



**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





A photograph of a yellow and red electric locomotive pulling a train of green and white freight cars on a railway track. The train is moving towards the viewer. The background shows a sunset or sunrise with a warm orange glow. There are trees on the left and right sides of the track. A road with yellow dashed lines crosses the tracks in the foreground. Signal lights are visible on the right side of the track.

## 1. Overview of IRFC

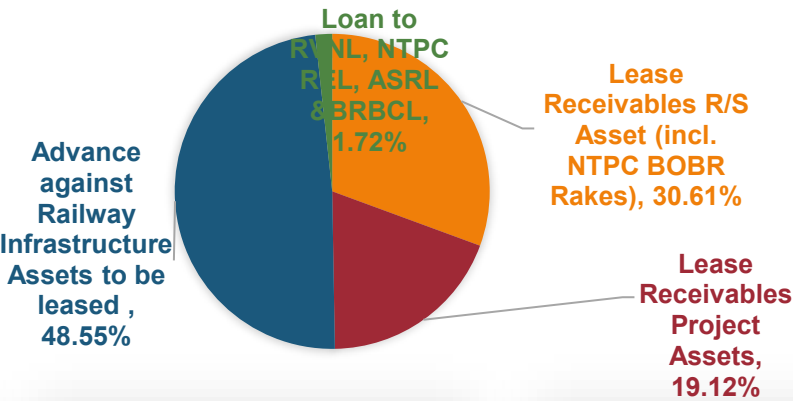
# Snapshot of the Company











## 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

## AUM Break-Up (H1 FY26)

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



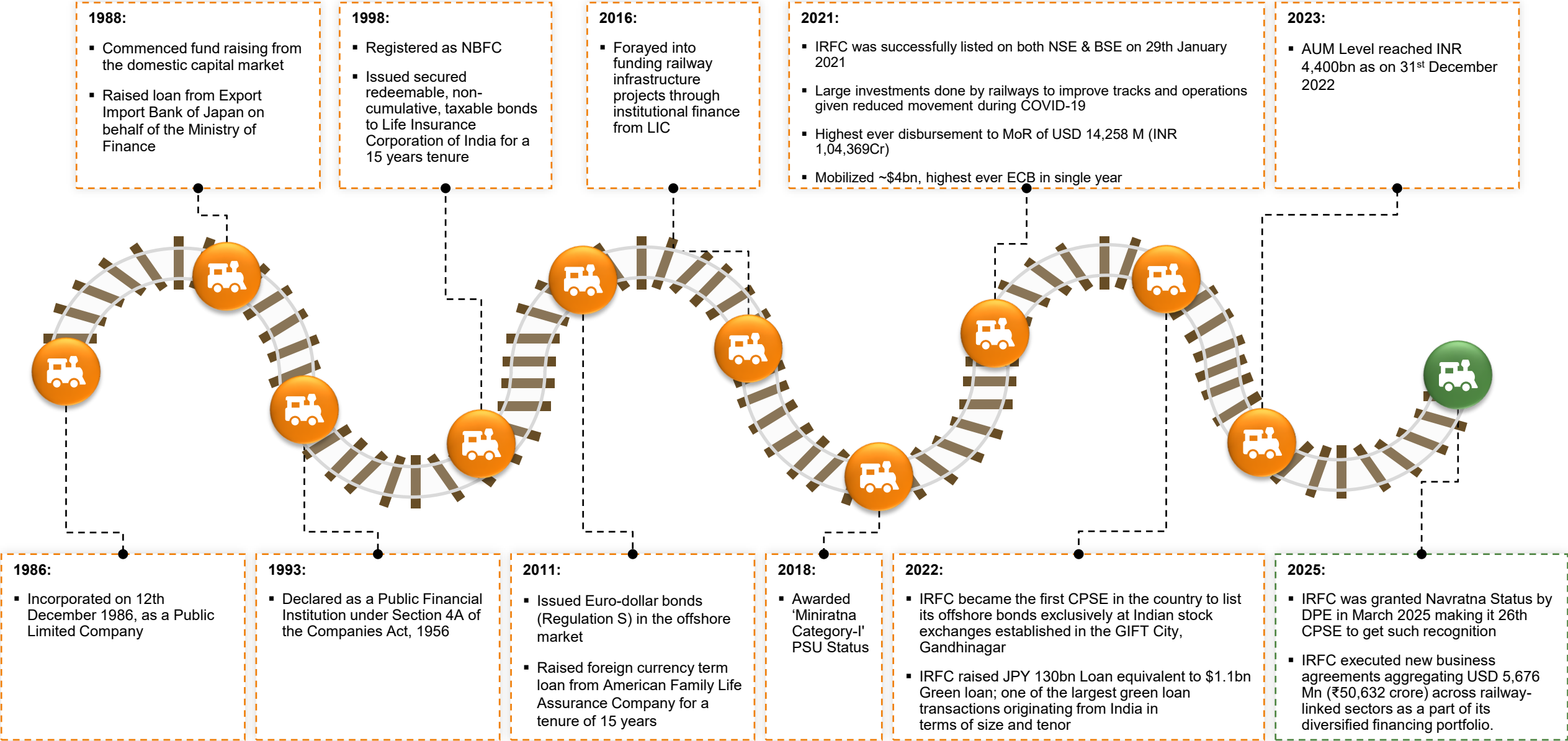
<div>AUM (H1 FY26)</div> <div></div> <div>USD 51,790.69M (Eqv. INR 4,61,973 Cr)</div>	<div>Net worth (H1 FY26)</div> <div></div> <div>USD 6,299.76M (Eqv. INR 56,194 Cr)</div>	<div>RoE / RoA (H1 FY26)</div> <div></div> <div>13.09% / 1.42% Annualized</div>	<div>GNPA (H1 FY26)</div> <div></div> <div>Nil</div>	<div>Tax Liability</div> <div></div> <div>Nil</div>
<div>Total Debt (H1 FY26)</div> <div></div> <div>USD 45,696.60M Equivalent INR 4,07,614 Cr</div>	<div>NIM (H1 FY26)</div> <div></div> <div>1.55% Annualised</div>	<div>Ratings</div> <div></div> <div>CRISIL AAA   CRISIL A1+ ICRA AAA   ICRA A1+ CARE AAA   CARE A1+</div>	<div>Net Gearing Ratio (H1 FY26)</div> <div></div> <div>7.25x</div>	<div>CRAR % (H1 FY26)</div> <div></div> <div>258.61%</div>

