

June 9, 2026

The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. BSE Scrip Code: 532636	The Manager, Listing Department, The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051 NSE Symbol: IIFL	The Manager, Listing Department, India International Exchange (IFSC) Limited, 1 <sup>st</sup> Floor, Unit No. 101, The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat - 382050
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**Subject: Assignment of Credit Rating by Fitch Ratings, Inc.**

Dear Sir/Madam,

Pursuant to provisions of Regulations 30 and 51 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, we wish to inform you that Fitch Ratings, Inc. ("**Fitch**"), a credit rating agency, has assigned the following rating to the Senior Secured Notes which are being issued by IIFL Finance Limited as a part of its U.S.\$ 1 billion Global Medium Term Note Programme.

Rating Description	Rating
Issue of U.S. \$500 million 7.60% Senior Secured Notes due 10 September 2029	Final Rating: "B+"
	Recovery Rating: "RR4"

The rating issued by Fitch is enclosed herewith as "**Annexure**".

You are requested to take the same on record and oblige.

Thanking you

Yours faithfully,  
 For **IIFL Finance Limited**

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**Samrat Sanyal**  
**Company Secretary & Compliance Officer**  
**ACS – 13863**  
**Email ID: csteam@iifl.com**  
**Place: Mumbai**

*Enclosed: as above*

## RATING ACTION COMMENTARY

# Fitch Rates IIFL Finance's USD500 Million Senior Secured Notes Final 'B+'

Tue 09 Jun, 2026 - 12:33 AM ET

Fitch Ratings - Singapore/Mumbai - 09 Jun 2026: Fitch Ratings has assigned India-based IIFL Finance Limited's (B+/Positive) USD500 million 7.6% senior secured notes due September 2029 a final rating of 'B+' and Recovery Rating of 'RR4'.

This follows the receipt of final documentation conforming to information previously received. The final rating is in line with the expected rating assigned on 3 June 2026.

The notes are secured by collateral that includes the issuer's specified assets and receivables. The notes are subject to maintenance-based covenants that require the issuer and each of its principal subsidiaries to meet regulatory capital requirements and maintain net 90-day non-performing loan ratios of no more than 5%. The covenants also require the issuer to maintain a security coverage ratio, comprising standard assets, of at least 1.0x at all times.

IIFL Finance has issued the notes in the international market under the Reserve Bank of India's external commercial borrowings framework.

## KEY RATING DRIVERS

The senior secured notes are rated at the same level as IIFL Finance's Long-Term Foreign-Currency Issuer Default Rating (IDR), in accordance with Fitch's rating criteria, as they are the issuer's secured obligations and rank pari passu at all times with its other secured obligations.

Most of IIFL Finance's debt is secured and Fitch believes non-payment of the senior secured debt would best reflect the uncured failure of the issuer. IIFL Finance can issue unsecured debt in overseas markets, but such debt is likely to constitute a small portion of its funding and thus cannot be viewed as its primary financial obligation.

The Recovery Rating on the senior secured debt reflects our expectation of 'Average' recovery prospects in the event of default. This is in line with our criteria for India-based entities with a Long-Term IDR of 'B+' or below.

The notes are subject to a cross-acceleration clause, where the acceleration of any debt of the issuer or its principal subsidiaries may constitute an event of default. Fitch understands that IIFL Finance's microfinance subsidiary remains in breach of certain loan covenants relating to delinquencies; however, lenders have not taken any adverse action in response to the breach so far. The subsidiary's delinquency ratio has improved since end-September 2025. The issuer and its principal subsidiaries continue to meet all repayment obligations.

For more information on IIFL Finance's key rating drivers and sensitivities, please see [Fitch Revises Outlook on IIFL Finance to Positive; Affirms at 'B+'](#), published on 16 October 2025.

## **RATING SENSITIVITIES**

### **Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade**

Any negative action on IIFL Finance's Long-Term IDR would drive a corresponding action on the rating of the notes.

The rating may also be downgraded if we believe that recovery prospects are likely to weaken to below 30% of outstanding senior secured bonds in a liquidation scenario. The Recovery Rating would be revised to 'RR5' in such a scenario.

### **Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade**

An upgrade of IIFL Finance's Long-Term IDR would result in a similar action on the bond rating.

### **Date of Relevant Committee**

15 October 2025

## **REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING**

The principal sources of information used in the analysis are described in the Applicable Criteria.

## **ESG CONSIDERATIONS**

IIFL Finance has an ESG Relevance Score of '4' for Management Strategy, as we believe the company's operations and franchise remain sensitive to management's ability to maintain sound implementation of internal controls and return the business to adequate profitability following the lifting of Reserve Bank of India sanctions on its gold loan business.

IIFL Finance has an ESG Relevance Score of '4' for Governance Structure, as the history of regulatory action implies there are gaps in the oversight structure and management of compliance risks that may pose a reputational risk for the company.

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit

[www.fitchratings.com/topics/esg/products#esg-relevance-scores](http://www.fitchratings.com/topics/esg/products#esg-relevance-scores)

### RATING ACTIONS

ENTITY / DEBT ↕	RATING TYPE ↕	RATING ↕	RATING ACTION ↕	RECOVERY ↕	PRIOR ↕
IIFL Finance Limited					
senior secured	LT	B+	New Rating	RR4	B+(EXP)

[VIEW ADDITIONAL RATING DETAILS](#)

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Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)**PARTICIPATION STATUS**

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**APPLICABLE CRITERIA**

[Country-Specific Treatment of Recovery Ratings Criteria - Effective from 3 March 2023 to 20 February 2026 \(pub. 04 Mar 2023\)](#)

[Non-Bank Financial Institutions Rating Criteria \(pub. 01 Feb 2025\) \(including rating assumption sensitivity\)](#)

**ADDITIONAL DISCLOSURES**

[Solicitation Status](#)

## Endorsement Policy

### ENDORSEMENT STATUS

IIFL Finance Limited

EU Endorsed, UK Endorsed

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