CIRCULAR

e.F.No. IFSCA-CMIR/1/2026-CMIR **July 16, 2026**

To,
All Credit Rating Agencies in the International Financial Services Centre (IFSC)
All Recognised Stock Exchanges in the IFSC

Subject: Amendment to the Circular titled "Master Circular for Credit Rating Agencies in the IFSC"

1. Reference may be drawn to the circular titled "*Master Circular for Credit Rating Agencies in the IFSC*" dated August 05, 2025 (hereinafter referred to as the "Master Circular"). The Master Circular*, inter-alia*, specifies the operational framework for regulating Credit Rating Agencies ("CRAs") registered with the Authority.

2. Upon consideration of the representations and comments received from stakeholders in the public consultation and the review of global best practices undertaken in this regard, it has been decided to amend the provisions of the Master Circular as under:

   2.1. In sub-paragraph 5.1.1, in Explanation 1, after the words "financial instrument" and before the words "in the IFSC", the following words shall be inserted, namely:

   "or issuer".

   2.2. In sub-paragraph 5.1.1, after Explanation 2, the following explanation shall be inserted, namely:

   "Explanation 3: Credit ratings shall include credit quality ratings and other similar services relating to credit rating by, whatever name called."

2.3. After sub-paragraph 5.1.6, the following sub-paragraph 5.1.7. shall be inserted, namely:

“5.1.7. Financial Strength Rating.”

2.4. The sub-paragraph 13.1.10. shall be substituted with the following, namely:

“13.1.10. The CRA shall maintain such information and records that are accurate and sufficiently detailed and comprehensive to reconstruct the credit rating process for a given credit rating action including the important factors underlying the credit rating.”

2.5. After sub-paragraph 13.1.10., the following shall be inserted, namely:

“13.1.11. The records maintained by CRA shall include a summary of material considerations and analytical reasoning, including key arguments for and against the rating decision, without attribution of comments to specific individuals.

13.1.12. The CRA shall maintain records in the manner and for such period, from the date any rating is withdrawn or discontinued, in the manner as provided under the IFSCA (Capital Market Intermediaries) Regulations, 2025.”

2.6. Para 17.1. shall be substituted with the following para, namely:

“17.1. All the rating actions on initial rating assignments and subsequent rating actions shall be disseminated by the CRA on its website along with the rating rationale. The CRA shall, prior to issuance of the rating action, afford the issuer of critical information and principal considerations upon which a credit rating will

be based, prior to disseminating a credit rating that is the result or subject of the credit rating action and afford such issuer an opportunity to clarify any factual errors, factual omissions, or factual misperceptions that have or likely to have a material effect on the credit rating:

Provided that the said requirements shall not be mandatory for unsolicited ratings and private credit rating assignments."

2.7. The following shall be inserted under para 25.1., namely:

"Provided that the above requirement relating to disclosure on website shall not be mandatory for information in relation to private credit rating assignments."

3. This Circular is issued in exercise of powers conferred under Sections 12 and 13 of the International Financial Services Centres Authority Act, 2019, read with regulation 45 of the IFSCA (Capital Market Intermediaries) Regulations, 2025, and shall come into force with immediate effect.

A copy of this circular is available on the website of IFSCA at www.ifsca.gov.in.

Yours faithfully

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