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

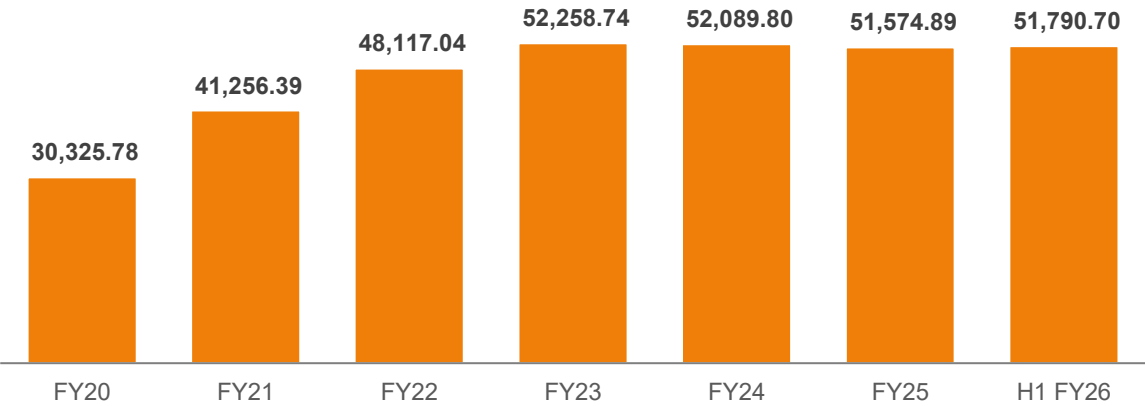
1	 <b>Strategic Role in Growth of Indian Railways</b>	<b>AUM CAGR (FY20- H1 FY26)</b> <b>10.2%</b>	<ul style="list-style-type: none"> <li>■ Dedicated market borrowing arm for the Indian Railways</li> <li>■ AUM as on 30<sup>th</sup> Sept 2025 stands at USD 51,790.70 Million (INR 4,61,973 Cr)</li> </ul>
2	 <b>Low Risk, Cost - Plus Business Model</b>	<b>GNPA (H1 FY26)</b> <b>NIL</b>	<ul style="list-style-type: none"> <li>■ Strategic relationship with the MoR enables to maintain a low risk profile</li> <li>■ Cost-Plus Standard Lease Agreements with MoR</li> <li>■ Consistent spreads on Rolling Stock and Project Assets over last five years</li> <li>■ 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</li> </ul>
3	 <b>Competitive Cost of Borrowings</b>	<b>Long Term Ratings</b> <b>AAA</b>	<ul style="list-style-type: none"> <li>■ Highest credit rating for an Indian Issuer from ICRA, CRISIL &amp; CARE</li> <li>■ Diversified funding sources of various maturities &amp; currencies</li> <li>■ Competitive cost of borrowing to keep finance cost under check</li> </ul>
4	 <b>Strong Asset - Liability Management</b>	<b>Cumulative Gap Over 5 yrs</b> <b>NIL</b>	<ul style="list-style-type: none"> <li>■ IRFC borrows on a long-term basis to align with the long-term tenure of the assets financed</li> <li>■ MoR is required to provide for any shortfall in funding under the Standard Lease Agreement</li> </ul>
5	 <b>Consistent Financial Performance</b>	<b>Net Worth (H1 FY26)</b> <b>USD 6,299.76M</b>	<ul style="list-style-type: none"> <li>■ 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.</li> <li>■ Revenue from operations in H1 FY26 stands at USD 1,489.60 Million (INR 13,287 Cr)</li> <li>■ Low overheads, administrative costs and high operational efficiency</li> <li>■ Healthy return ratios – RoA at 1.42% and RoE at 13.09% for H1 FY26 (Annualised)</li> </ul>
6	 <b>Value Creation Drivers</b>	<b>IRFC 2.0</b>	<ul style="list-style-type: none"> <li>■ Diversification in business by lending to those with forward and backward linkages to the railways</li> </ul>



