



Indian Railway Finance Corporation Limited

On Track for Nation Building

Table of Contents

01

Overview of IRFC

02

Articulating the IRFC Story

03

Unfolding IRFC 2.0

A

Appendix



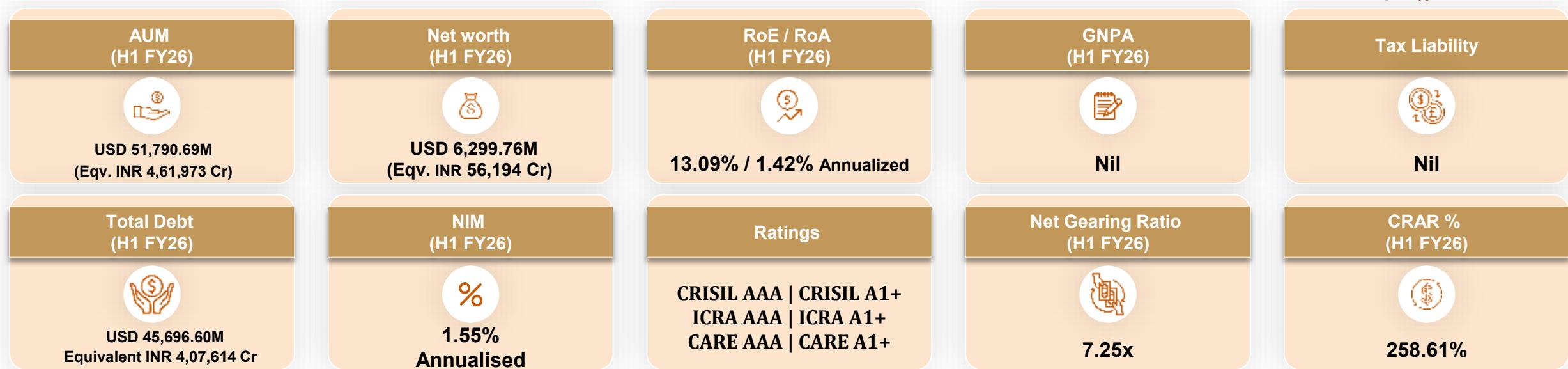


1. Overview of IRFC

Snapshot of the Company

Company Overview

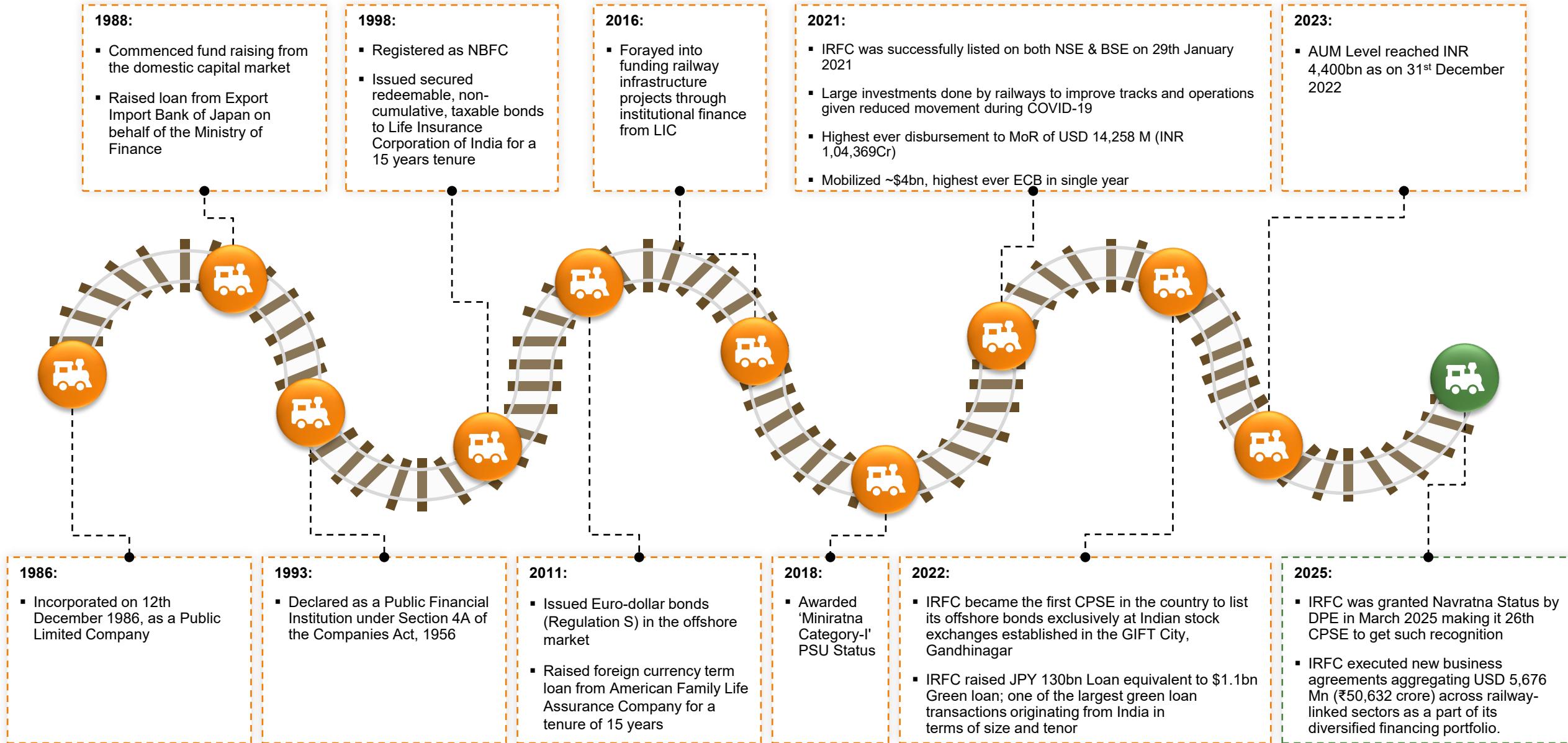
- IRFC is registered with RBI as a systemically important NBFC-ND-IFC, Majorly owned by the Government of India (GoI) acting through Ministry of Railways (MoR)
- It is the dedicated market borrowing arm for the Indian Railways
- Primary business includes:
 - Financing the acquisition of rolling stock assets
 - Leasing of railway infrastructure assets and national projects of the GoI
 - Lending to other entities under the MoR
- Company has initiated a focused diversification strategy (IRFC 2.0), for financing projects with forward & backward linkages for Railways



