



India Infrastructure Finance Company Limited

(A Wholly Owned Govt. of India Enterprise)

(ISO : 9001 : 2015)

Regd. Office : 5th Floor, Block 2, Plate A & B, NBCC Tower, East Kidwai Nagar, New Delhi-110023

Phone : +91-11- 24662777

Website: www.iifcl.in

CIN : U67190DL2006GOI144520

ANNUAL REPORT

2025-26

Vision

"Provide innovative financing solutions to promote and develop world class infrastructure in India."

Mission

"To adopt best practices in financing infrastructure and develop core competencies in facilitating infrastructure development. Develop a team of highly engaged employees to deliver services in a professional manner and to the satisfaction of all stakeholders."

Wholly owned Subsidiary Companies

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FCRN : 06496661

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Phone : General: +44-20-7776 8950

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IIFCL Projects Limited

CIN : U74999DL2012GOI231473

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Email id : contact@iifclprojects.com

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IIFCL Asset Management Company Limited

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21st
**Annual General Meeting of the Shareholders of India Infrastructure Finance
Company Limited**

Date: 28th September 2026

Time: 12:30 p.m.

Place: Conference Hall, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001

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BANKERS

IDBI Bank
Punjab & Sind Bank
Union Bank of India
Central Bank
Canara Bank
PNB Gilts Ltd.
UCO Bank
HDFC Bank
Federal Bank
IDFC First Bank

State Bank of India
Punjab National Bank
Bank of India
Bank of Baroda
Maharashtra Bank
South Indian Bank
J&K Bank
Indian Overseas Bank
Axis Bank
IndusInd Bank

TRUSTEES

Vistra ITCL (INDIA) Limited
(formerly known as IL&FS Trust Company Limited)
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Email: vivek.choudhary@ilfsindia.com
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Email: compliance@beacontrustee.co.in ;
Website: www.beacontrustee.co.in

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Email: deepakkumar@idbitrustee.com
Website: www.idbitrustee.com

Catalyst Trusteeship Limited
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Bhusari Colony (Right) Kothrud Pune-411038
Tel. No. 022-43029101,
Email: dt@ctltrustee.com,
Website: www.catalysttrustee.com

STATUTORY AUDITORS

M/s ADB & Company, Chartered Accountants
(Firm Registration Number 005593C)
Flat no. 42, Sunview Apartment, Sector 11,
Pocket 4, Dwarka, Delhi 110075

M/s ABP & Associates, Chartered Accountants
(Firm Registration Number 315104E)
R-13, 3rd floor, Rajouri Garden, New Delhi 110027

SECRETARIAL AUDITORS

M/s. Akhil Rohatgi & Company
Company Secretaries
21, Shamnath Marg, Civil Lines, Delhi – 110054.

From the Managing Director's Desk

Dear Ladies and Gentlemen,

The Indian economy and its financial system have demonstrated remarkable resilience in the face of significant external shocks, underscoring the strength of the country's macroeconomic fundamentals, institutional frameworks, and policy response mechanisms. Globally, India is still the fastest-growing major economy supported by domestic demand, even as inflation remains within target. The balance sheets of banks and non-banks remain robust with adequate capital and liquidity buffers, limiting the risk of financial shocks spilling over to the real economy.

India's economic journey continues to be characterised by resilience, stability and an unwavering commitment to infrastructure-led growth. As the nation advances towards the vision of Viksit Bharat@2047, infrastructure remains the cornerstone of sustainable economic development, enhanced competitiveness and inclusive prosperity. The Government of India's sustained emphasis on capital expenditure, complemented by increasing private sector participation, has created opportunities to build world-class infrastructure across transportation, energy, urban development, digital connectivity, logistics and other emerging infrastructure sub-sectors.

The infrastructure financing landscape is undergoing a significant transformation. The scale of investment required over the coming decades demands financing models that extend beyond traditional bank lending. Institutional capital including pension funds, insurance companies, sovereign wealth funds and global infrastructure investors is expected to play an increasingly important role in meeting India's long-term infrastructure financing requirements. In this context, Public Financial Institutions have a unique responsibility to bridge market gaps, mitigate risks and develop bankable investment opportunities.

In this evolving landscape, IIFCL continues to reinforce its role as India's premier Public Financial Institution dedicated to infrastructure financing. The company, which remains firmly aligned with India's long-term development priorities, continues to play a pivotal role in powering the nation's infrastructure growth journey through resilient and sustained business expansion.

Sustainability is integral to infrastructure development. India's transition towards cleaner energy systems, climate-resilient infrastructure and resource-efficient growth presents significant opportunities for green investment. IIFCL remains committed to supporting environmentally sustainable infrastructure through responsible financing practices, integration of Environmental, Social and Governance (ESG) principles and adoption of

globally accepted sustainability standards. We believe that economic growth and environmental stewardship must progress together.

Technology and institutional excellence continue to remain at the heart of our transformation agenda. During the year, we further strengthened our digital processes, enhanced data-driven decision-making, upgraded risk management frameworks and improved operational efficiency. Investments in human capital, governance and innovation have enabled us to build a more agile, responsive and future-ready institution capable of addressing the evolving needs of the infrastructure sector.

During FY 2025–26, IIFCL continued its growth trajectory while maintaining strong financial discipline and prudent risk management. The Company expanded its support across highways, airports, power, renewable energy, urban infrastructure, and other sectors that are central to India's growth aspirations.

It is my privilege to present the Annual Report of India Infrastructure Finance Company Limited (IIFCL) for the financial year 2025–26 during the 21st Annual General Meeting of IIFCL with another year of exceptional performance of the company reflecting sustained growth in infrastructure financing activities, continued expansion of its loan portfolio, strong operating performance and strengthening of asset quality.

IIFCL recorded its highest-ever annual sanctions of ₹57,680 crore during FY 2025-26, registering a growth of approximately 13% over the previous year while annual disbursements increased 16% y-o-y to ₹32,972 Crore. The cumulative sanctions and disbursements stood at Rs 3,64,491 crore and Rs 1,89,476 crore, respectively, as on 31st March, 2026 reflecting continued financing support for infrastructure creation across the country.

Further, IIFCL demonstrated strength in its core financing operations during FY 2025-26. The company's operating income nearly doubled over the last five years, increasing from ₹3,618 crore in FY 2021-22 to ₹6,962 crore in FY 2025-26. The company reported a Profit Before Tax (PBT) of ₹1,984 crore and Profit After Tax (PAT) of ₹1,379 crore during FY 2025-26. IIFCL's net worth increased to ₹17,898 crore in FY 2025-26 from ₹16,395 Crore in the previous year, reflecting continued strengthening of the company's capital base and lending capacity.

IIFCL further strengthened its asset quality during FY 2025-26, with Gross NPA declining to 0.40% from 1.11% in the previous year, while Net NPA reduced to NIL with Provision Coverage Ratio of 100%. The proportion of IIFCL's assets rated in 'A' category and above by external credit rating agencies improved to around 96% as of 31st March, 2026, compared to around

93% as on 31st March, 2025. Your company has seen significant recovery from NPAs at around Rs 880 crore in FY2025-26.

Following the discontinuation of Scheme for Financing Viable Infrastructure Projects through a Special Purpose Vehicle called India Infrastructure Finance Company Ltd (IIFCL), broadly referred to as SIFTI in April 2026, IIFCL is expected to witness accelerated growth through greater operational freedom, flexibility in designing the financing solutions and wider participation in infrastructure projects across various sectors. This marks a significant policy change which is expected to enable faster credit expansion through new and innovative lending products. Now, I would like to present an overview of the economy and the infrastructure sector in general as it has a bearing on future prospects of your Company.

Economic Overview

The Indian economy recorded a strong growth of 7.7% in 2025-26 (average growth of 7.3% in the last three years), supported by strong private consumption and fixed investment. Most of the high-frequency indicators for June 2026 point to continued resilience in economic activity, suggesting that growth has remained firm in the first quarter of 2026–27 despite headwinds arising from the West Asia crisis. However, the Indian economy remains exposed to energy price shocks and supply-chain disruptions given its high dependence on imported oil and other key commodities. Further, weaker global growth could adversely affect India's domestic growth in 2026-27. Against this backdrop, the Reserve Bank of India (RBI) has projected a growth of 6.6 % for the Indian economy during 2026-27.

Inflation has remained contained, although it has inched up in the recent months. Headline inflation rose from 3.9 per cent in May 2026 to 4.4% in June 2026 reflecting, inter alia, an increase in passthrough of oil prices. However, a combination of crisis-driven supply shock and projected weak monsoon could push inflation to the higher end of the tolerance band in third quarter of the current fiscal.

The Indian Rupee (INR) has been under sustained pressure over the last several months due to Geopolitical tensions, uncertainty in global supply chains and investor preference for emerging areas like AI. Recent measures undertaken by the RBI and the Government to attract capital inflows, together with the moderation in crude oil prices, are expected to improve market sentiments toward the Indian Rupee. India's external sector remains comfortable across a range of metrics, despite overall Balance of Payment (BoP) deficit.

Banking and Financial Sector

Scheduled Commercial Banks (SCBs) remained resilient, supported by strong capital and liquidity buffers, continued improvement in asset quality with non-performing assets ratios declining to multi-decadal lows, and stable profitability. Credit and deposit growth gained momentum during the second half of FY 2025-26.

SCBs credit growth accelerated to 14.5 % y-o-y during 2025-26, with Public Sector Banks (PSBs) continuing to outpace Private Sector Banks (PVBs). Asset quality of SCBs improved further in March 2026, with GNPA ratio declining to a multidecadal low level of 1.8 %. The annual slippage ratio steadily moderated over the last four financial years to 1.2 % in 2025-26, driven by lower fresh accretions to impaired assets in PSBs and PVBs. Supported by higher credit volumes, net interest income (NII) of SCBs recorded a modest improvement of 4.0 % y-o-y in March 2026.

Non-banking Financial Companies (NBFCs) remained financially sound, supported by strong capitalization, healthy profitability, and improving asset quality although the aggregate credit growth of NBFCs (Upper and Middle Layers) decelerated to 16.6 % y-o-y in March 2026. Non-banking Financial Companies - Infrastructure Finance Companies (NBFC-IFCs) posted 11.6 % credit growth and they continue to hold the second-largest share in NBFC lending at 35.2 %.

Infrastructure Sector and Financing Trends

India is undergoing a transformative phase in infrastructure development, driven by a comprehensive push across physical, digital, and social sectors. Recognized as a key enabler of economic growth and job creation, infrastructure has been placed at the core of the country's development agenda. Building on this, the Union Budget for FY 2026-27 has scaled up public capital expenditure to ₹12.2 lakh crore, reflecting a ~9% increase over the previous year's BE. This progressive scaling underscores the Government of India's sustained commitment to infrastructure-led growth. The fiscal deficit is budgeted at 4.3% of GDP for FY 2026-27, with gross market borrowings estimated at ₹17.2 lakh crore, providing continued impetus for infrastructure financing.

In pursuance of the Union Budget 2025-26 announcement, the Department of Economic Affairs (DEA), Ministry of Finance, released a three-year Public Private Partnership (PPP) project pipeline in January 2026, providing early visibility of potential PPP projects to investors, developers, and other stakeholders. The pipeline comprises over 850 projects

across Central Infrastructure Ministries and States/Union Territories (UTs) with a combined Total Project Cost (TPC) of over Rs. 17 lakh crore. Sector-wise, the pipeline covers Transport & Logistics (368 projects), Social & Commercial Infrastructure (258 projects), Water & Sanitation (143 projects), and Energy (95 projects). Further, transformative programs like GatiShakti, Maritime Vision, the National Logistics Policy, National Rail Vision, and the UDAN Scheme are collectively reshaping India's infrastructure landscape.

Additionally, completed and revenue-generating infrastructure assets have increasingly emerged as a distinct asset class within the fixed income market. In this context, the government has launched the second phase of the National Monetisation Pipeline (NMP 2.0), with a target of Rs 16.7 lakh crore including private sector investment of ₹5.8 lakh crore between FY 2025-26 and FY 2029-30 from operating public assets in key sectors, including Roads, Railways, Power, Oil & Gas, Civil Aviation, Ports, Telecom, Coal and Mines. Further, National Highways Authority of India (NHAI) has also released a future pipeline of asset for monetization through ToT, InvITs, and securitization models in FY 2025-26, comprising 1,472 km of highways. An outlay of ₹20,000 crore over 5 years has also been proposed for Carbon Capture, Utilisation and Storage (CCUS) technologies across five industrial sectors – power, steel, cement, refineries and chemicals – opening a new green infrastructure financing avenue.

The Union Budget 2026-27 has also introduced reforms to deepen the corporate bond market – including a market-making framework. Further, an incentive of ₹100 crore has been proposed for cities issuing a single municipal bond of over ₹1,000 crore, catalysing sub-sovereign infrastructure financing.

Infrastructure projects often face challenges such as early-stage project construction & development risks, delays and uncertainty in execution. To address these issues, the Government introduced the Infrastructure Risk Guarantee Fund in the Union Budget 2026-27 to strengthen investor confidence and ensure the timely delivery of projects. This fund will provide partial credit guarantees to lenders, thereby supporting project financing.

In parallel, infrastructure financing dynamics are shifting, with NBFCs—especially NBFC-IFCs — emerging as dominant players. As per ICRA Research, NBFCs now account for 57% of infrastructure credit, while banks' share stands at 43%. Overall infrastructure credit growth bounced back to 10% in FY2026 (from 6.8% in FY25), Banks infrastructure credit posted a growth of 13%, while NBFC-IFCs posted a book growth of 8%.

Importantly, the asset quality of NBFC-IFCs has shown sustained improvement. The Gross Net Non Performing Assets of NBFC-IFCs moderated to 0.6% as on Mar-26 from 1.2% as on

Mar25, driven by the resolution/recovery of some stressed assets and write-offs, loan book growth and limited slippages.

Looking ahead, NBFC-IFCs are well-positioned to lead infrastructure credit growth, with ICRA projecting 10–12% growth in FY2027 supported by the healthy activity in the infrastructure sector driven by the GoI's thrust on the infrastructure sector, complemented by strengthening of balance sheet of NBFC-IFCs.

Sectoral performance highlights in Infrastructure

Some noteworthy developments in key infrastructure sub-sectors during FY 2025-26 and way forward are as follows:

Road and Highways

The road awards by the MoRTH stood at around 7,000 km in FY 2025-26, notably lower than the 7,538 km of awards for FY 2024-25 amid Ministry's focus on addressing land acquisition issues and environmental clearances prior to awarding of projects. With an increase in budgetary allocation of 8% in FY 2026-27 BE, the awarding activity of MoRTH is likely to improve to 8,000 – 8,500 km in FY 2026-27.

Road execution by the MoRTH is expected to remain broadly flat at 9,000–9,500 km in FY 2026-27 as compared to 9,350 km in FY 2025-26 due to slowdown in project awarding over the past two years and increase in bitumen prices pursuant to West Asia crisis. The recent tightening in bidding norms for HAM and EPC projects is a positive step by the MoRTH. The inflation-linked toll rate hike is projected at 3.4 % for newer projects and 4.0 % for older projects in FY 2026-27 compared to 2.3-4.0 % in FY 2025-26. Despite higher toll rate growth, toll collection growth is likely to moderate to 6-8 % in FY 2026-27 vs 10 % in FY 2025-26, owing to lower growth of 3-4 % in traffic compared to 6 % in FY 2025-26.

Under NMP 2.0, road sector accounts for Rs. 4.14 lakh crore, i.e., 25% of total monetisation target. NHAI has pegged the asset monetisation target at Rs. 30,000 – 35,000 crore in FY 2026-27. With healthy pipeline of assets, and increased avenues of monetisation, the activity is expected to remain buoyant in the medium term.

Power & Renewable Energy Sector

Power is a fundamental pillar of infrastructure and a key driver of economic growth. As of 31st March 2026, the country's total installed generation capacity reached 526 GW, up from 475 GW the previous year. Renewable energy (RE) continues to lead the expansion, reaching higher than 34.1 GW added in FY2025. The capacity addition in the RE segment was the

highest, followed by thermal segment in FY2026. RE capacity addition is supported by significant scale-up in the project pipeline, low solar Photovoltaic (PV) module prices and the impending expiry of exemption from inter-state transmission charges starting June 2025. Further 1.5 GW of nuclear capacity (of which 700 MW is already commissioned) is also expected to be added in FY2027 by Nuclear Power Corporation of India Limited (NPCIL). The full-year gross capacity addition in FY2027 is estimated to reach ~50 GW against 61.6 GW in FY2026, mainly led by the scale-up in RE capacity addition.

The NEP notified by the CEA for the transmission segment outlines a strategic approach to expand and modernise India's transmission infrastructure to meet the growing demand and support the country's ambitious renewable energy (RE) capacity goals. The key initiatives include growth in inter-regional transmission capacity and the integration of RE zones, with a target to accommodate over 600 GW of RE capacity by 2032. The plan proposes to increase the transmission line length to 648,190 ckm by March 2032 from 506,513 ckm as of March 2026 and the substation capacity to 2,345 GVA by March 2032 from 1,450 GVA as of March 2026, thereby increasing the inter-regional transmission capacity to 168 GW by March 2032 from 120 GW as of March 2026.

IIFCL supported this transition by disbursing ₹6,600 crore to renewable energy projects during FY 2025-26.

Airports

Capex investments in airport infrastructure are likely to remain high with more than Rs. 1,00,000 crore of expected capex over the next 4-5 years, including new greenfield airports, and expansion of airports under the Airports Authority of India (AAI). Further brownfield capacity expansions at private sector airports is planned over the next five years including Hyderabad and Bengaluru. The Modified UDAN Scheme is set to enhance regional air connectivity by developing 100 airports from existing unserved airstrips and 200 modern helipads over the next eight years. Special emphasis has been placed on developing connectivity in hilly, remote, island, and aspirational regions, alongside procuring HAL helicopters and Dornier aircraft for remote operations.

Passenger traffic in FY 2025-26 witnessed a moderate growth of 1.9% to reach 420 million as compared to 412 million in FY2025, weighed down by geopolitical tensions, lower availability of aircrafts, supply disruptions caused by flight duty time limitations (FDTL) and cross-border tensions. Nevertheless, as per ICRA's estimates, passenger traffic growth is likely to remain moderate in FY 2026-27 in view of ongoing West Asia crisis. However, the on-going West Asia crisis is likely to impact the passenger traffic growth.

Railways

India's railway infrastructure is undergoing a decisive transformation, driven by capital investment, accelerated network expansion, and a corridor-based approach to capacity creation. Total outlay for the Ministry of Railways in Budget 2026–27 is approximately ₹2.78 lakh crore — the highest ever allocated. This reflects a strong emphasis on infrastructure spending in railways.

With a strong focus on modern infrastructure and connectivity, Indian Railways is driving national growth by delivering superior travel experiences and efficient freight services using modern technology. Prioritizing sustainability & fueled by innovation, Railways is moving toward eco-friendly & green operations while boosting our country's economic progress with infrastructure improvements & capacity addition at large scale. Towards this effect, Hon'ble Prime Minister of India has launched the First Hydrogen train of India in the state of Haryana in July 2026.

Infrastructure development continued at pace with the commissioning of 35 Gati Shakti Cargo Terminals, facilitating improved logistics efficiency and multimodal integration. Additionally, 119 stations were redeveloped under the Amrit Bharat Station Scheme, offering upgraded amenities and improved passenger experience.

Further, Indian Railways has approved 100 large-scale infrastructure projects in FY 2025–26, marking a significant milestone in network expansion across the country. With a substantial investment of Rs. 1.53 lakh crore, the initiative will cover over 6,000 km of railway lines. The programme is aimed at enhancing operational efficiency, strengthening connectivity, and supporting long-term economic growth.

Ports

Overall cargo volumes are expected to witness a growth of 4-5 % YoY in FY 2026-27 supported by healthy volume growth in the container segment and the fertiliser segment while the Petroleum Products segment is expected to witness growth in line with the long-term trend of 2-4%.

New projects are also being awarded in line with the growth envisioned in the Maritime India Vision (MIV) 2030. Significantly large capex has been planned to augment port capacity and infrastructure. Project execution is likely to pick up pace, going forward. The sector has consolidated over the last few years with acquisition of smaller/standalone players by larger groups; and this trend is expected to continue.

IIFCL's Performance

Against this backdrop, I would now like to highlight your company's performance during FY 2025-26.

OPERATIONAL PERFORMANCE

Direct Lending:

- Gross Sanctions: During FY 2025-26, your company made gross sanctions of ₹11,622 crore under Direct Lending, taking cumulative gross sanctions under Direct Lending (Including Sub-Debt) to ₹1,43,884 crore in 613 projects with a total project cost of ₹12,25,420 crore as on 31st March 2026.
- Financial Closure: As on 31st March 2026, 481 out of 613 projects under direct lending have achieved financial closure.

Disbursements: During FY 2025-26, your company made disbursements of ₹6,388 crore under direct lending (including Sub-debt), taking cumulative disbursements under the scheme to ₹65,512 crore to 425 projects with a total project cost of ₹7,54,416 crore as on 31st March 2026.

Takeout Finance

- Gross Sanctions: Cumulative sanctions under Takeout Finance stood at ₹51,676 crore to 162 projects as on 31st March 2026. Sanctions during FY2025-26 stood at ₹2,784 crore.
- Disbursements: The Cumulative disbursements under the Takeout Finance scheme stands at ₹32,308 crore as on 31st March 2026. Disbursements during FY 2025-26 stood at ₹2,996 Cr.

Project Bonds

- Up till FY 2025-26, your company sanctioned ₹ 49,877 crore in Project Bonds, out of which ₹ 29,912 crore is in Power Sector and ₹ 9,046 crore is in Road Sector.
- During FY2025-26, Sanctions in Project Bonds stood at ₹20,775 crore and disbursements stood at ₹ 9,522 crore.

Infrastructure Investment Trusts (InvITs)

- Sanctions: During FY 2025-26, your company sanctioned ₹1,000 crore to InvITs

- Disbursements: Your company disbursed ₹1,017 crore during FY 2025-26 to InvITs.

Refinance

- Gross Sanctions: During the financial year FY 2025-26, your company has sanctioned ₹21,500 crore, taking cumulative Gross Sanctions under the scheme to ₹1,01,397 crore as on 31st March 2026.
- Disbursements: During the year, your company made incremental disbursements of ₹13,050 crore, taking cumulative disbursements under the Scheme to ₹63,151 crore as on 31st March 2026.

FINANCIAL PERFORMANCE

Besides record breaking sanctions and disbursements, here are a few other key performance parameters for FY 2026:

- Outstanding loan book increased by ~17 % to ₹ 81,715 crore as on 31st March 2026 from ₹69,904 crore on 31st March 2025.
- Capital to Risk-Weighted Assets Ratio (CRAR) stood at 20.53 % as on 31st March 2026 as compared to 23.44 % as on 31st March 2025, maintaining an adequate cushion over the minimum regulatory requirement of 15 % for NBFCs as mandated by the RBI.
- Provision Coverage Ratio increased to 100 % as on 31st March 2026.
- Debt-Equity Ratio increased to 4.42x as on 31st March 2026 as compared to 3.88x as on 31st March 2025.

Sustainability at the core of Infrastructure Financing

FY 2025–26 was a year of transforming intent into institutional action. IIFCL moved beyond strengthening environmental and social safeguards to embedding sustainability at the core of its financing and risk management framework. From operationalising the Sustainability Finance Department to developing a robust Climate and ESG Risk Assessment Model, advancing projects under the ADB ESGI Line of Credit, and forging strategic global partnerships, IIFCL has built the institutional foundations required to lead the next generation of sustainable infrastructure financing. Equally significant was the institutionalisation of Gender Equality and Social Inclusion by initiating the development of Standard Operating Procedures for gender tagging of infrastructure projects. This initiative embeds inclusive development considerations into our financing processes, reinforcing our

belief that sustainable infrastructure must create value that is equitable as well as enduring. With a focus on partnerships and impact, IIFCL has signed an MoU with Fast-Infra Label in Davos in FY 2026 to strengthen sustainable infrastructure financing in India. The collaboration focuses on enhancing the pipeline of credible, investor-ready projects, building institutional capacity, and promoting climate-aligned financing practices through knowledge sharing and market development.

As India's premier infrastructure financing institution, IIFCL remains committed to catalysing sustainable capital, fostering innovation, and supporting infrastructure that delivers lasting economic, environmental and social value for the nation.

Robust Risk Management Frameworks

As our business continues to grow in scale and complexity, strengthening our risk management capabilities remains one of our highest priorities. During the year, we further enhanced our enterprise-wide risk management framework to ensure that growth is supported by strong governance, prudent risk-taking, and long-term financial resilience.

We continue to maintain an enhanced focus on asset quality, liquidity management, capital adequacy, and proactive management of credit, market, operational, and emerging risks. Our risk governance framework is supported by a robust “Three-Lines-of-Defence” model, independent risk oversight, and regular reporting to the Board level Risk Management Committee and Board.

The Company remains committed to maintaining a robust operational risk management framework in alignment with the guidelines of the RBI. At IIFCL, our approach is anchored in well-defined governance structures, processes, systems, and controls to proactively identify and manage operational risks, while ensuring business continuity and resilience. During the year, we further strengthened our operational resilience by undertaking a structured review of the operational risk management framework in line with regulatory expectations.

To strengthen credit risk assessment, IIFCL has developed more than 30 infrastructure sector-specific internal risk rating models tailored to the unique characteristics of infrastructure projects across different sectors. These are complemented by an enhanced Early Warning Signal (EWS) framework and quarterly portfolio reviews, enabling us to identify emerging risks early and take timely corrective actions.

During the year, we further deepened our risk management practices by strengthening the Risk Appetite Framework (RAF), enterprise-wide stress testing, and continued

institutionalization of the Internal Capital Adequacy Assessment Process (ICAAP). These initiatives have reinforced our ability to maintain adequate capital and financial resilience under both normal and stressed scenarios, while aligning risk management with our strategic business objectives.

Recognizing the growing importance of sustainable finance, we also strengthened our ESG and Climate Risk Management Framework. Our Project-specific ESG and Climate Risk Assessments are being progressively integrated into our credit appraisal, portfolio monitoring, stress testing, and strategic decision-making processes, enabling us to support sustainable infrastructure development while managing long-term climate-related risks.

At IIFCL, we firmly believe that effective risk management is not merely a compliance function—it is a strategic enabler of sustainable growth. We will continue to invest in advanced risk analytics, technology-driven monitoring systems, data governance, and human capital to further strengthen our risk management capabilities and support India's infrastructure development responsibly.

Recent Strategic Initiatives

IIFCL continues to update its strategic initiatives in response to evolving market dynamics. Over the years, the company has strengthened its capabilities across infrastructure subsectors, introduced risk-based pricing models, to enhance credit delivery and risk management.

IIFCL has strengthened its infrastructure financing portfolio with entry into Smart Metering sector reflecting its commitment to supporting next generation infrastructure and technology-driven public utility projects. This transaction is a first-of-its-kind for IIFCL and marks your institution's maiden financing in the Smart Metering project in Rajasthan in consortium with the International Finance Corporation (IFC), World Bank Group. This transaction further reinforces IIFCL's role as a leading infrastructure financier, partnering with premier global institutions, to catalyze investments in critical sectors and drive sustainable infrastructure development across the country.

To drive sustainable growth and foster collaboration, IIFCL, during FY 2025-26, has signed Memoranda of Understanding (MoUs) with institutions such as Sagarmala Finance Corporation Limited (SMFCL), and Bank of Baroda (BoB) focusing on capacity building and co-financing in sustainable infrastructure financing. Further, IIFCL engaged with key stakeholders through a series of meetings and conferences in financial hubs like Mumbai, Bengaluru, and the United Kingdom. Insights from these engagements were compiled into

outcome reports and shared with relevant authorities to support policy formulation—a practice the company aims to continue.

As part of its expansion strategy, IIFCL augmented its office infrastructure with a new office at the World Trade Centre, Nauroji Nagar, New Delhi which has become operational during FY 2025-26.

Corporate Social Responsibility (CSR) Actions

IIFCL remains steadfast in its commitment to CSR, channeling resources across a wide spectrum of domains including healthcare, education, nutrition, clean drinking water and the preservation of India's cultural heritage. Over the last fourteen years, the Company has cumulatively deployed approximately ₹204 crore towards these objectives, thereby reinforcing its role as a responsible public institution that seeks to complement infrastructure-led economic growth with inclusive social development.