# Strategic Role in Financing Growth of Indian Railways

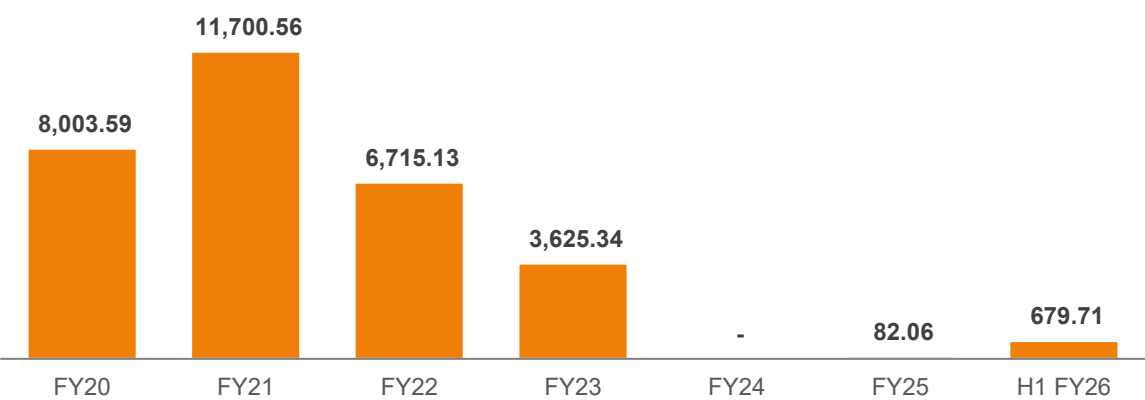
Assets Under Management

USD IN MILLION



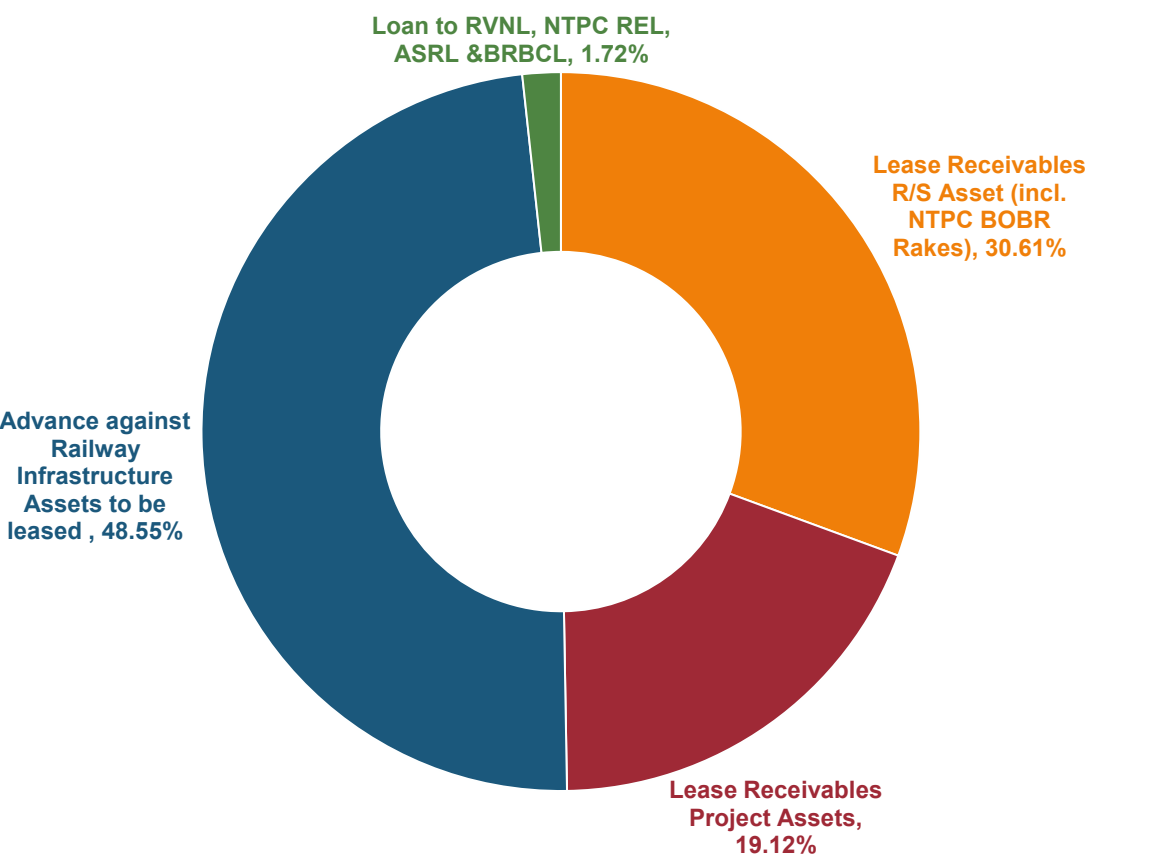
Disbursements

USD IN MILLION



AUM Break-Up (H1 FY26)

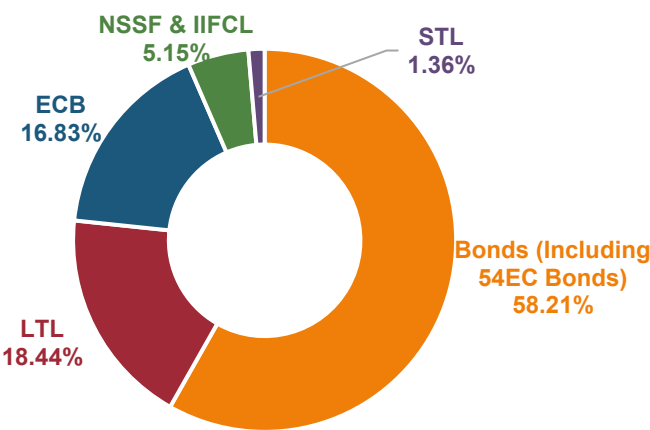
Minimal credit risk currently: 98.25% of AUM is exposed to MoR



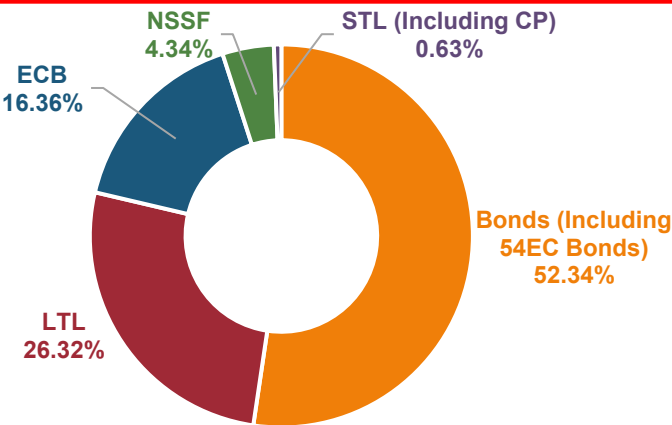


# Competitive Cost Driven by Strong Credit Ratings and Diversified Sources of Funding

Borrowing Mix as on 30<sup>th</sup> Sept 2025



Borrowing Mix as on 30<sup>th</sup> Sept 2024



Particulars (30 <sup>th</sup> 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+	–
International <sup>1</sup>		
Moody's	Baa3	Stable
Standard and Poor's	BBB	Stable
Fitch	BBB-	Stable
Japanese Credit Rating Agency	BBB+	Stable