Note: All numbers are as on 30th Sep 2025



IRFC's Evolution – Moving From Strength to Strength





2. Articulating the IRFC Story

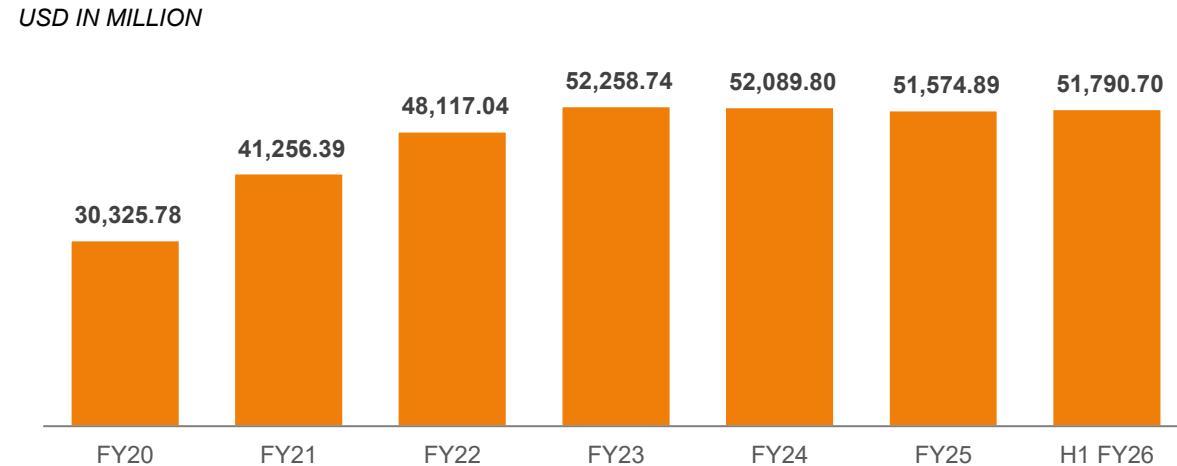
Key Investment Highlights

1  Strategic Role in Growth of Indian Railways	AUM CAGR (FY20- H1 FY26) 10.2%	<ul style="list-style-type: none"> Dedicated market borrowing arm for the Indian Railways AUM as on 30th Sept 2025 stands at USD 51,790.70 Million (INR 4,61,973 Cr)
2  Low Risk, Cost - Plus Business Model	GNPA (H1 FY26) NIL	<ul style="list-style-type: none"> Strategic relationship with the MoR enables to maintain a low risk profile Cost-Plus Standard Lease Agreements with MoR Consistent spreads on Rolling Stock and Project Assets over last five years Exempted from the RBI's asset classification norms, provisioning norms, exposure norms to the extent of direct exposure on MoR and is not required to pay 'minimum alternate tax' with effect from Fiscal 2020 under section 115BAA of Income Tax Act
3  Competitive Cost of Borrowings	Long Term Ratings AAA	<ul style="list-style-type: none"> Highest credit rating for an Indian Issuer from ICRA, CRISIL & CARE Diversified funding sources of various maturities & currencies Competitive cost of borrowing to keep finance cost under check
4  Strong Asset - Liability Management	Cumulative Gap Over 5 yrs NIL	<ul style="list-style-type: none"> IRFC borrows on a long-term basis to align with the long-term tenure of the assets financed MoR is required to provide for any shortfall in funding under the Standard Lease Agreement
5  Consistent Financial Performance	Net Worth (H1 FY26) USD 6,299.76M	<ul style="list-style-type: none"> PAT upto HY1 FY 25-26 stands at USD 394.92 Million (INR 3,522.67Cr.) and grew by 10.45 % as compared to the corresponding previous HY1 FY 24-25. Revenue from operations in H1 FY26 stands at USD 1,489.60 Million (INR 13,287 Cr) Low overheads, administrative costs and high operational efficiency Healthy return ratios – RoA at 1.42% and RoE at 13.09% for H1 FY26 (Annualised)
6  Value Creation Drivers	IRFC 2.0	<ul style="list-style-type: none"> Diversification in business by lending to those with forward and backward linkages to the railways

