

December 15, 2025

Barclays Investments & Loans (India) Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Commercial paper	6,500.00	6,500.00	[ICRA]A1+; reaffirmed
Long-term equity linked debenture	1,589.60	1,589.60	PP-MLD[ICRA]AAA (Stable); reaffirmed
Non-convertible debenture	745.00	745.00	[ICRA]AAA (Stable); reaffirmed
Bank lines	150.00	150.00	[ICRA]AAA (Stable)/[ICRA]A1+; reaffirmed
Total	8,984.60	8,984.60	

*Instrument details are provided in Annexure I

Rationale

The ratings continue to draw comfort from Barclays Investments & Loans (India) Private Limited's (BILIL) strong parentage in the form of Barclays Bank PLC (BBPLC; rated A1/Stable/P-1 by Moody's Investors Service with baseline credit assessment (BCA) of baa2). BBPLC is a global systemically important bank based in the United Kingdom (UK) with large capital market operations, a strong worldwide presence and total assets of £1.3 trillion as on June 30, 2025. It directly holds a 57.84% stake in BILIL while the rest is held by its wholly-owned subsidiary, Barclays Mauritius Overseas Holdings Limited, Mauritius.

BILIL serves as the only non-banking lending arm of the Barclays Group in India with the underlying business of extending loans against securities (LAS) to wealth clients of the Group. Given the ownership structure and the shared brand name, ICRA expects BBPLC to provide timely funding support to the company, if required. Further, ICRA takes comfort from BILIL's comfortable capitalisation profile, robust risk management systems that draw from the Group's global risk management policies, and adequate liquidity position (on the back of well-matched asset and liability maturities). The company's profitability remains moderate due to the thin net interest margins (NIMs) and high operating costs, partially offset by negligible credit costs. It reported a nominal loss of Rs. 0.3 crore in H1 FY2026 due to increased operating expenses (primarily high employee cost for the recently onboarded new personnel) compared to a profit of Rs. 7.1 crore in FY2025. The company's ability to improve NIMs and operating efficiency would be critical for enhancing its profitability.

ICRA also notes that BILIL's scale of operations and profitability remain constrained by the Group's capital market exposure (CME) limit and are susceptible to the volatility in the domestic capital markets, given its presence only in the LAS segment. Nonetheless, ICRA draws comfort from the Group's demonstrated track record of providing capital support to its entities in India, including BILIL, and expects the same to be forthcoming if required, going forward as well.

The Stable outlook reflects ICRA's expectation that the company will continue to maintain a steady credit profile, while remaining strategically important to the Barclays Group, and will receive timely funding support from the parent if required.

Key rating drivers and their description

Credit strengths

Strong parentage – ICRA's ratings for BILIL remain supported by BBPLC's 100% ownership. Given its parentage and strategic importance to the Group, the company continues to enjoy strong operational, managerial and financial support from the Group. These include sharing common services (through Barclays Global Service Centre Private Limited) and resources for the treasury, credit, information technology (IT) systems, and the legal and risk management processes. Moreover, as a part of the

Barclays Group, BILIL has access to the high and ultra-high-net-worth (HNW and UHNW) customer segments, which are a part of the company's key borrower groups.

During FY2009-FY2012, BILIL received capital support (Rs. 909 crore) from the parent and ICRA expects the same to be forthcoming, going forward as well, if required. The ratings remain supported by the Group's global presence in capital markets and banking operations as well as BILIL's adherence to global risk management systems and practices. Moreover, the Barclays Group has regularly infused capital in the Indian branches of BBPLC, which increases the overall CME limit. The most recent infusion was ~Rs. 2,300 crore in March 2025 (previous infusion was Rs. 3,000 crore in FY2022).

Comfortable capitalisation profile – BILIL reported a capital-to-risk weighted assets ratio (CRAR) of 23.77% as on September 30, 2025. With the recent growth in the loan book and modest internal accruals, the CRAR moderated from 26.51% as on March 31, 2024 (31.49% as on March 31, 2023). Despite the moderation due to growth, the company maintains sufficient buffers over the regulatorily defined minimum of 15%. The capital infusion of ~Rs. 2,300 crore in Barclays Bank PLC (India Operations) in March 2025 has increased the Group's overall CME limit, providing headroom for BILIL to grow its loan book. However, ICRA expects the company to maintain sufficient buffers over regulatory levels.