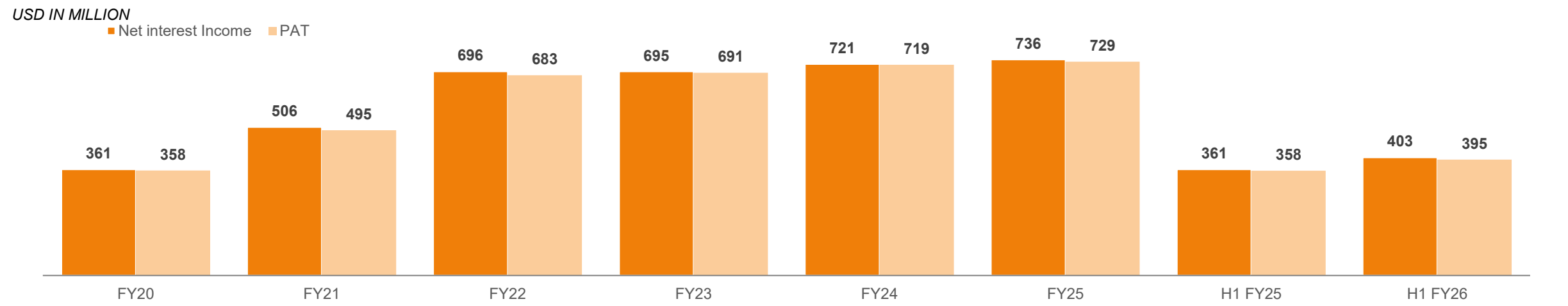
Diversified sources of funding, credit ratings and strategic relationship with the MoR, have enabled IRFC to keep costs of borrowing competitive