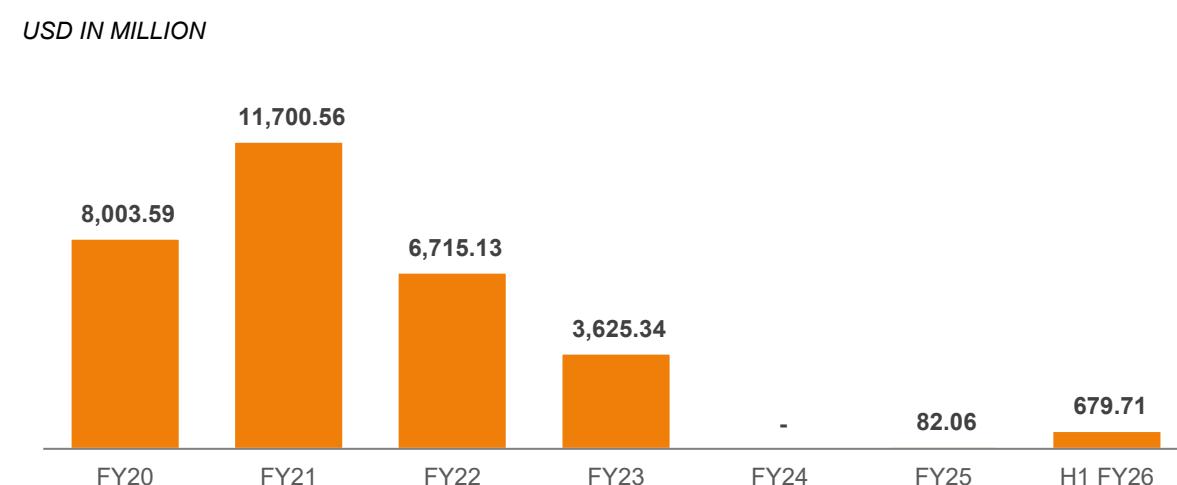


Strategic Role in Financing Growth of Indian Railways

Assets Under Management

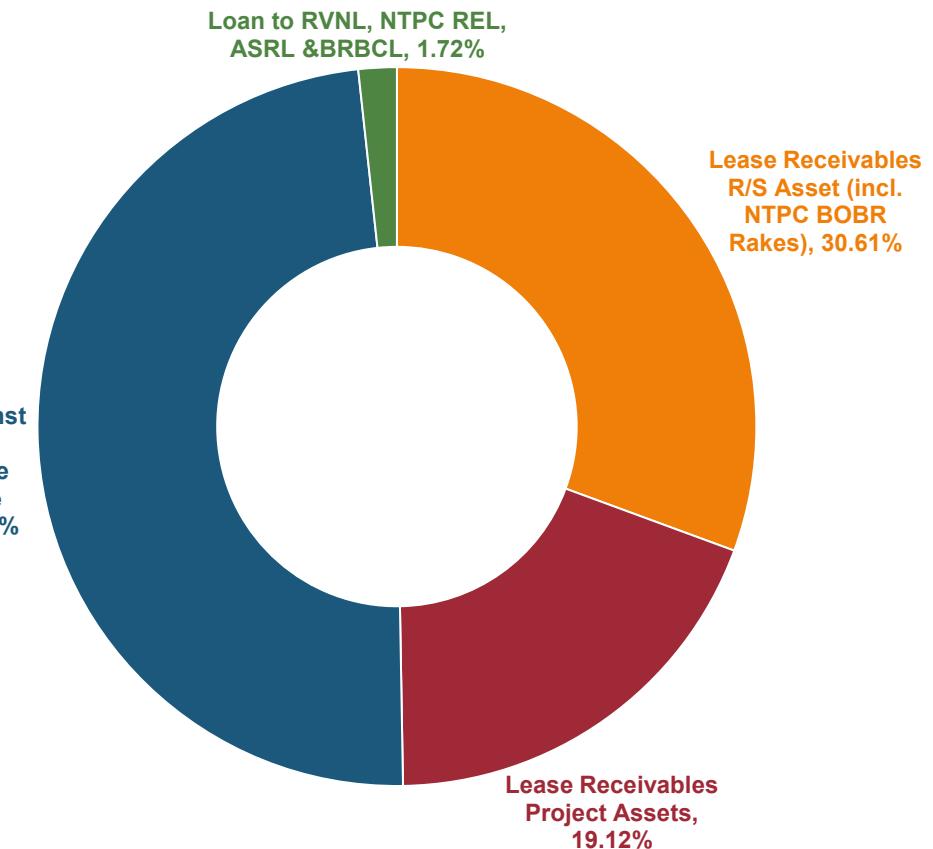


Disbursements



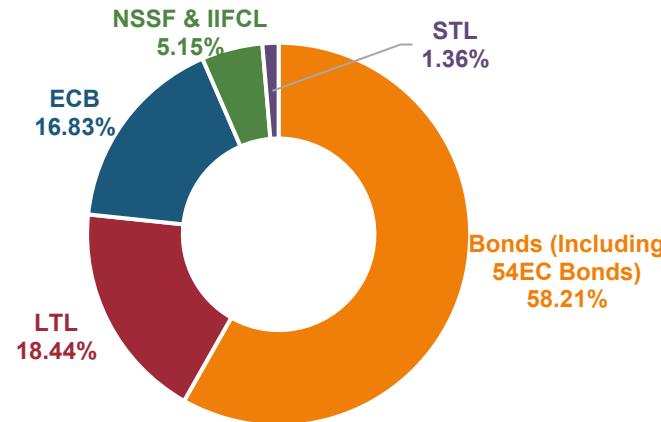
AUM Break-Up (H1 FY26)

Minimal credit risk currently: 98.25% of AUM is exposed to MoR

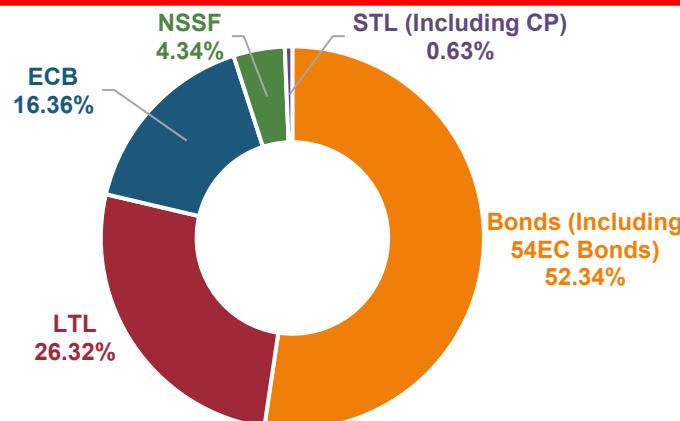


Competitive Cost Driven by Strong Credit Ratings and Diversified Sources of Funding

Borrowing Mix as on 30th Sept 2025



Borrowing Mix as on 30th Sept 2024