BILIL largely uses commercial paper (CP) borrowings in its funding mix, matching the asset profile of the LAS book, which is repayable on demand or on short notice. Furthermore, as per the regulatory requirements for liquidity coverage, the company keeps on-balance sheet liquidity in the form of cash and liquid investments for the upcoming month's outflows. In tandem with the growth in the loan book, BILIL's gearing rose to 3.54 times as on March 31, 2025 from 2.80 times as on March 31, 2024 before easing to 3.36 times as on September 30, 2025. Net of unencumbered cash/liquid investments, ICRA expects that the leverage is unlikely to go beyond 4.0 times in the near to medium term.

Based on the collections trend, BILIL averaged monthly collections of 8% of its loan book for the 12 months ended October 31, 2025. There have not been any instances of default by its borrowers. With adequate liquid collateral, the loss upon default is likely to remain low, leading to a comfortable capitalisation profile.

Lending against highly liquid securities mitigates credit risks, leading to strong asset quality – BILIL remains focussed on secured lending in the form of LAS. As on September 30, 2025, the company's outstanding loan book was Rs. 3,872 crore (compared to Rs. 3,890 crore as on March 31, 2025 and Rs. 3,452 crore as on March 31, 2024) backed by equity shares, debt/equity mutual fund units, bonds and fixed deposits. The list of approved securities is finalised in consultation with the global operations. In line with domestic regulations, the loan-to-value (LTV) for LAS and equity mutual funds is capped at 50% while it is higher for debt instruments for better-rated liquid instruments. The loans have average tenures of less than one year and are recallable on demand.

ICRA takes note of BILIL's strong risk management systems, which involve constant monitoring of the loan portfolio. This is depicted by the absence of instances of the company enforcing a security in the last 10 years because of the borrower failing to respond to a margin call¹.

Credit challenges

Small scale of operations; susceptible to volatility in capital markets – Given its LAS-focussed portfolio, BILIL's loan book remains susceptible to volatility in the capital markets. Further, on the liabilities side, given the high dependence on CPs, market volatility could constrain funding availability and rollover of CPs. Such volatility could impact the borrowing levels and the scale of operations. However, BILIL mitigates the same by keeping liquidity in the form of cash and liquid investments for the upcoming month's net cash outflows. Moreover, since it focusses on HNW and UHNW individuals from the pool of Barclays Group customers, the scale of operations is expected to remain rangebound. Though ICRA notes that the company plans to enhance its offerings to support its revenue stream, this is expected to take some time. Moreover, it faces constraints because

¹ A margin call gets triggered when a decline in the (fair/market) value of a collateral on a particular day results in the LTV ratio breaching the maximum permissible limit; in such a scenario, the borrower is allowed a specific period to top up the deficit in the collateral value (either through cash or in the form of acceptable securities), failing which the company would enforce the security

of the overall CME limits for the Group. The ability to maintain sufficient scale to absorb the fixed overheads will be a key driver of the profitability, going forward.

BILIL's top 10 and top 20 borrowers accounted for 37% and 59%, respectively, of its total advances as on September 30, 2025. Moreover, the top 3 CP investors accounted for a significant portion of the total outstanding amount as on September 30, 2025, reflecting concentration in the liabilities profile.

Profitability remains moderate and volatile – BILIL's net interest income increased to Rs. 56 crore in H1 FY2026 from Rs. 79 crore in H1 FY2025 (Rs. 96 crore in FY2025). With the decline in short-term interest rates, the NIM improved to 2.45% in H1 FY2026 from 2.25% in FY2025 (2.59% in FY2024). With nil non-performing assets, credit costs were negligible. However, the company's operating costs remain relatively elevated, keeping its profitability moderate. Further, employee costs rose in H1 FY2026 as BILIL incurred high payouts for onboarded new personnel, leading to a loss of Rs. 0.3 crore in H1 FY2026 compared to the moderate profit of Rs. 7.1 crore in FY2025. Such variation in operating costs keeps the profitability vulnerable amid the thin margins in the business. In addition, the performance of the domestic capital markets, impacting investor sentiment, can affect the scale of BILIL's loan book and its profitability.

