

January 27, 2026

## India Infrastructure Finance Company Limited: Update on material event

### Summary of rating action

Instrument	Previous rated amount (Rs. crore)	Current rated Amount (Rs. crore)	Rating outstanding
<b>Non-convertible debenture</b>	19,000.00	19,000.00	[ICRA]AAA (Stable)
<b>Tax-free/taxable bonds</b>	13,015.20	13,015.20	[ICRA]AAA (Stable)
<b>Fund-based/non-fund based bank facilities</b>	16,000.00	16,000.00	[ICRA]AAA (Stable)
<b>Commercial Paper</b>	5,000.00	5,000.00	[ICRA]A1+
<b>Total</b>	<b>53,015.20</b>	<b>53,015.20</b>	

### Rationale

India Infrastructure Finance Company Limited (IIFCL) vide two stock exchange filings dated January 23, 2026 has intimated that in accordance with the SEBI Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07 2024, an amount of Rs. 70.99834 lakh pertaining to ISINs INE787H07362, INE787H07370, INE787H07339 and INE787H07347 and Rs. 2.67 lakh pertaining to ISINs INE787H07156 and INE787H07149 were withheld and deposited in escrow accounts designated for coupon payments. The payments to some of the investors were withheld, as per the above-mentioned Securities and Exchange Board of India (SEBI) circular, due to pending know your customer (KYC) compliance.

IIFCL had adequate liquidity in the form of a cash and bank balance of Rs. 4,338.17 crore as on January 21, 2026, in relation to the aggregate interest payment of ~Rs. 73.66834 lakh that was withheld on January 22, 2026 (due date of payment). ICRA notes that the reason for non-payment to these investors does not reflect the company's lack of ability or willingness to service its debt obligations. Given that the company's fundamental credit profile remains intact, and the unpaid amount had been transferred to a separate escrow account on the due date itself, the ratings of the company remain unchanged, in accordance with ICRA's Policy on Default Recognition.

The table below includes the details of the instruments concerned:

Name of security	ISIN	Total amount to be paid (Rs. lakh)	Due date of payment	Amount of payment made (Rs. lakh)	Amount of payment failed (Rs. lakh)	Reasons for failure of payment	Date when the amount corresponding to the failed payment was transferred to a separate escrow account*
<b>NCD</b>	INE787H07362 INE787H07370 INE787H07339 INE787H07347	15,473.22	Jan 22, 2026	15,402.223 5	70.99834	Withheld in accordance with SEBI Circular# due to pending KYC Compliance for want of correct bank account/ PAN details	Jan 22, 2026
<b>Tax free bonds</b>	INE787H07156 INE787H07149	14,253.49	Jan 22, 2026	14,250.82	2.67	Withheld in accordance with SEBI Circular# due to pending KYC Compliance for want of correct bank account/ PAN details	Jan 22, 2026

# SEBI Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07 2024; \* As per the SEBI Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07 2024, amount of Rs. 70.99834 lakh and Rs. 2.67 lakh has been deposited in an escrow account designated for coupon payments

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#)

## Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">ICRA's Credit Rating Methodology for Non-banking Finance Companies</a> <a href="#">Policy on default recognition</a>
Parent/Group support	The ratings derive significant strength from IIFCL's sovereign ownership (100% stake held by the GoI as on December 31, 2025), strategic importance to the GoI and the expectation of continued support from the GoI in the form of capital as well as guarantees on debt
Consolidation/Standalone	Standalone

## About the company

India Infrastructure Finance Company Limited (IIFCL), incorporated in January 2006 and wholly owned by the Government of India (GoI), is recognised as a public financial institution for financing infrastructure projects in the country.

At the standalone level, the total loan book was Rs. 76,590 crore as on September 30, 2025 against Rs. 69,904 crore as on March 31, 2025. As on September 30, 2025, the take-out finance book (operational exposures taken over from other financial institutions) accounted for 18% of the portfolio while the balance was in the form of direct lending (22%) and refinance (~29%) and bonds/InvITs (~32%). IIFCL's exposure is largely concentrated towards the road and power sectors, which accounted for 34% and 50%, respectively, of the overall portfolio (excluding refinance) as on September 30, 2025.

At the standalone level, IIFCL reported a net profit of Rs. 719 crore on a total asset base of Rs. 92,308.2 crore in H1FY2026 compared with a net profit of Rs. 2,165 crore on a total asset base of Rs. 82,095.7 crore in FY2025.