During FY 2025-26, IIFCL contributed ₹41.38 crore towards 17 CSR projects against a CSR obligation of ₹40.54 crore during the Financial Year. The projects spanned across more than 12 States, with over 70% of projects implemented in partnership with Government institutions, District Administrations and State Governments. This institutional partnership model ensures convergence with national programs and deeper developmental impact across underserved geographies. IIFCL has expanded its CSR reach to new initiatives such as digital education transformation, road safety promotion, environmental sustainability and heritage conservation. By integrating road safety, IIFCL complements its contribution to development of road infrastructure and reinforces its credentials as a responsible lender. IIFCL continues to contribute towards the development of aspirational districts and blocks with total sanctions towards these being above ₹14 crore.

IIFCL's continued efforts in CSR have been independently recognised and validated with IIFCL obtaining ICRA ESG Impact Rating of 88 ("Outstanding") on the Social parameter of ESG in 2025. ICRA specifically recognised IIFCL's "impactful and well-rounded CSR initiatives, particularly in health, nutrition and rural development", including its coverage of aspirational districts and the substantially expanded CSR budget in recent years. The rating agency further noted IIFCL's robust monitoring and impact assessment framework, comprising periodic physical site visits and direct community interactions, which ensures that sanctioned funds are utilised as intended and yield measurable outcomes at the grassroot level.

Way forward

The coming decade will witness one of the largest infrastructure investment programmes in India's history. Financing this transformation will require close collaboration among Government, Financial Institutions, commercial banks, capital markets, multilateral agencies and institutional investors.

As we look ahead, my vision for IIFCL is of **“Improve. Develop. Transform.”** To deliver on this vision in service of Viksit Bharat @2047, we will focus mainly on the six strategic priorities: Improve infrastructure financing with disciplined underwriting and vigilant monitoring; Develop long-term capital mobilisation through ECB, Multilateral, bond and capital markets; Transform project oversight through technology, data, and analytics; Build portfolio diversification and resilience; Strengthen our culture and institutional capabilities; and Integrate ESG as a core principle of long-term value creation.

The Board of Directors of IIFCL has approved an ambitious resource mobilisation programme of ₹34,200 crore for FY 2026-27 to support the growing financing requirements of India's infrastructure sector. The programme envisages a diversified funding strategy comprising domestic bonds, capital market instruments and ECBs. The company continuously endeavors to optimize its cost of funds to facilitate cost effective long-term financing for infrastructure projects.

The recent measures announced by the RBI, including concessional USD-INR swap facility for eligible ECBs, are expected to make overseas borrowings attractive by reducing hedging costs, thereby providing an additional avenue for accessing competitively priced long-term capital.

As part of this strategy, IIFCL plans to access international markets to raise about USD 1.30 billion in the current financial year. The Company also intends to raise an additional USD 1 billion through overseas borrowings, subject to the necessary approvals from the Government of India and other regulatory authorities.

The funds proposed to be raised during the year, will support infrastructure projects across transportation, renewable energy, power, urban infrastructure, logistics, digital infrastructure, water and sanitation, social infrastructure, nuclear energy and other priority sectors, in line with the Government of India's vision of Viksit Bharat @2047.

For furthering our investor relationships, we are planning stakeholder meets in the upcoming financial year across key metro cities and also round table conferences on different sectors to brainstorm with industry experts for development of the infrastructure in India.

Following the discontinuation of SIFTI framework, IIFCL is expected to witness stronger growth through greater financing flexibility and operational freedom for increased participation in infrastructure projects across various sectors. This significant policy change is expected to enable faster credit expansion through new Lending Products.

Above all, our work will remain firmly anchored in nation building. Every project we finance and every rupee of institutional capital we help mobilise contributes to development of long-term infrastructure in India. This purpose will remain our bedrock and guiding principle.

Acknowledgement

I place on record my sincere gratitude to the Government of India, the Department of Financial Services, Department of Economic Affairs, the Ministry of Finance, Other Ministries, our Board of Directors, regulators, shareholders, auditors, lending institutions, multilateral partners, investors, clients and all our stakeholders for their continued trust, guidance and support.

Above all, I extend my heartfelt appreciation to every member of IIFCL team. Their professionalism, hard work and unwavering commitment to our mission continue to strengthen the institution and inspire confidence among our stakeholders.

Together, we remain committed to financing the infrastructure that powers India's growth, enhances the quality of life of its citizens and accelerates the nation's journey towards becoming a developed economy by 2047.

Thank you and Jai Hind!

Place : New Delhi
Date : 24.09.2026

Sd/-
(Rohit Rishi)
Managing Director
DIN : 11524681

BOARD OF DIRECTORS OF IIFCL



Shri Rohit Rishi
Managing Director



Shri Palash Srivastava
Deputy Managing Director



Shri Chandradeep Kumar Jha
Government Nominee Director



Ms. Laya Madduri
Government Nominee Director



Shri Partha Sarathi Reddy
Government Nominee
Director



Shri Amit Kumar Srivastava
Scheduled Commercial Bank
Nominee Director



Shri Ashutosh Choudhury
Scheduled Commercial Bank
Nominee Director



**India Infrastructure Finance Company Limited
(A Government of India Enterprise)**

CIN: U67190DL2006G01144520

Subject: Notice of 21st Annual General Meeting

Dear Sir(s)/Madam,

This is to inform that the 21st Annual General Meeting of the members of India Infrastructure Finance Company Limited is scheduled to be held on Monday, the 28th day of September 2026 at 12:30 P.M. at 3rd Floor, Conference Hall, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001.

The detailed notice of the meeting, Board's Report, Secretarial Audit Report, Auditors' Report, C&AG Comments and Audited Accounts of the Company for the period ended on 31st March, 2026 are attached herewith.

Kindly make it convenient to attend the meeting.

Thanking you.

Yours sincerely,

For India Infrastructure Finance Company Limited

Sd/-

**Ruchi Singhal
General Manager
Company Secretary**

Date: 25.09.2026

Place: New Delhi

*Department of Financial Services (DFS), Ministry of Finance (MoF), Government of India vide letter No. F. No. 18/6/2013-IF-I dated 09th September 2026 accorded consent to convene the 21st AGM of the shareholders of IIFCL at shorter notice by 30th September 2026, at DFS.



India Infrastructure Finance Company Limited
(A Government of India Enterprise)
CIN: U67190DL2006G01144520

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED WILL BE HELD ON MONDAY, THE 28TH DAY OF SEPTEMBER 2026 AT 12:30 P.M. AT THE 3RD FLOOR, CONFERENCE HALL, DEPARTMENT OF FINANCIAL SERVICES, MINISTRY OF FINANCE, GOVERNMENT OF INDIA, JEEVAN DEEP BUILDING, SANSAD MARG, NEW DELHI-110001 TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March 2026, alongwith Director's Report and Auditor's Report thereon for the period ended on that date.
- 2) To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:-

“RESOLVED THAT the Board of Directors, be & are hereby, authorised to fix remuneration of Joint Statutory Auditors appointed by the Comptroller and Auditor General of India for the Financial Year 2026-27.”

SPECIAL BUSINESS:

- 3) **ISSUE OF UNSECURED/SECURED NON-CONVERTIBLE BONDS/DEBENTURES THROUGH PRIVATE PLACEMENT AS PER THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provision of Section 42, 71 and other applicable provisions, if any of the Companies Act 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the Companies (Prospectus and Allotment of Securities), Rules 2014 and applicable provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Debentures) Regulations, 2021, The Reserve Bank of India Act, 1934 (as amended from time to time), applicable regulations and guidelines, Memorandum & Articles of Association of the Company and subject to such other applicable laws, rules and regulations and guidelines, and subject to necessary approvals,

permissions, consents and sanctions, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) for having made and/or making offer(s) or invitation to subscribe to securities, including but not limited to bonds and non-convertible debentures, by way of private placement in one or more tranches, up to Rs. 34,200 crore (Rupees Thirty Four Thousand Two Hundred Crores only) during the period of one year commencing from date of passing of Special Resolution thereof, at such terms as may be determined under the guidelines as may be applicable, and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board.

FURTHER RESOLVED THAT for the purpose of giving effect to Private Placement of unsecured/secured nonconvertible bonds/debentures, as mentioned above, the Board of Directors of the Company (the “Board”) or any duly constituted Committee of the Board or such other authority as approved by the Board, be and is hereby authorized to determine the terms of the Issue, including the size, class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force.

FURTHER RESOLVED THAT the Board of Directors or any duly constituted Committee of the Board or such other authority as approved by the Board of the Company be and is hereby authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this Resolution.”

4) ENHANCEMENT OF BORROWING LIMIT APPROVED UNDER SECTION 180(1)(c) OF THE COMPANIES ACT, 2013

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, approval of the members of the Company, be and is hereby accorded to the Board to borrow any sum or sums of money from time to time, for the purpose of the Company on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company’s Banker in the ordinary course of Business) may exceed the aggregate paid up share capital of the Company and its free reserves and security premium, provided however that the total borrowings outstanding any time including the monies already borrowed shall not exceed a sum of ₹1,50,000 crore (Rupees One Lakh Fifty Thousand Crore Only).

FURTHER RESOLVED THAT the Board of Directors or any duly constituted Committee of the Board or such other authority as approved by the Board of the Company be and is hereby authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this Resolution.”

By Order of the Board of Directors
FOR INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED

Place: New Delhi
Date: 25.09.2026

Sd/-
Ruchi Singhal
General Manager
Company Secretary
Membership No. A17837

REGISTERED OFFICE

India Infrastructure Finance Company Limited
Fifth Floor, Block -2 Plate A & B, NBCC Tower,
East Kidwai Nagar, New Delhi-110023
CIN: U67190DL2006GOI144520
Website: www.iifcl.in

NOTES: -

1. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 setting out the material facts in respect to the business under item no. 3 and 4 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standards- 2 on General Meetings issued by the Institute of Company Secretaries of India.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON HIS/HER BEHALF AND SUCH PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND MUST BE DEPOSITED AT LEAST 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.**
3. Proxy Form(s) and certified copy of the Board Resolution(s) authorizing representative(s) to attend and vote at the Meeting shall be sent to the registered office of the Company.
4. The explanatory statement pursuant to section 102(1) of the Companies act, 2013 in respect of the aforesaid Special Business to be transacted at the meeting setting out all the material facts relating to the aforesaid business is annexed hereto and forms part of the notice.
5. Members may also note that the Notice of an AGM will be available on the Company's website www.iifcl.in. The Notice and other documents will also be available at the Registered Office of the company for inspection during the normal business hours on working days.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 3: ISSUE OF UNSECURED/SECURED NON- CONVERTIBLE BONDS/DEBENTURES THROUGH PRIVATE PLACEMENT AS PER THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THERE UNDER

Given the Company's future growth plans, the Board considers it necessary to augment the long term resources of the Company through issuance of Unsecured/Secured Non-Convertible Bonds/Debentures which has better acceptability in the market and is very competitive. In view of the same, the Board of Directors had in meeting held on 27th March 2026 considered and approved, subject to the approval of shareholders, the resource raising plan of the company to the tune of Rs. 34,200 Crore by IIFCL. The Board of IIFCL is authorized to raise funds through Private Placement of Unsecured/Secured, Non-Convertible Bonds/Debentures taxable/tax-free/infrastructure bonds/Offshore INR bonds/any other bonds upto Rs. 34,200 Crore during the period of one year commencing from date of passing the special resolution thereof, in one or more tranches, at such terms and conditions as may be finalized by the Board or any duly constituted Committee of the board or such other authority as approved by the Board.

In terms of Section 42 and 71 of the Companies Act 2013 and Companies (Share Capital and Debentures), Rules 2014 any offer or invitation for subscription of NCDs to be issued by the Company on private placement basis requires prior approval of the shareholders by way of special resolution.

Approval of the shareholders will be valid for one year for all the offers or invitations for NCDs to be made during the said year.

The Board of Directors believes that the proposed offer will be in the best interest of the company.

None of the Directors and Key Managerial Personnel (KMP) of the company and their relatives are concerned or interested in the proposed resolution.

Your Directors recommend the resolution at Item No. 3 in the notice for your approval.

ITEM NO. 4: ENHANCEMENT OF BORROWING LIMIT APPROVED UNDER SECTION 180(1)(c) OF THE COMPANIES ACT, 2013

The present limits of borrowings (apart from temporary loans from Company's Bankers in the ordinary course of business) is Rs. 1,00,000 crore vide resolution passed in the Annual General Meeting held on 25th September, 2024. In order to meet the future increased requirements of funds, which may arise on account of expansion plans/programmes of the Company, the Company may require raising further loans/borrowings from financial institutions, banks and others. Accordingly, it is proposed to increase the borrowing powers of the Board of Directors from the present limits of Rs. 1,00,000 crore to Rs. 1,50,000 crore. To secure the borrowing, which the Company may borrow from time to time, the Company may require to create

mortgage/charges/hypothecation on all or any of the immovable and movable properties of the Company. Accordingly, it is proposed to obtain consent of the Company in terms of the provisions of Section 180(1)(c) of the Companies Act, 2013.

None of the Directors is, in any way, concerned or interested in the said resolution.

Your Directors recommend the resolution at item no. 4 for your approval.

By Order of the Board of Directors
FOR INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED

Place: New Delhi
Date: 25.09.2026

Sd/-
Ruchi Singhal
General Manager
Company Secretary
Membership No. A17837

REGISTERED OFFICE

India Infrastructure Finance Company Limited
Fifth Floor, Block -2 Plate A & B, NBCC Tower,
East Kidwai Nagar, New Delhi-110023
CIN: U67190DL2006GOI144520
Website: www.iifcl.in



India Infrastructure Finance Company Limited
(A Government of India Enterprise)
CIN: U67190DL2006G01144520

BOARD'S REPORT

To
THE MEMBERS OF IIFCL

Your Directors have great pleasure to present the 21st Annual Report on performance of your company for the Financial Year ended 31st March 2026 along with Audited Standalone Financial statements, Consolidated Financial Statements and report of the Statutory Auditors, Secretarial Auditor and the Comptroller and Auditor General of India thereon.

FINANCIAL HIGHLIGHTS

Summary of audited financial results of the company for the Financial Year ended 31st March, 2026 is as under:

(₹ crore)

Particulars	Year ended 31 st March, 2026	Year ended 31 st March, 2025
Total Revenue	8,181	6,744
Total Expenditure	6,197	4,442
Profit before Tax	1,984	2,302
Less: Provision For Taxation	604	611
Add: Exceptional Items	-	473
Net Profit available for Appropriation (Profit after Tax)	1,379	2,164
Other Comprehensive Income	0.04	(3.5)
Net Profit Available after appropriation	1,379	2,161
Earning per equity share of face value of ₹10 each (Weighted Average)	1.38	2.16

Lending Operations

Direct Lending

During Financial Year 2025-26, with further sanction of ₹11,622 Crore, the cumulative gross sanctions of your company under Direct Lending scheme increased to ₹1,43,884 Crore for 614 infrastructure projects. The sector-wise distribution of cumulative gross sanctions is as under:

Cumulative Gross Sanctions under Direct Lending as on 31st March, 2026

(₹Crore)

Sector	No. of Projects	Project Cost	Gross Sanctions
Road	324	520,370	64,923
Power	195	490,024	55,240
Airport	7	61,529	6,225
Port	22	48,773	6,364
Urban Infrastructure	18	65,549	5,754
Railway	3	3,194	639
PMDO*	38	8,602	260
Telecomm	2	4,607	400

Social & Commercial Infrastructure	3	15,096	3,013
Allied Infrastructure	2	7,676	1,068
Total	614	1,225,420	143,884

* Pooled Municipal Debt Obligations

Further, as at 31st March 2026, sector-wise distribution of net sanctions of your company amounting to ₹95,264 Crore for 528 projects is as under:

Cumulative Net Sanctions under Direct Lending (As on 31st March, 2026)

(₹Crore)

Sector	No. of Projects	Project Cost	Net Sanctions
Road	297	426,128	44,854
Power	157	303,825	37,240
Airport	9	61,529	4,012
Port	17	28,109	3,366
Urban Infrastructure	14	19,606	2,366
Railway	1	600	70
PMDO*	29	5,617	197
Telecomm	1	3,750	250
Social & Commercial Infrastructure	1	9,215	1,843
Allied Infrastructure	2	7,676	1,068
Total	528	866,055	95,264

Achievement of Financial Closure under Sanctioned Projects

As on 31st March 2026, out of 528 net sanctioned projects under direct lending, 480 projects i.e. 91% have achieved financial closure. Sector-wise details of financial closure achieved projects are as under:

Financial Closure Achieved Projects as on 31st March, 2026

(₹Crore)

Sector	No. of Projects	Net Sanctions
Road	276	39,372
Power	140	29,860
Airport	6	2,609
Port	16	3,352
Urban Infrastructure	11	870
Others	31	1,492
Total	480	77,554

Achievement of Commercial Operation Date

At the end of March 2026, amongst 480 projects in which your company has provided financial assistance under Direct Lending mode, Commercial Operation Date (CoD) has been achieved in 354 projects which included 202 road projects and 107 power projects. Sector-wise details of CoD achieved projects are as under:

CoD Achieved Projects as on 31st March, 2026**(₹Crore)**

Sector	No. of Projects	Net Sanctions
Road	202	24,853
Power	107	18,394
Airport	2	848
Port	9	1,204
Urban Infrastructure	8	589
Other	26	210
Total	354	46,098

*Lalitpur Power Plant***Take-out Finance**

To facilitate incremental lending to the infrastructure sector by addressing bank's exposure and asset-liability mismatch constraints, your Company has implemented the Takeout Financing Scheme. Your Company operationalized its Modified Takeout Finance Scheme in December 2011. Further modifications have been made in the scheme from time to time to address market needs. Your Company's Take out Finance Scheme follows a transparent non-discriminatory and non-discretionary external project rating based pricing mechanism for the takeout of infrastructure loans.

Cumulative gross sanctions of your company under Takeout Finance stood at ₹51,676 Crore to 162 projects as on 31st March, 2026. The sector-wise distribution of cumulative gross sanctions is as under:

Cumulative Gross Sanctions under Takeout Finance as on 31st March, 2026**(₹Crore)**

Sector	No. of Projects	Project Cost	Gross Sanctions
Road	66	67,554	11,147

Power	83	250,706	35,211
Airport	2	2,920	1,911
Port	9	16,024	3,380
Urban Infrastructure	2	107	26
Total	162	337,311	51,676

Further, as at 31st March 2026, sector-wise distribution of net sanctions under takeout finance of your company amounting to ₹33,453 Crore to 100 projects is as under:

Cumulative Net Sanctions under Takeout Finance as on 31st March 2026

(₹Crore)

Sector	No. of Projects	Project Cost	Net Sanctions
Road	34	42,575	7,136
Power	57	174,388	22,733
Airport	2	2,920	1,570
Port	5	9,704	1,989
Urban Infrastructure	2	107	26
Total	100	229,694	33,453

Priority to Public-Private Partnership (PPP) Projects

In line with the mandate, your company provides overriding priority to Public Private Partnership (PPP) infrastructure projects. Your company's firm commitment of achieving its objective of providing financial support to infrastructure projects with overriding priority to Public Private Partnership (PPP) projects reflects in the number of PPP projects supported by it.

Till 31st March 2026, under Direct Lending and Takeout Finance, financial assistance has been sanctioned to 736 projects (excluding 38 projects under PMDO), of which 588 projects (80%) pertain to PPP and PSU projects, as detailed hereunder:

Sector	PPP	Non- PPP	PSU	Total
Road	388	-	1	389
Power	134	133	10	277
Airport	9	-	-	9
Port	24	6	1	31
Urban Infra	15	1	3	19
Others	2	8	1	11
Total	572	148	16	736

Disbursements

The cumulative disbursements at the end of March 2026 stood at ₹1,89,476 Crore, including disbursements under Refinance of ₹63,151 Crore, Takeout Finance of ₹32,308 Crore and newly launched product Investment in Infrastructure Project Bonds of ₹22,178 Crore and InVITs of ₹6,328 Crore.

Sector-wise Cumulative Disbursement as on 31st March, 2026

(₹ Crore)

Sector	No. of Projects	Project Cost	Amount disbursed
Direct Lending			
Road	242	366,774	32,942
Power	124	283,154	25,230
Airport	6	57,804	2,963
Port	14	27,932	2,242
Urban Infrastructure	10	9,658	1,665
Railway	1	600	70
PMDO	27	4,744	151
Telecommunication	1	3,750	248
Total (A)	425	754,416	65,512
Takeout Finance			
Road	34	42,575	7,105
Power	54	170,467	21,704
Airport	2	2,920	1,485
Port	5	9,704	1,988
Urban Infrastructure	2	107	26
Total (B)	97	225,773	32,308
Bonds (C)			22,178
Refinance (D)			63,151
InvITs (E)			6,328
Grand Total (A+B+C+D+E)			189,476

Pooled Municipal Debt Obligation Facility

Pooled Municipal Debt Obligations Facility (PMDO) was set up in 2008 by 4 sponsors IL&FS, IIFCL, IDBI Bank and Canara Bank along with other lenders, to finance urban infrastructure projects on PPP basis. The projects included development of common infrastructure for SMEs, solid waste management, power generation, wastewater treatment and other urban infrastructure facilities such as city bus transport, etc. The PMDO facility is instrumental for structuring requirement of resources for projects in a bankable format and providing credit for setting-up mandated projects at reasonable rate of interest.

The present corpus of PMDO is ₹5,000 crore committed by 16 lenders with ₹391 Crore committed from your company as its share in the facility. As at 31st March 2026, cumulative net sanctions of your company under the facility stood at ₹197 Crore and cumulative disbursement stood at ₹151 Crore.

Geographically Diversified Presence

Your company continues to support development of infrastructure projects spread across various states and enhanced its footprint across the country. Till 31st March 2026, under Direct Lending and Takeout Finance, the company has sanctioned (net) ₹1,28,098 Crore to 522 projects across 26 states and has disbursed ₹97,819 Crore in 522 projects.

Cumulative State-wise Net Sanctions and Disbursements through project financing under Direct Lending and Takeout Finance scheme as on 31st March, 2026 is as under:

(₹Crore)

States	Net Sanction	Disbursement
Andhra Pradesh	13,415	10,691
Arunachal Pradesh	121	121
Assam	2,257	488
Bihar	4,106	2,322
Chhattisgarh	1,389	1,389
Delhi	1,374	1,374
Goa	343	343
Gujarat	17,948	14,108
Haryana	2,403	2,192
Himachal Pradesh	1,269	1,151
Jammu & Kashmir	1,370	1,309
Jharkhand	1,928	1,656
Karnataka	5,705	3,363
Kerala	461	411
Madhya Pradesh	8,059	7,748
Maharashtra	23,264	14,222
Orissa	2,498	2,437
Puducherry	179	179
Punjab	1,921	1,418
Rajasthan	8,876	5,889
Sikkim	1,293	1,283
Tamil Nadu	3,704	3,031
Telangana	3,929	2,110
Uttar Pradesh	16,885	15,372
Uttarakhand	464	461
West Bengal	2,940	2,753
Total	128,098	97,819



Hinduja Sabarmati Project

Refinance

During the Financial Year 2025-26, your company has sanctioned ₹21,500 Crore and disbursed ₹13,050 Crore.

Credit Enhancement

The Credit Enhancement Scheme was launched by your company in the year 2012, with the objective of enabling infrastructure projects to raise long-term funds from alternative resources like debt markets.

To date, IIFCL has sanctioned Guarantees totaling over ₹2,400 Crore for bond issuances exceeding ₹9,000 Crore by more than 20 infrastructure projects.



GMR Vishakhapatnam airport

BUSINESS DEVELOPMENT

Your Company interacts on a regular basis with various stakeholders viz. commercial banks, financial institutions, developer groups, InvITs, private equity funds, sovereign wealth funds rating agencies, multilateral and bilateral agencies, Government officials etc. to discuss key issues and sectoral themes across the infrastructure sector with a view to expand IIFCL's participation and support to the infrastructure sector.

The Company also holds stakeholders meeting at regular intervals at major business centres of the country, where representatives of various stakeholders and government authorities are invited and interactive sessions are held to apprise the stakeholders for business development. To enhance focus on large developer groups, senior level extensive interactions are held with their top managements to proactively understand their future business plans.

Our teams actively engage with syndication units of large lenders & have been successful in participations in major deals underwritten by them.

Through regular interactions with developers/borrowers, banks and Concessioneing authorities, upcoming projects are tracked for financing.

RESOURCE MOBILIZATION

Domestic Resources

IIFCL raises debt (both short-term and long-term) from the market through various suitable instruments. As on 31st March 2026, IIFCL's total domestic borrowing outstanding was Rs. 61,082.72 crores. Out of this total outstanding Rs. 33,605.45 crores is through Non-Convertible Debenture (NCDs), Rs. 12,997.43 crores is through Long Term Loan from Banks, Rs. 12,331.01 crores is through short term borrowings and Rs. 2,148.82 Crore is through overdraft against fixed deposits.

External Resources

IIFCL has established strong and enduring partnerships with leading Multilateral and Bilateral Development Finance Institutions, including the Asian Development Bank (ADB), World Bank, Kreditanstalt für Wiederaufbau (KfW), European Investment Bank (EIB), and Japan International Cooperation Agency (JICA). Through these partnerships, IIFCL has mobilised long-term resources to support infrastructure development in the country. As of 31 March 2026, IIFCL had committed Lines of Credit amounting to USD 2.4 billion from ADB, USD 195 million from the World Bank, EUR 50 million from KfW, EUR 200 million from EIB, JPY 50 billion from JICA and ECB of JPY 26 billion.

Out of the ADB Line of Credit of USD 2.4 billion, USD 1.9 billion had been drawn as of 31 March 2026, with the remaining balance scheduled to be drawn subsequently. The Lines of Credit from the World Bank (USD 195 million), KfW (EUR 50 million), EIB (EUR 200 million), and JICA (JPY 50 billion) have been fully utilised in accordance with the respective financing agreements. During Financial Year 2025-26 IIFCL has raised ECB of JPY 26 Billion from Sumitomo Mitsui Banking Corporation (SMBC). These long-term funding arrangements have enabled IIFCL to diversify its resource base and strengthen its capacity to finance infrastructure projects across key sectors of the economy.

During the Financial Year, IIFCL continued to strengthen its engagement with multilateral and bilateral development partners, including international financial institutions, for exploring and mobilising low-cost long-term resources towards development of Environment friendly and Resilient Infrastructure development on sustainable model. The Company actively pursued new funding opportunities and expanded its partnerships to secure diversified and sustainable sources of finance. These efforts are expected to enhance IIFCL's long-term lending capacity and support the development of quality infrastructure in the country. IIFCL also explored avenues to raise funds without the backing of the Government of India Guarantee, with the objective of diversifying its funding sources.

BOND ISSUANCE AND RATINGS

IIFCL has issued sum of Rs. 3,560 cr. through Private Placement of Bond during the Financial Year 2025-26, further, IIFCL has utilized 100% of total fund raised.

IIFCL's domestic debt instruments (Bonds & NCDs) have been rated 'AAA with Stable Outlook', the highest rating, assigned by Crisil, ICRA, India Ratings, CareEdge Ratings and Brickwork Ratings. The ratings assigned to IIFCL were reaffirmed by Fitch Ratings as BBB- with Stable Outlook which is at par with sovereign rating. There is no migration of rating during the Financial Year 2025-26.

PREPARATION OF FINANCIAL STATEMENT AS PER INDIAN ACCOUNTING STANDARDS (IND AS)

As per MCA notification dated 18th January 2016, IIFCL has prepared Financial Statements for year ended 31st March 2026 as per Ind AS.

RESTRUCTURED LOANS, NPAS AND RECOVERY

As on 31st March 2026, the Gross NPAs stood at ₹ 325.57 crore and the Net NPAs stood at Nil. Besides, accounts to the extent of ₹ 166.15 crore were written-off during the year 2025-26. As on 31st March 2026, the Gross NPA ratio was at a level of 0.39 % and Net NPA Ratio was at 0%. The Provision coverage ratio was 100% as on 31st March 2026. During 2025-26, recovery of ₹880.75 crore has been made, which, inter – alia, includes ₹568.18 crore (including redemption of SRs and NCDs to the extent of ₹229.59 Cr and ₹15.86 Cr respectively) recovered from written-off/ARC accounts.