Liquidity position: Adequate

BILIL has sizeable repayments of Rs. 1,825 crore between December 2025 and February 2026, as short-term CPs constitute the main part of its entire borrowings, against which it had cash and liquid investments of ~Rs. 565 crore as on November 30, 2025. This, along with the undrawn bank facilities of Rs. 560 crore is sufficient for the CP repayments until January 2026. Further, the loans given by BILIL are repayable on demand while the monthly inflows from the loan book averaged at 8.1% of the loan book for the trailing 12 months ending November 30, 2025. The company has also demonstrated good ability to roll over the CPs.

Rating sensitivities

Positive factors – Not applicable

Negative factors – The ratings could be downgraded in case of a deterioration in the credit profile of BBPLC or any weakening in the likelihood of financial support from the parent.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	ICRA's Rating Methodology for Non-banking Finance Companies (NBFCs)
Parent/Group support	Parent Company: Barclays Bank PLC ICRA expects BBPLC to be willing to extend financial support to BILIL, if needed, given its strategic importance to the Barclays Group for meeting its diversification objectives. In ICRA's opinion, the shared name indicates strong likelihood of the Group/BBPLC providing financial support to BILIL to protect its reputation from the consequences of a group entity's distress
Consolidation/Standalone	Standalone

About the company

In August 2006, BBPLC acquired a controlling stake and management control in Rank Investments and Credits (India) Limited. The stake has since increased to 100% (57.84% held by BBPLC and 42.16% held by Barclays Mauritius Overseas Holdings Limited, Mauritius, a wholly-owned subsidiary of BBPLC) after a capital infusion of Rs. 909 crore during FY2009 to FY2012. It serves as the only non-banking lending arm of the Barclays Group in India with the underlying business of extending loans against securities (LAS). The Group has demonstrated its commitment towards BILIL in the form of regular capital infusions in the past and the company's recent performance has remained satisfactory in terms of internal capital generation.

BILIL reported a net loss of Rs. 0.3 crore on total income of Rs. 199.4 crore in H1 FY2026 compared to a profit after tax (PAT) of Rs. 7.1 crore on total income of Rs. 373.0 crore in FY2025 (PAT of Rs. 23.6 crore on total income of Rs. 294.8 crore in FY2024).

Barclays Bank PLC

BBPLC is the non-ring-fenced bank of the Barclays Group, accounting for around 81% of the Group's total assets as on June 30, 2025. It houses the Group's corporate and investment banking activities along with other non-capital market activities including payments, wealth management, and international consumer and card activities. The bulk of its operations is split between the Group's key markets of the UK and the United States (US) though it has a presence in continental Europe and other major global financial centres. As on June 30, 2025, BBPLC's CET I capital ratio stood at 12.7% on an asset base of £1.3 trillion with a net profit of £3.8 billion in H1 CY2025.

Key financial indicators (standalone)

BILIL	FY2024	FY2025	H1 FY2026
	Audited	Audited	Reviewed
Total income	295	373	199
Profit after tax	23.6	7.1	-0.3
Total managed assets	3,855	4,639	4,462
Return on average managed assets	0.68%	0.17%	-0.01%
Reported gearing (debt/net owned fund; times)	2.80	3.54	3.36
Gross stage 3	0.00%	0.00%	0.00%
CRAR	26.51%	23.72%	23.77%

Source: BILIL, ICRA Research; All ratios as per ICRA's calculations

Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Date & rating in FY2026	FY2025		FY2024		FY2023	
				Dec 15, 2025	Date	Rating	Date	Rating	Date
Commercial paper	Short term	6,500.00	[ICRA]A1+	Jun 4, 2024	[ICRA]A1+	Jun 6, 2023	[ICRA]A1+	Jun 7, 2022	[ICRA]A1+
				Dec 16, 2024	[ICRA]A1+	-	-	-	-
Long-term equity linked debenture	Long term	1,589.60	PP-MLD [ICRA]AAA (Stable)	Jun 4, 2024	PP-MLD [ICRA]AAA (Stable)	Jun 6, 2023	PP-MLD [ICRA]AAA (Stable)	Jun 7, 2022	PP-MLD [ICRA]AAA (Stable)
				Dec 16, 2024	PP-MLD [ICRA]AAA (Stable)	-	-	-	-
Non-convertible debenture	Long term	745.00	[ICRA]AAA (Stable)	Jun 4, 2024	[ICRA]AAA (Stable)	Jun 6, 2023	[ICRA]AAA (Stable)	Jun 7, 2022	[ICRA]AAA (Stable)
				Dec 16, 2024	[ICRA]AAA (Stable)	-	-	-	-
Bank lines	Long term	150.00	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 4, 2024	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 6, 2023	[ICRA]AAA (Stable)/ [ICRA]A1+	Jun 7, 2022	[ICRA]AAA (Stable)/ [ICRA]A1+
				Dec 16, 2024	[ICRA]AAA (Stable)/ [ICRA]A1+	-	-	-	-