As on September 30, 2025, IIFCL's gross and net stage 3 assets (standalone level) stood at 0.95% and 0.32%, respectively (1.11% and 0.35%, respectively, as on March 31, 2025). The company's capitalisation at the standalone level is characterised by a net worth of Rs. 17,024.6 crore and a gearing of 4.3x as on September 30, 2025. The gearing, excluding the borrowings guaranteed by the GoI, is estimated to have stood at 3.3x as on September 30, 2025. About 22% of the company's borrowings at the standalone level are guaranteed by the GoI.

## Key financial indicators

IIFCL	FY2024 Audited	FY2025 Audited	H1 FY2026 Prov.
Total income	5,472	6,517	3,415
PAT	1,552	2,165	719
Total managed assets	67,444	82,096	92,308
Return on managed assets	2.4%	2.9%	1.6%
Gearing (times)	3.6	3.9	4.3
Gross stage 3	1.6%	1.1%	0.9%
CRAR	28.2%	23.4%	22.0%

Source: IIFCL, ICRA Research; Ratios as per ICRA calculations; Amount in Rs. crore

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years							
	Type	Amount rated (Rs. crore)	Jan-27-2026	FY2026		FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
<b>Fund-based/Non-fund based bank facilities</b>	Long term	16,000.00	[ICRA]AAA (Stable)	Apr-2-25	[ICRA]AAA (Stable)	May-13-24	[ICRA]AAA (Stable)	Feb-23-24	[ICRA]AAA (Stable)	Feb-24-23	[ICRA]AAA (Stable)
				Dec-16-25	[ICRA]AAA (Stable)	Jan-27-25	[ICRA]AAA (Stable)	-	-	-	-
						Feb-21-25	[ICRA]AAA (Stable)				
<b>Gol guaranteed bonds</b>	Long term	-	-	-	-	May-13-24	[ICRA]AAA (CE) (Stable)	Feb-23-24	[ICRA]AAA (CE) (Stable)	Feb-24-23	[ICRA]AAA (CE) (Stable)
						Jan-27-25	[ICRA]AAA (CE) (Stable)	-	-	-	-
						Feb-21-25	[ICRA]AAA (CE) (Stable)				
<b>Non-convertible debentures</b>	Long term	19,000.00	[ICRA]AAA (Stable)	Apr-2-25	[ICRA]AAA (Stable)	May-13-24	[ICRA]AAA (Stable)	Feb-23-24	[ICRA]AAA (Stable)	Feb-24-23	[ICRA]AAA (Stable)
				Dec-16-25	[ICRA]AAA (Stable)	Jan-27-25	[ICRA]AAA (Stable)	-	-	-	-
						Feb-21-25	[ICRA]AAA (Stable)	-	-	-	-
<b>Tax-free/Taxable bonds</b>	Long term	13,015.20	[ICRA]AAA (Stable)	Apr-2-25	[ICRA]AAA (Stable)	13-May-24	[ICRA]AAA (Stable)	Feb-23-24	[ICRA]AAA (Stable)	Feb-24-23	[ICRA]AAA (Stable)
				Dec-16-25	[ICRA]AAA (Stable)	27-Jan-25	[ICRA]AAA (Stable)	-	-	-	-
						21-Feb-25	[ICRA]AAA (Stable)	-	-	-	-
<b>Commercial Paper</b>	Short term	5,000.00	[ICRA]A1+	Dec-16-25	[ICRA]A1+	-	-	-	-	-	-

Source: ICRA Research

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Tax-free/taxable bonds	Simple
Commercial Paper	Simple
Non-convertible debenture	Simple
Fund-based/non-fund based bank facilities	Simple