Requisite steps are being taken in consultation with Lead Lender/ Consortium, towards early resolution / recovery. IIFCL is taking the initiative in many cases by engaging with the Concession Authority, other stakeholders in seeking resolutions like termination payments, settlements based on works-completed basis, resolution plan, arbitration process, sale of asset to NARCL/other ARCs, initiating recovery action etc. High value accounts are closely monitored and are being given focused attention. Cases where arbitration proceedings are in progress are being closely monitored. IIFCL actively pursues cases under DRT/CIRP/NCLT to ensure timely resolution.

RISK MANAGEMENT

At IIFCL, risk management entails risk identification, assessment, measurement, and mitigation with the primary goal of reducing any detrimental effects on capital and profitability. IIFCL is exposed to various risks that are an inherent part of infrastructure financing, major ones being; Credit Risk, Interest Rate Risk, Foreign Exchange Risk, Liquidity Risk, Market Risk, and Operational Risk, with increasing relevance of Climate and ESG-related Risks. Recognizing that robust risk management is central to ensuring long-term sustainability, regulatory compliance, and value creation, IIFCL has instituted a comprehensive integrated Risk Management Framework approved by the Board of Directors. This framework provides the guiding parameters for risk management decisions and aligns IIFCL's risk appetite with its strategic objective embedding proactive risk identification, assessment, and mitigation at all organizational levels.

In order to prevent or mitigate a variety of risks, IIFCL is dedicated to fostering a culture of greater risk awareness at all levels and works to continuously improve controls and security measures. IIFCL measures, evaluates, tracks, and manages risks methodically across all of its assets by implementing strong policies and procedures.

The influence of geopolitical crises on important industries and IIFCL's portfolio, as well as changes in regulations and government policies are all continuously closely monitored. Additionally, a number of emerging risks, technologies, and trends are the subject of specialized research. To facilitate well-informed lending decisions, these reports are forwarded to relevant business groups.

At IIFCL, the Risk Management Framework is anchored by a multi-tiered Risk Governance structure comprising both Board-level and Management-level oversight mechanisms. The Board-level Risk Management Committee (RMC) exercises strategic supervision over enterprise-wide risk, supported by a suite of Management committees including the Asset Liability Management Committee (ALCO) for interest rate and liquidity risk, the Credit Risk Management Committee (CRMC) for portfolio-level credit risk, the Operational Risk Management Committee (ORMC) for operational loss events and controls, and the ICAAP Steering Committee for capital adequacy and stress testing oversight. These committees convene at defined intervals to monitor key risk indicators (KRIs), review compliance with risk thresholds, and initiate corrective actions, where

necessary, under the Risk Appetite Framework. All key decisions and risk insights from these committees are presented to the Board-level RMC for informed oversight and integrated governance.

IIFCL follows the “**Three Lines of Defence**” model:

- **First Line:** Business units identify and manage risks in their activities.
- **Second Line:** Independent risk and compliance functions provide oversight.
- **Third Line:** Internal Audit provides independent assurance.

IIFCL places strong emphasis on fostering a risk-aware organizational culture, supported by data-driven decision-making and capacity-building initiatives across all levels. During the year, IIFCL conducted a comprehensive review of key risk management policies, including those related to Credit Risk, Market and Liquidity Risk, Operational Risk, Business Continuity Planning (BCP), and Disaster Recovery (DRP). These reviews were aligned with evolving business dynamics, regulatory directives issued by the Reserve Bank of India, and leading industry practices.

As part of its commitment to enhancing internal risk assessment capabilities, IIFCL also undertakes an external validation of its Infrastructure Sector-specific Internal Risk Rating Models. Furthermore, to institutionalize a more forward-looking and risk-sensitive capital planning process, the Company implemented the Internal Capital Adequacy Assessment Process (ICAAP) and prepared the ICAAP Outcome Document, in line with applicable NBFC regulatory guidelines. These initiatives have strengthened the Company's internal risk quantification capabilities and supported the development of a more risk-sensitive approach to capital allocation and portfolio management.

IIFCL evaluates borrower-specific credit risk using a variety of internal credit risk assessment models and scorecards tailored to the infrastructure industry. An ESG Rating Model has been developed to assess borrowers based on a number of ESG parameters, taking into account the ESG Risk under Internal Risk Rating assessments. Further, IIFCL has also developed a Climate Risk Assessment Tool to assess Physical and Transition risks at borrower level as well as at the portfolio level.

IIFCL undertakes Model Validation through Credit Risk Management Policy for validation of Rating Models on a periodic basis using a risk-based tiering approach. Models are categorized according to the phase of the project as well as its sector-specific material parameters. This assures effective governance, regulatory compliance, and model resilience.

Asset-Liability and Market Risk Management

The Asset Liability Management Committee (ALCO), chaired by the Managing Director and comprising senior officials, is responsible for overseeing the management of liquidity risk, interest rate risk, and foreign exchange risk. These financial risks are closely integrated into IIFCL's overall strategic and financial planning framework to ensure sound balance sheet management and financial resilience.

The pricing of loan products is calibrated with product-level risks and the unsystematic risks associated with different types of projects. Each project and borrower profile is given a distinct Credit Risk Premium, which is then included in the final pricing to ensure risk-adjusted returns.

To monitor and manage these risks, the Company employs a range of analytical tools, including Gap Analysis, Liquidity Coverage Ratio (LCR), and the Stock Ratio Approach, enabling the assessment of liquidity positions under both normal and stress scenarios. These mechanisms help ensure that adequate liquidity buffers are maintained to meet obligations as they fall due, while also optimizing risk-return trade-offs in asset-liability management.

Credit Risk Management

The Credit Risk Management Committee (CRMC), chaired by the Managing Director and comprising senior officials, is responsible for the periodic review and oversight of the Company's credit risk exposures and overall portfolio performance. The Committee meets quarterly to evaluate credit risk trends, monitor exposures against defined Risk Appetite Limits, and review sectoral and borrower-level risk concentrations.

As part of its risk surveillance process, the CRMC undertakes sensitivity and scenario analyses, tracks early warning indicators (EWIs), and assesses the creditworthiness of borrowers across the portfolio. This assessment is supported by a Credit Risk Assessment Model (RAM) used by the Risk Management Department to ensure consistency and objectivity in risk evaluation. These efforts are aimed at ensuring the early identification of potential credit deterioration and the timely deployment of appropriate risk mitigation measures, thereby preserving asset quality and maintaining portfolio resilience.

Operational Risk Management

IIFCL has established a robust Operational Risk Management (ORM) Framework in alignment with RBI regulatory expectations. The framework provides a structured approach for identification, assessment, monitoring, and mitigation of operational risks across all business activities, with outputs progressively integrated into decision-making.

The Operational Risk Management Committee (ORMC), chaired by the Deputy Managing Director, oversees implementation and reviews key tools including Risk and Control Self-Assessments (RCSA), Key Risk Indicators (KRIs), operational loss events, and control effectiveness evaluations. Capital for operational risk is allocated using the Basic Indicator Approach (BIA) to strengthen the ICAAP framework.

IIFCL has implemented a Board-approved Third-Party Risk Management (TPRM) Framework to address vendor-related risks. Business Continuity Plan (BCP) and Disaster Recovery (DR) site for IT systems are operational to ensure resilience during disruptions.

In alignment with RBI's Guidance Note on Operational Risk Management and Operational Resilience (November 2025), the Company has initiated a structured review of its ORM framework during Financial Year 2025–26 with support from an independent third-party consultant.

The effectiveness of operational risk practices is periodically reviewed through internal controls, with independent assurance from internal audit, statutory audit, and RBI supervisory examinations. The Company also conducts structured training and awareness programs to foster a strong risk culture across the organization.

Internal Capital Adequacy Assessment Process

IIFCL conducts an annual Internal Capital Adequacy Assessment Process (ICAAP) to monitor the sufficiency of Capital at both the single and group levels under normal and stressful circumstances. This entails evaluating Pillar 1 risks including Credit Risk, Market Risk and Operational Risk, as well as Pillar 2 concerns like Liquidity Risk, Compliance Risk, Reputation Risk, Concentration Risk and others, while capital is supplied as per requirement. ICAAP also includes the identification and evaluation of new and emerging risks.

The objective is to ensure that IIFCL maintains adequate capital commensurate with its risk profile and business plans. ICAAP provides a structured framework for the ongoing identification, assessment, and monitoring of material risks, and enables informed decisions regarding IIFCL's capital requirements in alignment with its strategic objectives.

To institutionalize the process, IIFCL has constituted an ICAAP Steering Committee (ISC), comprising senior officials from key departments. ISC is responsible for reviewing the risk assessment outcomes and for recommending appropriate actions.

Climate and ESG Risk Management

IIFCL is strengthening its resilience against emerging climate risks through a comprehensive Climate Risk Management Framework. The framework has been designed to assess and address both physical and transition risks under the infrastructure lending decision-making process. The Climate Risk Assessment tool is fully compatible with all major lending schemes and financing structures, enabling seamless integration of Climate Risk considerations. This third-party assisted tool provides systematic evaluation of Physical risks (Acute and Chronic) and Transition risks at both project and portfolio levels. In Financial Year 2025-26, IIFCL has intensified its focus on climate risk by developing a model to map possible disaster risks across all the districts in India and is actively working on integrating climate risk assessment into project planning. This is part of a broader strategic initiative to support the green transition and to lower the cost of infrastructure financing through sustainability-linked measures.

In alignment with its long-term sustainability objectives, IIFCL has developed a robust Sustainability and ESG Financing Framework to guide the issuance of Green, Social, and Sustainability Bonds/Loans. This framework ensures that proceeds are allocated to eligible infrastructure assets that contribute to national development priorities and align with international commitments such as the Paris Agreement and the UN Sustainable Development Goals (SDGs). The Company has also launched a Climate Strategy 2030, which outlines a structured roadmap for climate risk integration.

In line with this, IIFCL proactively undertook an external ESG Impact Rating from ICRA, receiving a 'Good' grade, reflecting its commitment to high standards of environmental, social, and governance performance. To offer strategic direction and supervision for its sustainability initiatives, IIFCL established the Sustainability and ESG Financing Committee.



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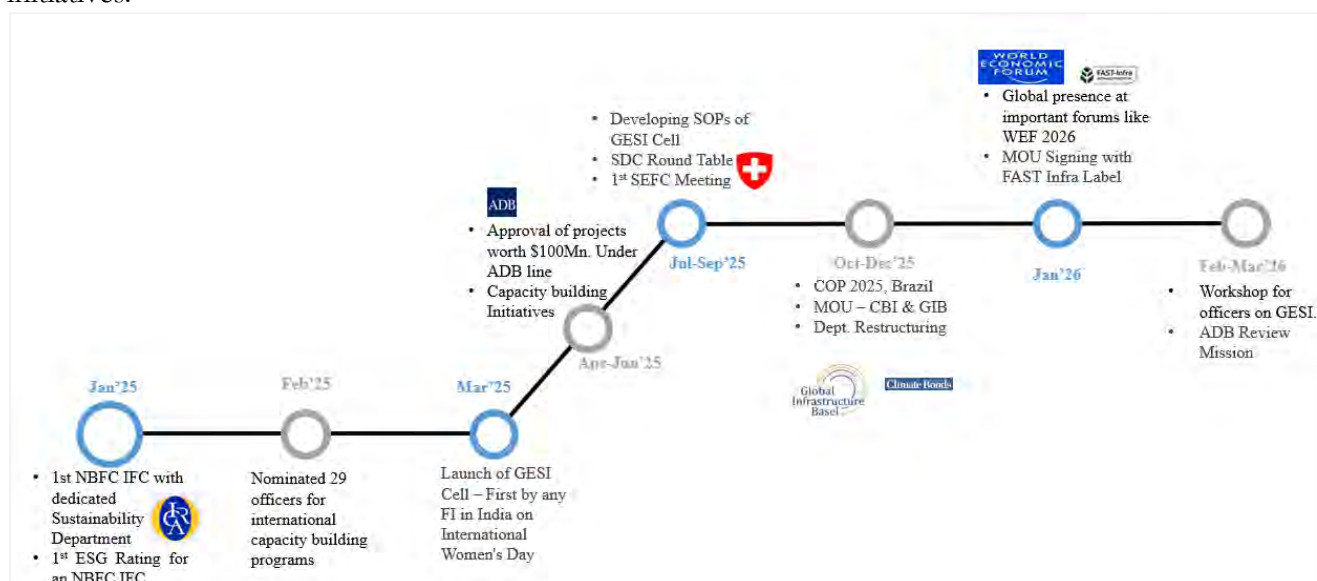
ESG COMPLIANCE

During Financial Year 2025–26, India Infrastructure Finance Company Limited (IIFCL) continued to strengthen the integration of Environmental, Social and Governance (ESG) considerations into its infrastructure financing operations. The year marked an important transition in IIFCL's sustainability journey from an approach primarily centered on environmental and social safeguards to a broader institutional framework encompassing sustainable finance, ESG risk management, gender and social inclusion, capacity building and sustainability-related governance.

IIFCL continued to align its sustainability practices with the requirements of multilateral and bilateral development partners and emerging domestic and international sustainability frameworks. Particular emphasis was placed on strengthening institutional mechanisms for ESG risk identification, project-level screening, environmental and social due diligence, monitoring and reporting.

During the year, IIFCL also advanced its ESG risk management capabilities through the development of a Climate and ESG Risk Assessment Model in collaboration with CRISIL, under the Technical Assistance Grant of the ADB ESGI Line of Credit. The model enables structured evaluation of climate-related and ESG risks and supports project screening and risk assessment. A dedicated workshop was conducted to familiarise officers with its functionality and practical application.

The Sustainability & ESG Financing Committee (SEFC) held its inaugural meeting during the year, further strengthening institutional governance and oversight of sustainability and ESG-related initiatives.



Institutionalizing sustainability for responsible, resilient and inclusive infrastructure financing

ENVIRONMENTAL AND SOCIAL SAFEGUARDS

During Financial Year 2025–26, the Environmental and Social Safeguards Management Unit (ESMU), under the Sustainable Practices Division, continued to facilitate compliance with the environmental and social safeguard requirements associated with various lines of credit from Development Finance Institutions and multilateral partners. Key activities included:

- Environmental and social screening of sub-projects;
- Review and facilitation of Environmental and Social Due Diligence Reports (ESDDR) and Annual Safeguard Monitoring Reports (ASMRs);
- Project site visits, wherever required;

- Identification and maintenance of an appropriate project pipeline for various lines of credit;
- Coordination with internal departments, borrowers, and development partners; and
- Monitoring compliance with applicable environmental and social safeguard requirements.

Under the Asian Development Bank's line of credit amounting to USD 500 million for financing Environmentally Sustainable Growth in Infrastructure (ESGI), two solar energy projects aggregating up to USD 100 million were approved during Financial Year 2025–26. The associated processes further strengthened IIFCL's institutional experience in integrating ESG considerations within infrastructure financing.

The year also witnessed focused capacity-building interventions on environmental and social risk management. A workshop on Gender-Responsive and Environmentally Sustainable Growth in Infrastructure Projects, facilitated by the Asian Development Bank Safeguards Team, strengthened officers' understanding of stakeholder engagement, impact assessment and environmental and social risk monitoring mechanisms.



Capacity-building programme on Gender-Responsive and Environmentally Sustainable Growth in Infrastructure Projects, facilitated by the Asian Development Bank Safeguards Team.

Operationalizing the Sustainability Department at IIFCL:

Financial Year 2025–26 marked the first full year of operationalisation of IIFCL's Sustainability Finance Department, established in January 2025. The establishment of the Department represented a significant institutional milestone in IIFCL's sustainability journey. Emerging from the Environmental and Social Management Unit, the Department was conceptualised with a broader mandate to integrate sustainability into infrastructure financing, risk management, institutional capacity building and business strategy.

The Sustainability Finance Department comprises two key divisions: the Sustainable Finance Division, which serves as the focal point for Green, Social and Sustainability-Linked financing; and the Sustainable Practices Division, which leads sustainability-related policies, frameworks and institutional initiatives and facilitates compliance with environmental and social safeguard requirements associated with Development Finance Institution and multilateral lines of credit.

The Sustainable Practices Division operates through four functional areas: Environmental and Social Management Unit (ESMU); Gender Equality and Social Inclusion (GESI) Cell; Capacity Building; and Sustainability Unit.

Institutional Capacity Building

Capacity building remained a key pillar of IIFCL's sustainability strategy during Financial Year 2025–26. Officers across departments participated in targeted programmes covering climate finance, climate resilience, ESG integration, environmental and social safeguards, Gender Equality and Social Inclusion, infrastructure finance, Public-Private Partnerships, energy transition and global sustainable finance policy dialogue.

The programmes included workshops, seminars, conferences, external learning programmes and international engagements, enabling officers to gain exposure to emerging global practices in sustainable infrastructure financing.

Strategic Partnerships and Global Engagement

IIFCL strengthened its engagement with domestic and international sustainability stakeholders during the year. The Company executed Memoranda of Understanding with the Climate Bonds Initiative (CBI) and Global Infrastructure Basel (GIB) to strengthen collaboration in sustainable infrastructure financing and ESG practices. An MoU was also signed with the FAST-Infra Label to promote sustainable and resilient infrastructure financing.

IIFCL represented India's infrastructure financing ecosystem at leading international platforms, including the World Economic Forum 2026, facilitating engagement with global stakeholders on climate finance, sustainable infrastructure and emerging financing approaches.



IIFCL's participation at the World Economic Forum 2026, strengthening global dialogue on sustainable and resilient infrastructure financing.



IIFCL strengthening international partnerships to advance sustainable and resilient infrastructure financing.

Advancing Sector-Level Dialogue on Sustainable Infrastructure

During the year, IIFCL convened a roundtable on “Financing Urban Infrastructure in Cities to Achieve Net Zero and Climate Resilience: Challenges and Opportunities”. The deliberations highlighted the need for a collaborative ecosystem involving NBFC-IFCs, multilateral institutions, Urban Local Bodies, banks and other stakeholders to identify sustainable financing opportunities, connect projects with suitable funding sources and strengthen climate risk and Monitoring, Reporting and Verification (MRV) mechanisms.

The discussions also underscored the importance of comprehensive project preparation, development of bankable project pipelines and structured risk-mitigation instruments such as Viability Gap Funding, credit enhancement and guarantees. Robust MRV and impact assessment frameworks were identified as essential for demonstrating genuine sustainability outcomes and mitigating the risks of greenwashing and social washing.



Stakeholder engagement and knowledge sharing to advance sustainable infrastructure financing and collaborative approaches

Strategic Outlook for IIFCL

The sustainability landscape is undergoing rapid transformation, driven by the growing importance of climate resilience, transition finance, ESG risk management, sustainability disclosures and the mobilisation of capital for sustainable infrastructure. As India's premier infrastructure-focused Financial Institution, IIFCL is well positioned to support the country's transition towards sustainable, resilient and inclusive infrastructure development.

Going forward, IIFCL intends to focus on:

- Deepening ESG integration within project assessment and institutional risk management systems;
- Strengthening climate and ESG risk assessment and progressively enhancing risk-informed infrastructure financing;
- Expanding green and climate finance initiatives and exploring innovative sustainable financing instruments;
- Strengthening Monitoring, Reporting and Verification mechanisms to improve sustainability impact assessment and mitigate greenwashing risks;
- Leveraging digital technologies for ESG data collection, monitoring and reporting;
- Supporting inclusive infrastructure financing through greater integration of Gender Equality and Social Inclusion considerations;
- Strengthening partnerships with multilateral, bilateral and international institutions to facilitate knowledge exchange, technical assistance and mobilisation of sustainable capital;
- Supporting the development of bankable, climate-aligned infrastructure project pipelines through stakeholder collaboration and improved project preparation; and
- Enhancing institutional capacity and thought leadership in sustainable infrastructure financing.

Through these strategic interventions, IIFCL seeks to progressively strengthen its role as a national centre of excellence and knowledge hub for sustainable infrastructure financing, while supporting infrastructure that is economically viable, environmentally sustainable, socially inclusive and resilient to emerging climate risks.

HUMAN CAPITAL MANAGEMENT

The HR Vision of IIFCL is to attract, develop and retain a high performing workforce with right fit talent to facilitate innovative financing solutions to meet the emerging needs of infrastructure sector in India as per the organizational vision and strategy of IIFCL.

The Human Capital Management Department continues to play an enabling role in the development of the employees and enable all-round professional development of its employees. As on March 31, 2026, IIFCL had 149 employees out of which 139 employees are regular and 10 employees are on contract basis. Women employees constitute approximately 26.17% of total employees. Further, the average age of all the employees of IIFCL is less than 40 years.

During the year, 02 officers (on contract basis) joined IIFCL. Further, recruitment process for 41 vacancies across the grades (regular and contractual) was initiated. Complementary to the new recruitment undertaken, the promotion exercise for eligible Officers was carried out and total 19 officers were promoted in Financial Year 2025-26. Further, attrition rate has been minimal of 5.37%.

In order to develop human resources of the Company, need based training was provided to Officers in the areas inter alia including Project Financing, Accounting, Risk Management, Bond Market, Cyber Security, CSR, ESG, KYC/AML, Public Procurement etc. at various renowned Training institutions (to all employees including employees from SC/ST/OBC category). Senior officers were also nominated for Leadership Development Programme “Aarohan” conducted through FSIB. During the Financial Year, all officers were nominated for various training programmes and more than 900-man days training was provided. Apart from above, IIFCL also organized Strategy meet of Senior Officers and also of Middle and Junior level officers during the Financial Year 2025-26.

Various events were organized to promote fitness among employees and their family members like Yoga Session conducted in observance of the International Day of Yoga, Corporate Cricket Matches, Desk Yoga Sessions for employees etc. Apart from above, other events like IIFCL’s Foundation Day, Business Stakeholder Meet, Cyber Swachhata Pakhwada, Vigilance Awareness Week, Health talks, Women’s Day Celebration, Environment Day, Blood donation camp etc. were also organised. Initiatives were also undertaken under Staff Welfare Schemes for the benefit of employees.

The reservation rosters in IIFCL are maintained as per guidelines issued by GoI from time to time and are vetted by Chief Liaison Officers (CLOs) annually and reviewed by GoI from time to time.

The Employee relations during the year remain peaceful and cordial. SC/ST cell is functional in company. ‘Nil’ complaint/grievances from SC/ST employees were received during the Financial Year 2025-26. All Government policies on reservation/relaxation/exemption to the reserved categories candidates are being complied with. Further, IIFCL also provided pre-recruitment training for SC/ST/OBC/EWS/PWD candidates for the recruitment drive conducted in Financial Year 2025-26.

IT INITIATIVES

The business landscape for Non-Banking Financial Companies (NBFCs) is evolving rapidly, driven by digital transformation and the adoption of advanced information technology solutions.

In line with this transformation, IIFCL has automated several business processes and operates its core business functions on the SAP platform.

As part of its digital transformation journey, IIFCL is among the first Government-owned NBFCs to have successfully upgraded its SAP ECC to the SAP S/4HANA under Project SUPER. IIFCL has further strengthened and leveraged its ICT infrastructure to ensure uninterrupted business operations by deploying robust technology solutions. Its core business applications are hosted at the Primary Data Centre in Noida and the Disaster Recovery Centre in Mumbai under the Government Community Cloud (GCC) framework, ensuring high availability, security, and business continuity.

IIFCL successfully established a state-of-the-art technology infrastructure at its new office located at World Trade Centre (WTC), ensuring secure, reliable and efficient digital working environment. The new office has been equipped with modern networking, communication, cybersecurity, and collaboration solutions to support seamless business operations and enhance employee productivity.

Further, in order to improve customer experience and strengthen risk management, IIFCL has launched an Online Customer Portal during the Customer Stakeholder Meet. The portal provides customers with real time access to information and services, enhancing transparency, operational efficiency and stakeholder engagement while enabling faster and more effective service delivery.

CYBER SECURITY INCLUDING CYBER SECURITY INCIDENTS, IF ANY

No cyber incidents were reported during the Financial Year 2025-26.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVE

India Infrastructure Finance Company Limited (IIFCL), as a deeply committed and socially responsible institution has, over the past fourteen years, cumulatively invested approximately ₹204 crore across a broad spectrum of developmental sectors — including healthcare, education, nutrition, clean drinking water and preservation of cultural heritage of India.

IIFCL's sustained and strategic investment in Corporate Social Responsibility has been independently recognised and validated through its ICRA ESG Impact Rating of 78 (Good) with the rating of "Social" being 88 (Outstanding). ICRA specifically recognised IIFCL's "impactful and well-rounded CSR initiatives, particularly in health, nutrition and rural development", including its coverage of aspirational districts and the substantially expanded CSR budget in recent years. The rating agency further noted IIFCL's robust monitoring and impact assessment framework, comprising periodic physical site visits and direct community interactions, which ensures that sanctioned funds are utilised as intended and yield measurable outcomes at the grassroots. This "Outstanding" Social rating affirms that IIFCL's CSR programme is not merely a statutory obligation but a strategically governed platform that creates enduring value for communities, advances inclusive development and strengthens the Company's overall sustainability profile.

During Financial Year 2025-26, IIFCL fulfilled its statutory CSR obligation of ₹40.54 crore by sanctioning 17 projects valued at ₹41.38 crore, spanning more than 12 States, with over 70% of projects implemented in partnership with Government institutions, District Administrations and State Governments. This institutional partnership model not only ensures transparent and accountable project execution but also promotes convergence with national programmes, long-term asset sustainability and deeper development impact across underserved geographies. The

Financial Year 2025-26 portfolio encompasses healthcare access strengthening, digital education transformation, road safety promotion, environmental sustainability and heritage conservation — interventions that together address the most critical gaps confronting vulnerable communities in aspirational districts/blocks and remote regions of the country.

Financial Year 2025-26 CSR Performance Snapshot

Particular	Details
CSR Statutory Obligation	₹40.54 Crore
Total Projects Sanctioned	17
Value of Projects Sanctioned	₹41.38 Crore
Amount Utilised during Financial Year	₹12.37 Crore
Amount Transferred to UCSRA	₹28.18 Crore
States Covered	12+
Projects via Government Institutions	>70%
Cumulative CSR Investment (14 years)	~₹204 Crore

INTERNAL CONTROL

IIFCL has established a robust internal control framework commensurate with the size, scale, and complexity of its operations. The framework is designed to ensure operational efficiency, safeguard assets, maintain the reliability of financial reporting, and ensure compliance with applicable statutory requirements, regulatory guidelines, and internal policies and procedures.

The Internal Audit Department conducts risk-focused audits of key functional and operational areas on a regular basis. The audits are aimed at identifying gaps in processes, controls, and policy implementation and recommending appropriate corrective and preventive measures. The internal audit for Financial Year 2025–26 is underway, and the audit observations, along with the status of compliance, are placed before the Audit Committee of the Board at regular intervals for its review, guidance, and recommendations.

To further strengthen the internal audit framework and align it with evolving regulatory expectations, IIFCL has adopted a Risk-Based Internal Audit (RBIA) approach in accordance with the Reserve Bank of India's notification RBI/2020-21/88 Ref. No. DoS.CO.PPG./SEC.05/11.01.005/2020-21 dated February 3, 2021. The Board of Directors has approved the Risk-Based Internal Audit Policy, which is reviewed annually to ensure continued alignment with applicable regulatory requirements and emerging business risks. The Risk Based Internal Audit for Financial Year 2025–26 is underway and conducted in accordance with the approved RBIA framework. Further, an internal Audit Committee of Executives (ACE) has been constituted to periodically review internal audit reports and the status of compliance of the same are placed before the Audit Committee of the Board.

To ensure regular, systematic, and timely examination of financial transactions and related controls, IIFCL has implemented Concurrent Audit mechanism since Financial Year 2019–20. A firm of Chartered Accountants has been appointed as the Concurrent Auditor for Financial Year 2025–

26. The Concurrent Audit for Financial Year 2025–26 is underway. Further, the concurrent audit observations are reviewed periodically by the ACE and thereafter submitted to the Audit Committee of the Board for its review and guidance on corrective actions.

Further, to provide assurance on the adequacy and effectiveness of information systems, cybersecurity controls, and IT governance, IIFCL has implemented an Information Systems (IS) Audit framework in line with the Reserve Bank of India's Master Direction No. RBI/2023-24/107 DoS.CO.CSITEG/SEC.7/31.01.015/2023-24 dated November 7, 2023. An independent Information Systems Auditor was appointed, and the IS Audit for Financial Year 2025-26 is underway. The IS audit provides assurance on the effectiveness of the Company's information systems and their compliance with applicable regulatory requirements.