Note: <sup>1</sup> At par with India's sovereign ratings

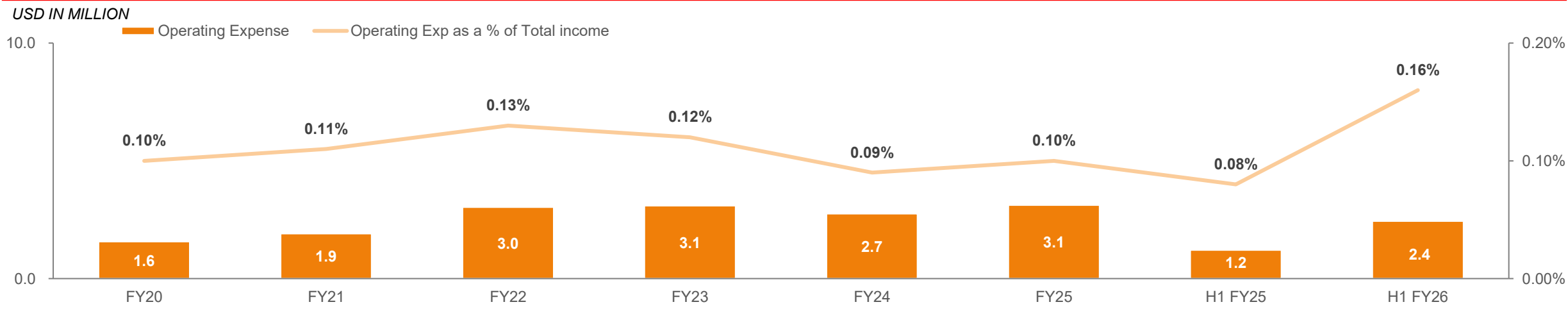


# Consistent Financial Performance

## Net Interest Income & PAT



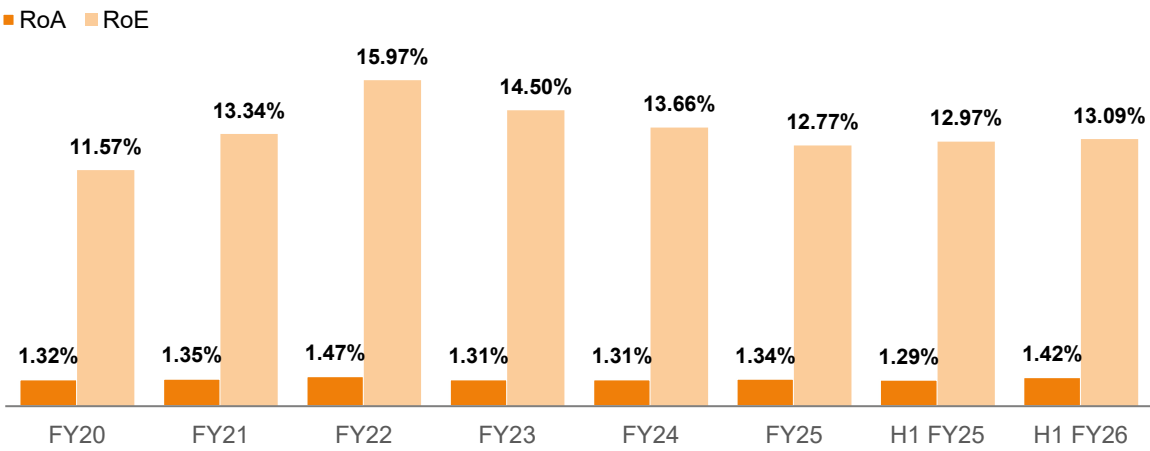
## Negligible Operating Expenses



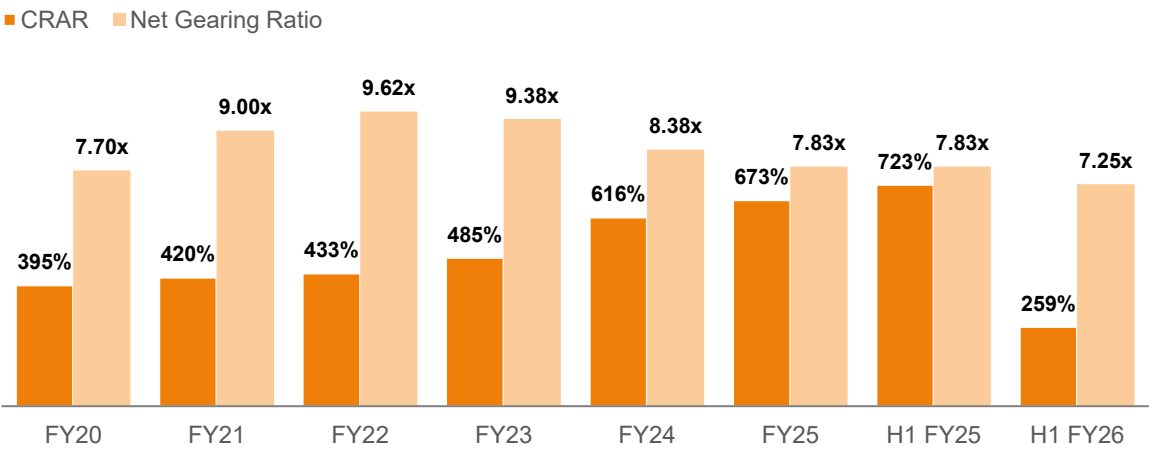


# Consistent Financial Performance

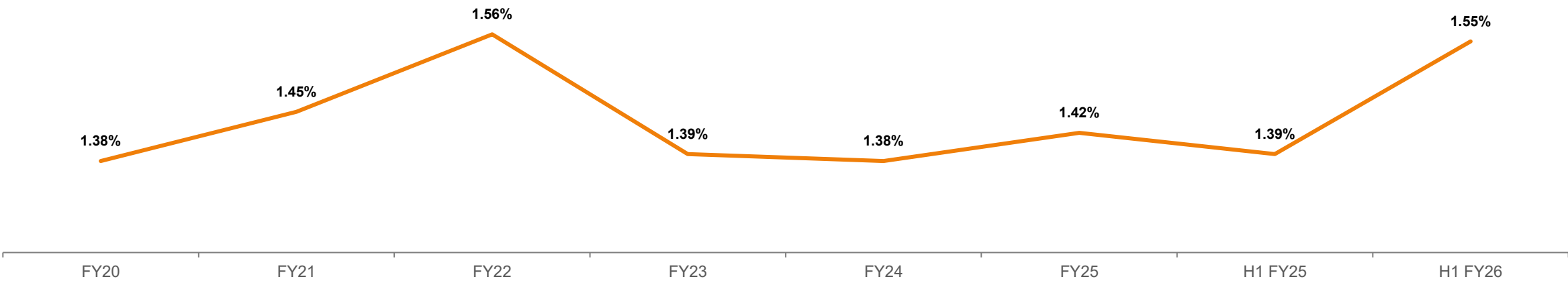
Return Ratios



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



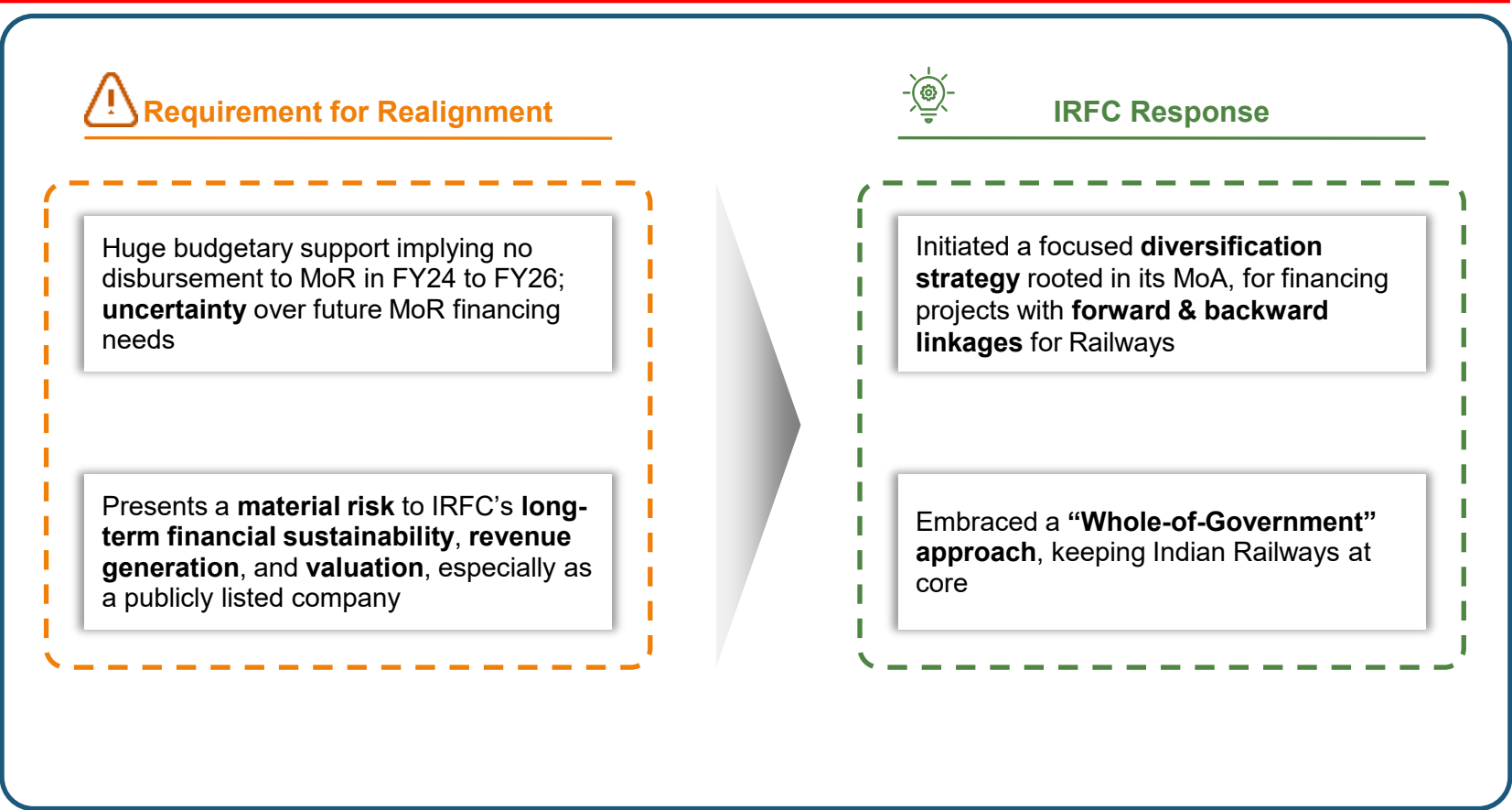
