

IL&FS Securities Services Limited

January 06, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Short-term bank facilities	525.00	CARE D	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of the rating of bank facilities of IL&FS Securities Services Limited (ISSL) is due to continued instances of irregularities in debt servicing by the company. In August 2019, CARE Ratings Limited (CareEdge Ratings) had revised the rating ISSL to 'CARE D' due to the company defaulting on its payment obligations towards its trading members following inability to find resolution related to certain disputed trades. ISSL's inability to make payments led to disabling the trading terminal by the stock exchange and invocation of guarantee by the exchange clearing house. The non-fund-based facilities have now converted into fund-based and continue to be out of order. The company's operations have been impacted and depend on the outcome of the ongoing litigation in the court of law and its resolution plan.

Rating sensitivities: Factors likely to lead to rating actions

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

- Timely servicing of debt for three consecutive months.

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

- Not applicable

Analytical approach: Standalone

CareEdge Ratings has taken a view based on the standalone financial profile of ISSL, factoring in the parentage and operational linkages with Infrastructure Leasing & Financial Services Limited (IL&FS).

Outlook: Not applicable

Detailed description of key rating drivers: Not applicable

Key weaknesses: Not applicable

Key strengths: Not applicable

Liquidity: Poor

The company's liquidity profile is severely constrained leading to continuing default on its debt obligations.

Assumptions/Covenants: Not applicable

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

Applicable criteria

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

[Broking Firms](#)

[Short Term Instruments](#)

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

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Capital markets	Other capital market related services

Incorporated in July 2006, ISSL is a subsidiary of IL&FS (rated 'CARE D' [pronounced as 'Single D']), which currently holds a stake of 81.24% in the company. It was a Strategic Business Unit of IL&FS offering Securities and Transaction advisory services before it was hived off as a separate company in FY07. Other shareholders are IL&FS Employee Welfare Trust (9.01%), and a private equity fund, Croupier Prive Mauritius (5.00%). ISSL is a professional clearing member (PCM) for equity derivatives and currency derivatives segment on exchanges, including BSE, NSE, and MSX. It also offers capital market services such as custodial services, depository services, and transaction processing, among others.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total income	7.3	7.9
PAT	-12.3	-13.5
Tangible Net worth	93.5	80.1
Loan Book (MTF)	-	-
Cost-to-Income (%)	255.23	199.11
Overall Gearing (x)	3.58	4.17
RONW (%)	-12.33	-15.53

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA:

ISSL has not co-operated with ICRA Limited (ICRA), which has classified it as non-cooperative for non-furnishing information per press release dated March 26, 2025.

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-Short Term	-	-	-	-	525.00	CARE D

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-Short Term	ST	525.00	CARE D	-	1)CARE D (17-Mar-25)	1)CARE D (04-Jan-24)	1)CARE D (02-Feb-23)

LT: Long term; ST: Short term; 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-Short Term	Simple

Annexure-5: 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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