The Company's comprehensive internal control and audit framework, comprising Internal Audit, Risk-Based Internal Audit, Concurrent Audit and Information Systems Audit provides reasonable assurance regarding the effectiveness of internal controls, risk management, governance processes, regulatory compliances. These mechanisms facilitate the timely identification and mitigation of risks, strengthen internal processes, reduce control gaps and vulnerabilities, and reinforce stakeholders' confidence in the Company's governance and control environment.

COMPLIANCES

IIFCL has an independent Compliance Department responsible for tracking, reviewing and monitoring compliance with applicable regulatory guidelines and requirements, while fostering a strong compliance culture across the Organisation. The Organisation maintains a robust compliance monitoring framework, supported by a compliance calendar and continuous coordination with business, support and operations departments to ensure timely adherence to regulatory requirements. The Compliance Department undertakes regular monitoring and review of compliance status and facilitates timely identification and escalation of instances of non-compliance, wherever applicable. To further strengthen the compliance monitoring process, IIFCL has implemented a web-based Compliance Management Application for identification, assessment, monitoring, management and reporting of compliance risks and obligations. The system facilitates structured tracking of regulatory compliances and supports effective oversight and reporting of compliance matters.

ISO 9001:2015 CERTIFICATION

IIFCL continues to be an ISO 9001:2015 certified company with established, documented, Quality Policy, Quality Manual and Departmental process. IIFCL implements and maintains a Quality Management System (QMS) as a means for ensuring that the services of IIFCL are conforming to specified requirements and continually improve its effectiveness. The QMS framework related documents are periodically updated based upon amendments in IIFCL Policies, revisions in ISO 9001 standard or changes on business processes.

During the Financial Year 2025-26, your company adhered to the compliance requirements of the ISO 9001:2015 standard certification and its Quality Management System (QMS) Framework. To comply with ISO 9001:2015 standard requirements, Internal Quality Audits were conducted to six monthly basis followed by customer feedback and Management Review Meetings to ensure its continuing suitability, adequacy and effectiveness, and assess opportunities for improvement. IIFCL Management lays strong emphasis on adherence to QMS compliances in the business operations & service delivery to its stakeholders which is consistently deliberated in periodic Management Review Meetings. The ISO 9001 certification of IIFCL is valid till February 07, 2029.

During the Financial Year 2025-26, your company has renewed its ISO certificate conducted by external certification agency for continuity of its certification for ISO 9001:2015 standard.

SHARE CAPITAL

The entire paid-up equity share capital of IIFCL is held by the Government of India and all the shareholders of IIFCL are representatives of the Government of India.

As on 31st March 2026, the Authorized Share Capital of your company stood at ₹10,000 crore and the Paid –Up Share Capital was ₹9999,91,62,300 consisting of 999,99,16,230 equity shares of ₹10 each, entirely held by Government of India. No equity contribution was received by India Infrastructure Finance Company Limited (IIFCL) during the Financial Year 2025-26.

DIVIDEND

IIFCL is eligible to pay dividend for the Financial Year 2025-26 as per the extant guidelines and statutory provisions. Considering business requirements, the Board of Directors directed IIFCL to seek exemption from Government for payment of Dividend for Financial Year 2025-26.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT 2013

Your company being Non- Banking Financial Company engaged in the business of financing for infrastructure facility is exempt from the relevant provision of Section 186 of the Companies Act 2013.

PROCUREMENT OF GOODS AND SERVICES FROM MICRO, SMALL & MEDIUM ENTERPRISES (MSME)

IIFCL has procured Goods and Services aggregating Rs. 794 lakhs during Financial Year 2025-26. Goods and Services aggregating Rs. 629 lakhs i.e. 79% in value were procured from Micro, Small & Medium Enterprises (MSME). Further, procurement worth Rs. 251 lakhs i.e. over 31% in value have been made from GeM portal of Government of India.

BOARD OF DIRECTORS

The composition of Board of Directors of your company as on date is as under:

Name	DIN	PAN	Category	Date of appointment	Date of Reappointment	Date of Birth	No of Directorship in listed entities including this listed entity (Refer Regulation 17A of Listing Regulations)	No of Independent Directorship in listed entities including this listed entity (Refer Regulation 17A(1) of Listing Regulations)	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
Shri Rohit Rishi (Note no.1)	11524681	ADTPR2410F	Managing Director	04.02.2026	-	04.04.1969	1	NIL	1	NIL
Shri Palash Srivastava (Note no.2)	02007911	AAKPK5448E	Deputy Managing Director	28.02.2025	-	15.09.1972	1	NIL	2	NIL
Shri Chandradeeep Kumar Jha, Government Nominee Director (Note no.3)	11417133	ADSPJ5706B	Government Nominee Director	09.12.2025	-	16.09.1975	2	NIL	2	NIL
Ms. Laya Madduri, Government Nominee Director (Note no.4)	11704330	ANVPM8315N	Government Nominee Director	19.06.2025	-	14.04.1985	3	NIL	3	NIL

Shri Ch. Partha Sarathi Reddy, Advisor, (Note no.5)	08941266	AARPC0039J	Government Nominee Director	29.10.2020	-	24.08.1973	1	NIL	1	NIL
Shri Amit Kumar Srivastava, Scheduled Commercial Bank Nominee Director (Note no.6)	08099846	AENPS1455E	Scheduled Commercial Bank Nominee Director	27.02.2026	-	29.09.1970	2	NIL	1	1
Shri Ashutosh Choudhury Scheduled Commercial Bank Nominee Director (Note no.7)	09245804	AERPC4817N	Scheduled Commercial Bank Nominee Director	28.07.2026	-	04.09.1975	2	NIL	3	1

Notes:

1. Department of Financial Services, Ministry of Finance, Government of India vide Letter No. F.No. 18/5/2022-IF-I dated 27th January 2026 communicated the appointment of Shri Rohit Rishi, (D.O.B. 04.04.1969), working as Executive Director, Bank of Maharashtra as Managing Director (MD), India Infrastructure Finance Company Ltd. (IIFCL) for a period of three (03) years from the date of his taking over the charge of the post, or until further orders, whichever is earlier. Shri Rohit Rishi has assumed charge as Managing Director of IIFCL w.e.f. 4th February, 2026.
2. Department of Financial Services, Ministry of Finance, Government of India vide Letter No. F.No. 18/4/2024/IF-I dated 28th February 2025 communicated the appointment of Shri Palash Srivastava (D.O.B. 15.09.1972), working as Director and Chief Executive Officer (CEO), IIFCL Projects Limited as Deputy Managing Director (DMD), India Infrastructure Finance Company Ltd. (IIFCL) for a period of three (03) years from the date of his taking over the charge of the post, or until further orders, whichever is earlier. Shri Palash Srivastava has assumed charge as Deputy Managing Director of IIFCL w.e.f. 28th February, 2025.

Thereafter, Department of Financial Services, Ministry of Finance, Government of India vide Letter No. F.No. 18/5/2022-IF-I dated 02nd July 2025 informed that the Competent Authority has assigned the duties and responsibilities of Managing Director (MD), IIFCL to Shri Palash Srivastava, Deputy Managing Director (DMD), IIFCL on additional charge basis, for a period of six (06) months w.e.f 29.05.2025 to 28.11.2025. The Charge was further extended vide DFS Letter no. 18/5/2022-IF-I dated 27th January 2026, for a period of six (06) months beyond 28.11.2025 till 28.05.2026 or until a regular incumbent is appointment to the post of MD, IIFCL, or until further orders, whichever is the earliest. On assumption of charge of Shri Rohit Rishi as Managing Director, IIFCL, the term of Shri Palash Srivastava as Managing Director (Additional Charge) was completed on 04th February 2026.

3. Department of Financial Services , Ministry of Finance, Government of India vide Letter No. 6/2(iv)/2022-BO.I dated 03rd December 2025 has informed that in terms of the provisions of Articles 115 (1)(b)(i) of the Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government has nominated Shri Chandradeep Kumar Jha, Deputy Director General, Department of Financial Services (DFS), Ministry of Finance as Government Nominee Director on the Board of Directors of IIFCL vice Ms. M.G. Jayasree with immediate effect and until further orders. The appointment is effective from the date of allotment of Director Identification Number (DIN) i.e. 09th December, 2025.

4. Department of Financial Services, Ministry of Finance, Government of India vide Letter No. 3/1/2010-IF-I (Vol.IV) dated 19th June 2026 has informed that in terms of the provisions of Articles 115 (1)(b)(i) of the Memorandum and Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government has nominated Ms. Laya Madduri, Joint Secretary, Department of Economic Affairs as Government Nominee Director on the Board of Directors of IIFCL vice Shri Alok Tiwari, Joint Secretary, Department of Economic Affairs with immediate effect and until further orders.
5. Department of Financial Services , Ministry of Finance, Government of India vide Letter No. 3/1/2010/IF-I (Vol IV) dated 28th October 2020 has conveyed the approval of the Central Government for the appointment of Shri Ch. Partha Sarathi Reddy (IRSEE), Advisor (PAMD) as Government Nominee Director on the Board of IIFCL with immediate effect and until further orders in place of Shri Sonjoy Kumar Saha in terms of the provisions of Article 115 (1)(b)(i) of the Articles of Association (AoA) of India Infrastructure Finance Company Limited (IIFCL). Appointment of Shri Ch. Partha Sarathi Reddy is effective from 29th October 2020 i.e. the date of allotment of Director Identification Number (DIN).
6. Department of Financial Services, Ministry of Finance, Government of India vide Letter No. F.No. 3/1/2010/IF-I(Vol.IV) dated 27th February 2026 communicated the appointment of Shri Amit Kumar Srivastava, Executive Director, Punjab National Bank as Scheduled Commercial Bank (SCB) Nominee Director on the Board of India Infrastructure Finance Company Limited (IIFCL) with immediate effect and until further orders, in terms of the provisions of Article 115(1)(b)(ii) of the Articles of Association of IIFCL in place of Shri Kalyan Kumar, with immediate effect and until further orders.
7. Department of Financial Services, Ministry of Finance, Government of India vide Letter No. 18/7/2022-IF – I (Vol. IV) dated 31st July 2026 communicated the approval dated 28th July, 2026 of Hon'ble Finance Minister for the appointment of Shri Ashutosh Choudhury, Executive Director, Indian Bank of India as Scheduled Commercial Bank (SCB) Nominee Director on the Board of India Infrastructure Finance Company Limited (IIFCL) effective from the date of approval (approved by Hon'ble Finance Minister dated 28th July, 2026) and until further orders, in terms of the provisions of Article 115(1)(b)(ii) of the Articles of Association of IIFCL in place of Sanjay Rudra, with immediate effect and until further orders.

Individual who ceased to be director from the Board of IIFCL during the period from 1st April 2025 till date are as under:-

Name	DIN	PAN	Category	Tenure
Shri Alok Tiwari (Refer note no. 1)	11409207	AFYPT4553J	Government Nominee Director	From 04.12.2025 to 19.06.2026
Shri Samir Jerambhai Boghara (Refer note no. 2)	10163651	ABOPB8460C	Independent Director	From 15.05.2023 to 09.05.2026
Shri Sanjay Rudra (Refer note no. 3)	09650826	AFMPR9680N	Scheduled Commercial Bank Nominee Director	From 01.07.2024 to 30.06.2026

Ms. M.G. Jayasree (Refer note no. 4)	8991135	AGTPM9099G	Government Nominee Director	From 06.08.2024 to 03.12.2025
Shri Kalyan Kumar (Refer note no. 5)	09631251	AADPY6669A	Scheduled Commercial Bank Nominee Director	From 21.09.2022 to 27.02.2026
Shri Solomon Arokiaraj Government Nominee Director (DEA) (Refer note no. 6)	06802660	ADZPA3994P	Government Nominee Director	Form 23.01.2023 to 21.07.2025
Shri Baldeo Purushartha (Refer note no. 7)	07570116	AMEPP3669G	Government Nominee Director	From 21.07.2025 to 27.11.2025
Shri P.R. Jaishankar Managing Director (Refer note no. 8)	06711526	AAHPJ5736F	Managing Director	From 29.05.2020 to 28.05.2025

The Board wishes to place on record its appreciation of their contribution to the company.

Notes:

1. Department of Financial Services , Ministry of Finance, Government of India vide Letter No. 3/1/2010- IF – I (Vol.IV) dated 19th June 2026 has informed that in terms of the provisions of Articles 115 (1)(b)(i) of the Memorandum and Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government has nominated Ms. Laya Madduri, Joint Secretary, Department of Economic Affairs as Government Nominee Director on the Board of Directors of IIFCL, with immediate effect and until further orders vice Shri Alok Tiwari, Joint Secretary, Department of Economic Affairs.
2. Department of Financial Services, Ministry of Finance, Government of India vide Letter No. F.No. 18/7/2022/IF-I dated 10th May 2023 appointed Shri Samirbhai Jerambhai Boghara as Independent Director on the Board of India Infrastructure Finance Company Limited (IIFCL) with immediate effect and until further orders, in terms of the provisions of Article 115(1)(d) of the Articles of Association of IIFCL for a period of three years from the date of order of his appointment or until further orders whichever is earlier. Accordingly, his term was completed on 09th May 2026.
3. Department of Financial Services , Ministry of Finance, Government of India vide Letter No. 18/7/2022- IF – I dated 31st July 2026 has informed that in terms of the provisions of Articles 115 (1)(b)(ii) of the Memorandum and Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government has nominated Shri Ashutosh Choudhury, Executive Director, Indian Bank as Scheduled Commercial Bank Nominee Director on the Board of Directors of IIFCL, with immediate effect and till his tenure as ED, Indian Bank or until further orders vice Shri Sanjay Rudra. Shri Sanjay Rudra was superannuated from the services w.e.f. 30th June, 2026.
4. Department of Financial Services, Ministry of Finance, Government of India vide Letter No. 6/2(iv)/2022-BO. I dated 3rd December 2025 has informed that in terms of the provisions of Articles 115 (1)(b)(i) of the Memorandum and Articles of Association of India Infrastructure

Finance Company Limited (IIFCL), the Central Government has nominated Shri Chandradeep Kumar Jha, Deputy Director General as Government Nominee Director on the Board of Directors of IIFCL, with immediate effect and until further orders vice Ms. M.G. Jayasree.

5. Department of Financial Services , Ministry of Finance, Government of India vide Letter No. 3/1/2010-IF-I (Vol. IV) dated 27th February 2026 has informed that in terms of the provisions of Articles 115 (1)(b)(ii) of the Memorandum and Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government has nominated Shri Amit Kumar Srivastava, Executive Director, Punjab National Bank as Scheduled Commercial Bank Nominee Director on the Board of Directors of IIFCL, with immediate effect and until further orders vice Shri Kalyan Kumar.
6. Department of Financial Services , Ministry of Finance, Government of India vide Letter No. 18/7/2022– IF – I dated 21st July 2025 has informed that in terms of the provisions of Articles 115 (1)(b)(i) of the Memorandum and Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government has nominated Shri Baldeo Purushartha, Joint Secretary, Department of Economic Affairs as Government Nominee Director on the Board of Directors of IIFCL, with immediate effect and until further orders vice Shri Solomon Arokiaraj, Additional Secretary, Department of Economic Affairs.
7. Department of Financial Services , Ministry of Finance, Government of India vide Letter No. 18/7/2022– IF – I dated 27th November 2025 has informed that in terms of the provisions of Articles 115 (1)(b)(i) of the Memorandum and Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government has nominated Shri Alok Tiwari, Joint Secretary, Department of Economic Affairs as Government Nominee Director on the Board of Directors of IIFCL, with immediate effect and until further orders vice Shri Baldeo Purushartha, Joint Secretary, Department of Economic Affairs. The appointment was effective from the date of allotment of Director Identification Number (DIN) i.e. 4th December, 2025.
8. Department of Financial Services, Ministry of Finance, Government of India vide Letter No. F No. 18/1/2020-IF-I dated 4th June 2025, has informed that the tenure of Dr. P.R. Jaishankar, Managing Director, IIFCL ended on 28th May, 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(5) of the Companies Act, 2013, it is hereby confirmed:

- a) That in the preparation of Annual Accounts for the Financial Year ended 31st March 2026 the applicable accounting standard had been followed and no material departures had been made from the same.
- b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit of the company for the year under review.
- c) That the Directors had taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 2013 for

safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

- d) That the Directors had prepared the accounts for the Financial Year ended 31st March, 2026 on a going concern basis.
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

Corporate Governance is a set of accepted principles by management of the inalienable rights of the shareholders as a true owner of the corporation and of their own role as trustees on behalf of the shareholders. Corporate Governance ensures transparency and accountability which ensures strong and balanced economic development of company and society. Accordingly, there is strong realization in corporate world for adopting and strengthening the Corporate Governance practices.

Your company continues to focus on evolving corporate structure, conduct of business and disclosure practices aligned to such Corporate Governance Philosophy. The composition of Board of Directors of IIFCL as on 31.03.2026 as conveyed by Department of Financial Services, Ministry of Finance vide letter no. F.No. 18/6/2014-IF-I dated 22nd January 2015 is: - two (2) Whole Time Directors one of whom shall be Managing Director, three (3) Government Nominee Directors, two (2) Directors representing the Scheduled Commercial Banks, one (1) Director nominated by the Reserve Bank of India and such number of Independent Directors as may be required under the Companies Act, 2013. In its Extra Ordinary General Meeting (EGM) dated 03.09.2026 IIFCL has increased the number of Whole Time Directors from two to three. Further, IIFCL has requested the Department of Financial Services, Ministry of Finance, Government of India to consider the appointment of Independent Directors on its Board.

Your Company prepares the consolidated financial statements as per the applicable Accounting Standards in relation to the Consolidation of Financial Statements. The management makes disclosures to the Board relating to all material financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the company. Reports on the economy, performance of the company and other operational matters are regularly reviewed by the Board of Directors.

BOARD MEETINGS DURING THE YEAR

The Board of Directors of the company provides leadership and strategic direction and brings forth their objective judgment, so as to exercise control over the functioning of the company, ensuring accountability to stakeholders through an efficient management. During the year under review, the Board of Directors met sixteen times on 08th May 2025, 20th May 2025, 17th June 2025, 18th June 2025, 20th June 2025, 04th July 2025, 11th August 2025, 19th September 2025, 29th -30th September 2025, 13th November 2025, 05th December 2025, 30th December 2025, 30th January 2026, 12th February 2026, 20th March 2026 and 27th March 2026.

COMMITTEE OF THE BOARD OF DIRECTORS

The Board functions at full Board or through various Committees constituted to oversee specific operational areas. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees meet at regular intervals and focus on specific areas and make informed decision within the authority delegated to them.

As on 31st March 2026, the Board had the following Committees:

1. Audit Committee
2. Management & Investment Committee
3. Risk Management Committee
4. Corporate Social Responsibility Committee
5. Remuneration and Nomination Committee
6. Stakeholders Relationship Committee
7. IT Strategy Committee

The Meetings of the Board of Directors and the Board Level Committees have been conducted in the manner as specified in SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, Companies Act, 2013 and RBI Guidelines. The periodicity for the Board and Board Level Committee meetings as well as the requirement of quorum for the meetings as specified under the SEBI (LODR), Regulations, 2015, Companies Act, 2013 and RBI's Corporate Governance norms has been met.

Further, the Committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and Disclosure requirements), Regulations, 2015, Companies Act, 2013 and RBI Guidelines. The Quarterly Corporate Governance Reports are duly placed before the Board of Directors. Besides, adequate disclosures as per Regulation 62 of the SEBI (LODR), Regulations, 2015 have been made on the website of IIFCL (www.iifcl.in).

Audit Committee of the Board (ACB)

The Audit Committee was constituted in the 3rd Board Meeting held on 29th May, 2006. The last reconstitution of the Audit Committee was effected vide Circular Resolution passed on 24th June 2026.

The Constitution of the Audit Committee as on date is as under:

Name	Designation	Number of meetings entitled to attend during Financial Year 2025-26	Number of meetings attended during Financial Year 2025-26
Shri Amit Kumar Srivastava (1)	Scheduled Commercial Bank Nominee Director Chairman of the Committee	1	1
Shri Palash Srivastava	Deputy Managing Director	9	9
Shri Chandradeep Kumar Jha (2)	Government Nominee Director	3	2
Ms. Laya Madduri (3)	Government Nominee Director	0	0
Shri Ch. Partha Sarathi Reddy	Government Nominee Director	9	5
Shri Samir Jerambhai Boghara (4)	Independent Director	9	9
Ms. M.G. Jayasree (5)	Government Nominee Director	6	4
Shri Baldeo Purushartha (6)	Government Nominee Director	3	2

Shri Solomon Arokiaraj (7)	Government Nominee Director	3	2
Shri Alok Tiwari (8)	Government Nominee Director	3	0
Shri Kalyan Kumar (9)	Scheduled Commercial Bank Nominee Director	8	2
Shri Sanjay Rudra (10)	Scheduled Commercial Bank Nominee Director	1	1

Note :

1. Appointed as member and director w.e.f. 27.02.2026 and Chairman of the Committee w.e.f. 29.05.2026
2. Appointed as member and director w.e.f. 09.12.2025
3. Appointed as member and director w.e.f. 19.06.2026
4. Ceased to be Chairman and director w.e.f. 09.05.2026
5. Ceased to be member and director w.e.f. 03.12.2025
6. Appointed as member and director w.e.f. 21.07.2025 and ceased w.e.f. 27.11.2025
7. Ceased to be member and director w.e.f. 21.07.2025
8. Appointed as member and director w.e.f. 04.12.2025 and ceased w.e.f. 19.06.2026
9. Ceased to be member and director w.e.f. 27.02.2026
10. Ceased to be member and director w.e.f. 30.06.2026

During the Financial Year 2025-26, the Audit Committee of the Board met nine times on 08th May 2025, 20th May 2025, 20th June 2025, 11th August 2025, 19th September 2025, 13th November 2025, 28th January 2026, 12th February 2026 and 27th March 2026.

Management & Investment Committee (MIC)

The MIC was constituted in the 60th Board Meeting held on 20th February, 2013. The last reconstitution of the MIC was effected in the 170th Board meeting held on 05th August 2026.

The constitution of the Management and Investment Committee as on date is as under:

Name	Designation	Number of meetings entitled to attend during Financial Year 2025-26	Number of meetings attended during Financial Year 2025-26
Shri Rohit Rishi (1)	Managing Director (Chairman of the Committee)	2	2
Shri Ch. Partha Sarathi Reddy	Government Nominee Director	11	8
Shri Ashutosh Choudhury (2)	Scheduled Commercial Bank Nominee Director	0	0
Shri Amit Kumar Srivastava (3)	Scheduled Commercial Bank Nominee Director	1	1
Shri Samir Jerambhai Boghara (4)	Independent Director	11	11
Ms. M.G. Jayasree (5)	Government Nominee Director	0	0
Shri Baldeo Purushartha (6)	Government Nominee Director	4	1
Shri Sanjay Rudra (7)	Scheduled Commercial Bank Nominee Director	11	8

Shri Solomon Arokiaraj (8)	Government Nominee Director	3	1
Shri P.R. Jaishankar (9)	Managing Director	2	2
Shri Alok Tiwari (10)	Government Nominee Director	3	0
Shri Kalyan Kumar (11)	Scheduled Commercial Bank Nominee Director	10	1
Shri Palash Srivastava	Deputy Managing Director	11	11

Note:

1. Appointed as member and director and Chairman w.e.f. 04.02.2026
2. Appointed as member and director w.e.f. 28.07.2026
3. Appointed as member and director w.e.f. 27.02.2026
4. Ceased to be member and director w.e.f 09.05.2026
5. Ceased to be member and director w.e.f. 03.12.2025
6. Appointed as member and director w.e.f. 21.07.2025 and ceased w.e.f 27.11.2025
7. Ceased to be member and director w.e.f 30.06.2026
8. Ceased to be member and director w.e.f 21.07.2026
9. Ceased to be member and director w.e.f 28.05.2025
10. Appointed as member and director w.e.f. 04.12.2025 and ceased w.e.f. 19.06.2026
11. Ceased to be member and director w.e.f 27.02.2026

During the Financial Year 2025-26 the Management & Investment Committee of the Board met eleven times on 07th May 2025, 20th May 2025, 18th June 2025, 25th July 2025, 13th August 2025, 19th September 2025, 12th November 2025, 05th December 2025, 04th February 2026, 27th February 2026 and 27th March 2026.

Risk Management Committee

The Board of Directors of IIFCL, in 21st Meeting held on 14th November 2008, constituted the Risk Mitigation & Management Committee of the Board. In light of IIFCL being registered as NBFC-IFC with RBI and implementation of Integrated Risk Management Framework at IIFCL, the Board Level – Risk Mitigation & Management Committee was reconstituted as the Board Level-Risk Management & ALCO Committee in 68th Board Meeting held on 3rd February 2014 to give overall guidance to IIFCL Risk Management and to the Assets & Liabilities Management. Subsequently, the Board of Directors of IIFCL in 73rd Meeting held on 26th November 2014 approved the proposal that existing Risk Management & ALCO Committee of IIFCL be segregated into two Committees namely Risk Management Committee & ALCO Committee in view of Regulation 3 of the Master Circular-Corporate Governance issued by Reserve Bank of India vide reference no DNBS (PD) CC No. 390/03.10.001/2014-15 date 1st July, 2014, stipulating that every NBFCs with Public Deposit of ₹20 crore and above or having an asset size of ₹100 crore or above shall constitute a risk management committee to manage integrated risk, in addition to the Asset Liability Management Committee (ALCO). The members in both Committees were to be the same.

The Board Level Risk Management Committee subsumed the roles & responsibilities of Board Level ALCO as per Board approval granted in meeting held on 9th September 2020. The decision taken by executive level ALCO Committee will henceforth be reported to the Board Level Risk Management Committee for information and strategic direction.

The last reconstitution of the Risk Management Committee was effected in the 170th Board meeting held on 05th August 2026.

The constitution of the Risk Management Committee as on date is as under:

Name	Designation	Number of meetings entitled to attend during Financial Year 2025-26	Number of meetings attended during Financial Year 2025-26
Shri Rohit Rishi (1)	Managing Director	1	1
Shri Palash Srivastava	Deputy Managing Director	4	4
Shri Ashutosh Choudhury (2)	Scheduled Commercial Bank Nominee Director (Chairman of the Committee)	0	0
Shri Amit Kumar Srivastava (3)	Scheduled Commercial Bank Nominee Director	1	1
Shri Samir Jerambhai Boghara (4)	Independent Director	4	4
Shri Kalyan Kumar (5)	Scheduled Commercial Bank Nominee Director	3	1
Shri Sanjay Rudra (6)	Scheduled Commercial Bank Nominee Director	4	4
Shri P.R. Jaishankar (7)	Managing Director	0	0

Note:

1. Appointed as member and director w.e.f. 04.02.2026
2. Appointed as member, Chairman of the Committee and director w.e.f. 28.07.2026
3. Appointed as member and director w.e.f. 27.02.2026
4. Ceased to be member and director w.e.f 09.05.2026
5. Ceased to be member and director w.e.f 27.02.2026
6. Ceased to be Chairman and director w.e.f 30.06.2026
7. Ceased to be member and director w.e.f 28.05.2025

During the year 2025-26, the Risk Management Committee of the Board met four times on 18th June 2025, 17th September 2025, 13th October 2025 and 23rd March 2026.

Corporate Social Responsibility (CSR) Committee

The CSR Committee was constituted in 51st Board Meeting held on 23rd April, 2012 as per guidelines of Department of Public Enterprises. The last reconstitution of the CSR Committee was effected as per Board approval in the 170th Board meeting dated 05th August 2026.

The constitution of the Corporate Social Responsibility (CSR) Committee as on date is as under:

Name	Designation	Number of meetings entitled to attend during Financial Year 2025-26	Number of meetings attended during Financial Year 2025-26
Shri Ashutosh Choudhury (1)	Scheduled Commercial Bank Nominee Director (Chairman of the Committee)	0	0
Shri Rohit Rishi (2)	Managing Director	1	1
Shri Palash Srivastava	Deputy Managing Director	4	4
Ms. Laya Madduri (3)	Government Nominee Director	0	0

Shri Ch. Partha Sarathi Reddy	Government Nominee Director	4	2
Shri Samir Jerambhai Boghara (4)	Independent Director	4	4
Shri Baldeo Purushartha (5)	Government Nominee Director	1	0
Shri Solomon Arokiaraj (6)	Government Nominee Director	1	1
Shri P.R. Jaishankar (7)	Managing Director	0	0
Shri Alok Tiwari (8)	Government Nominee Director	2	1
Shri Sanjay Rudra (9)	Scheduled Commercial Bank Nominee Director	0	0

Note:

1. Appointed as member, Chairman of the Committee and director w.e.f. 28.07.2026.
2. Appointed as member and director w.e.f. 04.02.2026.
3. Appointed as member and director w.e.f. 19.06.2026.
4. Ceased to be Chairman and director w.e.f 09.05.2026.
5. Appointed as member and director w.e.f. 21.07.2025 and ceased w.e.f 27.11.2025.
6. Ceased to be member and director w.e.f 21.07.2025.
7. Ceased to be member and director w.e.f 28.05.2025.
8. Appointed as member and director w.e.f. 04.12.2025 and ceased w.e.f. 19.06.2026.
9. Appointed as Chairman of the Committee w.e.f. 29.05.2026 and ceased w.e.f. 30.06.2026.