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 as on December 05, 2025**

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
INE787H07081	Tax-free bonds	15-Nov-12	7.38%	15-Nov-27	100	[ICRA]AAA (Stable)
INE787H07115	Tax-free bonds	21-Nov-12	7.38%	21-Nov-27	50	[ICRA]AAA (Stable)
INE787H07149	Tax-free bonds	22-Jan-13	(7.36/7.86)%	22-Jan-28	761	[ICRA]AAA (Stable)
INE787H07172	Tax-free bonds	26-Mar-13	(7.02/7.52)%	26-Mar-28	46.6	[ICRA]AAA (Stable)
INE787H07198	Tax-free bonds	23-Aug-13	8.26%	23-Aug-28	630.3	[ICRA]AAA (Stable)
INE787H07214	Tax-free bonds	30-Aug-13	8.46%	30-Aug-28	1,159.70	[ICRA]AAA (Stable)
INE787H07255	Tax-free bonds	05-Sep-13	8.48%	05-Sep-28	1,129.70	[ICRA]AAA (Stable)
INE787H07289	Tax-free bonds	12-Nov-13	8.38%	12-Nov-28	303.5	[ICRA]AAA (Stable)
INE787H07289	Tax-free bonds	12-Nov-13	8.38%	12-Nov-28	8.9	[ICRA]AAA (Stable)
INE787H07297	Tax-free bonds	12-Nov-13	8.63%	12-Nov-28	157.1	[ICRA]AAA (Stable)
INE787H07339	NCD	22-Jan-14	8.48%	22-Jan-29	6.8	[ICRA]AAA (Stable)
INE787H07362	NCD	22-Jan-14	8.73%	22-Jan-29	141.1	[ICRA]AAA (Stable)
INE787H07396	Tax-free bonds	27-Mar-14	8.55%	27-Mar-29	1,595.80	[ICRA]AAA (Stable)
INE787H07396	Tax-free bonds	27-Mar-14	8.55%	27-Mar-29	12.3	[ICRA]AAA (Stable)
INE787H07099	Tax-free bonds	15-Nov-12	7.41%	15-Nov-32	340	[ICRA]AAA (Stable)
INE787H07123	Tax-free bonds	21-Nov-12	7.41%	21-Nov-32	21	[ICRA]AAA (Stable)
INE787H07156	Tax-free bonds	22-Jan-13	(7.4/7.9)%	22-Jan-33	1,156.40	[ICRA]AAA (Stable)
INE787H07180	Tax-free bonds	26-Mar-13	(7.08/7.58)%	26-Mar-33	23.3	[ICRA]AAA (Stable)
INE787H07206	Tax-free bonds	23-Aug-13	8.19%	23-Aug-33	2	[ICRA]AAA (Stable)
INE787H07222	Tax-free bonds	30-Aug-13	8.37%	30-Aug-33	26.5	[ICRA]AAA (Stable)
INE787H07305	Tax-free bonds	12-Nov-13	8.50%	12-Nov-33	15.9	[ICRA]AAA (Stable)
INE787H07305	Tax-free bonds	12-Nov-13	8.50%	12-Nov-33	186.9	[ICRA]AAA (Stable)
INE787H07313	Tax-free bonds	12-Nov-13	8.75%	12-Nov-33	242.1	[ICRA]AAA (Stable)
INE787H07347	NCD	22-Jan-14	8.66%	22-Jan-34	754.4	[ICRA]AAA (Stable)
INE787H07370	NCD	22-Jan-14	8.91%	22-Jan-34	544.3	[ICRA]AAA (Stable)
INE787H07404	Tax-free bonds	27-Mar-14	8.55%	27-Mar-34	126	[ICRA]AAA (Stable)
INE787H07404	Tax-free bonds	27-Mar-14	8.55%	27-Mar-34	12.6	[ICRA]AAA (Stable)
INE787H07438	Tax-free bonds	27-Mar-14	8.80%	27-Mar-34	128.7	[ICRA]AAA (Stable)
INE787H08071	NCD	26-Oct-23	7.69%	26-Oct-38	2,000	[ICRA]AAA (Stable)
INE787H08089	NCD	08-Dec-23	7.67%	08-Dec-38	1,000	[ICRA]AAA (Stable)
NA^	Tax-free/Taxable bonds	NA	NA	NA	332.3	[ICRA]AAA (Stable)
INE787H08048	NCD	12-Mar-22	7.17%	14-Mar-32	1,500.00	[ICRA]AAA (Stable)
INE787H08055	NCD	31-May-23	7.46%	31-May-33	500	[ICRA]AAA (Stable)
INE787H08063	NCD	18-Sep-23	7.53%	18-Sep-38	2,000.00	[ICRA]AAA (Stable)
NA^	NCD	NA	NA	NA	15,000.00	[ICRA]AAA (Stable)
NA^	Commercial Paper	NA	NA	NA	5,000.00	[ICRA]A1+
NA^	Fund-based/Non-fund based	NA	NA	NA	16,000.00	[ICRA]AAA (Stable)

Source: IIFCL, ICRA Research; ^ Yet to be placed

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Not applicable

## ANALYST CONTACTS

**Karthik Srinivasan**

+91 22 6114 3444

[karthiks@icraindia.com](mailto:karthiks@icraindia.com)

**A M Karthik**

+91 44 4596 4308

[a.karthik@icraindia.com](mailto:a.karthik@icraindia.com)

