IIFL Capital Services Ltd — 06 Nov 2025 Credit Rating Summary

Based on the CRISIL Credit Bulletin dated November 06, 2025, for **IIFL Capital Services Limited**, here is the equity-focused credit summary.

Section	Details
Agency	CRISIL Ratings
Rating Change	**Reaffirmed / No Change.** Long Term: **AA-**
Outlook (Current vs Previous)	**Stable vs Stable**
Key Drivers of Change	1. **Facility Realignment:** Bulletin issued specifically to update bank-wise limits per RBI norms; no change in underlying credit risk. 2. **Liquidity Backing:** High-quality collateral/margin requirements for broking supported by **A1+** rated bank guarantees. 3. **Tier-1 Banking Access:** Strong credit appetite from HDFC, ICICI, and DBS indicates robust counterparty confidence. 4. **Capital Adequacy:** Rating (AA-) reflects maintained cushions to absorb market volatility in capital market operations.
Rated Instruments	• **Bank Guarantees:** □1,482.32 Cr (ICICI: □672.32 Cr, HDFC: □500 Cr, DBS: □310 Cr)
Key Observations	**Positives:** 1. **Top-Tier Funding:** Access to □1,482 Cr in non-fund based limits from premier private banks. 2. **Diversified ST Debt:** Spread across four major lenders, reducing concentration risk. 3. **Stable Credit History:** Long-term rating maintained at AA- despite market cycles. **Risks:** 4. **Operational Linkage:** Performance is sensitive to capital market volumes and regulatory changes. 5. **Contingent Liabilities:** Significant reliance on Bank Guarantees (□1,482 Cr) for exchange margins.
Investor Impact	• **Cost of Debt:** Maintenance of **A1+** ensures the lowest possible interest rates on working capital, protecting net interest margins (NIMs). • **Solvency:** No immediate credit-linked dilution risk; the "Stable" outlook suggests steady equity valuation. • **Growth:** The □342.68 Cr proposed long-term facility provides headroom for upcoming organic expansion.
Agency / Cross Analysis	**Same Agency (CRISIL):** This is a purely administrative "Credit Bulletin" to align with RBI bank-wise disclosure rules. The core credit rationale remains unchanged from the February 19, 2025, report. All financial drivers, outlooks, and rating notches are identical to the previous review. **Conclusion: Improvement (Structural Clarity)** – While the rating is static, the transparency of bank-wise limits confirms high-quality liquidity access.
Final Inference	**Real Improvement in Transparency:** The rating reaffirmation at the highest short-term scale (A1+) signals that IIFL's liquidity and solvency remain insulated from market volatility. For equity investors, this confirms a "Business as Usual" status with no hidden credit stress.

Analyst Note: *This bulletin references a full rationale from Feb 19, 2025. The stability in ratings despite the time gap suggests that IIFL Capital Services has successfully managed its leverage and operational risks throughout the 2025 fiscal year.*