During the year 2025-26, the Corporate Social Responsibility Committee of the Board met four times on, 20th June 2025, 19th September 2025, 30th December 2025 and 27th February 2026.

Remuneration and Nomination Committee

The Remuneration Committee was constituted in the 25th Board Meeting held on 14th July 2009 which was later renamed as the Remuneration and Nomination Committee in 71st Board Meeting held on 11th August, 2014 as per requirement of Companies Act 2013.

The last reconstitution of the Remuneration and Nomination Committee was effected as per the Board approval in the 170th meeting held on 05th August 2026.

The constitution of the Remuneration and Nomination Committee as on date is as under:

Name	Designation	Number of meetings entitled to attend during Financial Year 2025-26	Number of meetings attended during Financial Year 2025-26
Shri Amit Kumar Srivastava (1)	Scheduled Commercial Bank Nominee Director (Chairman of the Committee)	1	1
Shri Ashutosh Choudhury (2)	Scheduled Commercial Bank Nominee Director	0	0
Ms. Laya Madduri (3)	Government Nominee Director	0	0
Shri Chandradeep Kumar Jha (4)	Government Nominee Director	1	1

Shri Samir Jerambhai Boghara (5)	Independent Director	1	1
Ms. M.G. Jayasree (6)	Government Nominee Director	0	0
Shri Baldeo Purushartha (7)	Government Nominee Director	0	0
Shri Kalyan Kumar (8)	Scheduled Commercial Bank Nominee Director	0	0
Shri Sanjay Rudra (9)	Scheduled Commercial Bank Nominee Director	1	0
Shri Solomon Arokiaraj (10)	Government Nominee Director	0	0
Shri Alok Tiwari (11)	Government Nominee Director	0	0

Note :

1. Appointed as Member of the Committee and director w.e.f. 27.02.2026 and Chairman of the Committee w.e.f. 29.05.2026.
2. Appointed as member and director w.e.f. 28.07.2026
3. Appointed as member and director w.e.f. 19.06.2026
4. Appointed as member and director w.e.f. 09.12.2025
5. Ceased to be Chairman and director w.e.f. 09.05.2026
6. Ceased to be member and director w.e.f. 03.12.2025.
7. Appointed as member and director w.e.f. 21.07.2025 and ceased w.e.f. 27.11.2025.
8. Ceased to be member and director w.e.f. 27.02.2026.
9. Ceased to be member and director w.e.f. 30.06.2026.
10. Ceased to be member and director w.e.f. 21.07.2025
11. Appointed as member and director w.e.f. 04.12.2025 and ceased w.e.f. 19.06.2026

One meeting of the Remuneration and Nomination Committee of the Board took place during 2025-26 on 27th March 2026.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted in 71st Board Meeting held on 1st August, 2014 as per requirement of Companies Act 2013.

The last reconstitution of the Stakeholders Relationship Committee was effected in the 170th Board meeting held on 05th August 2026.

The constitution of the Stakeholders Relationship Committee as on date is as under:

Name	Designation	Number of meetings entitled to attend during Financial Year 2025-26	Number of meetings attended during Financial Year 2025-26
Shri Rohit Rishi (1)	Managing Director	1	1
Shri Palash Srivastava	Deputy Managing Director	4	4
Shri Chandradeep Kumar Jha (2)	Government Nominee Director	1	1
Shri Ashutosh Choudhury (3)	Scheduled Commercial Bank Nominee Director (Chairman of the Committee)	0	0

Shri Sanjay Rudra (4)	Scheduled Commercial Bank Nominee Director	4	3
Ms. M.G. Jayasree (5)	Government Nominee Director	2	1
Shri Samir Jerambhai Boghara (6)	Independent Director	4	4
Shri P.R. Jaishankar (7)	Managing Director	0	0

Note :

1. Appointed as member and director w.e.f. 04.02.2026
2. Appointed as member and director w.e.f. 09.12.2025
3. Appointed as member Chairman of the Committee and director w.e.f. 28.07.2026
4. Ceased to be Chairman and director w.e.f. 30.06.2026
5. Ceased to be member and director w.e.f. 03.12.2025
6. Ceased to be member and director w.e.f. 09.05.2026.
7. Ceased to be member and director w.e.f. 28.05.2025.

During the year 2025-26, Stakeholders Relationship Committee of the Board met four times, on 20th June 2025, 17th September 2025, 05th December 2025 and 27th March 2026.

- Name and designation of the compliance officer:
 1. Shri Sanjeeb Kumar Mishra, Chief Compliance Officer.
 2. Ms. Ruchi Singhal, Compliance Officer w.e.f. 01.06.2026.
- Number of shareholders' complaints received during the Financial Year: 149
- Number of complaints not solved to the satisfaction of shareholders: 149
- Number of pending complaints: NIL

IT Strategy Committee

The IT Strategy Committee was constituted in 86th Board Meeting held on 2nd August 2017 as per the requirement of the Master Direction-Information Technology Framework for Non- Banking Financial Companies issued by Reserve Bank of India dated 8th June 2017. Further, RBI vide circular no. DoS.CO.CSITTEG/SEC.7/31.01.015/2023-24 dated November 7, 2023, revised its Master Directions on Information Technology Framework for NBFC Sector and issued revised Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023 which inter-alia provide for formation of IT Strategy Committee of the Board. The last reconstitution of the IT Strategy Committee was effected in the 170th Board meeting held on 05th August 2026.

The constitution of the IT Strategy Committee as on date in as under:-

Name	Designation	Number of meetings entitled to attend during Financial Year 2025-26	Number of meetings attended during Financial Year 2025-26
Shri Amit Kumar Srivastava (1)	Scheduled Commercial Bank Nominee Director (Chairman of the Committee)	1	1
Shri Rohit Rishi (2)	Managing Director	1	1
Shri Palash Srivastava	Deputy Managing Director	4	4
Shri Ashutosh Choudhury (3)	Scheduled Commercial Bank Nominee Director	0	0
Shri Samir Jerambhai Boghara (4)	Independent Director	4	4

Shri Kalyan Kumar (5)	Scheduled Commercial Bank Nominee Director	3	2
Shri Sanjay Rudra (6)	Scheduled Commercial Bank Nominee Director	4	4
Shri P.R. Jaishankar (7)	Managing Director	0	0

Note :

1. Appointed as member of the Committee and director w.e.f. 27.02.2026 and Chairman of the Committee w.e.f. 29.05.2026.
2. Appointed as member and director w.e.f. 04.02.2026.
3. Appointed as member and director w.e.f. 28.07.2026.
4. Ceased to be Chairman and director w.e.f. 09.05.2026.
5. Ceased to be member and director w.e.f. 27.02.2026.
6. Ceased to be member and director w.e.f. 30.06.2026.
7. Ceased to be member and director w.e.f. 28.05.2025.

During the year 2025-26, IT Strategy Committee of the Board met four times on 18th June 2025, 17th September 2025, 30th December 2025 and 23rd March 2026.

COMPANY'S POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178 OF THE COMPANIES ACT 2013

In terms of notification dated 5th June 2015 issued by Ministry of Corporate Affairs, your Company being a Government Company is not required to comply with the provisions of Section 134 (3) (e) of the Companies Act 2013 pertaining to the company's policies on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of Companies Act 2013.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149 OF COMPANIES ACT 2013

The Directors on Board of IIFCL being a wholly owned Government Company, are nominated by Department of Financial Services (DFS), Ministry of Finance, Government of India including Independent directors appointed as per provisions of Companies Act, 2013. IIFCL has requested Department of Financial Services, Government of India to initiate the process of appointment of Independent directors on its Board. Subsequently, Department of Financial Services, Ministry of Finance, Government of India vide Letter No. 18/7(i)/2022-IF – I dated 10th May 2023 has appointed Shri Samirbhai Jerambhai Boghara as Independent Director on the Board of Directors of IIFCL with immediate effect and until further orders. Shri Samir Jerambhai Boghara has completed his term as Independent Director on the Board of IIFCL on 09.05.2026.

STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In terms of Ministry of Corporate Affairs (MCA) notification dated 5th June 2015, the provisions of Section 134(3)(p) of Companies Act 2013 regarding formal Annual Evaluation by the Board of its own performance and that of its committees and individual directors, shall not apply to Government Companies in case the directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government, as per its own evaluation methodology. The Board of Directors of IIFCL

was not required to undertake formal annual evaluation of its own performance and that of its Committee's and Individual Directors in view of MCA Notification. Your Company being a Government company, the evaluation of all the members of the Board is undertaken by Administrative ministry, i.e. Ministry of Finance, Government of India.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 (1) OF THE COMPANIES ACT 2013

In compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required under applicable Indian Accounting Standards.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the company

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

There are no material changes and commitments occurred in between the Financial Year ended on 31st March 2026 and date of the report of the Company which affects the financial position of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the Financial Year ended on 31st March 2025, no significant or material orders were passed by the regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

An independent Chartered Accountant firm reviewed the Internal Financial Controls of IIFCL and report was placed in the Board/Audit Committee meeting held on 29th May 2026.

DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES AND STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS:

Stock Exchange	Fines levied under Regulation	Status
NSE	NIL	NIL
BSE	NIL	NIL

CORPORATE GOVERNANCE

A detailed report on Corporate Governance as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- Attendance of each director at the meeting of the board of directors for Financial Year 2025-26 and the last annual general meeting:

No.	Directors	Tenure	Number of Board meetings eligible to attend	No. of Board Meetings Attended	20 th Annual General Meeting dated 26.09.2025
1.	Dr. P.R. Jaishankar	29.05.2020 to 28.05.2025	2	2	-
2.	Shri Rohit Rishi	04.02.2026	3	3	-
3.	Shri Palash Srivastava, Deputy Managing Director	28.02.2025	16	16	Attended
4.	Ms. M.G. Jayasree	06.08.2024 to 03.12.2025	10	8	-
5.	Shri Solomon Arokiaraj	23.01.2023 to			-
6.	Shri Ch. Partha Sarathi Reddy, Government Nominee Director	29.10.2020	17	8	-
7.	Shri Kalyan Kumar , Scheduled Commercial Bank Nominee Director	21.09.2022 to 27.02.2026	14	4	-
8.	Shri Samirbhai Jerambhai Boghara, Independent Director	15.05.2023 to 09.05.2026	16	16	Attended
9.	Shri Sanjay Rudra, Scheduled Commercial Bank Nominee Director	01.07.2024 to 30.06.2026	16	10	Attended
10.	Shri Alok Tiwari Government Nominee Director	04.12.2025 to 19.06.2026	6	1	-
11.	Shri Amit Kumar Srivastava Commercial Bank Nominee Director	27.02.2026	2	1	-
12.	Shri Baldeo Purushartha Government Nominee Director	21.07.2025 to 27.11.2025	4	2	-
13.	Shri Chandradeep Kr. Jha Government Nominee Director	09.12.2025	5	4	-
14.	Shri Solomon Arokiaraj Government Nominee Director	23.01.2023 to 21.07.2025	6	3	-

- Number of other Board of Directors or committees in which a Director is a member or chairperson, as on 31st March 2026, including separately the names of the listed entities where the person is a director and the category of directorship-

S. No	Name	Date of Appointment as Director	DIN	Names of other companies in which he/she is director. In case of none, write Nil
1.	Shri Rohit Rishi, Managing Director	04 th February 2026	11524681	- IIFC (UK) Limited - IIFCL Projects Limited
2.	Shri Palash Srivastava, Deputy Managing Director	28 th February 2025	02007911	- IIFCL Projects Limited - IIFCL Asset Management Company Limited
3.	Shri Chandradeep Kumar Jha, Government Nominee Director	09 th December 2025	11417133	- Management Development Institute - Pension Fund Regulatory and Development Authority
4.	Dr. Alok Tiwari, Government Nominee Director	04 th December 2025	11409207	- Indian Railways Finance Corporation Limited - National Investment and Infrastructure Fund Trustee Limited - AI Assets Holding Limited

				Indian Railway Stations Development Corporation Limited
5.	Shri Ch. Partha Sarathi Reddy, Government Nominee Director	29 th October 2020	08941266	Indian Railway Stations Development Corporation Ltd.
6.	Shri Sanjay Rudra, Scheduled Commercial Bank Nominee Director	01 st July, 2024- 30 th June 2026	09650826	- Union Bank of India - SWIFT India Domestic Services Private Limited - Indian Institute of Bank Management, Guwahati
7.	Shri Amit Kumar Srivastava, Scheduled Commercial Bank Nominee Director	27 th February 2026	08099846	Punjab National Bank
8.	Shri Samir Jerambhai Boghara, Independent Director	15 th May 2023 - 9 th May 2026	10163651	Nil

- Disclosure of relationships between directors inter-se;- Not Applicable
- Number of shares and convertible instruments held by non- executive directors- Not Applicable
- Web link where details of familiarisation programmes imparted to independent directors is disclosed.- <https://www.iifcl.in/Disclosures>
- A chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the following: - The Directors on the Board of IIFCL are selected and nominated by the Government of India. IIFCL has no role in appointment of Directors on its Board.
- With effect from the Financial Year ending March 31, 2019, the list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board; and With effect from the Financial Year ended March 31, 2020, the names of directors who have such skills / expertise / competence: The Directors on the Board of IIFCL are selected and nominated by the Government of India. IIFCL has no role in appointment of Directors on its Board.
- confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.- Yes
- detailed reasons for the resignation of an independent director who resigns before the expiry of his/her] tenure along with a confirmation by such director that there are no other material reasons other than those provided- Not Applicable
- Senior management: The details of senior management personnel as on March 31, 2026 are as follows:

S. No.	Name (Sh./Ms./Dr.)	Designation
1	Rajeev Mukhija	Chief General Manager - Chief Financial Officer (CFO)
2	Subodh Sharma	Chief General Manager
3	Rakesh Kumar	Chief General Manager
4	Gaurav Kumar	Chief General Manager
5	Raj Kumar Ralhan	Chief Credit Officer (CCO)
6	Alok Gupta	Chief Technology Officer (CTO)
7	Salil Garg	Chief Strategy Officer (CSO)
8	Kishor Namdeo Kumbhare	Chief Risk Officer (CRO)
9	Shyam Sharan Garg	General Manager
10	Ruchi Singhal	General Manager - Company Secretary (CS)
11	Subhasis Dhal	General Manager
12	T Hari Krishnan	General Manager
13	Sumer Singh	General Manager
14	Vishal Rathore	General Manager
15	Rajeev Kumar Gupta	General Manager
16	Vivek Rajawat	General Manager
17	Krupasindhu Guru	General Manager
18	Sanjeeb Mishra	Chief Compliance Officer (CCOM)



Senior Management of IIFCL

- General body meetings-

(a) location and time, where Extra ordinary General meetings and last three annual general meetings held;

S.No.	General Meeting	Date	Venue	Details of Special Resolution(s) passed
1.	8th Extra Ordinary General Meeting	3 rd September 2026 at 11:30 a.m.	3 rd floor, Conference Hall, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001	Item no. 2: Alteration of Articles of Association to increase the number of Whole- Time Directors of IIFCL
2.	20 th Annual General Meeting for Financial Year 2024-25	26 th September 2025 at 11.30 a.m.	Conference Room, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001	Item no. 4: Issue of Unsecured/Secured Non-Convertible Bonds/Debentures through Private Placement as per the provisions of the Companies Act, 2013 and Rules made thereunder
3.	19 th Annual General Meeting for Financial Year 2023-24	27 th September 2024 at 11.30 a.m.	Conference Room, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001	Item no. 3: Issue of Unsecured/Secured Non-Convertible Bonds/Debentures through Private Placement as per the provisions of the Companies Act, 2013 and rules made thereunder Item no. 4: Enhancement of borrowing limit approved under Section 180(1)(c) of the Companies Act, 2013
4.	18 th Annual General Meeting for Financial Year 2022-23	29 th September 2023 at 4.00 p.m.	Conference Room, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001	Item no. 4: Issue of Unsecured/Secured Non-Convertible Bonds/Debentures through Private Placement as per the provisions of the Companies Act, 2013 and Rules made thereunder

(b) whether any special resolution passed last year through postal ballot – details of voting pattern-
No

(c) person who conducted the postal ballot exercise- Not Applicable

(d) whether any special resolution is proposed to be conducted through postal ballot- Not Applicable

(e) procedure for postal ballot- Not Applicable

- Means of communication:

(a) Quarterly results- Stock Exchange & Newspaper

(b) newspapers wherein results normally published- Jansatta, Financial Express, Business Standard

(c) any website, where displayed- <https://www.iifcl.in>

(d) whether it also displays official news releases- Not Applicable

(e) presentations made to institutional investors or to the analysts- Not Applicable

- General shareholder information:

S.No.	Annual General Meeting	Date	Venue
1.	21 st Annual General Meeting for Financial Year 2025-26	28 th September 2026 at 12:30 p.m.	Conference Room, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001

Financial Year- 2025-26

- the name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);- **Equity is not listed.**

Other Disclosures:

- Web link where policy on dealing with related party transaction- <https://www.iifcl.in/related-party-transaction-policy>
- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).- Not applicable
- the name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):

Name and Address of Exchanges	
National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051
Bombay Stock Exchange (BSE Ltd)	Phiroze Jeejeebhoy Towers, Dalal Street Fort Mumbai-400001

- Confirmation on Annual Listing Fee: IIFCL has paid Annual Listing Fee for Financial Year 2025-26.
- Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with reasons thereof: Provided that the clause shall only apply where

recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations- Not Applicable

- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part-

The details of fees for all services paid by IIFCL and its subsidiaries during the Financial Year 2025-26 to the statutory auditors and other services are as under:

1. IIFCL Asset Management Company Limited: Rs. 85000 as Statutory Audit Fees and Rs.15000.00 as Income Tax matters fees excluding applicable taxes for the Financial Year 2025-26.

Auditors' remuneration	Amount in Rs.
Statutory Audit fee	85,000
Income tax matters fees excluding applicable taxes	15,000
Total	1,00,000

2. India Infrastructure Finance Company (UK) Limited:

Auditors' remuneration	USD	Amount in Rs.
Audit services	133,942	1,26,78,186
Taxation compliance services	13,778	13,04,147
Other services	23,498	22,24,187
Total	171,218	1,62,06,520

The amount of Audit fee is converted in INR as per RBI reference rate of Rs. 94.6543/USD as on 31.03.2026.

3. IIFCL Projects Limited:

Auditors' remuneration	Amount in Rs.
Statutory Audit Fee	1,56,000
Tax Audit Fee	46,875
Limited Review Fee	46,875
Total	2,49,750

4. India Infrastructure Finance Company Limited (Standalone):

Auditors' remuneration	Amount (Rs. in Lakhs)
Audit fee	15.00
Taxation matters	2.40
Certification work	2.50
Limited review	8.10
Total	28.00

- Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount- Not Applicable
- Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries- There is no material subsidiary of IIFCL.

- Non-compliance of any requirement of corporate governance report of sub paras (2) to (10) above, with reasons thereof shall be disclosed- Disclosed in the Secretarial Audit Report of the company.

The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted-

- The Company has complied with the applicable mandatory requirements as prescribed under the SEBI Listing Regulations. The Company has complied with the applicable non-mandatory requirements of the Code of Corporate Governance as prescribed under the SEBI Listing Regulations and as given below:

a) The Board

The Board: Being a Government Company, the composition of the Board has been as per the mandate of Ministry of Finance, Government of India. Further, there was a woman director on the Board of the Company.

b) Shareholder's Rights

The quarterly/half yearly/ annual financial results of the Company are published in leading newspapers as mentioned under the heading "Means and Communication" of the Corporate Governance report and also displayed on the website of the Company.

c) Audit Qualifications

During the period under review, there is no audit qualification.

d) Separate posts of Chairperson and Managing Director/ Chief Executive Officer:

Being a Government Company, there are no separate posts of Chairman and CEO.

e) Reporting of Internal Auditor

The Head Internal Audit of the IIFCL functionally reports to the Audit Committee.

f) Web link where policy on dealing with related party transaction-[Related Party Transaction Policy](#)

- The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report- Disclosed

Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority



AKHIL ROHATGI & COMPANY

Company Secretaries

21, Sharnath Marg, Civil Lines, Delhi – 110054.

Phone : 9810690633, 8527087435

Email : rohatgi_co_secy@yahoo.co.in

csdelhi84@gmail.com

GST No: 07ABTFA2714K1Z7

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
India Infrastructure Finance Company Limited

We have examined the relevant disclosures provided by the Directors as enlisted in table below of India Infrastructure Finance Company Limited, having CIN U67190DL2006GOI144520 and having registered office at 5th Floor, Block 2, Plate A & B, NBCC Tower, East Kidwai Nagar, New Delhi- 110023 (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and based on the disclosures of the Directors, we hereby certify that none of the Directors on the Board of the Company as stated below, have been debarred or disqualified from being appointed or continuing, as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the period ended as on March 31, 2026.

DIN	Name	Designation	Date of Appointment
11524681	Shri. Rohit Rishi	Managing Director	04/02/2026
02007911	Shri. Palash Srivastava	Deputy Managing Director	28/02/2025
11417133	Shri. Chandradeep Kumar Jha	Nominee Director	09/12/2025
11409207	Dr. Alok Tiwari	Nominee Director	04/12/2025
08941266	Shri. Partha Sarthi Reddy Chevuru	Nominee Director	29/10/2020
09650826	Shri. Sanjay Rudra	Nominee Director	01/07/2024
08099846	Shri. Amit Kumar Srivastava	Nominee Director	27/02/2026
10163651	Shri Samirbhai Jerambhai Boghara	Independent Director	15/05/2023

Further, following persons were Director during the Financial Year 2025-26:

- Dr. P.R. Jaishankar (DIN: 06711526) ceased to be Director w.e.f. 28/05/2025
- Shri Kalyan Kumar (DIN: 09631251) ceased to be Director w.e.f 27/02/2026
- Shri Jayasree Madassery Gopi (DIN: 08991135) ceased to be Director w.e.f 03/12/2025
- Shri Baldeo Purushartha (DIN: 07570116) ceased to be Director w.e.f. 27/11/2026
- Shri Solomon Arokiaraj (DIN: 06802660) ceased to be Director w.e.f 21/07/2025

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 11/09/2026

Place: New Delhi

**For Akhil Rohatgi & Co.
Company Secretaries
Reg. no. P1995DE072900
Peer review No:7777/2031**

**Sd/-
CS Deepak Kumar
Partner
FCS No.: 10189
CP No: 11372
UDIN: F010189H001449748**

**AKHIL ROHATGI & COMPANY**

Company Secretaries

21, Shamnath Marg, Civil Lines, Delhi – 110054.

Phone : 9810690633, 8527087435

Email : rohatgi_co_secy@yahoo.co.in

csdelhi84@gmail.com

GST No: 07ABTFA2714K1Z7

Auditors' Certificate on Compliance of Conditions of Corporate Governance

To

The Members of

India Infrastructure Finance Company Limited

CIN: U67190DL2006GOI144520

Regd Off: 5th Floor, Block 2, Plate A & B, NBCC Tower,

East Kidwai Nagar, New Delhi- 110023

We have examined the compliance of conditions of Corporate Governance by India Infrastructure Finance Company Limited for the financial year ended on 31st March, 2026 as specified under regulations 17 to 27 and Regulation 62 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as the LODR) and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, carried out is in accordance with the Corporate Governance (Models of Best practices) issued by the Institute of Company Secretaries of India, was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certification, etc. as had been required by us.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations and in the guidelines on corporate governance issued by the 'Department of Public Enterprises' except to the extent mentioned below:

- a) During the period under review the number of Independent Directors on the Board was less than half of the total strength of Board as required under regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of the DPE Guidelines on Corporate Governance.
- b) Company did not have Woman Director on its Board for the period from 03.12.2025 to 31.03.2026.

- c) During the time period under review, composition of the Audit Committee and the Nomination & Remuneration Committee were not in accordance with Regulations 18 (1) and 19 (1) respectively of the SEBI Listing Regulations, Paras 4.1.1 and 5.1 respectively of the DPE Guidelines on Corporate Governance, due to only one Independent Director being on the Board of the Company.
- d) During the period under review separate meeting of the Independent Directors was not held in compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as there was only one Independent Director on the Board of the Company.

We further state such compliance is neither an assurance as to further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 11/09/2026

Place: New Delhi

**For Akhil Rohatgi & Co.
Company Secretaries
Reg. no. P1995DE072900
Peer Review No. 7777/2026**

**Sd/-
CS Deepak Kumar
Partner
M.No.- F 10189
C.P. No. 11372
UDIN: F010189H001449660**

इण्डिया इन्फ्रास्ट्रक्चर फाइनेंस कम्पनी लिमिटेड (भारत सरकार का उद्यम)

India Infrastructure Finance Company Limited
(A Govt. of India Enterprise)



COMPLIANCE CERTIFICATE

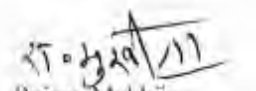
The Board of Directors
India Infrastructure Finance Company Limited

Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year 2025-2026.

We hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violates of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement (herein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.


Rohit Rishi
Managing Director


Rajeev Mukhija
Chief Financial Officer

Date: 29-05-2026
Place: New Delhi

पंजीकृत कार्यालय : 5वीं मंजिल, ऑफिस ब्लॉक - 2, प्लेट ए एवं बी, एन. बी. सी. टॉवर, ईस्ट किडवाई नगर, नई दिल्ली - 110023, दूरभाष : +91-11-24641330-31
Regd. Office : 5th Floor, Office Block - 2, Plate A & B, NBCC Tower, East Kidwai Nagar, New Delhi -110023, Ph.: +91-11-24641330-31
CIN : U67190DL2006GOI144520 ईमेल/ Website : www.iifcl.in ई-मेल/ E-mail : information@iifcl.in, Fax : +91-11-20815125



हिन्दी में काम करना आसान है, इसका प्रयोग बढ़ाए।



**DECLARATION UNDER CODE OF BUSINESS CONDUCT AND ETHICS FOR
BOARD MEMBERS AND SENIOR MANAGEMENT**

All Board Members and Senior Management have affirmed compliance with the 'Code of Business Conduct and Ethics for Board Members and Senior Management' of the Company for the Financial Year ended March 31, 2026.

Sd/-
(Rohit Rishi)
Managing Director
DIN.: 11524681

Place: New Delhi
Date: 24.09.2026

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Board of Directors of IIFCL in 71st Board Meeting held on 11th August 2014 approved the proposal that Vigilance Mechanism as per Central Vigilance Commission (CVC) guidelines of IIFCL would suffice for vigil mechanism of directors and employees to report genuine concerns required under the Companies Act 2013. The Board further resolved that vigil mechanism of IIFCL shall also provide adequate safeguard against victimization of persons and provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases as provided under CVC guidelines. The Board thereafter, approved the proposal for disclosing the details of establishment of such vigil mechanism on company's website and in the Board Report as per requirement of Section 177 of the Companies Act 2013. Your Company has hosted the Vigil mechanism on company's website. Your Company also has a formal whistle blower policy in force, which is also displayed on company's website

Vigilance Governance in IIFCL

1. As a part of Vigilance Governance in IIFCL, a CVO has been appointed by DFS, MoF. Vigilance administration being an important management tool is operational in IIFCL and in its all subsidiaries. CVO is heading the Vigilance vertical in IIFCL.
2. Vigilance work is broadly categorised into two heads i.e. Punitive Vigilance and Preventive Vigilance.
3. The focus of vigilance deptt during the year had remained as preventive vigilance wherein efforts have been directed towards strengthening of vigilance governance in IIFCL, systemic improvement, policy reviews, scrutiny of property returns, conducting of workshops and other important areas of preventive vigilance.
4. Structured meeting of CVO, IIFCL with MD is held on every quarter. In each quarterly meeting, Action Taken Report on previous meeting agenda and fresh agendas for the quarter is placed
5. As regards complaints, six complaints received by vigilance department during the year 2025-26 and all the complaints were disposed off. At present, no complaints are pending pertaining to Financial Year 2025-26. No DA case has arisen in the organization and no sanction for prosecution has been sought by CBI during the year.
6. The Vigilance Awareness Week was observed in IIFCL from 27th October'2025 to 02nd November'2025 with the central theme "**Vigilance : Our Shared Responsibility**". During the Vigilance Awareness Week, various activities i.e. administering pledge among all the officers, quiz competition, essay writing competition, workshop, walk-a-thon, Rangoli Competition, reel/ video making among the officers of IIFCL and subsidiaries and drawing competition by students of Govt Sarvodaya Vidyalaya 1, Uttam Nagar, New Delhi was organized. Focus area during the three months campaign of Vigilance Awareness week were:
 - a) Disposal of pending complaints.
 - b) Disposal of pending cases.
 - c) Capacity Building Programs
 - d) Asset Management
 - e) Digital Initiatives

During the Vigilance Awareness Week'2025, a Vigilance Meet was organized on 29.10.2025 in New Delhi to promote vigilance awareness in the organization and highlight the initiative taken by

IIFCL regarding vigilance mechanism in the organization during the year. The meet was graced and addressed by the presence of Sh. Ajay Kanoujia, Additional Secretary, CVC. In addition, a workshop on “Preventive Vigilance Measure” was conducted by Sh. Nirmal Goel, Chief Engineer, Central Works Dept. Post workshop, a performance show conveying the message of “anti-corruption and integrity” was organized.

