

May 26, 2026

Infina Finance Private Limited: [ICRA]AA+ (Stable) assigned to non-convertible debentures; ratings reaffirmed and rated amount enhanced

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Non-convertible debentures	-	2,500.00	[ICRA]AA+ (Stable); assigned
Long term/Short term fund based – Others	1,000.00	2,000.00	[ICRA]AA+ (Stable)/[ICRA]A1+; reaffirmed/assigned for enhanced amount
Commercial paper programme	10,000.00	10,000.00	[ICRA]A1+; reaffirmed
Total	11,000.00	14,500.00	

*Instrument details are provided in Annexure II

Rationale

The ratings factor in the strong ownership with closely-held entities of the Kotak family {promoter of Kotak Mahindra Bank Limited or KMBL, rated [ICRA]AAA (Stable)} holding a 59.00% stake and Kotak Mahindra Capital Company Limited (KMCC), a wholly-owned subsidiary of KMBL, holding 19.00%. The Kotak family has strong financial flexibility by virtue of its ~26% stake in KMBL (valued at ~Rs. 99,813 crore as on May 15, 2026). The ratings derive comfort from the representation of both shareholders on Infina’s board of directors. The company enjoys financial flexibility by virtue of being a part of the Kotak group. Further, it benefits from the experience of the Kotak group in the lending business. ICRA expects the Kotak family and KMBL combined to continue to hold a majority stake in Infina. The ratings also factor in the strong capitalisation, supported by internal accruals, which is likely to support medium-term growth.

The company’s loan book remains concentrated towards loan against securities (LAS; 80%). This exposes its earnings to the volatility in capital markets as demand for LAS could be impacted by market cycles. However, Infina ventured into the Corporate real estate (CRE) and loan against property (LAP) segments in H2 FY2025, which accounted for 16% and 4% of the loan book, respectively, as on March 31, 2026. The loan book is concentrated with the top 20 loans accounting for 43% of the portfolio and 103% of the net worth as on March 31, 2026. Liabilities are also concentrated towards commercial paper (CP) funding, given the currently high share of LAS in the overall loan book. With the growth in long-tenor products, the company’s borrowing profile is expected to diversify. Further, Infina’s comfortable asset quality and history of negligible credit losses, supported by liquid listed securities, provide comfort, even though its track record in the CRE and LAP segments will become evident over time.

The Stable outlook factors in the expectation that the company will continue to receive support from the Kotak family and the Kotak Mahindra Bank group (comprising KMBL along with its subsidiaries and associates), if required.

Key rating drivers and their description

Credit strengths

Support from shareholders – Closely-held entities of the Kotak family held a 59.00% stake in Infina, as on March 31, 2026, while KMCC (wholly-owned subsidiary of KMBL) held 19.00%. Infina enjoys considerable financial flexibility in raising funds at competitive rates by being a part of the Kotak group. The company gains from the strong oversight and experience of the shareholders through board representation. Infina’s senior management had been with other Kotak Mahindra Bank group

entities before joining the company. ICRA expects support from the shareholders to be forthcoming if required. The Kotak family has strong financial flexibility by virtue of its ~26% stake in KMBL (valued at ~Rs. 99,813 crore as on May 15, 2026). ICRA expects the Kotak family and KMBL to continue holding a majority stake in Infina.

KMCC had entered into definitive agreements on March 21, 2026 for the sale of a part of its stake in Infina, an associate company of the bank. Accordingly, 30.99% of KMCC's stake was divested to Derive Trading and Resorts Private Limited and Bright Star Investments Private Limited (9.90%), the estate of Rakesh Jhunjhunwala through its trusts (12.10%), and the promoter family of KMBL (8.99%). Pursuant to the transaction (which concluded on March 24, 2026), KMCC's stake in Infina reduced to 19.00% from 49.99% and it is thus no longer an associate company of KMBL. The stake dilution was necessitated by the [Reserve Bank of India's \(RBI\) December 2025 guidelines](#), under which banks and their group entities, including associates, are restricted from undertaking LAS activities. As LAS was Infina's core business, the bank reduced its shareholding to ensure regulatory compliance.

Strong capitalisation supported by internal accruals – The company's capitalisation remains strong with a net worth of Rs. 2,932 crore as on March 31, 2026 and a gearing of 1.53 times. The Tier I capital adequacy ratio stood at 40.6% as on March 31, 2026. The capitalisation profile has been supported by internal accruals and the moderate scale of operations. With expectations of an increase in the scale of the loan book, ICRA expects Infina's borrowings and gearing to rise in the near-to-medium term, though the gearing is likely to remain below 3 times over the medium term.

