company's current strong growth trajectory. Moreover, ACGL's revenue concentration remains high, with ~88% of its FY26 turnover derived from TML. While this dependence on a single customer limits diversification and heightens exposure to industry-wide risks, it also provides revenue stability and long-term growth visibility, given TML's strong market position and ACGL's role as a key strategic supplier.

Environment, social, and governance (ESG) risks

Particulars	Risk Factors
Environmental	ACGL commissioned solar plants of 500 kWp in Goa and 805 kWp at Jejuri in FY26. Together with energy-efficiency initiatives, these reduced carbon emissions by over 600 tonnes during the year. The company also converted a diesel-operated painting oven to electricity, commissioned 130 KLD of sewage-treatment capacity and food-waste composting capacity of 550 kg per day, and diverted hazardous, Fiber-Reinforced Polymer (FRP) and glass waste for authorised processing or recycling. An 85-lakh-litre rainwater-harvesting lake with six groundwater-recharge wells remains under development in Goa.
Social	ACGL conducted regular safety, ergonomics, fire-fighting and emergency-response programmes for employees and contract workers. Corporate Social Responsibility (CSR) expenditure increased by 59.8% to ₹94.57 lakh in FY26 (PY: ₹59.18 lakh), mainly towards community healthcare, vocational training, inclusive education and school infrastructure. No sexual-harassment complaints were received or carried forward.
Governance	As on March 31, 2026, ACGL's nine-member Board comprised four independent directors, including three women, four non-independent non-executive directors, and one Executive Director and CEO.

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Auto Components & Equipments
Short Term Instruments
Factoring Linkages Parent Sub JV Group

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Automobile and auto components	Auto components	Auto components and equipment

ACGL was incorporated in 1980 and was jointly promoted by the Economic Development Corporation of Goa Limited (EDC), a Government of Goa undertaking, TML, and Tata Motor Finance Limited (TMFL, now merged to Tata Capital Limited: CARE AAA; Stable), a Tata Group entity. TML holds a 48.98% direct stake in the company, while TCL holds 0.79%, and EDC holds 6.66%. The company operates through two business segments: the Pressing Division and the Bus Body Building Division. The Pressing Division is engaged in manufacturing pressed parts, components, sub-assemblies, and assemblies, while the Bus Body Building Division focuses on manufacturing bus bodies and component parts. The product portfolio includes staff transport buses, luxury buses, city transport buses, defence buses, airport buses, school buses, sleeper coaches, special application vehicles, and sheet metal products.

Brief Financials (₹ crore)	FY25	FY26	Q1FY27
Total operating income	662.55	937.38	248.94
PBILDT	54.13	89.44	13.15
PAT	46.60	69.89	11.22
Overall gearing (times)	0.34	0.03	-
Interest coverage (times)	600.75	697.11	438.33

A: Audited; UA: Unaudited; Note: These are latest available financial results.
*PBILDT: Profit before interest, lease rentals, depreciation, and tax

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

For complexity level of instruments rated refer to Annexure-1.

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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/ ST-Working Capital Limits	RBI	NA	-		-	-	32.00	CARE AA-; Stable / CARE A1+
Non-fund-based - LT/ ST-BG/LC	RBI	NA	-		-	-	8.00	CARE AA-; Stable / CARE A1+

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 2026-2027	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
1	Fund-based - LT/ ST-Working Capital Limits	LT/ST	32.00	CARE AA-; Stable / CARE A1+	-	1)CARE AA-; Stable (04-Sep-25)	1)CARE AA-; Stable (20-Aug-24)	1)CARE AA-; Stable (02-Aug-23)
2	Non-fund-based - LT/ ST-BG/LC	LT/ST	8.00	CARE AA-; Stable / CARE A1+	-	1)CARE A1+ (04-Sep-25)	1)CARE A1+ (20-Aug-24)	1)CARE A1+ (02-Aug-23)

LT/ST: Long term/Short term

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

Annexure-4: Lender details

To view 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.

Contact us

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About us:
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