7. Other Aspects

a) Vigilance Administration in subsidiaries- Vigilance Administration has been established in all three subsidiaries of the IIFCL. One Nodal Officer in each subsidiary has been appointed, who reports to CVO. Quarterly reports on vigilance related work in subsidiaries is being submitted and reviewed by CVO.

b) Vigilance Journal - As part of knowledge enrichment of employees on vigilance matter, a quarterly vigilance Journal "Jagriti" is being published and circulated among employees.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules laid out thereunder. Further, cases of sexual harassment are classified as misconduct in the IIFCL Staff Service Regulations.

There is a well-placed mechanism in IIFCL to prevent and address cases of sexual harassment at workplace. An Internal Committee (IC) which includes an external member is functional for addressing the complaints of women employees as per provisions laid out in the POSH Act 2013. Employees are being sensitized through training and workshops. The Company maintains a cordial and safe working environment for all employees including women employees. During the year, no complaint was received by the Committee and eight meetings of the Committee were held.

COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT, 1961

IIFCL adheres to the obligations in terms of paid leave and other facilities mandated under the Maternity Benefit Act, hence creating a supportive and equitable workplace environment. The company reaffirms its commitment to protecting the rights and well-being of its women employees.

RIGHT TO INFORMATION ACT, 2005

IIFCL is implementing the provisions of Right to Information Act, 2005 and has been providing information to applicants as per the provisions of the RTI Act. The First Appellate Authority (FAA) & Central Public Information Officer (CPIO) have been designated at IIFCL under Section 5 of the Right to Information Act, 2005. Details of the organisation, functions and duties, and the contact details of the CPIO, APIO and First Appellate Authority are disclosed on the IIFCL website in compliance with Section 4(1)(b) of the RTI Act, 2005. RTI applications received are replied/ forwarded/ rejected within the prescribed time as per RTI Act, 2005. Records are maintained and disseminated as per requirement of the RTI Act, 2005.

IIFCL uploads the monthly return form for applications received, addressed and rejected. Further, IIFCL also complies with the filing of quarterly return of RTI Applications on the website of Central Information Commission (CIC).

During Financial Year 2025-26, IIFCL received 156 RTI applications out of which 150 applications were disposed of by providing replies within the prescribed timelines, 3 applications transferred to the concerned CPIO of the appropriate Public Authority information in respect of 3 applications was denied under the applicable provisions of the RTI Act, 2005.

GRIEVANCE REDRESSAL MECHANISM

Responsive handling of stakeholders and timely processing of grievances is a priority for the company. IIFCL has put in place a Grievance Redressal System for its stakeholders to provide a fair platform for raising grievance/complaint. IIFCL duly follows an elaborate Grievance Redressal Mechanism (GRM) which is incorporated in the Citizen Charter of IIFCL and is disclosed on its website as part of public disclosures. Complaints can be registered through the following modes-

- i. Through Centralized Public Grievance Redress and Monitoring System (CPGRAMS)
- ii. Through Online Grievance Redressal System available on IIFCL website
- iii. Through Integrated Grievance Redress Mechanism (INGRAM)
- iv. Through email on grievancefeedback@iifcl.in
- v. Through DFS, RBI, Vigilance etc.

IIFCL has assigned a Grievance Redressal Officer (GRO) to manage the Grievance Redressal System. The details of the GRO are displayed on IIFCL website.

For any grievance related to the investments in IIFCL's various Bond's Issues, the investors can directly approach the respective Registrar under intimation to IIFCL on email ID: grievancefeedback@iifcl.in.

In the event of non-satisfactory resolutions, the investors can approach the Compliance Officer whose details are provided on IIFCL website.

During Financial Year 2025-26, IIFCL directly received 104 grievances and all the grievances were closed within prescribed timelines. No appeals were received during this period.

DEPOSITS

During the year ended on 31st March 2026, the Company has not accepted any deposits under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014, nor have any deposits remained unpaid or unclaimed. Further, during this period, the Company has not defaulted in the repayment of the deposits or the payment of the interest due thereon.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Conservation of energy / Technology Absorption

As a financial institution, IIFCL's direct operational energy footprint is primarily associated with its office infrastructure and business operations. The Company remains committed to promoting responsible resource utilisation and greater operational efficiency.

During Financial Year 2025-26, IIFCL continued to encourage the adoption of technology-enabled processes and digital workflows, contributing to greater process efficiency and reduced dependence on physical documentation. From a sustainability perspective, the Company is progressively exploring the use of digital technologies for ESG data collection, monitoring and reporting. The development of structured Climate and ESG risk assessment mechanisms during the year also represents an important step towards technology-enabled and data-driven evaluation of sustainability risks in infrastructure financing.

IIFCL will continue to explore opportunities for leveraging technology to strengthen sustainability data management, Monitoring, Reporting and Verification mechanisms and institutional ESG reporting.

2. Foreign exchange earnings and outgo

During the Financial Year 2025-26 foreign exchanges used/earned is as under: -

(₹ crore)

Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(a) Earnings in foreign currency (Actual Receipt excluding interest received under IRS derivative contracts):		
(i) Interest	-	-
(ii) Grants Received	-	-
(iii) Dividend Received	-	-
TOTAL	-	-
(b) Expenditure in Foreign Currencies on account of interest and other matters (Actual outgo):		
(i) Interest on borrowings	811	871
(ii) Commitment Charges	-	-
(iii) Foreign Travelling	-	-
(iv) Other Expenses	-	-
TOTAL	811	871

PARTICULARS OF EMPLOYEES

Your Company being a Government Company is not required to give particulars of employees in terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 the Companies (Appointment & Remuneration of Managerial Personnel Rules), 2014.

No stock options were issued to Directors or employees of the company during the Financial Year 2024-25.

SECRETARIAL STANDARDS

Your Company follows applicable Secretarial Standards as issued by Institute of Company Secretaries of India in its true letter and spirit.

EXTRACT OF ANNUAL RETURN UNDER SECTION 92(3)

As per applicable provision of the Act, copy of Annual Return will be placed on the website of the Company at www.iifcl.in. However, as a part of good corporate governance, the extract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 in the Form MGT – 9 is attached as Annexure II.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which need to be mentioned in the Board's Report.

MAINTENANCE OF COST RECORDS IN PURSUANCE OF SECTION 148 OF THE COMPANIES ACT, 2013

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for activities performed by the Company.

STATUTORY AUDITORS

Office of the Comptroller and Auditor General of India (C&AG) as per the provisions of section 139(5) of Companies Act, 2013 appointed M/s ADB & Company, Chartered Accountants (Firm Registration Number 005593C) & M/s ABP & Associates, Chartered Accountants (Firm Registration Number 315104E) as Joint Statutory Auditor vide letter dated 10th September 2025 for the Financial Year 2025-2026.

The Statutory Auditors of the Company appointed by the office of Comptroller and Auditor General of India (C&AG) for the Financial Year 2025-2026 will hold office till the conclusion of the 21st Annual General Meeting of the Company.

SECRETARIAL AUDITOR

Shareholders in the 20th Annual General Meeting held on 26th September 2025 appointed M/s Akhil Rohatgi & Company, Company Secretaries as the Secretarial Auditor of the Company for a term of five years from Financial Year 2025-26 to Financial Year 2029-30. In terms of Section 204 of the Companies Act 2013 and rules made thereunder they have issued Secretarial Audit Report for the Financial Year 2025-26 and the same is annexed to this Report in Annexure-I.

The observations of the Secretarial Auditor and reply of the management on the observations, for the Financial Year 2025-26 along with copy of the audit report is annexed with Annual Report.

MANAGEMENT'S COMMENTS ON THE AUDITOR'S QUALIFICATION

There is no qualification of statutory Auditor on financial statements Financial Year 2025-26.

OFFICIAL LANGUAGE (RAJBHASHA)

IIFCL strives to ensure compliance with the Official Language Act, 1963, and the Official Language Rules, 1976, by adhering to the annual programs and other guidelines issued each year by the Department of Official Language, Ministry of Home Affairs, to promote the use of the official language, Hindi, within the organization.

To ensure adherence to official language policies and achieve 100% use of Hindi in official work, IIFCL has ensured that all officers undergo training in courses such as "Praveen," "Pragya," "Prabodh," and "Parangat" under the Government of India's 'Hindi Teaching Scheme.' To date, 5% of officers have completed the "Praveen" course and 85% have completed the "Parangat" training; the remaining 20% of officers will complete the requisite training at the earliest. IIFCL is committed to achieving this goal.

The primary objective of the Official Language Department is not merely to promote the conduct of work in Hindi but also to foster a sense of affinity and ease regarding the language among employees and to strengthen its professional usage. In this report, we present a concise yet comprehensive account of the year's key activities, achievements, and future plans.

(A) Meetings of the Official Language Implementation Committee

Four meetings of the Official Language Implementation Committee were held during the year 2025-26, wherein the progress of work in Hindi was reviewed and future targets were deliberated upon. In these meetings, the Committee regularly reviews the progress of the progressive use of Hindi on a quarterly basis, and quarterly as well as other reports are regularly submitted to the Department of Official Language under the Ministry of Home Affairs, Government of India.

(B) Delhi Bank Town Official Language Implementation Committee

IIFCL is a key member of the Delhi Bank Town Official Language Implementation Committee (Delhi Bank TOLIC). Under the aegis of this committee, IIFCL organizes annual competitions related to the Official Language (Hindi) on various topics for member institutions and actively participates in competitions hosted by other member institutions. Several officers have won awards in these competitions. Additionally, IIFCL organizes Official Language seminars and conferences at the Delhi-NCR level for the member institutions of Delhi Bank TOLIC.

IIFCL received the second prize in the financial institutions category from the Delhi Bank Town Official Language Implementation Committee (TOLIC) for excellence in the implementation of the Official Language within the office during the Financial Year 2025-26.

(C) Observance of Official Language Fortnight / Hindi Diwas

- Adhering to the Government of India's Official Language Policy, India Infrastructure Finance Company Limited (IIFCL) celebrates "Hindi Fortnight" with great enthusiasm from September 14 to 29, coinciding with Hindi Diwas (September 14), by organizing various incentive programs and competitions.
- During this period, competitions such as essay writing, noting and drafting, general Hindi knowledge quizzes, and story writing are organized for both Hindi-speaking and non-Hindi-speaking participants.
- Winners are awarded cash prizes and certificates.

(D) Hindi Workshops & Trainings

- A one-day Hindi workshop was organized for office staff every quarter to provide guidance on the use of Hindi in official work.
- Through Hindi workshops and desk training, the use of Unicode on computers and the application of IT tools are promoted to facilitate efficient work in Hindi.
- A total of 57 employees participated in the four workshop training sessions held over the year.
- Hindi seminars and Official Language conferences are organized for the institute's employees
- Various competitions are organized periodically for officers to encourage the use of Hindi, and prizes are awarded to the winners.

The year 2025–26 marked a period of successful and positive implementation of Hindi. Through various activities, innovations, and training programs, the Official Language Department demonstrated that Hindi is not merely a language of communication but can also serve as a medium for modern technology and operational efficiency.

We are confident that the coming year will be filled with even greater achievements and that we will succeed in bringing Hindi to the very heart of the institution.

"Hindi, as the official language, is not just an obligation; it is a symbol of our identity and self-pride."

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

IIFCL Projects Limited:

On the occasion of IPL's 14th anniversary, we are pleased to submit the steadfast progress of your Company in consolidating its business to hold a sustainable position. The Company has successfully anchored its position as the core knowledge partner and consulting division of IIFCL group.

Our strategy over the past year focused on developing business in identified niche sectors to deliver specialized, high-impact consultancy services within crucial emerging markets. While pursuing new horizons, we remained deeply committed to our core operations. The Company consistently met benchmarks for our established client base, ensuring the seamless execution of ongoing assignments. By maintaining rigorous project governance and quality control, we reinforced our reputation for operational excellence and reliable project delivery.

To ensure focused growth and operational efficiency, your Company has adopted a two-pronged strategic approach. Operations have been structured across two distinct business verticals:

- Project Management Unit (PMU) Segment
- Non-PMU Segment

This dual pathway enables IPL to successfully harness its core strengths while simultaneously diversifying capabilities to serve a broader array of infrastructure initiatives.

Today IPL holds a dominant position in offering financial, transaction advisory and funds syndication solutions to a diverse clientele in both the public and private sectors. We remain committed to deepening our sectoral expertise and broadening our national impact, with a focus on sustainable value creation and strategic innovation. Our future roadmap centers on scaling these high-growth verticals to capture greater market share. We will actively pursue advisory mandates in sustainable green infrastructure, capitalize on high-growth sectors and secure high-value public-private partnerships. These strategic priorities will diversify our portfolio, drive financial resilience, and generate superior long-term returns for our shareholders. Your continued trust and support inspire us to pursue excellence as we navigate the next phase of our growth journey.

Key Highlights of IPL's performance for the year include:

-  Expanding its geographical presence, IPL executed MoU with the Infrastructure Corporation of Andhra Pradesh (INCAP) in presence of Hon' Chief Minister of Andhra Pradesh, Shri Chandrababu Naidu on 17th November 2025. IPL has deployed a team of domain experts in the state of Andhra Pradesh for designing and structuring an integrated logistics company for the State that shall support the development of key logistics and industrial infrastructure projects across the state.
-  This year your Company has further expanded its presence in the Northeast region with commencement of another assignment with the state of Mizoram for development of Tourism infra in the state. IPL shall be working towards identifying various tourism circuits and benchmarking Bhutan for tourism development in Mizoram.

-  The successful execution and commitment of ongoing advisory programmes with the State authorities of Tamil Nadu and Meghalaya and Central Ministries like Ministry of External Affairs have been influential and a major contributor to the sustainable performance of the Company. The running mandates in Meghalaya have been influential in institutionalisation of the Ropeway sector for implementation of much-awaited Shillong Ropeway project for enhancing connectivity to the iconic Shillong peak. With the successful completion of its mandate with the TN Transmission Company (TNTRANSCO) to streamline their procurement practises and Standardise Bidding Documents, IPL has bagged similar mandate from another State Transmission Company (APTRANSCO) for bringing efficiencies in their procurement process.
-  On the Aerospace front, IPL successfully completed its ongoing mandate with IN-SPACe, the Regulatory body under Department of Space for conclusion of India's first PPP in Earth Observation Satellites. The contract for the development and management of 12 Earth Observation (EO) satellites was awarded to the consortium led by Pixxel India. In January 2026, the Indian government finalized this ₹1,200 crore public-private partnership (PPP) with a four-firm consortium called "Allied Orbits". This grants the consortium the concession to build, launch, and operate India's first fully indigenous commercial Earth Observation (EO) constellation consisting of 12 satellites.
-  IPL, as the National Program Monitoring Agency for USD 808 Mn World Bank supported RAMP (Raising and Accelerating MSME Performance) programme continues to work towards the mission of Viksit Bharat 2047 to facilitate the most significant MSME sector as part this development agenda. With four years into the monitoring of the Scheme, IPL facilitated expenditure of Rs. 3520 Crores by 36 States/UTs for ~400 projects under the Scheme. On 27th June 2025, as part of the MSME Day celebrations, the government launched the newly developed Online Dispute Resolution (ODR) portal under RAMP Scheme, designed to facilitate the prompt and effective resolution of delayed payment disputes from the comfort of micro or small enterprises' homes or offices. RAMP's shift from scheme-based to system-based governance has led to stronger institutions, data-driven policy, better financing and market access, with a sustained focus on gender, green growth, and MSME productivity.
-  During the year, your Company successfully completed its first ever assignment from World bank for taking forward the Greening agenda for MSME sector. IPL conducted and delivered a scoping study for three (3) Clusters at PAN India level as a pilot project to identify decarbonisation pathways for the sector. The clusters covered were in the sectors of Textile, Foundry and Ceramics. Your Company further continues to work closely with the Ministry of MSME on advancing the Greening agenda at a larger scale.
-  IPL has continued to strengthen its syndication and mandate execution capabilities during the year by actively pursuing and supporting several strategic assignments across sectors. The debt syndication mandate for a City Gas Distribution (CGD) project in Kerala has reached an advanced stage, with the IIFCL as Lead Bank having accorded in-principle sanction, and financial closure is expected during Financial Year 2027. In addition, IPL has successfully leveraged its relationships with various State Governments to originate and facilitate mandates across infrastructure sectors, including road, port, social infra, Urban Mobility and airport projects in Andhra Pradesh, Meghalaya and Tamil Nadu. IPL has also

been proactively identifying and engaging with private sector developers, with viable project leads being shared with IIFCL on a regular basis for further consideration and financing support, thereby contributing to the development of a robust project pipeline and enhancing institutional collaboration.

IPL continues to provide comprehensive secondary project appraisal and monitoring services to India Infrastructure Finance Company (UK) Ltd. under an ongoing Service Agreement. IPL continues to undertake end to end secondary project appraisal and monitoring services for IIFC(UK) Limited incorporated with the Registrar of Companies of England and Wales at London to lend to Indian companies implementing infrastructure projects in India to co-finance their External Commercial Borrowings for such projects.

IPL presently manages a consolidated portfolio of infrastructure projects under harmonised list with Cumulative net sanctions of around USD 1.25 Billion. This portfolio includes both refinanced assets and projects undergoing resolution under the Insolvency and Bankruptcy Code (IBC), with cases proceeding before the National Company Law Appellate Tribunal (NCLAT). The services provided have wide scope and covers secondary project financial appraisal, preparation of draft board memoranda, processing disbursement and modification requests and overall monitoring of projects on behalf of IIFC (UK).

For smooth and efficient execution of mandates and to expand the outreach and positioning of the IIFCL Group in the country, especially with state clients/authorities, your Company has posted dedicated working teams. These teams, comprising core staff and/or consultants/retainers, are strategically stationed in:

- New Delhi
- Meghalaya
- Mizoram
- Tamil Nadu
- GIFT City Branch

Recognizing that specialized human capital is the primary catalyst for high-quality service delivery, your Company invested in manpower enrichment during the year. This investment was aimed at readiness of its services to create a skilled pool for the delivery of these assignments.

Furthermore, to ensure continued delivery of high-quality services to our clients, the Company has undertaken hiring processes for attracting new talents with adequate skillsets.

As part of this growth strategy, IPL will position itself as a key player throughout the entire infrastructure project life cycle. The Company is committed to delivering high-impact solutions across every phase:

- Concept Development & Planning: Early-stage project formulation and structuring.
- Execution: Active deployment and project handholding.
- Operation & Maintenance: Long-term asset management and oversight.

This comprehensive positioning reinforces the company's dedication to building sustainable and resilient infrastructure assets across diverse sectors.

IPL posted a top line of Rs.18.35 Crores as compared to the corresponding previous year top line of Rs. 21.03 crore. IPL recorded Net Profit of Rs.15.60 Lakhs for the year which takes the Net Worth of your Company to Rs. 26.55 Crores.

IIFC (UK) Ltd.:

IIFC(UK) Limited, an overseas wholly-owned subsidiary of IIFCL, was set up in April 2008 to provide financial assistance in foreign currency, for the import of capital equipment, to companies implementing infrastructure projects in India. The authorized capital of IIFC(UK) is USD 500 million and the current paid up capital of the Company is USD 150 million. As on 31st March 2026, the company has made cumulative gross and net sanctions of USD 5,368.92 million and USD 5,075 million respectively to 53 projects under direct lending and 5 institutions under Refinance. As on 31st March 2026 the company has made cumulative disbursements of USD 2,611 million. RBI Line of Credit has been the primary source of funds for IIFC(UK) and the net principal outstanding of bonds payable to RBI stands at USD 400 million as on 31st March 2026. Apart from RBI line of credit, IIFC(UK) is continuously exploring new sources of funds with a view to further supplement its financial resources for infrastructure development in India, and accordingly, the company raised USD 250 million bilateral loan facility till 31st March 2026. The Profit After Tax for the company for Financial Year 2025-26 is USD 10.05 million. With this, the net worth position of the company has improved to USD 188.14 million during the year. Since inception, the operations of IIFC(UK) has been conducted in line with SIFTI. Government of India vide letter F.No. 18/9/2024-IF-I dated 15 April 2026 has withdrawn the SIFTI and consequently, IIFC(UK) has formulated its Credit Products increasing the scope of lending to Infrastructure Projects in India and outside India.

IAMCL:

India Infrastructure Finance Company Limited (IIFCL) had established IIFCL Mutual Fund (IDF) as a Trust on 17th August 2012 in accordance with the provisions of the Indian Trusts Act, 1882 with IIFCL as the Sponsor. IIFCL Asset Management Company Limited (IAMCL) is a Public Limited Company incorporated under the Companies Act, 1956 on 28th March 2012 and is a Wholly Owned Subsidiary of IIFCL.

IAMCL was appointed as an Asset Management Company (AMC) of the IIFCL Mutual Fund (IDF) by the Trustees vide Investment Management Agreement (IMA) dated 17th August 2012 executed between the Board of Trustees of IIFCL Mutual Fund (IDF) and IAMCL.

Board of Trustees of IIFCL Mutual Fund (IDF) in their meeting held on January 31, 2023 had decided to prematurely wind up both the existing scheme(s) of IIFCL Mutual Fund (IDF) under SEBI (Mutual Funds) Regulations, 1996 inter-alia on account of higher compliance cost and inability to comply with SEBI (Mutual Funds) Regulations, 1996 and Circulars and Guidelines applicable for Infrastructure Debt Funds by IIFCL Mutual Fund (IDF) and IAMCL. Subsequent to SEBI's approval dated 23rd August 2023 for allowing the redemption/ repayment to the unitholders of the respective schemes of IIFCL Mutual Fund (IDF), IAMCL has duly made the redemption to the unit holders of respective schemes of IIFCL Mutual Fund (IDF) on 25th September 2023. The winding up report has been submitted to SEBI in October 2023. Further an application has been submitted to SEBI for surrender of Mutual Fund License. SEBI has advised about the steps to be taken for disposal of illiquid/defaulted securities. The compliance of same is under process. Once these securities are disposed off, IAMCL would complete the required formalities for surrender of MF License.

Web link for disclosure of policy for determining material Subsidiary:

<https://www.iifcl.in/images/FileUploaded/WebsiteUpdatedIIFCLPolicyonDeterminingMaterialSubsidiarypdf07072026114904.pdf>

Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

Pursuant to Rule 8(5)(vi) of the Companies (Accounts) Rules, 2014, the details of valuation differences for infrastructure project assets settled under One-Time Settlement (OTS) during the Financial Year 2025–26 are provided below:

S. No.	Name of the Project / SPV	Valuation at Loan Sanction (As per Appraised Project Cost) (A)	Valuation at OTS / Write-off Stage (Realisable Value) (B)	Variance (A - B)	Key Reasons for Variance
1.	Shamlaji Expressway Pvt. Ltd.	₹ 1,361.00Cr	₹ 321.68 Cr	₹ 1039.32 Cr	The project had achieved 84% physical progress of the total layout (representing over 90% completion excluding the delinked portion), and the Independent Engineer (IE) recommended the declaration of the Provisional Commercial Operation Date (PCOD) effective 25th October 2023. However, the requisite approval for PCOD was not granted by the National Highways Authority of India (NHAI). Subsequently, NHAI issued a Notice for Suspension on 11 th March 2024, providing a 180-day cure period for the completion, repair, and rectification of the project stretch. Upon the lapse of this 180-day period without rectification, the project was deemed terminated under Clause 30.5.2 of the Concession Agreement, and the account was classified as a Non-Performing Asset (NPA) on 31 st March 2025. Following the suspension, claims and counterclaims were filed by both the concessionaire and NHAI. The valuation at the settlement stage was consequently derived based on the estimated realisable value of these claims and the applicable termination payments under the concession framework.
2.	Trichy Thanjavur Expressway Ltd	₹ 390.00 Cr	₹ 0.00 Cr	₹ 390.00 Cr	The project was classified as a NPA in June 2018 due to lower traffic volumes compared to the original appraisal estimates, which led to a shortfall in cash flows to meet debt service obligations. Subsequently, in March 2023, the NHAI terminated the Concession Agreement on account of the concessionaire's default in undertaking mandatory Major Maintenance (MM) works. Consequently, no future project cash flows or toll revenues were available to the lenders for debt recovery.
3.	IVCRL Indore Gujarat Tollways Ltd.	₹ 1,523.71 Cr	₹ 527.01 Cr	₹ 996.70 Cr	Project completion was severely delayed beyond its original 2013 schedule due to NHAI delays in handing over Right of Way (RoW) and the promoter's inability to infuse

					equity funds, leading to the account turning NPA on 30th June 2017 . Post-PCOD in 2018, actual toll has been in the range of 60% to 80% of original projections. the OTS stage valuation was derived based on the discounted future cash flow projections over the remaining concession period ending in 2041.
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Note: In line with the nature of non-recourse infrastructure financing, the valuation at the time of loan sanction represents the Appraised Project Cost approved by the lenders, as no physical asset exists at the pre-construction sanction stage.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the Financial Year:

Sr. no.	Name of the Project Account	Principle O/S (in Cr.) (as on 31.03.2026)	Current NCLT Status
1	Abhijeet Hazaribagh Toll Road Limited	26,30,88,000.00	Under Liquidation, Recovery received under Vivad-se-Vishwas Scheme
2	Abhijeet Toll Road (Karnataka) Limited	9,07,00,001.00	Under Liquidation
3	IVRCL Indore Gujarat Tollways Private Limited	2,99,71,69,071.00	NCLT Claim against Promoter Company- IVRCL Limited filed by IIFCL amounting to Rs. 421 Cr.
4	GVK Bagodara Vasad Expressway Pvt Ltd.	1,22,14,74,028.05	NCLT Claim against Promoter Company-GVK Transportation Limited filed by IIFCL amounting to Rs. 490 Cr.
5	Ind-Barath Power (Madras) Limited	89,24,00,000.00	Under Liquidation; Separate claim also filed by IIFCL against Ind-Barath Power Infra Limited amounting to Rs. 229 Cr.
6	Essel Ahmedabad Godhra Toll Road Pvt Ltd.	1,09,85,06,064.19	CIRP proceedings underway
7	Transstroy Tirupati Tiruthani Chennai Tollways Ltd	23,52,98,782.00	Recovery received under Liquidation
8	Tuticorin Coal Terminal Pvt Ltd	34,83,42,632.15	CIRP proceedings underway
9	Reliance Communications Limited	2,38,62,50,000.00	CIRP proceedings underway
10	TD Toll Road Pvt. Ltd	30,33,26,762.18	CIRP proceedings underway
11	Topworth Tollways (Bela) Private Limited	24,71,99,487.00	NCLT claim filed against Promoter Abhay Narendra Lodha
12	Essel Ludhiana Talwandi Toll Road Pvt Ltd.	1,13,58,90,559.94	COC Underway
13	Indore Dewas Tollways Limited	1,16,02,09,098.21	Under Liquidation, Separate NCLT Claim against Promoter Company- Gayatri Project Limited filed by IIFCL amounting to Rs. 494 Cr.
14	Solapur Tollways Pvt. Ltd.	1,36,51,46,510.00	CIRP proceedings underway
15	GVK Deoli Kota Expressways Pvt Ltd.	1,34,21,68,551.00	NCLT Claim against Promoter Company-GVK Transportation Limited filed by IIFCL amounting to Rs. 490 Cr.
16	Supreme Panvel Indapur Tollways Pvt Ltd	1,39,28,30,427.00	CIRP Under Process

17	Aryavrat Tollways Pvt. Ltd.	9,72,74,841.62	Yet to be admitted; currently reserved for arguments
18	GVK Power (Goindwal Sahib) Limited	1,80,45,85,775.64	CIRP Under Process, Separate Claim against Promoter Company- GVK Energy filed by IIFCL amounting to Rs. 610 Cr
19	L&T Halol Shamlaji Tollways Pvt. Ltd.	76,71,33,333.32	CIRP Under Process
20	Sai Matarini Tollways Ltd (SMTL)	3,10,94,16,551.10	CIRP Under Process; Separate NCLT Claim against Promoter Company- Gayatri Project Limited filed by IIFCL amounting to Rs. 494 Cr.
21	MEP Infrastructure Pvt.Ltd	1,91,93,32,463.74	NCLT Claim against Promoter Company- MEP Infra Pvt Limited filed by IIFCL amounting to Rs. 671 Cr.
22	MEP Sanjose Talaja Mahuva Road Pvt. Ltd.	73,73,35,971.46	NCLT Claim against Promoter Company- MEP Infra Pvt Limited filed by IIFCL amounting to Rs. 671 Cr.
23	MEP Sanjose Majuva Kagavadar Road Pvt. Ltd.	55,49,76,365.51	NCLT Claim against Promoter Company- MEP Infra Pvt Limited filed by IIFCL amounting to Rs. 671 Cr.
24	Ansal API Infrastructure Limited	28,91,31,649.50	NCLT Claim against Promoter Ansal Properties and Infra Pvt Limited amounting to Rs. 82.98 Cr

STATUTORY AND OTHER INFORMATION REQUIREMENT

Information required to be furnished as per the Companies Act, 2013 is annexed to this report as under:

S. No.	Particulars	Annexure
1	Secretarial Audit Report	I
2	Extract of Annual Return in Form No. MGT 9 in accordance with Section 134(3)(a) of the Companies Act, 2013	II
3	Annual Report on CSR activities	III
4	Amount, if any carried to any Reserves	IV

ACKNOWLEDGEMENTS

The Board of Directors is thankful to the Central Government specially the Department of Financial Services and the Department of Economic Affairs in the Finance Ministry, NITI Aayog, State Governments, Banks, Financial Institutions, Multilateral and Bilateral partners, Employees, Customers and all other Stakeholders for their continued support and cooperation. The Board is also thankful to the Auditors of the Company, the Comptroller and Auditor General of India, Reserve Bank of India, SEBI, LIC and MoU Partners for their valuable guidance, support and advice.