Particulars (30 th Sep 2025)	Rating	Outlook
Domestic		
Long Term Rating		
CRISIL	CRISIL AAA	Stable
ICRA	ICRA AAA	Stable
CARE	CARE AAA	Stable
Short Term Rating		
CRISIL	CRISIL A1+	–
ICRA	ICRA A1+	–
CARE	CARE A1+	–
International¹		
Moody's	Baa3	Stable
Standard and Poor's	BBB	Stable
Fitch	BBB-	Stable
Japanese Credit Rating Agency	BBB+	Stable

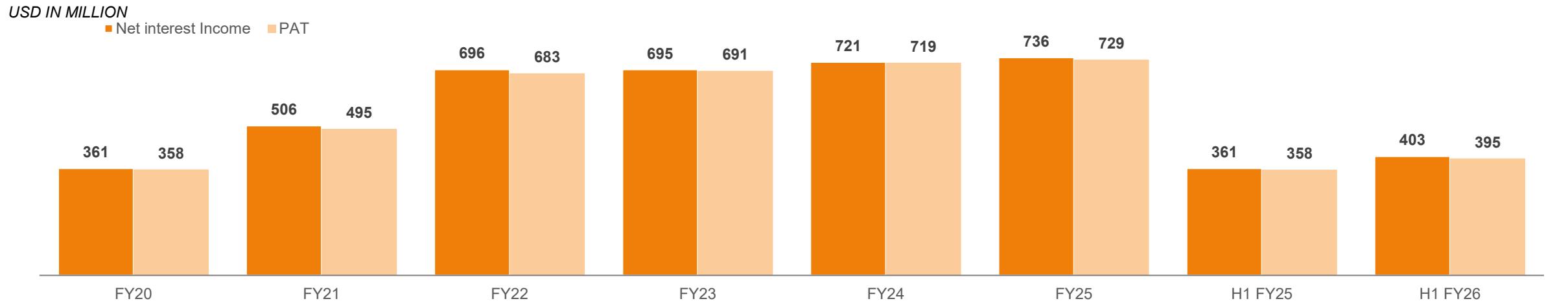
Diversified sources of funding, credit ratings and strategic relationship with the MoR, have enabled IRFC to keep costs of borrowing competitive