# Strategic Pivot for Sustained Growth



### Foundational Role

- 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

## IRFC 2.0



## Strategy

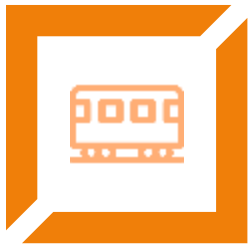
- Expand beyond traditional leasing business to MoR, while staying aligned with core mandate and investing in high quality assets, with railways as it center
  - Transforming from a **single-client** financier to **diversified, infra-focused CPSE**
  - Strategic targeting of **infrastructure entities** 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**



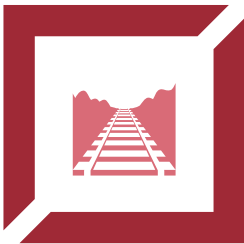


# The Way Forward and Opportunities in Indian Railways

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



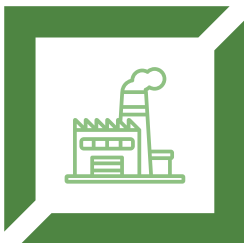
**Rolling Stock Lease**  
To Entities other than MoR



**Funding Railway Infrastructure**  
Through State JV



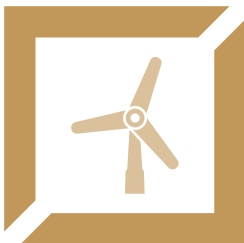
**Dedicated Freight Lines**  
Of Semi/High Speed Railway Corridors &  
High-Speed Train