Source: BILIL, ICRA Research

Complexity level of the rated instrument

Instrument	Complexity indicator
Commercial paper	Simple
Long-term equity linked debenture	Complex [^]
Non-convertible debenture	Simple [^]
Bank lines	Simple

[^] Complexity indicator is subject to change when the instrument is issued as no amount is currently outstanding against the instruments

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
INE704I14KS6	Commercial paper	Oct 09, 2025	7.00%	Jun 12, 2026	100.00	[ICRA]A1+
INE704I14KS6	Commercial paper	Oct 30, 2025	7.10%	Jun 12, 2026	100.00	[ICRA]A1+
INE704I14KS6	Commercial paper	Nov 07, 2025	7.10%	Jun 12, 2026	100.00	[ICRA]A1+
INE704I14KT4	Commercial paper	Oct 27, 2025	7.10%	Jun 05, 2026	75.00	[ICRA]A1+
INE704I14KT4	Commercial paper	Oct 30, 2025	7.10%	Jun 05, 2026	100.00	[ICRA]A1+
INE704I14KJ7	Commercial paper	May 30, 2025	7.15%	May 29, 2026	200.00	[ICRA]A1+
INE704I14KJ7	Commercial paper	Sep 17, 2025	7.15%	May 29, 2026	100.00	[ICRA]A1+
INE704I14KJ7	Commercial paper	Sep 22, 2025	7.15%	May 29, 2026	100.00	[ICRA]A1+
INE704I14KJ7	Commercial paper	Nov 25, 2025	6.95%	May 29, 2026	25.00	[ICRA]A1+
INE704I14KJ7	Commercial paper	Nov 28, 2025	7.00%	May 29, 2026	100.00	[ICRA]A1+
INE704I14KL1	Commercial paper	Jun 13, 2025	7.05%	Mar 16, 2026	100.00	[ICRA]A1+
INE704I14KL1	Commercial paper	Jun 18, 2025	7.05%	Mar 16, 2026	200.00	[ICRA]A1+
INE704I14KL1	Commercial paper	Jul 03, 2025	6.95%	Mar 16, 2026	25.00	[ICRA]A1+
INE704I14JX8	Commercial paper	Mar 10, 2025	8.07%	Mar 09, 2026	200.00	[ICRA]A1+
INE704I14KQ0	Commercial paper	Sep 04, 2025	6.75%	Mar 02, 2026	100.00	[ICRA]A1+
INE704I14KM9	Commercial paper	Jun 23, 2025	7.00%	Feb 27, 2026	100.00	[ICRA]A1+
INE704I14KM9	Commercial paper	Sep 01, 2025	6.75%	Feb 27, 2026	100.00	[ICRA]A1+
INE704I14KM9	Commercial paper	Sep 04, 2025	6.75%	Feb 27, 2026	100.00	[ICRA]A1+
INE704I14KM9	Commercial paper	Sep 25, 2025	6.95%	Feb 27, 2026	40.00	[ICRA]A1+
INE704I14KU2	Commercial paper	Nov 25, 2025	6.73%	Feb 24, 2026	250.00	[ICRA]A1+
INE704I14KN7	Commercial paper	Jun 27, 2025	6.80%	Feb 16, 2026	50.00	[ICRA]A1+
INE704I14KP2	Commercial paper	Aug 11, 2025	6.67%	Feb 10, 2026	100.00	[ICRA]A1+
INE704I14KP2	Commercial paper	Aug 12, 2025	6.67%	Feb 10, 2026	100.00	[ICRA]A1+
INE704I14KK3	Commercial paper	Jun 13, 2025	6.85%	Jan 30, 2026	100.00	[ICRA]A1+
INE704I14KK3	Commercial paper	Jun 25, 2025	6.98%	Jan 30, 2026	100.00	[ICRA]A1+
INE704I14KO5	Commercial paper	Jul 21, 2025	6.50%	Jan 21, 2026	60.00	[ICRA]A1+
INE704I14KR8	Commercial paper	Sep 25, 2025	6.73%	Dec 24, 2025	200.00	[ICRA]A1+
INE704I14KG1	Commercial paper	May 07, 2025	7.20%	Dec 22, 2025	100.00	[ICRA]A1+
INE704I14KH9	Commercial paper	May 07, 2025	7.22%	Dec 01, 2025	100.00	[ICRA]A1+
INE704I14KH9	Commercial paper	May 09, 2025	7.22%	Dec 01, 2025	125.00	[ICRA]A1+
INE704I14KH9	Commercial paper	May 21, 2025	7.20%	Dec 01, 2025	125.00	[ICRA]A1+
INE704I14KH9	Commercial paper	May 22, 2025	7.20%	Dec 01, 2025	75.00	[ICRA]A1+
Unplaced^	Commercial paper	NA	NA	NA	3,050.00	[ICRA]A1+
NA	Bank lines	NA	NA	NA	150.00	[ICRA]AAA (Stable)/[ICRA]A1+
Unplaced	Long-term equity linked debenture	NA	NA	NA	1,589.60	PP-MLD/[ICRA]AAA (Stable)
Unplaced	Non-convertible debenture	NA	NA	NA	745.00	[ICRA]AAA (Stable)