The Board of Directors wishes to place on record its appreciation for dedication, hard work and the efforts of all the employees of the company.

**By Order of the Board of Directors
For India Infrastructure Finance Company Limited**

Sd/-

(Rohit Rishi)
Managing Director
DIN: 11524681

Place: New Delhi
Date: 24.09.2026

**AKHIL ROHATGI & COMPANY**

Company Secretaries

21, Shamnath Marg, Civil Lines, Delhi – 110054.

Phone : 9810690633, 8527087435

Email : rohatgi_co_secy@yahoo.co.in

csdelhi84@gmail.com

GST No: 07ABTFA2714K1Z7

Secretarial Audit Report[For the Financial Year ended on 31st March, 2026]

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
India Infrastructure Finance Company Limited
5th Floor, Block 2, Plate A & B, NBCC Tower,
East Kidwai Nagar, South Delhi New Delhi, 110023

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by the **India Infrastructure Finance Company Limited (CIN: U67190DL2006GOI144520)** (herein after called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records or registers maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made herein after:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye- laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.;
- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; [Not applicable on the Company during the audit period]

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- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ; [Not applicable on the Company during the audit period]
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not applicable on the Company during the audit period]
- (e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Shares Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; The Company was not engaged in the activities relating to Registrar to an Issue and was also not acting as Share Transfer Agent, Hence the aforesaid Regulations were not applicable to the Company during the audit period;
- (g) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; [Not applicable on the Company during the audit period];
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; [Not applicable on the Company during the audit period];
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [Not applicable on the Company during the audit period]
- (vi) Other labour ,environment and specific applicable Acts/ Laws to the Company for which Secretarial Audit was conducted as an overview audit and was generally based/ relied upon the documents provided to us & other audit report and certificates given by other professionals, the company has complied with the following Acts / Laws applicable to the Company during the audit period:
 - a) Reserve Bank of India Act read with Non-Banking Financial Companies (Reserve Bank) Directions, 2025 issued by Reserve Bank of India as amended till date;
 - b) Labour and Social Security Laws (to the extent as applicable);
 - c) Right to Information Act 2005.
 - d) Micro, Small & Medium Enterprises Development (MSMED) Act, 2006
 - e) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

We have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India.
- b. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the 'Department of Public Enterprises', Ministry of Heavy Industries and Public Enterprises, Government of India;

We have not examined the applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

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GST No: 07ABTFA2714K1Z7

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except:

- a) During the period under review the number of Independent Directors on the Board was less than half of the total strength of Board as required under regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of the DPE Guidelines on Corporate Governance.
- b) Company did not have Woman Director on its Board for the period from 03.12.2025 to 31.03.2026, as required under regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and and Section 149 (1) of the Companies Act, 2013.
- c) During the time period under review, composition of the Audit Committee and the Nomination & Remuneration Committee were not in accordance with Regulations 18 (1) and 19 (1) respectively of the SEBI Listing Regulations, Paras 4.1.1 and 5.1 respectively of the DPE Guidelines on Corporate Governance and Sections 177 (2) and 178 (1) respectively of the Companies Act, 2013, due to only one Independent Director being on the Board of the Company.
- d) During the period under review separate meeting of the Independent Directors was not held in compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, as there was only one Independent Director on the Board of the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. However, as mentioned above, the company did not have requisite number of Independent Director and Woman Director on its Board during the period under review. The changes, if any, in the composition of the Board that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board and Committee Meetings as per the statutory provisions, and agenda and detailed notes on agenda which were sent at shorter notice were taken up after obtaining the requisite permission as required under the Secretarial Standard -1 of ICSI. Further a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board and/or Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or respective Committee of the Board, as the case may be.

There was no prosecution initiated during the year under review under the Companies Act 2013, SEBI Act, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against/on the Company, its Directors and Officers.

**AKHIL ROHATGI & COMPANY**

Company Secretaries

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csdelhi84@gmail.com

GST No: 07ABTFA2714K1Z7

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that during the period under review the Company has issued Domestic Bonds aggregating Rs 3,560 Crores comprised of Two series of bonds.

We further report that during the audit period, there were no instances of:

- a) Public/Right/Preferential Issue of Shares/Sweat Equity;
- b) Buy-back of Securities;
- c) Merger/Amalgamation/Reconstruction etc. and
- d) Foreign Technical Collaboration

For Akhil Rohatgi & Co.**Company Secretaries****Firm Regn Code No: P1995DE072900****Peer Review No. 7777/2031****Date: 11/09/2026****Place: New Delhi****Sd/-****CS Deepak Kumar****FCS: 10189****COP: 11372****UDIN No: F010189H001449385**

[**Note:** This report is to be read with our letter of even date which is annexed as "**Annexure-A**" and forms an integral part of this report]

**AKHIL ROHATGI & COMPANY**

Company Secretaries

21, Shamnath Marg, Civil Lines, Delhi – 110054.

Phone : 9810690633, 8527087435

Email : rohatgi_co_secy@yahoo.co.in

csdelhi84@gmail.com

GST No: 07ABTFA2714K1Z7

Annexure–“A”

To,
The Members,
India Infrastructure Finance Company Limited
5th Floor, Block 2, Plate A & B, NBCC Tower,
East Kidwai Nagar, South Delhi, New Delhi, 110023

Our report of even date is to be read along with this letter as under:

- 1) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the company.

For Akhil Rohatgi & Co.**Company Secretaries****Firm Regn Code No: P1995DE072900****Peer Review No. 7777/2031****Sd/-****Date: 11/09/2026****Place: New Delhi****CS Deepak Kumar****FCS: 10189****COP: 11372****UDIN No: F010189H001449385**

Annexure C

S.No.	Observation of Secretarial Auditor	Management Reply
I	The Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	
a.	During the period under review the number of Independent Directors on the Board was less than half of the total strength of Board as required under regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines.	The Directors on the Board of IIFCL are selected and nominated by the Government of India. IIFCL has no role in appointment of Directors on its Board. IIFCL has requested the Administrative Ministry (DFS) to appoint Independent Directors on Board of IIFCL to ensure compliance with the provisions of Companies Act 2013. In this regard, it is submitted that Department of Financial Services, Ministry of Finance, Government of India vide Letter No. May 2023 has informed that in terms of the provisions of Articles 115 (1)(d) of the Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government 18/7/2022 – IF – I dated 10th May 2023 has appointed Shri Samir Jerambhai Boghara as Independent Director on the Board of IIFCL for a period of three years from the date of order of his appointment or until further orders, whichever is earlier.

b.	Company did not have Woman Director on its Board for the period from 03.12.2025 to 31.03.2026, as required under regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and and Section 149 (1) of the Companies Act, 2013.	The Directors on the Board of IIFCL are selected and nominated by the Government of India. IIFCL has no role in appointment of Directors on its Board. IIFCL did have Woman director till 3rd December 2025. However, pursuant to appointment of Shri Chandradeep Kumar Jha in place of Ms. M.G. Jayasree, the position of Woman director fell vacant w.e.f. 3rd December 2025. Thereafter, IIFCL has requested the Administrative Ministry (DFS) to appoint a Woman Director on Board of IIFCL to ensure compliance with the provisions of Companies Act 2013. Further, Department of Financial Services, Ministry of Finance, Government of India vide Letter no. 3/1/2010-IF-I(Vol IV) dated 19th June 2026 has informed that in terms of the provisions of Articles 115 (1)(b)(i) of the Memorandum and Articles of Association of India Infrastructure Finance Company Limited (IIFCL), the Central Government has nominated Ms. Laya Madduri, Joint Secretary, Department of Economic Affairs (DEA) as Govt. Nominee Director on the Board of directors of India Infrastructure Finance Company Limited (IIFCL) vice Shri Alok Tiwari with immediate effect and until further orders.
c.	During the time period under review, composition of the Audit Committee and the Nomination & Remuneration Committee were not in accordance with Regulations 18 (1) and 19 (1) respectively of the SEBI Listing Regulations, Paras 4.1.1 and 5.1 respectively of the DPE Guidelines on Corporate Governance and Sections 177 (2) and 178 (1) respectively of the Companies Act, 2013, due to only one Independent Director being on the Board of the Company.	The Directors on the Board of IIFCL are selected and nominated by the Government of India. IIFCL has no role in appointment of Directors on its Board. IIFCL has requested the Administrative Ministry (DFS) to appoint Independent Directors on Board of IIFCL to ensure compliance with the provisions of Companies Act 2013.

d.	During the period under review separate meeting of the Independent Directors was not held in compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, as there was only one Independent Director on the Board of the Company.	NA. Only 1 Independent director was appointed on the Board of IIFCL by Government of India.
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**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2026

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS

1.	CIN	U67190DL2006GOI144520
2.	Registration Date	5 th January 2006
3.	Name of the Company	India Infrastructure Finance Company Limited
4.	Category/Sub-category of the Company	Government of India Enterprise
5.	Address of the Registered office & contact details	Fifth Floor, Block -2 Plate A & B, NBCC Tower East Kidwai Nagar New Delhi-110023 Phone: 91-11- 24662777 Fax: 91-11-20815125 email: information@iifcl.in
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited Contact Person Mr. Umesh Pandey Address Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India Tel. No. 040-67162222, 040-67161595 Email ID: einward.ris@kfintech.com Website www.kfintech.com RCMC Share Registry Pvt. Ltd Contact Person Mr. Ravinder Dua Address B-25/1, First Floor, Okhla Industrial Area, Phase – 2, New Delhi – 110 020 Tel. No. 011-26387320-21 Email ID: investor.services@rcmcdelhi.com Website www.rcmcdelhi.com Beetal Financial & Computer Services (P) Limited Contact Person Mr. Puneet Mittal Address 3rd Floor, Beetal House, 99, behind Local Shopping Centre, Madangir Village, Madangir, New Delhi, Delhi 110062 Tel. No. 011-29961281-83 Email ID: beetal@beetalfinancial.com Website www.beetalfinancial.com Alankit Assignments Limited Contact Person Mr. Abhinav Kumar Agrawal Address 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110055 Tel. No. 7290067787 Email ID: abhinavka@alankit.com Website www.alankit.com

i. QFIs	-	-	-	-	-	-	-	-	-
ii. NRIs	-	-	-	-	-	-	-	-	-
iii. Clearing Member	-	-	-	-	-	-	-	-	-
iv. Shares held by Subsidiary Companies on which no voting rights are exercisable	-	-	-	-	-	-	-	-	-
v. Unclaimed Shares Suspense Account	-	-	-	-	-	-	-	-	-
vi. Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	999.991623 crore	999.991623 crore	100%	-	999.991623 crore	999.991623 crore	100%	-

ii. Shareholding of Promoter

Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2025)			Shareholder's Name	Shareholding at the end of the year (As on 31-03-2026)			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares					
The Hon'ble President of India	999,99,16,223	100	-	The Hon'ble President of India	999,99,16,223	100	-	NIL
Representative shareholding*	7			Representative shareholding*	7			
	999,99,16,230	100%			999,99,16,230	100%		NIL

* Includes seven shareholders as representative on behalf of Government of India.

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year (As on 01-04-2025)				Cumulative Shareholding during the year (As on 31-03-2026)	
	No. of shares	% of total shares of the company	Increase	Date	No. of shares	% of total shares of the company
At the beginning of the year	999,99,16,230	100	-	-	999,99,16,230	100
At the end of the year	999,99,16,230	100	-	-	999,99,16,230	100

iv. Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01-04-2025)		Cumulative Shareholding during the Year (As on 31-03-2026)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	-	-	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
At the end of the year	-	-	-	-

v. Shareholding of Directors and Key Managerial Personnel:

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (As on 01-04-2025)		Cumulative Shareholding during the Year (As on 31-03-2026)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	-	-	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
At the end of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits*/ Term Loans	Total Indebtedness
Indebtedness at the beginning of the Financial year (01.04.2025)				
i) Principal Amount	11,39,336.50	33,89,874.69	17,83,248.07	63,12,459.26
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	31,562.79	83,684.11	-	1,15,246.90
Total (i+ ii+ iii)	11,70,899.29	34,73,558.80	17,83,248.07	64,27,706.16
Change in Indebtedness during the Financial year				-
*Addition	95,446.00	9,92,795.25	8,70,868.69	19,59,109.95
*Reduction	95,979.31	3,51,125.97	1,21,272.06	5,68,377.34
Net change	533.31	6,41,669.28	7,49,596.64	13,90,732.61

Indebtedness at the closing of the Financial year (31.03.2026)				-
i) Principal Amount	11,38,545.40	40,16,548.99	25,32,844.71	76,87,939.10
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	31,820.58	98,679.09	-	1,30,499.67
Total (i+ ii+ iii)	11,70,365.98	41,15,228.08	25,32,844.71	78,18,438.77

*IIFCL being an NBFC is not eligible to accept public deposits

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. lakh)					
SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
	Name	Shri Rohit Rishi w.e.f. 04th February 2026	Shri PR Jaishankar till 28th May 2025	Shri Palash Srivastava	-
	Designation	Managing Director	Managing Director	Deputy Managing Director	-
1	Gross salary	7.19	9.83	53.55	70.57
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option	-	-		-
3	Sweat Equity	--	-		-
4	Commission - as % of profit - others, specify...	-	-		-
5	Others, please specify	-	-		-
	Total (A)	7.19	9.83	53.55	70.57

B. Remuneration to other directors

(Rs. lakh)			
SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	Shri Samir Jerambhai Boghara	
	Fee for attending board committee meetings	13.60	13.60
	Commission	-	-
	Others, please specify	-	-

	Total (1)	-	-
2	Other Non-Executive Directors (Part-Time Non-Official Directors)		
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify Conveyance	-	-
	Total (2)	-	-
	Total (B)=(1+2)	13.60	13.60

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

(Rs. lakh)

SN	Particulars of Remuneration	Key Managerial Personnel		
	Name	Shri Rajeev Mukhija	Ms. Ruchi Singhal	Total
	Designation	Chief Financial Officer	General Manager- Company Secretary	
1	Gross salary for FY 2024-25			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84.37	60.69	145.06
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	- as % of profit	-		-
	Others, specify...	-		-
5	Others, please specify	-		-
	Total	84.37	60.69	145.06

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					

C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

CSR ACTIVITIES FOR FINANCIAL YEAR 2025-26**1. Brief outline on CSR Policy of the Company.**

India Infrastructure Finance Company Limited (IIFCL), a Government of India Enterprise has taken its obligation to the society and the people in need especially in under-developed areas of the country under its Corporate Social Responsibility (CSR). IIFCL as per the provisions of the Companies Act 2013 has a Corporate Social Responsibility Policy (CSR) policy in place that has been duly approved by the Board of Directors. The policy entails a two-tier structure to implement and monitor CSR activities (Board level committee and an Implementation Committee comprising of the senior officers of the Company).

During FY 2025-26, IIFCL fulfilled its statutory CSR obligation of ₹40.54 crore by sanctioning 17 projects valued at ₹41.38 crore. The FY 2025-26 portfolio encompasses healthcare access strengthening, digital education transformation, road safety promotion, environmental sustainability and heritage conservation — interventions that together address the most critical gaps confronting vulnerable communities in aspirational districts/blocks and remote regions of the country.

2. Composition of CSR Committee:

Name	Designation	Number of meetings entitled to attend during FY 2025-26	Number of meetings attended during FY 2025-26
Shri Ashutosh Choudhury (1)	Scheduled Commercial Bank Nominee Director (Chairman of the Committee)	0	0
Shri Rohit Rishi (2)	Managing Director	1	1
Shri Palash Srivastava	Deputy Managing Director	4	4
Ms. Laya Madduri (3)	Government Nominee Director	0	0
Shri Ch. Partha Sarathi Reddy	Government Nominee Director	4	2
Shri Samir Jerambhai Boghara (4)	Independent Director	4	4
Shri Baldeo Purushartha (5)	Government Nominee Director	1	0
Shri Solomon Arokiaraj (6)	Government Nominee Director	1	1
Shri P.R. Jaishankar (7)	Managing Director	0	0
Shri Alok Tiwari (8)	Government Nominee Director	2	1

Shri Sanjay Rudra (9)	Scheduled Commercial Bank Nominee Director	0	0
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Notes:

1. Appointed as member, Chairman of the Committee and director w.e.f. 28.07.2026
2. Appointed as member and director w.e.f. 04.02.2026
3. Appointed as member and director w.e.f. 19.06.2026
4. Ceased to be member and director w.e.f 09.05.2026
5. Appointed as member and director w.e.f. 21.07.2025 and ceased w.e.f 27.11.2025
6. Ceased to be member and director w.e.f 21.07.2025
7. Ceased to be member and director w.e.f 28.05.2025
8. Appointed as member and director w.e.f. 04.12.2025 and ceased w.e.f. 19.06.2026
9. Appointed as member, Chairman of the Committee w.e.f. 29.05.2026 and ceased w.e.f. 30.06.2026

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Weblink:- <https://www.iifcl.in/csr-initiative>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

In pursuant to CSR policy of IIFCL duly approved by the Board of Directors, Impact Assessment is an integrated part of IIFCL's CSR project implementation and monitoring guidelines. However, during FY2025-26, no projects were eligible for impact evaluation.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Nil			

6. Average net profit of the company as per section 135(5).

All figures-in lacs

Particulars	Amount
Net Profit for the Financial year 2022-23	1,27,764.72
Net Profit for the Financial year 2023-24	2,02,851.13
Net Profit for the Financial year 2024-25	2,77,552.92
Average Net Profit of Company made during the three preceding financial years.	2,02,722.92

Amount of Corporate Social Expenditure for the Financial year 2025-26: 2% of Average Profit	4,054.46
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7.

(a) Two percent of average net profit of the company as per section 135(5):- ₹4,054.46 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:- Nil

(c) Amount required to be set off for the financial year, if any:- Nil

(d) Total CSR obligation for the financial year (7a+7b-7c):- ₹4,054.46 lakhs

8.

(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
Amount	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
12,36,51,762	28,17,94,248	30.04.2026	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
01	Construction of 4 Health Sub-Center Building in Changlang	Health	No	Changlang, Arunachal Pradesh		365 days	7,52,00,000	6,76,80,000	75,20,000	No	District Administration, Changlang. No CSR registration No.	
02	Establishment of 10 smart classrooms (E-paathshala)	Education	No	Guna, Madhya Pradesh		180 days	71,67,120	43,00,272	28,66,848	No	Madhya Pradesh Council of Science & Technology. No CSR registration No	
03	Restoration and Development of Hathodi Stepwell (Bawri)	Heritage	No	Bharatpur, Rajasthan		360 days	3,30,00,000	99,00,000	2,31,00,000	No	Samriddh Gramya Abhiyan Society	CSR00082807
04	Construction of De-addiction and Women Empowerment Centre at Hatbadra, Kusumi Block,	Women empowerment	No	Mayubhanj, Odisha		330 days	2,50,00,000	1,25,00,000	1,25,00,000	No	The District Collector & Magistrate Mayurbhanj. No CSR registration No.	

	Mayurbhanj District, Odisha									
05	Setting up Digital Samvidhan Ghars (DSGs)	Educational	No	Dholpur, Rajasthan	330 days	4,18,16,502	2,92,71,490	1,25,45,012	No	Zilla Parishad, Dholpur No CSR registration no.
06	Construction of Ghat, beautification and other related works at sati Pokhar located in village Farsi, Bishol block, district Darbhanga, Bihar under the CSR initiative of IIFCL	Heritage	No	Darbhangha, Bihar	330 days	2,49,58,300	NIL	2,49,58,300	No	District Administration, Darbhanga, Bihar No CSR registration no.
07	Proposal for CSR support towards deployment of electric mobile medical unit (E-MMU) in Hansi district, Haryana	Health	No	Hansi, Haryana	180 days	3,33,98,303	NIL	3,33,98,303	No	District Administration, Hansi. No CSR registration No.
08	Proposal for CSR support towards “strengthening surgical oncology at a regional cancer centre – deployment of vessel sealing devices at CNCI”	Health	No	Kolkata, West Bengal	180 days	3,71,50,400	NIL	3,71,50,400	No	NITCON Social Foundation CSR00017035
09	Proposal for implementation of “360° Sadak Kavach – road safety programme” under the CSR initiative of IIFCL	Road safety	No	Madurai, Tamil Nadu	15 months	2,93,00,000	NIL	2,93,00,000	No	Cube Foundation CSR00006801
10	Proposal for development of “Bharat van” at Lodhi colony park, near Lodhi road railway station, Delhi	Afforestation	Yes	Lodhi Colony, New Delhi	180 days	46,50,000	NIL	46,50,000	No	Enviro Creator Foundation CSR00003641

	under CSR initiative of IIFCL										
11	Proposal for implementation of phase-I of school educational support program in government schools of Rajasthan and Gujarat under the CSR initiative of IIFCL	Educational	No	Kutch Gujarat; Barmer Rajasthan	180 days	99,00,000	NIL	99,00,000	No	Sewa International	CSR00000559
12	Proposal for infrastructure strengthening in Isha Vidhya rural schools in Tamil Nadu under the CSR initiative of IIFCL	Educational	No	Rural areas of Tamil Nadu	180 days	51,00,000	NIL	20,92,451	No	Ish Vidya Foundation	CSR00002614
13	Proposal for CSR support towards construction of hostel building under “residential school of excellence” project at Netrang, district Bharuch, Gujarat	Educational	No	Bharuch, Gujarat	210 days	95,00,000	NIL	95,00,000	No	Vidya Bharti Vanwasi Shiksha	CSR00020119
14	Proposal for establishment of solar-powered centralized mega kitchen at Laxmi Nagar, Delhi	Nutrition	Yes	Laxmi Nagar, Delhi	150 days	96,01,212	NIL	96,01,212	No	Pragati Prayas Foundation	CSR00100959
15	Proposal for implementation of “Svapoorana – social-emotional learning and career awareness program” (phase-i) in government schools of Uttar Pradesh under the CSR initiative of IIFCL	Educational	No	Pan Uttar Pradesh	24 months	54,53,250	NIL	54,53,250	No	Medha Learning Foundation	CSR00004590

16	Installation of High Mass Lights in identified villages of Maharajganj (UP)	Rural development	No	Maharajganj, Uttar Pradesh	365 days	2,72,58,472	NIL	2,72,58,472	No	District Administration, Maharajganj. No CSR registration No.
17	Provision of 100 Smart Boards for Government college in Border Area of J&K	Education	No	Pan Jammu & kashmir	--	3,00,00,000	NIL	3,00,00,000	No	Higher Education Department of J&K No CSR registration No
Total						40,84,53,559	12,36,51,762	28,17,94,248		

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
Nil									

(d) Amount spent in Administrative Overheads:- Nil

(e) Amount spent on Impact Assessment, if applicable:- Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)= Rs. 12,36,51,762

(g) Excess amount for set off, if any:- Nil

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	₹40,54,46,000
(ii)	Total amount spent for the Financial Year	₹40,84,53,559
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹30,07,559
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1.	FY2022-23	3,90,45,000	80,67,806	Swacch Bharat Kosh	87,46,340	To be transferred before 30.09.2026	NIL
2	FY2023-24	14,03,87,000	55,36,833	-	-	-	2,91,33,841
3.	FY2024-25	24,72,92,050	8,41,88,670	-	-	-	13,61,99,989
4.	Total		9,77,93,309	-	87,46,340	-	16,53,33,830

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project – Completed /Ongoing.
1	-	Installation of Solar based RO Water Plant at backward villages of Lakhimpur and Sitapur	2022-23	150 days	22,40,000	15,68,000	22,40,000	Completed
2	-	Construction of community toilet blocks in rural areas of Ramdevra (Rajasthan)	2022-23	180 days	78,18,690	63,00,000	90,00,000	Completed
3	-	Installation of Solar Roof top at Animal Shelter in Village Chhabra, Dehradun	2022-23	180 days	19,98,060	1,99,806	19,98,060	Completed
4	-	Health cum Nutrition camp for	2023-24	110 days	93,50,000	18,70,000	93,50,000	Completed

		1000 (one thousand) beneficiaries located at identified schools across Delhi NCR						
5	-	Construction of Hostel building at Netaji Subhas Chandra Bose Military Academy, Silvassa (Dadra & Nagar Haveli)	2023-24	180 days	1,22,22,777	36,66,833	1,10,00,499	Ongoing
6	-	Renovation & Redevelopment of Saraswati Shishu Vidya Mandir School, Dokti, Ballia, Uttar Pradesh (U.P)	2024-25	180 days	1,35,82,984	40,74,895	81,49,790	Ongoing
7	-	Enhancing infrastructure of Government school at Boudh. Odisha by providing computers and clean drinking water	2024-25	90 days	48,60,000	29,16,000	29,16,000	Ongoing
8	-	Financial Assistance (Scholarship scheme) to economically weaker section of the society for UPSC Civil Services preparation	2024-25	365 days	98,32,350	39,32,940	39,32,940	Ongoing
9	-	Distribution of QR Coded animated Concepts Books the Students of Nagarkurnool Parliamentary constituency region	2024-25	365 days	78,50,500	62,80,400	62,80,400	Ongoing
10	-	Boundary Wall Construction at Saraswati Vidya	2024-25	180 days	1,59,05,417	95,43,250	95,43,250	Ongoing

		Mandir Keshav vidyapeeth Manduwala						
11	-	Construction of School building at Government Primary School Nayang	2024-25	180 days	2,25,00,000	2,25,00,000	0	Completed
12		Construction of 26 new Anganwadi building under Aspirational district Gadchiroli	2024-25	360 days	4,97,30,772	99,46,154	99,46,154	Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a) Date of creation or acquisition of the capital asset(s):- Nil

(b) Amount of CSR spent for creation or acquisition of capital asset: - Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:- Nil

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):- Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

During FY 2025-26, IIFCL have sanctioned new projects which have long duration and considering the due diligence and implementation/monitoring modalities of IIFCL's CSR policy, the project cannot be completed within the year and hence, the sanctioned amounts for each projects have been earmarked and transferred to UCSRA for rightful utilization as per the provisions of Companies Act 2013.

