इण्डिया इन्फ्रास्ट्रक्चर फाइनैन्स कम्पनी लिमिटेड
(भारत सरकार का उद्यम)
India Infrastructure Finance Company Limited
(A Govt. of India Enterprise)

आई आई एफ सी एल
I I F C L

November 19, 2026

To BSE Limited
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

National Stock Exchange of India Limited
Listing Department Exchange Plaza
5th floor Plot No. C/1, G,
Block Bandra-Kurla Complex
Bandra (East), Mumbai 400 051

Subject: Announcement of assignment of ratings by S & P Global Ratings

Dear Sir/Madam,

Please find attached herewith copy of Ratings by S & P Global Ratings to India Infrastructure Finance Company Limited, which has been received on 19th Nov 2026.

The Institution has been assigned 'BBB/ A-2' Ratings; Outlook Stable.

We request you to take the above revised information on record. The same has also been hosted on the Institutions website at www.iifcl.in.

Thanking You,

Your Sincerely,
For India Infrastructure Finance Company Limited

(Ruchi Singhal)
Compliance Officer

Research Update:

India Infrastructure Finance Co. Ltd. Assigned 'BBB/A-2' Ratings; Outlook Stable

November 19, 2026

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Overview

- We believe India Infrastructure Finance Co. Ltd. (IIFCL) plays a critical role in furthering India's infrastructure development agenda and, as such, will receive extraordinary support from the government of India when needed.
- The institution is wholly owned by the government of India and falls under the strong oversight from the government and Reserve Bank of India (RBI), and has integral links with the government, in our view.
- We assigned our 'BBB' long-term and 'A-2' short-term issuer credit ratings to IIFCL.
- The stable outlook on the long-term rating reflects that on the sovereign credit rating on India.

Rating Action

On Nov. 19, 2026, S&P Global Ratings assigned its 'BBB' long-term and 'A-2' short-term issuer credit ratings to IIFCL. The outlook on the long-term rating is stable.

Outlook

The stable outlook on the long-term rating reflects that on our long-term sovereign rating on India and our expectation that government support for IIFCL will remain intact over the next 24 months.

Downside scenario

We could downgrade IIFCL following a similar rating action on the sovereign. We could also take a negative rating action if we see any weakening of government support for the institution. This could happen if the government is no longer a majority shareholder with tight control and oversight, or IIFCL's strategic importance to the national infrastructure development agenda declines.

Upside scenario

We could upgrade IIFCL if we were to do the same to the sovereign.

Rationale

Our ratings on IIFCL reflect our view of an almost certain likelihood that the Indian government would provide timely and sufficient extraordinary support to the institution in times of need. We therefore equalize our ratings on IIFCL with the sovereign credit ratings on India (BBB/Stable/A-2).

Our assessment of government support considers IIFCL's:

- Critical role in furthering the government's infrastructure development agenda. IIFCL bridges the infrastructure funding gap in India by providing ultra-long tenor loans, which commercial institutions typically cannot replicate.
- Integral link with the government, which is the institution's sole shareholder. The government has tight oversight of the institution through board representation via officials from the Ministry of Finance and Niti Aayog. It also falls under prudential oversight of the RBI.

We do not assess IIFCL's stand-alone credit profile because this is not a rating driver, given an almost certain likelihood of extraordinary support from the government. IIFCL executes strategic governmental policies and is a non-severable arm of the government of India. In addition, we do not believe government support is subject to any transition risk.

We view IIFCL's role for the government as critical, given that the entity is entrusted with the task of promoting, developing, and financing infrastructure projects with long gestation periods. Infrastructure investment is vital to support India's economy, given the country's level of development. We expect IIFCL to maintain its critical mandate to bridge market funding gaps, mitigate risks and develop investment opportunities. It will remain closely aligned with the strategies and policies of the central government under its Viksit Bharat 2047 vision.

As part of its mandate, IIFCL prioritizes public-private partnership (PPP) infrastructure projects. More than three-fourths of the projects sanctioned through direct lending and takeout finance in fiscal 2026 were under PPP mode.

Major infrastructure projects in India require massive capital, and these projects are segmented into different packages or phases. IIFCL caters to both construction and operational phases. The top three infrastructure segments IIFCL has lent to are roads, power generation, and airports. These accounted for about 62% of the institution's book as of March 31, 2026. All these segments are the key focuses of the central government.

We expect IIFCL to grow in scale, given its increased flexibility post the removal of restrictions in the framework for the Scheme for financing Viable Infrastructure Projects (SIFTI) earlier this year. Under the scheme, there were regulations around how much of the project cost the company could fund, e.g., for direct lending, IIFCL's total lending could not exceed 20% of the total project cost.

IIFCL received regular capital infusions from the government to support its rapid expansion. However, since fiscal 2021, improved financial performance has meant that it has not needed further capital injections.

We believe IIFCL is integrally linked to the Indian government. The government has tight supervisory control over the company's strategy, and appointments of senior management and board. We believe IIFCL's board structure reflects the high level of commitment from the government, and the tight link between the two.

The presence of top government officials heightens the reputational risk for the government if IIFCL fails to meet its debt obligations. The government has provided significant guarantees to IIFCL's borrowings. Currently, about 20% of the company's outstanding borrowings are guaranteed by the government. Notably, IIFCL has not sought new guarantees since 2024 because it has been able to fund competitively.

We believe the government has the administrative capacity and mechanisms to respond in a timely manner to financial distress at IIFCL. The government oversees the annual borrowing for IIFCL via board representatives. The Comptroller Auditor General of India appoints statutory auditors to audit the accounts of IIFCL.

IIFCL is 100% government owned. While there are plans for divestment of a minority stake, we expect the government to remain the majority controlling shareholder. We believe the planned stake sale will not alter the tightness of link with the government or role it plays.

IIFCL has a strong financial profile, characterized by a strong capital adequacy ratio of 20.5% as of March 2026—well above the 15% RBI requirement—and high-quality Tier 1 capital.

In our view, IIFCL will grow faster than trend over the next few years to support its policy mandate. This is bolstered by the removal of SIFTI restrictions and a significant turnaround in asset quality. IIFCL's asset quality has improved with reported gross nonperforming assets declining to 0.4% by March 2026 from 19.7% in March 2020. This improvement is a result of strengthened risk underwriting, increased share of highly rated loan portfolio, and strong recoveries.

While the long gestation nature of infrastructure lending and principal moratorium present inherent risks, IIFCL mitigates these through a strong internal risk management framework. This includes empaneling specialized technical experts, sector-specific modeling, and sound in-house credit underwriting capabilities. This has simultaneously driven a recovery in profitability since fiscal 2021. Earnings in fiscal 2026 were pressured by currency fluctuations on borrowings that were not fully hedged but the management has since substantially increased its hedged portion with the intent to cover almost all its foreign currency exposure moving forward.

The bulk of IIFCL's portfolio is of high credit quality. While profitability has improved, the lower risk also means thinner margin. We believe its ongoing portfolio shift toward higher-yield assets will be gradual, with profitability also influenced by funding costs and normalization in credit costs.

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Research Update: India 'BBB/A-2' Sovereign Ratings Affirmed; Outlook Stable, Aug. 27, 2026

- Indian Government-Owned Financial Institutions -The RBI Swap Effect Will Increase Offshore Activity, July 2, 2026

Ratings List

Ratings List	
New Rating	
India Infrastructure Finance Co. Ltd.	
Issuer Credit Rating	BBB/Stable/A-2

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

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