Note: ¹ At par with India's sovereign ratings

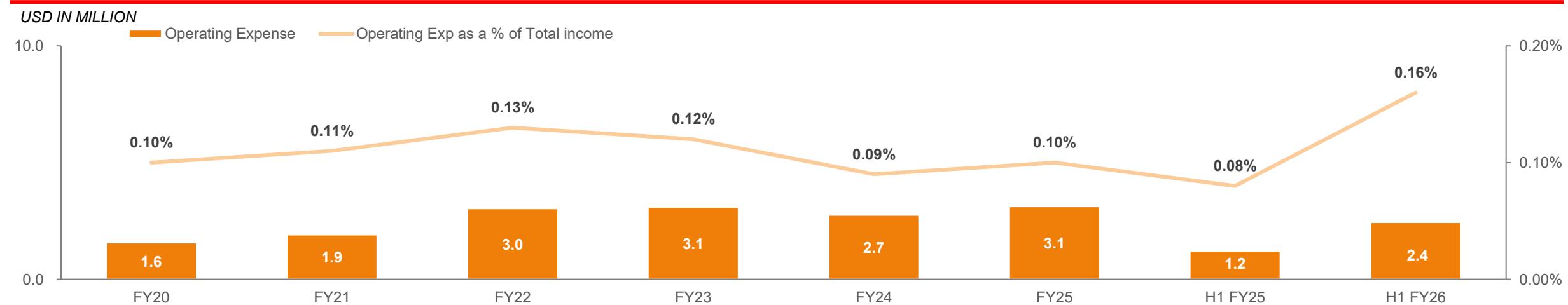


Consistent Financial Performance

Net Interest Income & PAT

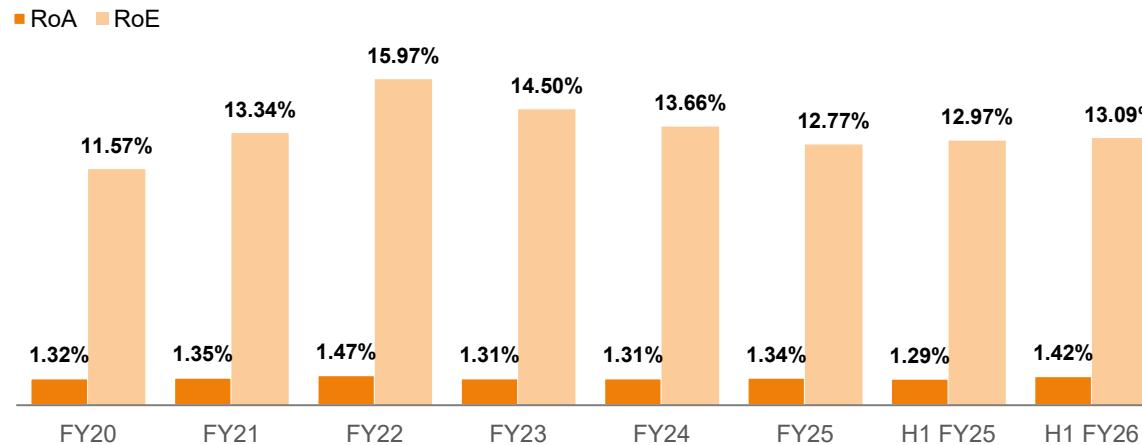


Negligible Operating Expenses

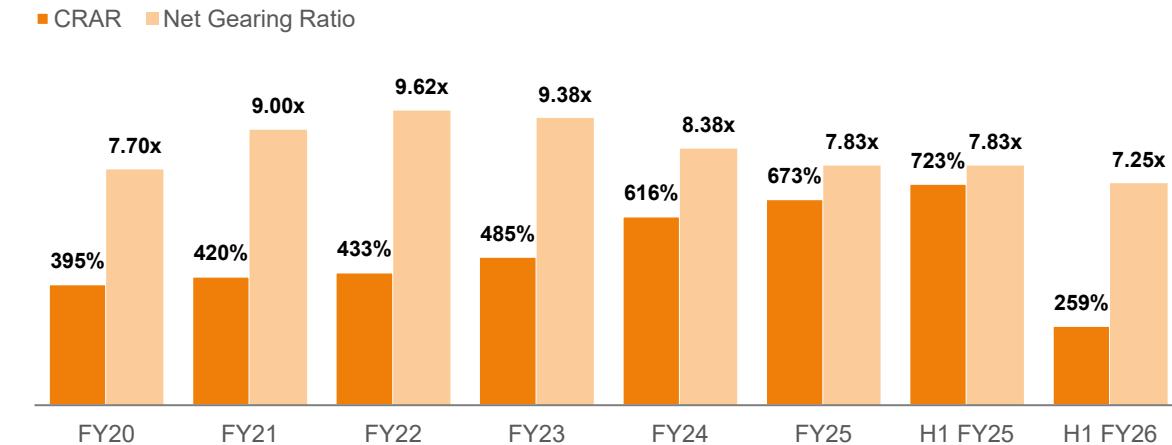


Consistent Financial Performance

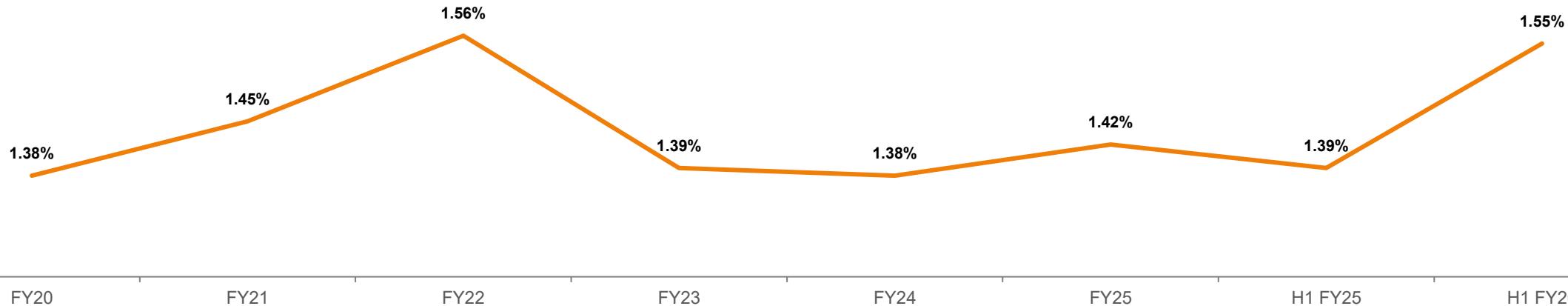
Return Ratios



CRAR and Net Gearing Ratio



Net Interest Margin



Snapshot of Key Financials

USD IN MILLION

Particulars	HALF YEAR ENDED		YEAR ENDED	
	H1 FY26	H1 FY25	Growth in %	FY25
Revenue from Operations	1,489.60	1,531.95	-2.76%	3,043.96
Finance Cost	1,083.95	1,166.33	-7.06%	2,297.66
Net Interest Income	402.50	361.47	11.35%	736.42
Profit Before Tax	394.92	357.56	10.45%	728.92
Profit After Tax	394.92	357.56	10.45%	728.92
Total Comprehensive Income	395.30	357.82	10.48%	727.17





3. Unfolding IRFC 2.0



Strategic Pivot for Sustained Growth



- Established in 1986 as the dedicated **financing arm of MoR**, has disbursed over **USD 61,659 Million (INR 550,000 Cr)**; with an average annual disbursement of **USD 7,175 Mn (INR 64,000Cr)** during FY18-23 to MoR
- Traditionally the company was aligned with MoR capital expenditure requirements

Foundational Role

IRFC 2.0



IRFC Response

Requirement for Realignment

Huge budgetary support implying no disbursement to MoR in FY24 to FY26; **uncertainty** over future MoR financing needs

Presents a **material risk** to IRFC's **long-term financial sustainability, revenue generation, and valuation**, especially as a publicly listed company

Initiated a focused **diversification strategy** rooted in its MoA, for financing projects with **forward & backward linkages** for Railways

Embraced a "**Whole-of-Government**" **approach**, keeping Indian Railways at core

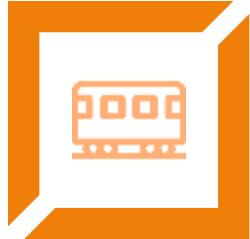
Strategy

- Expand beyond traditional leasing business to MoR, while staying aligned with core mandate and investing in high quality assets, with railways as its center
 - Transforming from a **single-client** financier to **diversified, infra-focused CPSE**
 - Strategic targeting of **infrastructure entities** within railway ecosystem
 - Navratna status enhances flexibility for responsible expansion into key areas like **Metro, Rapid Rail, Urban Transport and Freight Corridors**
- Well positioned** as compared to other financial institutions like **Banks** and **NBFCs** who are constrained by **loan size and tenor**