Source: BILIL

^ List of CP outstanding as on November 30, 2025

[Please click here to view details of lender-wise facilities rated by ICRA](#)
Annexure II: List of entities considered for limited consolidated analysis

Company name	Ownership	Consolidation approach
NA	NA	NA

Source: BILIL

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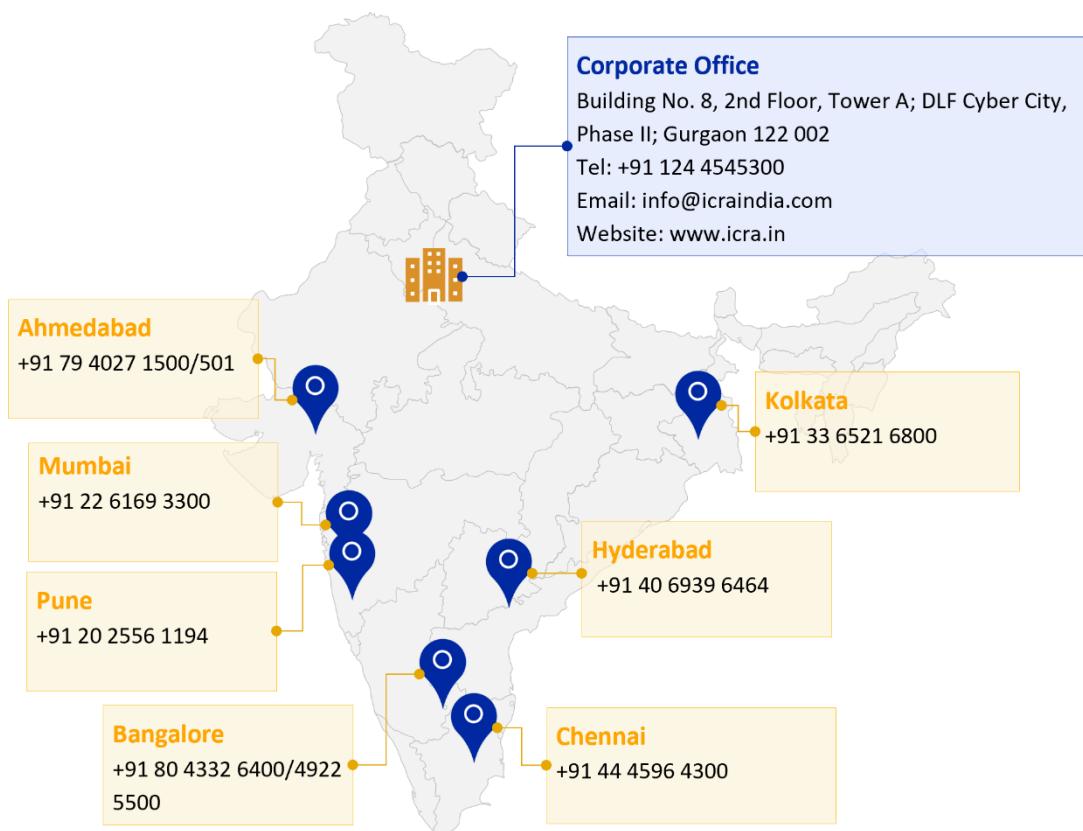
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