**Sandeep Sharma**

+91 22 6114 3406

[sandeep.sharma@icraindia.com](mailto:sandeep.sharma@icraindia.com)

**Mishi Yadav**

+91 124 4545 320

[mishi.yadav@icraindia.com](mailto:mishi.yadav@icraindia.com)

**Rajat Kher**

+91 124 4545 833

[rajat.kher@icraindia.com](mailto:rajat.kher@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

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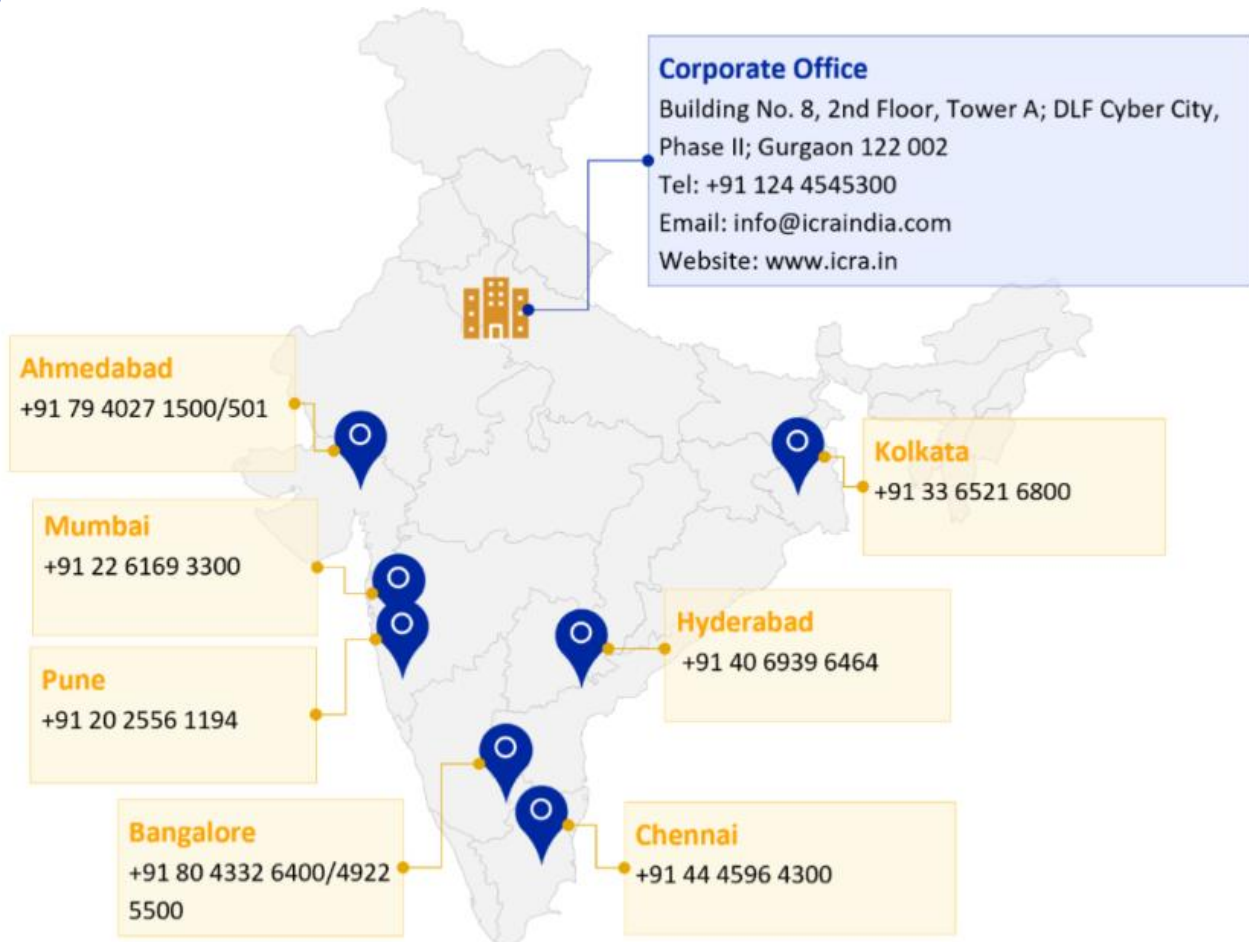
### Registered Office

B-710, Statesman House, 148- Barakhamba Road, New Delhi-110001

Tel: +91-11-23357940-45



### Branches



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