The company's profitability is supported by lower operating expenses and negligible credit costs. As a part of the Kotak group, Infina has been able to raise funds at competitive costs, supporting its net interest margins. The company reported a profit after tax (PAT) of Rs. 204 crore in FY2026 (PAT/average managed assets (AMA) of 3.1%) compared to Rs. 192 crore in FY2025 (3.8%), driven by higher net interest income due to loan book growth. Given the concentration towards LAS, the revenue profile remains exposed to the inherent volatility in the securities market. However, the company's expansion into the CRE and LAP segments should diversify the revenue profile over the medium term. Operating expenses and credit costs are expected to rise with the company's entry in new segments, though this may be partly mitigated by higher yields in these segments. With the increase in the scale of operations, the absolute profit from the lending business is expected to improve. ICRA expects the existing capitalisation and profitability to support the growth in the medium term.

Credit challenges

Concentration in loan book and liabilities – The loan book grew to Rs. 6,591 crore as on March 31, 2026 from Rs. 4,414 crore as on March 31, 2025. It mainly comprises larger-ticket promoter funding and high-net-worth individual (HNI) LAS. The loan book remains concentrated with the top 20 exposures accounting for a sizeable portion (43% of the portfolio and 103% of the net worth as on March 31, 2026). Given the LAS-focussed portfolio, the loan book size and collateral value remain exposed to the inherent volatility in capital markets. ICRA takes comfort from the lending against liquid securities and the adequate security cover, which mitigates the credit risk. Infina's asset quality remains comfortable with no history of credit losses in the LAS segment.

The company ventured into the CRE and LAP segments in FY2025, which accounted for 16% and 4% of the loan book, respectively, as on March 31, 2026. The real estate portfolio remains exposed to concentration risks owing to the large ticket size and the inherent risks associated with these loans. Within CRE, the loans are largely for under-construction residential projects with a tenor of 5-6 years and an average ticket size of Rs. 70 crore. The asset quality and underwriting performance of this segment will become evident over time, though the Group's experience in lending to this segment is a comfort.

Liabilities remain concentrated with ~87% of the borrowings from CP as on March 31, 2026. The dependence on CP exposes the company to market volatility, which could constrain funding availability. ICRA, however, notes Infina's policy of maintaining liquidity on the balance sheet for meeting repayments due in the next 45 days. Also, the majority of the loan book has put/call options at 3 months/6 months/1 year, which can be exercised for liquidity management if required. Given the planned expansion in longer-tenor product segments such as LAP and CRE, Infina is expected to raise longer-tenor borrowings like term loans and non-convertible debentures.

Liquidity position: Strong

As on April 30, 2026, Infina had a free cash and bank balance and liquid investments of Rs. 957 crore against total debt outstanding of Rs. 1,573 crore maturing in the next six months. The liquidity is further supported by the call/put options in the LAS book at 3 months/6 months/1 year, which can be exercised for liquidity management. This led to positive cumulative gaps across all the buckets as per the Statement of Structural Liquidity as on March 31, 2026. Given the reliance on CP, the company's ability to roll over its borrowings will remain a key rating monitorable. ICRA, however, notes that Infina has the ability to raise funds at competitive rates as it is a part of the Kotak group.

Rating sensitivities

Positive factors – A substantial increase in Infina's scale of operations while maintaining the profitability, asset quality and capitalisation will be a positive factor.

Negative factors – A material change in the expected level of support from the Kotak family and Kotak Mahindra Bank group or a significant deterioration in the credit risk profile of the support provider.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Non-banking Finance Companies
Parent/Group support	Support provider: Kotak family and Kotak Mahindra Bank group The ratings factor in the high likelihood of financial support from the shareholders to Infina, driven by reputational considerations.
Consolidation/Standalone	Standalone

About the company

Infina Finance Private Limited is a non-deposit taking non-banking financial company (NBFC) providing loan against securities. It also has private equity investments though the scale remains small in relation to the total assets. The company's net worth was built up in 2006 when certain strategic investments were divested, with Infina deriving huge capital gains. The promoters of Kotak Mahindra Bank Limited (KMBL) have a 59% stake in the company. Further, Kotak Mahindra Capital Company Limited (KMCC), a wholly-owned subsidiary of KMBL, has a 19% stake in the company.

Key financial indicators (audited)

Infina Finance Private Limited	FY2025	FY2026
Total income	533	622
Profit/(loss) after tax	192	204
Total managed assets	5,523	7,491
Return on average managed assets	3.8%	3.1%
Gross gearing (times)	1.00	1.53
Gross stage 3	0.0%	0.0%
CRAR	48.6%	41.1%