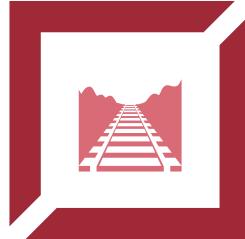


The Way Forward and Opportunities in Indian Railways

As per charter, company can fund any entity that has backward or forward linkage with Indian Railways



Rolling Stock Lease
To Entities other than MoR



Funding Railway Infrastructure
Through State JV



Dedicated Freight Lines
Of Semi/High Speed Railway Corridors &
High-Speed Train



Sector Diversification
Power Generation & Transmission, Mining,
Fuel, Coal, Warehousing, Telecom, Hotels
and Catering



Multi-Modal Logistics Parks
Diversifying Across Modes of Transport



Non-conventional sources of Energy
Including Renewable Energy for the
Railway Network

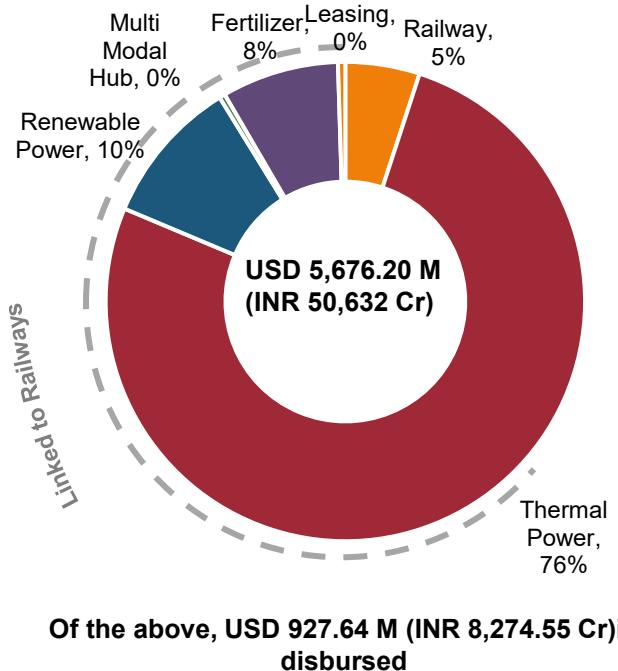
IRFC has already entered into MoUs with RITES, IIFCL, REMCL, MMRDA, JNPA, Sagar Mala Finance Corp Ltd., etc for strategic collaboration

Note: RITES - Rail India Technical and Economic Service; IIFCL - India Infrastructure Finance Company Limited; REMCL - Railway Energy Management Company Limited; MMRDA - Mumbai Metropolitan Region Development Authority; JNPA - Jawaharlal Nehru Port Authority



Robust Pipeline of Diversified Financing Proposals

Mix of already sanctioned projects as at 30-11-2025



Sanctioned Loans

Railway & Multi Modal Hub

- IRFC has sanctioned loan for re-financing of **USD 284.64 M (INR 2,539Cr)** for ASRL, which is a **SPV (majorly owned by RVNL and CONCOR)**; has already disbursed **USD 277.15 M (INR 2,472.20 Cr)**
- Sanctioned **USD 22.49 M (INR 199.70 Cr)** fresh financing for SITCO (Rail and Land Development Authority)

Leasing

- Lease financing of **USD 28.03 M (INR 250 Cr)** for BOBR Rakes, used for efficient coal transport; has already disbursed **USD 14.02 M (INR 125.06 Cr)**

Thermal Power

- Sanctioned re-financing of USD 126.12 M (INR 1,125Cr)** in thermal power sector, to be used for power supply to Indian Railways (BRBCL); has already disbursed **USD 122.98 M (INR 1,096.96 Cr)**
- Fresh financing of USD 560.54 M (INR 5,000Cr)** to NTPC, to be used for power supply to Indian Railway
- Won USD 379.93 M (INR 3,389 Cr)** lowest bid for a subsidiary of a CPSE
- Won USD 1,183.86 M (INR 10,560 Cr)** lowest bid for MSPGCL; has already disbursed **USD 111.28 M (INR 992.58 Cr)**
- Won USD 1,417.04 M (INR 12,640 Cr)** lowest bid for CSPGCL and **Won USD 664.69 M (INR 5,929 Cr)** lowest bid for HPGCL

Fertilizer

- Sanctioned USD 448.43 M (INR 4,000 Cr)** fresh financing under consortium lending; **sanctioned in Q2 FY26**; has already disbursed **USD 54.68 M (INR 487.74 Cr)**

Renewable Power

- Fresh financing of USD 560.54 M (INR 5,000Cr)** to supply renewable energy to railways (PPA exists between **NTPC Renewables** and Indian Railway); has already disbursed **USD 347.53M (INR INR 3,100Cr)**