**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

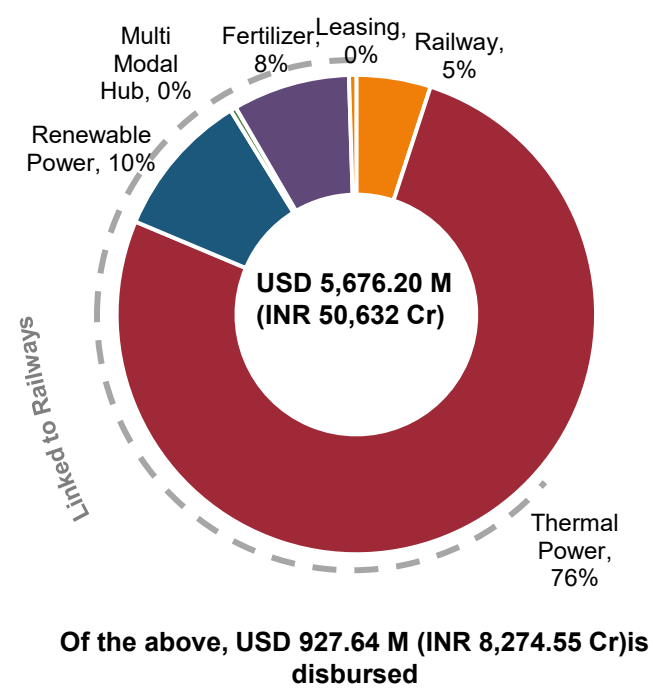
*Note: RITES - Rail India Technical and Economic Service; IIFCL - India Infrastructure Finance Company Limited; REMCL - Railway Energy Management Company Limited; MMRDA - Mumbai Metropolitan Region Development Authority; JNPA – Jawaharlal Nehru Port Authority*



# Robust Pipeline of Diversified Financing Proposals

## Sanctioned Loans

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



### 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
<b>Total Revenue from Operations</b>	<b>1,489.60</b>	<b>1,531.95</b>	<b>3,043.96</b>
Dividend Income	-	0.04	0.08
Other Income	0.32	0.10	0.40
<b>Total Income</b>	<b>1,489.93</b>	<b>1,532.09</b>	<b>3,044.44</b>
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
<b>Total Expenses</b>	<b>1,095.01</b>	<b>1,174.52</b>	<b>2,315.52</b>
Profit Before Exceptional Items and Tax	<b>394.92</b>	<b>357.56</b>	<b>728.92</b>
Exceptional Items	-	-	-
<b>Profit Before Tax</b>	<b>394.92</b>	<b>357.56</b>	<b>728.92</b>
Current Tax	-	-	-
Deferred Tax	-	-	-
Adjustment for Earlier Years	-	-	-
<b>Profit for the Period from Continuing Operations</b>	<b>394.92</b>	<b>357.56</b>	<b>728.92</b>



# Balance Sheet (1/2)

(All amounts is USD Million, unless stated otherwise)

Particulars	As at 30 <sup>th</sup> Sep 2025	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> March 2025
<b>Assets</b>			
<b>Financial Assets</b>			
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
<b>Total Financial Assets</b>	<b>55,189.62</b>	<b>54,090.43</b>	<b>53,505.62</b>
<b>Non-Financial Assets</b>			
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
<b>Total Non-Financial Assets</b>	<b>1,312.21</b>	<b>1,329.79</b>	<b>1,296.47</b>
<b>Total Assets</b>	<b>56,501.83</b>	<b>55,420.22</b>	<b>54,802.09</b>





# Balance Sheet (2/2)

(All amounts is USD Million, unless stated otherwise)

Particulars	As at 30 <sup>th</sup> Sep 2025	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> March 2025
<b>Liabilities and Equity</b>			
<b>Financial Liabilities</b>			
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
<b>Total Financial Liabilities</b>	<b>49,784.34</b>	<b>49,222.70</b>	<b>48,746.81</b>
<b>Non-Financial Liabilities</b>			
Provisions	34.15	23.44	29.17
Other Non-Financial Liabilities	383.58	404.57	121.66
<b>Total Non-Financial Liabilities</b>	<b>417.73</b>	<b>428.00</b>	<b>150.82</b>
<b>Total Liabilities</b>	<b>50,202.07</b>	<b>49,650.70</b>	<b>48,897.64</b>
<b>Equity</b>			
Equity Share Capital	1,465.08	1,465.08	1,465.08
Other Equity	4,834.68	4,304.44	4,439.38
<b>Total Equity</b>	<b>6,299.76</b>	<b>5,769.52</b>	<b>5,904.46</b>
<b>Total Liabilities And Equity</b>	<b>56,501.83</b>	<b>55,420.22</b>	<b>54,802.09</b>