Source: Company, 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 rating (FY2027)			Chronology of rating history for the past 3 years						
Instrument	Type	Amount rated (Rs. crore)	May 26, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Non-convertible debentures	Long term	2,500.00	[ICRA]AA+ (Stable)	-	-	-	-	-	-
Fund based – Others	Long term/ Short term	2,000.00	[ICRA]AA+ (Stable)/ [ICRA]A1+	Jun 02, 2025	[ICRA]AA+ (Stable)/ [ICRA]A1+	-	-	-	-
				Mar 27, 2026	[ICRA]AA+ (Stable)/ [ICRA]A1+	-	-	-	-
Commercial paper	Short term	10,000.00	[ICRA]A1+	Jun 02, 2025	[ICRA]A1+	Jun 03, 2024	[ICRA] A1+	Apr 26, 2023	[ICRA] A1+
				Mar 27, 2026	[ICRA]A1+	-	-	Oct 06, 2023	[ICRA] A1+
				-	-	-	-	Nov 23, 2023	[ICRA] A1+
Commercial paper (IPO financing)	Short term			Jun 02, 2025	[ICRA]A1+; withdrawn	Jun 03, 2024	[ICRA] A1+	Apr 26, 2023	[ICRA] A1+
				-	-	-	-	Oct 06, 2023	[ICRA] A1+
				-	-	-	-	Nov 23, 2023	[ICRA] A1+

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Non-convertible debentures	Simple*
Long term/Short term fund based – Others	Simple
Commercial paper programme	Simple

*Subject to finalisation depending on terms of issuance

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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
INE879F14LZ5	Commercial paper programme	Nov 19, 2025	7.18%	May 26, 2026	175	[ICRA]A1+
INE879F14MQ2	Commercial paper programme	Mar 02, 2026	7.73%	Jun 01, 2026	200	[ICRA]A1+
INE879F14LV4	Commercial paper programme	Oct 30, 2025	7.18%	Jun 05, 2026	100	[ICRA]A1+
INE879F14LH3	Commercial paper programme	Aug 22, 2025	7.15%	Jun 09, 2026	200	[ICRA]A1+
INE879F14MS8	Commercial paper programme	Mar 24, 2026	7.90%	Jun 23, 2026	250	[ICRA]A1+
INE879F14LN1	Commercial paper programme	Sep 18, 2025	7.28%	Sep 11, 2026	100	[ICRA]A1+
INE879F14MG3	Commercial paper programme	Dec 19, 2025	7.45%	Nov 12, 2026	150	[ICRA]A1+
INE879F14LY8	Commercial paper programme	Nov 18, 2025	7.25%	Nov 17, 2026	25	[ICRA]A1+
INE879F14MC2	Commercial paper programme	Dec 04, 2025	7.40%	Nov 30, 2026	250	[ICRA]A1+
INE879F14ME8	Commercial paper programme	Dec 15, 2025	7.45%	Dec 14, 2026	200	[ICRA]A1+
INE879F14ME8	Commercial paper programme	Dec 15, 2025	7.45%	Dec 14, 2026	50	[ICRA]A1+
INE879F14MJ7	Commercial paper programme	Jan 19, 2026	7.78%	Jan 18, 2027	300	[ICRA]A1+
INE879F14ML3	Commercial paper programme	Feb 04, 2026	8.00%	Feb 01, 2027	200	[ICRA]A1+
INE879F14MM1	Commercial paper programme	Feb 04, 2026	8.00%	Feb 03, 2027	200	[ICRA]A1+
INE879F14MN9	Commercial paper programme	Feb 13, 2026	7.77%	Feb 12, 2027	150	[ICRA]A1+
INE879F14MO7	Commercial paper programme	Feb 24, 2026	7.71%	Feb 23, 2027	100	[ICRA]A1+
INE879F14MP4	Commercial paper programme	Mar 02, 2026	7.69%	Mar 01, 2027	150	[ICRA]A1+
INE879F14MP4	Commercial paper programme	Mar 02, 2026	7.69%	Mar 01, 2027	75	[ICRA]A1+
INE879F14MR0	Commercial paper programme	Mar 09, 2026	7.69%	Mar 08, 2027	150	[ICRA]A1+
INE879F14MT6	Commercial paper programme	Mar 24, 2026	7.75%	Mar 23, 2027	75	[ICRA]A1+
INE879F14MT6	Commercial paper programme	Mar 24, 2026	7.75%	Mar 23, 2027	100	[ICRA]A1+
INE879F14MU4	Commercial paper programme	Apr 13, 2026	7.17%	Jul 13, 2026	250	[ICRA]A1+
INE879F14MV2	Commercial paper programme	Apr 17, 2026	6.75%	Jul 17, 2026	150	[ICRA]A1+
INE879F14MW0	Commercial paper programme	Apr 23, 2026	6.75%	Jul 23, 2026	125	[ICRA]A1+
Not yet placed	Commercial paper programme	NA	NA	NA	6,275	[ICRA]A1+
Not yet placed	Non-convertible debentures	NA	NA	NA	2,500	[ICRA]AA+ (Stable)
NA	Long term/Short term fund based – Others	-	-	-	2,000	[ICRA]AA+ (Stable)/ [ICRA]A1+

Source: Company; Data as on April 30, 2026

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

Annexure III: List of entities considered for consolidated analysis

Not applicable

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