Future Growth Avenues

Metro Linked Funding

- Signed MoU with MMRDA to explore **USD 5,605.38M (INR 50,000Cr)** metro-linked funding
- The company is also in talks with Hyderabad, Gurugram, Chennai, Andhra Pradesh and Mumbai metro
- Company has also approached MoHUA to support nationwide metro financing

Note: ASRL - Angul Sukinda Railway Limited; RVNL - Rail Vikas Nigam Limited; MMRDA - Mumbai Metropolitan Region Development Authority; SITCO - Surat Integrated Transportation Development Corporation Limited ; BRBCL - Bhartiya Rail Bijlee Company Limited ; NTPC - National Thermal Power Corporation Limited ; MSPGCL - Maharashtra State Power Generation Company ; CSPGCL - Chhattisgarh State Power Generation Company Limited ; HPGCL - Haryana Power Generation Corporation Limited ; MoHUA - Ministry of Housing and Urban Affairs; BOBR - Bogie Open Bottom Rapid Discharge hopper wagon;





Appendix - Financial Statements

Profit & Loss Statement

(All amounts is USD Million, unless stated otherwise)

Particulars	H1FY26	H1FY25	FY25
Revenue From Operations			
Interest Income	485.03	419.23	865.44
Lease Income	1,002.97	1,112.72	2,177.96
Other Operating Income	1.60	-	0.56
Total Revenue from Operations	1,489.60	1,531.95	3,043.96
Dividend Income	-	0.04	0.08
Other Income	0.32	0.10	0.40
Total Income	1,489.93	1,532.09	3,044.44
Expenses	-	-	-
Finance Costs	1,083.95	1,166.33	2,297.66
Impairment on Financial Instruments	1.13	-0.35	0.08
Employee Benefit Expense	1.04	0.62	1.51
Depreciation, Amortization and Impairment	0.30	0.30	0.60
Other Expenses	8.59	7.63	15.67
Total Expenses	1,095.01	1,174.52	2,315.52
Profit Before Exceptional Items and Tax	394.92	357.56	728.92
Exceptional Items	-	-	-
Profit Before Tax	394.92	357.56	728.92
Current Tax	-	-	-
Deferred Tax	-	-	-
Adjustment for Earlier Years	-	-	-
Profit for the Period from Continuing Operations	394.92	357.56	728.92



Balance Sheet (1/2)

(All amounts is USD Million, unless stated otherwise)

Particulars	As at 30 th Sep 2025	As at 30 th Sep 2024	As at 31 st March 2025
Assets			
Financial Assets			
Cash And Cash Equivalents	2,102.07	1,352.48	636.80
Bank Balance Other Than Cash and Cash Equivalents	66.74	33.92	51.89
Derivative Financial Instruments	51.01	44.88	41.41
Loans:	-	-	-
Loan to Railway Companies	891.82	501.61	579.77
Lease Receivables	25,756.71	28,010.46	31,915.79
Investments	4.68	6.24	4.28
Other Financial Assets	26,316.59	24,140.84	20,275.68
Total Financial Assets	55,189.62	54,090.43	53,505.62
Non-Financial Assets			
Current Tax Assets (Net)	42.99	42.49	43.75
Property, Plant And Equipment	1.52	1.55	1.55
Right of Use Assets	0.17	0.53	0.35
Intangible assets under development	0.42	0.42	0.42
Other Intangible Assets	0.07	0.11	0.07
Other Non-Financial Assets	1,267.03	1,284.69	1,250.33
Total Non-Financial Assets	1,312.21	1,329.79	1,296.47
Total Assets	56,501.83	55,420.22	54,802.09



Balance Sheet (2/2)

(All amounts is USD Million, unless stated otherwise)

Particulars	As at 30 th Sep 2025	As at 30 th Sep 2024	As at 31 st March 2025
Liabilities and Equity			
Financial Liabilities			
Derivative Financial Instruments	300.39	196.21	250.08
Payables	-	-	-
Trade payables	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises	-	-	-
Other payables	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	0.08	0.03	0.14
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1.78	1.08	1.30
Debt Securities	29,348.75	26,246.37	27,895.90
Borrowings (Other Than Debt Securities)	16,347.85	18,944.92	18,306.95
Lease Liabilities	0.28	0.55	0.37
Other Financial Liabilities	3,785.20	3,833.54	2,292.07
Total Financial Liabilities	49,784.34	49,222.70	48,746.81
Non-Financial Liabilities			
Provisions	34.15	23.44	29.17
Other Non-Financial Liabilities	383.58	404.57	121.66
Total Non-Financial Liabilities	417.73	428.00	150.82
Total Liabilities	50,202.07	49,650.70	48,897.64
Equity			
Equity Share Capital	1,465.08	1,465.08	1,465.08
Other Equity	4,834.68	4,304.44	4,439.38
Total Equity	6,299.76	5,769.52	5,904.46
Total Liabilities And Equity	56,501.83	55,420.22	54,802.09