**STATEMENT OF AMOUNT TRANSFERRED FROM/TO RESERVE FOR THE
FINANCIAL YEAR 2025-2026**

		Rs. in lakhs
Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Opening Balance	269,357.17	138,724.60
Add: Profit after Tax	137,942.17	216,477.44
Add: Transfer from Staff Welfare Reserve	141.38	-
Add: Transfer from Debenture Redemption Reserve	105.99	-
Less: Transfer to Staff Welfare Reserve	1,533.07	3,097.17
Less: Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961	42,410.32	39,101.98
Less: Re-measurement gain/(loss) on defined benefit plans	(3.59)	350.31
Less: Transfer to Reserve Fund u/s 45-IC	27,588.43	43,295.49
Balance c/f to balance sheet	336,018.55	269,357.17

EVENTS AND ACTIVITIES



EVENTS AND ACTIVITIES



ABP & Associates
Chartered Accountants
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ADB & COMPANY
Chartered Accountants
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**REVISED INDEPENDENT AUDITORS' REPORT ON THE STANDALONE
FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026**

(Revised based on the observations of the Comptroller and Auditor General of India)

To,
The Members
India Infrastructure Finance Company Limited.
New Delhi

Revised Report on the Audit of the Standalone Financial Statements(Modification has been marked as *)

OPINION

1. We have audited the accompanying standalone financial statements of **India Infrastructure Finance Company Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as “the Standalone Ind AS Financial Statements”). We had issued our Independent Auditors’ Report dated 29.05.2026 on the standalone financial statements of the Company for the financial year ended 31st March 2026, as approved by the Board of Directors of the Company. In furtherance to the provisional observations of the Comptroller and Auditor General of India, we are issuing this Revised Independent Auditor’s Report by amending the reporting under Section 143(3) and under Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended) in the main report, Annexure ‘A’ clauses (i)(c), (i)(e), (iii)(c), (vii)(b), (xi)(c), (xvi)(b) and (xx), and Annexure ‘B’ (Direction No. II) of the previous audit report. This report supersedes the previous audit report dated 29.05.2026.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the state of affairs of the

Company as at 31st March 2026, and its profit (including other comprehensive income), its cash flows and its changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (“SAs”) specified under section 143 (10) of the Companies Act, 2013.. Our responsibilities under those Standards are further described in the “Auditor’s Responsibilities for the Audit of the Standalone Financial Statement” section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the standalone financial statement under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

3. Key audit matters are those matters that in our professional judgement were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor’s Response
Impairment of Loans and Advances (Expected Credit Loss) Total Loans as at March 31, 2026: Rs 81,714.53 crores ECL Provision as at March 31, 2026: Rs 1,607.29 crores (Refer Note 4 to the Standalone financial statements)	
The impairment of infrastructure loans is calculated using the Expected Credit Loss (ECL) model as mandated by Ind AS 109: Financial Instruments. Because infrastructure projects have long gestation periods and are susceptible to regulatory delays and cost overruns, estimating impairment requires significant management judgment. The complexity lies in determining Loan Staging Criteria (identifying Significant Increase in Credit Risk), calculating Probability of Default	Our audit procedures in respect of this area included, but not limited to: a. Obtained and read Company’s approved policies on ECL and evaluated the appropriateness of the Company’s accounting policies for impairment of financial instruments and ensuring alignment with Reserve Bank of India (RBI) guidelines and Ind AS 109 - Financial Instruments (‘Ind AS 109’); b. Performed a walkthrough of the

(PD), Loss Given Default (LGD), Exposure at Default (EAD), and factoring in forward-looking macroeconomic variables.	impairment loss allowance process, and assessed the design and tested operating effectiveness of the key controls over completeness and accuracy of the key inputs (including loan book as at March 31, 2026) and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. These controls, amongst others, included controls over the staging of the loan portfolio along with passing of journal entries and preparing disclosures; c. Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Since, modelling assumptions and parameters were based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios; d. Assessed the critical assumptions & input data used by the Company for estimating, grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability weighted default (PD) and loss-given default (LGD) rates; e. Performed sample testing of the input data used for determining the PD (probability of default) and LGD (loss given default) rates and agreed the data with the underlying books of accounts and records; f. Tested the arithmetical accuracy of computation of ECL (expected credit loss) provision performed by the Company; g. Tested the completeness of loans included in the ECL calculations as of March 31, 2026 by reconciling such data with the balances as per loan book register;
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	h. Assessed the appropriateness of the disclosures made by the management as per the requirements of Ind AS 109 - 'Financial Instruments' in the Standalone Financial Statements and i. Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable.
Valuation of Derivative Instruments and Hedge Accounting Total Derivative Assets as at March 31, 2026: Rs 1,746.74 crores Total Derivative Liabilities as at March 31, 2026: NIL Cash Flow Hedge Reserve as at March 31, 2026: Rs (79.14 crores) (Refer Note 3 & 19 to the Standalone Financial Statements)	

The Company enters into derivative financial instruments including cross currency swaps, interest rate swaps and forward exchange contracts to hedge exposures arising from foreign currency borrowings and interest rate risks. The valuation of derivative financial instruments and application of hedge accounting under Ind AS 109 – Financial Instruments involve significant management judgment, estimation uncertainty and use of specialized valuation techniques. The determination of fair value is dependent on various market observable inputs such as foreign exchange rates, interest rate yield curves, discounting factors and counterparty quotations and, in certain cases, assumptions relating to future market and economic conditions. Further, hedge accounting requires formal documentation of hedge relationships, ongoing assessment of hedge effectiveness and complex accounting treatments relating to recognition of gains and losses in the Cash Flow Hedge Reserve and Statement of	Our audit procedures in relation to valuation of derivative instruments and hedge accounting included, but were not limited to, the following: a. Obtained an understanding of the Company's policies, processes and internal controls relating to derivative transactions, valuation methodologies and hedge accounting and assessed whether these were in compliance with the applicable requirements of Ind AS 109, Ind AS 21 and relevant regulatory guidelines; b. Evaluated the design and tested the operating effectiveness of key internal financial controls over authorization, recording, valuation, monitoring and reporting of derivative contracts and hedge relationships; c. Obtained and inspected, on a sample basis, derivative agreements and underlying borrowing documents to assess whether derivative transactions were
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Profit and Loss. Considering: the materiality of derivative exposures, the complexity involved in valuation methodologies, the significant judgments and assumptions applied by management, the involvement of external counterparty valuations, and the potential impact on the standalone financial statements	appropriately recorded and supported by contractual documentation; d. Assessed the appropriateness of management's valuation methodology and evaluated the reasonableness of key inputs and assumptions used in determining fair values, including foreign exchange rates, yield curves, discount rates and counterparty quotations; e. Evaluated whether hedge relationships designated by management satisfied the qualifying criteria prescribed under Ind AS 109, including existence of formal hedge documentation and assessment of hedge effectiveness. Certificate taken from the practitioner assigned by the organization. f. Tested, on a sample basis, journal entries and accounting treatments relating to derivative valuation adjustments, hedge reserve accounting and related gain/loss recognition in the Statement of Profit and Loss; g. Assessed whether the disclosures relating to derivative financial instruments, valuation techniques, fair value hierarchy, hedge accounting and related risk exposures were in accordance with the applicable disclosure requirements of Ind AS 107 and Ind AS 109; h. Obtained written representations from management and those charged with governance regarding the appropriateness of assumptions, valuation methodologies and completeness of derivative exposures and hedge relationships recognized in the standalone financial statements;
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Information Other than the Standalone Financial Statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility & Sustainability Report, Corporate Governance and Shareholder's information, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read such other information when made available to us and if we conclude that there is a material misstatement there-in we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for the Standalone Financial Statements

5. The Company's Board of Directors are responsible for the preparation of these standalone financial Statement that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS as specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015 , the relevant provisions of the Banking Regulation Act, 1949, RBI Guidelines and other accounting principles generally accepted in India.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimate that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for Audit of the Standalone Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these the Standalone Financial Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the Standalone Financial Statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
8. As required by Section 143(5) of the Companies Act, 2013, the Comptroller and Auditor General of India has issued directions and sub-directions. We give our comment thereon, in the Annexure 'B'.
9. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) *The Company does not have any branch office whose accounts are audited under sub-section (8) of Section 143 of the Act by a person other than the Company's auditor. Accordingly, the reporting requirement under Section 143(3)(c) of the Act, regarding a report on the accounts of any such branch office being sent to us and the manner of dealing with it, is not applicable to the Company.
 - (e) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015 as amended.

- (f) The provision of Section 164(2) of the Companies Act, 2013 are not applicable to this Government Company in view of Notification No. F.No. 1/2/2014-CL-V dated 5th June 2015, issued by the Ministry of Corporate Affairs.
- (g) With respect to the adequacy of the internal financial controls with reference to Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'C'.
- (h) As per notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act, regarding remuneration to director is not applicable to the Company, since it is a Government Company; and
- (i) With respect to other matters to be included in the Auditor's Report in accordance with *Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended vide the Companies (Audit and Auditors) Amendment Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statements Refer point 49 to the notes to financial statements;.
 - ii) The company has made adequate provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts. Refer Note 4 & 16 to the financial statements;
 - iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
 - iv) a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entity("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to the notice that has

caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v) The Company has not declared/paid dividend during the year and hence provisions of section 123 of the Companies Act, 2013 are not applicable on the company.

vi) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks. The company has used multiple accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **ABP & Associates**
Chartered Accountants
FRN : 315104E

For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C

Sd/-

CA KAMAL KU CHANDUKA
PARTNER
M No : 058790

UDIN : **26058790XJTNDB4589**

Sd/-

CA AMIT TIWARI
PARTNER
M No : 408603

UDIN : **26408603QFVWUH2163**

Place : New Delhi
Date : 23/07/2026

Annexure A to Independent Auditor's Report

Refer to in Para 7 of the Independent Auditor's Report of even date to the members of India Infrastructure Finance Company Limited on the standalone financial statement for the year ending 31st March 2026.

i) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and except for the situation of Property, Plant and Equipment and capital work-in-progress.

(ii) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management during the year in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties disclosed in the financial statements are not held in the name of the Company.

Description of property	Gross carrying value (Rs in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
5th Floor Block 2 Plate A & B NBCC Tower East Kidwai Nagar New Delhi – 110023	27,701.73 Lakhs	Held in the name of NBCC Limited (leasehold basis)	Not held in the name of Promoter, Director or their relative or employee.	N.A.	Held on leasehold basis from NBCC Ltd.; lease deed pending execution.
WTC, Nauroji Nagar, New Delhi	15711.48 Lakhs	Held in the name of NBCC Limited (freehold basis)	Not held in the name of Promoter, Director or their relative or employee.	N.A.	*Acquired on freehold basis from NBCC Ltd.; conveyance deed pending execution.

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the *Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) (a) The Company is a Non-Banking Financial Company primarily engaged in financing activities and consequently does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.

iiia) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantees during the year. Further, the investments made and the terms and conditions of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the Company's interest.

c) The Company is a Non-Banking Financial Company (NBFC), registered under the provisions of the Reserve Bank of India Act, 1934 and rules made thereunder, and is regulated by various regulations, circulars, and norms issued by the Reserve Bank of India, including the Master Circular – Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular, except for certain instances as mentioned below:

Particulars	Total Overdue amount (Principal and Interest) (Rs in Lakhs)	Number of cases
1-30 days	759,462.45	29*
31-60 days	46.89	02*
61-90 days	586.17	03*
More than 90 days	60,786.11	05**

**The number of cases mentioned above represents the number of loan accounts and does not necessarily correspond to the number of projects.*

*** in one of the 5 cases, TK Toll Road Pvt. Ltd, there is no principal outstanding or interest overdue as on 31.03.2026. Only LOC is outstanding for an amount of Rs.58.22 crores.*

d) In respect of loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, loans other than those derecognized during the year, as explained to us and on the basis of our examination of records, the Management has taken reasonable steps for recovery of principal amounts and interest:

Number of cases	Principal amount overdue (Rs in Lakhs)	Interest Overdue (Rs in Lakhs)	Total Overdue (Rs in Lakhs)
04	32,557.08	28,229.04	60,786.11

**The above represents 4 loan accounts in which principal and/or interest was overdue for more than 90 days as on 31.03.2026. The account of TK Toll Road Pvt. Ltd. has been excluded, as there is no principal outstanding or interest overdue there against as on 31.03.2026 and only a Letter of Credit (LoC) of Rs. 58.22 crore is outstanding.*

e) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

f) Based on the information and explanations provided and upon examination of the records, it was observed that the Company has not granted any loans or advances in the nature of loans that are either repayable on demand or granted without specifying any terms or period of repayment. Hence, the reporting requirements under clause 3(iii)(f) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

iv) In our opinion and according to information and explanation given to us, the Company has not given any loan or guarantee or provided any security in contravention of Section 185 of the Companies Act, 2013, to the extent applicable to the Company.

Further, in our opinion and according to information and explanation given to us, the Company being a Non-Banking Financial Company (NBFC), is exempt from Section 186 of the Companies Act, 2013 and relevant rules in respect of loans & guarantees. In respect of investments, the Company has complied with the provisions of Section 186(1) of the Companies Act, 2013.

v)The Company has not accepted any deposits or amounts deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed thereunder. Accordingly, reporting under clause 3(v) of the Order is not applicable.

vi) The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for the activities carried out by the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii) (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other statutory dues with the appropriate authorities. No undisputed amounts payable were outstanding for a period exceeding six months from the date they became payable. Required the statutory dues, reconciliation, and Credentials for income tax & GST.

(b) Details of statutory dues which have not been deposited on account of disputes are as follows:

Name of Statute	Nature of Dues	Amount (₹ lakh) Demand Raised	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	*7656.32	AY 2024-25	Appeal pending with CIT(A)
Income Tax Act, 1961	Income Tax	0.42	AY 2020-21	ITR Rectified and CPC Intimation received demand reduced from Rs. 51 crores.

Income Tax Act, 1961	Income Tax	51.65	AY 2017-18	Order reserved with ITAT
Income Tax Act, 1961	Income Tax	*632.66 174.58	AY 2016-17	Order received from ITAT- *632.66 Lakh Order received u/s 143(3)- 174.57 Lakh *Out of the above, the Company has deposited Rs. 1,37,00,000 thereagainst.
GST Act	GST	*0.91	FY 2017-18	Pending with AO
GST Act	GST	270.78	FY 2018-19	Pending with Appellate Authority
GST Act	GST	872.45	FY 2019-20	Pending with Appellate Authority
GST Act	GST	104.35	FY 2020-21	Pending with Appellate Authority
GST Act	GST	0.75	FY 2022-23	Penalty notice issued
Service Tax	Service Tax	64.72	2015-16 (H2) to 2017-18 (Apr-Jun)	Appeal with CESTAT

viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix)(a) The Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) Funds raised on a short-term basis have not been utilized for long-term purposes.

(e) The Company has not taken any funds from any entity or person to meet the obligations of subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in subsidiaries, joint ventures or associates.

x) (a) The Company has not raised money by way of initial public offer or further public offer during the year.

(b) The Company has not made any preferential allotment or private placement of shares or fully/partly/optionally convertible debentures during the year.

xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) No report under Section 143(12) of the Act in Form ADT-4 has been filed by us or by any other auditor.

(c) *No whistle-blower complaints were received by the Company during the year 2025-26. Accordingly, there were no such complaints requiring consideration by us while determining the nature, timing and extent of audit procedures.

xii) The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

xiii) In our opinion, all transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and details have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) (a) The company has is internal audit system commensurate date with the size and nature of the business

(b) We have considered the internal audit reports issued during the year for the purpose of determining the nature, timing and extent of our audit procedures.

xv) The Company has not entered into any non-cash transactions with directors or persons connected with them, and hence, the provisions of Section 192 of the Act are not applicable.

xvi) (a) The Company is required to be registered under Section 45-IA of the *Reserve Bank of India Act, 1934 (2 of 1934) and has obtained the required registration.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. The Company has conducted the business of a Non-Banking Financial Institution with a valid Certificate of Registration issued by the Reserve Bank of India.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) The Group does/does not have more than one CIC as part of the Group.

xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii) There has been no resignation of statutory auditors during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year.

xx) (a) In respect of amounts required, in the case of other than ongoing projects, to be transferred to a Fund specified in Schedule VII to the Act within six months of the expiry of the financial year in compliance with the second proviso to sub-section (5) of Section 135 of the Act, there are no such unspent amounts. *However, the balance of Rs.122.45 lakh lying in the Corporate Social Responsibility Reserve (Refer Note 19) pertains to the year ended 31st March 2015, is pending for utilisation as on 31.03.2026 as per CSR Act.

*(b) In respect of ongoing projects, the Company has transferred the unspent CSR amount to a special account in compliance with sub-section (6) of Section 135 of the Act.

xxi) This clause is applicable only in case of consolidated financial statements. Qualifications or adverse remarks by the respective auditors in the CARO reports of the companies included in the consolidated financial statements

For **ABP & Associates**
Chartered Accountants
FRN : 315104E

For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C

Sd/-
CA KAMAL KU CHANDUKA
PARTNER
M No : 058790

Sd/-
CA AMIT TIWARI
PARTNER
M No : 408603

UDIN : **26058790XJTNDB4589**

UDIN : **26408603QFVWUH2163**

Place: New Delhi
Date : 23/07/2026

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Refer to in Para 8 of the Independent Auditor's Report of even date to the members of India Infrastructure Finance Company Limited on the standalone financial statement for the year ending 31st March 2026.

Sl. No.	Directions / Areas Examined	Replies / Observations of Statutory Auditors	Impact on Standalone Ind AS Financial Statements
I	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The Company's investments for post-retirement employee benefits are held primarily through Life Insurance Corporation of India (LIC) and other approved fund managers under the Employee Gratuity Fund and Leave Encashment schemes. The valuation methodologies adopted are consistent with Ind AS 19 (Employee Benefits), Ind AS 109 (Financial Instruments) and Ind AS 113 (Fair Value Measurement). The actuarial valuation for defined benefit obligations has been carried out by an independent qualified actuary using the Projected Unit Credit Method as required under Ind AS 19. Supporting documentation including fund statements from LIC, actuarial reports and investment schedules have been verified. No material deviations or misstatements have been observed in the valuation approach or the supporting documentation reviewed.	No material impact on the standalone Ind AS Financial Statements.
II	Whether the Company has a system in place to process all the accounting transactions through the IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by	The Company has a system in place to process all accounting transactions through its IT system, with transactions being recorded in SAP — an Enterprise Resource Planning (ERP) software. During the course of our audit, we observed that certain critical processes continue to be operated through manual interventions and are not fully supported by system-based	No material impact on the standalone Ind AS Financial Statements.

	Information Security Auditing Organisations empaneled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside the IT system on the integrity of the accounts along with the financial implications may also be reported.	automation. These include: • Identification and classification of Non-Performing Assets (NPA); • Computation of provisioning requirements; • System-generated Expected Credit Loss (ECL) computation; and • Preparation of Management Information System (MIS) and regulatory returns. In the absence of adequate system-driven controls and automation over the aforesaid processes, the risk of manual errors, delays and control deficiencies is relatively higher and consequently these areas required increased audit attention and additional substantive audit procedures. *Further, a review of the said IT system and of the controls that are significant to the Company's financial reporting process, as well as of cyber security, has been carried out by an Information Security Auditing Organisation empanelled with the Indian Computer Emergency Response Team (Cert-In). The said review was conducted during the year and thus meets the prescribed minimum frequency of once in a year. No material discrepancies having a bearing on the financial reporting process were noticed in the said review that were required to be reported; such discrepancies as were observed were of a procedural nature and have been suitably taken up with the Management for corrective action.	
III	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the	India Infrastructure Finance Company Limited (IIFCL) is a Government of India enterprise operating as a Non-Banking Financial Company – Infrastructure Debt Fund (NBFC-IDF), primarily engaged in extending long-term financial assistance to infrastructure projects.	Not Applicable. No impact on the standalone Ind AS Financial Statements.

	applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	During the year under audit, the Company has not received any grants or subsidies from Central/State Government or their agencies earmarked for specific schemes that would require separate accounting under the applicable accounting standards. Accordingly, the question of deviation in utilisation of funds, or accounting of interest earned on such grants, does not arise. This direction is Not Applicable to the Company for the financial year 2025-26.	
IV	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	The Company has identified the following key risk areas: (i) Credit Risk — risk of borrower default or asset quality deterioration in the infrastructure loan portfolio; (ii) Market Risk — including interest rate risk, foreign currency risk and liquidity risk; (iii) Operational Risk — risk arising from inadequate or failed internal processes, systems, and people; (iv) Interest rate risk:- Interest rate risk from fluctuation of interest rate in the industry. (v) Regulatory & Compliance Risk — risk of non-compliance with RBI guidelines, MCA regulations, and other applicable laws. Risk Management Policy: The Company has a Board-approved Risk Management Policy in place which is periodically reviewed. The Policy covers identification, assessment, monitoring and mitigation of various risks. (a) Global Best Practices: The Risk Management Policy has been formulated taking into account global best practices including Basel III framework guidelines applicable to NBFCs, RBI's guidelines on risk	No material impact on the standalone Ind AS Financial Statements.

		management for Non-Banking Financial Companies, and the recommendations of the Committee on Financial Sector Assessment. The policy is aligned with the principles enunciated by the Financial Stability Board (FSB) and the Bank for International Settlements (BIS) to the extent applicable. (b) Data Assets: The Company has identified its key data assets including loan portfolio data, borrower financial information, collateral data, operational data and employee data. However, a formal valuation of data assets has not been carried out by the Company during the year under audit, as no regulatory requirement mandating such valuation is currently applicable. The Company has appropriate IT security and data governance policies to safeguard its data assets.	
V	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Based on the audit procedures performed and information provided by the management, the compliance status of the Company with applicable regulations is as follows: (i) SEBI – LODR Regulations, 2015 [MATERIAL NON-COMPLIANCE IDENTIFIED]: IIFCL's Non-Convertible Debentures (NCDs) are listed on the stock exchanges. Under Regulation 33 read with Regulation 52 of the SEBI (LODR) Regulations, 2015, the Limited Review of quarterly unaudited financial results is required to be conducted by the Statutory Auditors of the entity or Practitioner Chartered Accountant. a) Misapplication of Standard on Review Engagements (SRE) 2410: For the quarter/period ended September 30, 2025, the Company engaged an external Practitioner — selected and appointed internally by management — to conduct the Limited Review, who is not the CAG-appointed Statutory Auditor of the Company. The said Practitioner issued a Limited Review Report styled under Standard on Review Engagement (SRE)	MATERIAL NON-COMPLIANCE A material deviation has been identified in respect of SEBI (LODR) Regulations, 2015 arising from the conduct of the Limited Review for the quarter ended September 30, 2025 by a Practitioner who is not the CAG-appointed Statutory Auditor, using the

		2410 issued by the Institute of Chartered Accountants of India (ICAI). SRE 2410 titled 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' applies exclusively to the Statutory Auditor of the entity. A Practitioner who is not the Statutory Auditor is required to conduct such a review under SRE 2400 and describe themselves as an 'Independent Practitioner', not as an 'Independent Auditor'. The use of SRE 2410 by a non-Statutory Auditor constitutes a fundamental violation of applicable professional standards. b) Misleading Representation to Stakeholders: The Limited Review Report submitted by the said Practitioner designates them as an 'Independent Auditor', which falsely implies to the Board, Audit Committee, Stock Exchanges, investors, and regulators that the review was conducted by the CAG-appointed Statutory Auditors. This constitutes a serious material misrepresentation to all stakeholders. As regards other applicable regulations, our audit observations are as follows: a) Ministry of Corporate Affairs (MCA): The Company has complied with the provisions of the Companies Act, 2013 including filing of statutory returns, maintenance of statutory registers and other compliance requirements. b) Reserve Bank of India (RBI): Being an NBFC-IDF registered with the RBI, the Company has generally complied with applicable RBI regulations including Prudential Norms for Asset Classification, Provisioning, Capital Adequacy, and other directions issued from time to time. c) CERT-IN / MeitY: The Company has put in place information security policies and IT governance mechanisms in compliance with applicable CERT-IN and MeitY	incorrect standard (SRE 2410 instead of SRE 2400), and the misleading self-designation as 'Independent Auditor' in the report submitted to stock exchanges and regulators.
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		guidelines, including cyber security incident reporting requirements.	
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For **ABP & Associates**
Chartered Accountants
FRN : 315104E

For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C

Sd/-
CA KAMAL KU CHANDUKA
PARTNER
M No : 058790

Sd/-
CA AMIT TIWARI
PARTNER
M No : 408603

UDIN : 26058790XJTNDB4589

UDIN : 26408603QFVWUH2163

Place : New Delhi
Date : 23/07/2026

ANNEXURE C TO INDEPENDENT AUDITOR'S REPORT

Refer to in Para 9 (f) of the Independent Auditor's Report of even date to the members of India Infrastructure Finance Company Limited on the standalone financial statement for the year ending 31st March 2026.

We have audited the Internal Financial Controls over Financial Reporting of INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED ("The Company") as of 31st MARCH, 2026, in conjunction with our audit of the accompanying standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Internal Financial Controls over Financial Reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating

the design and operating effectiveness of Internal Controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's Internal Financial Controls over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over Financial Reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting to future periods are subject to the risk that the Internal Financial Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, subject to comments made in “Basis of Opinion” paragraph in the main audit report, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at March 31, 2026, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ABP & Associates**
Chartered Accountants
FRN : 315104E

For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C

Sd/-
CA KAMAL KU CHANDUKA
PARTNER
M No : 058790

UDIN : 26058790XJTNDB4589

Sd/-
CA AMIT TIWARI
PARTNER
M No : 408603

UDIN : 26408603QFVWUH2163

Place : New Delhi
Date : 23/07/2026

COMPLIANCE CERTIFICATE

We have conducted an audit of Standalone Financial Statement of Indian Infrastructure Finance Company Limited for the year ending 31st March 2026, in accordance with the directions / sub-directions issued by the C&AG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions / sub-directions issued to us.

For **ABP & Associates**
Chartered Accountants
FRN : 315104E

For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C

Sd/-
CA KAMAL KU CHANDUKA
PARTNER
M No : 058790
UDIN : **26058790XJTNDB4589**

Sd/-
CA AMIT TIWARI
PARTNER
M No : 408603
UDIN : **26408603QFVWUH2163**

Place : New Delhi
Date : 23/07/2026

ABP & Associates
Chartered Accountants
R-13, 3rd Floor,
Rajouri Garden,
New Delhi- 110027

ADB & COMPANY
Chartered Accountants
First Floor, Mahavir Gaushala Complex,
K.K. Road, Moudhapara,
Raipur 492-001 (C.G.)

NON - BANKING FINANCIAL COMPANIES AUDITOR'S REPORT

To

The Board of Directors
India Infrastructure Finance Company Limited
5th Floor, Part A&B, Block B
East Kidwai Nagar,
New Delhi -110023

We, ABP & Associates and ADB & Company ("the Joint Auditors") have audited the accompanying Financial Statements of India Infrastructure Finance Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of material accounting policies and Other Explanatory information prepared in accordance with the requirement of 'the Companies Act 2013 (as amended) ("the Act")' (hereinafter referred to as "Financial Statements").

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India ("RBI") on the matters specified therein to the extent applicable to the company, we report that

1. The company is engaged in the business of Non - Banking Financial Institution and it has obtained a certificate of Registration from Reserve Bank of India under the provision of section 45-1 (a) of the Reserve Bank of India Act, 1934 vide registration no. N-14.03288 dated 09.09.2013.
2. The company is entitled to continue hold such COR in terms of its Principal Business Criteria (financial asset/ income pattern) as on March 31, 2025.
3. The company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking company and deposit company (Reserve Bank) directions, 2016.
4. The board of directors has passed a resolution dated 11th August 2025 for non - acceptance of any deposits for the year ended 31.03.2026.
5. The company has not accepted any public deposits during the year 2025-26.
6. The Standalone financial statements of the Company for the financial year 2025-26 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 read with relevant rules issued there under and Master Directions issued by RBI.



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Accordingly, the Company is following Board approved methodology for computation of Impairment Allowance towards provisioning for its loan assets and classification thereof. In view of regulatory compliance of Companies Act 2013 for adoption of a mechanism for preparation of financial statements, the Company is required to make provision of impairment loss as per Ind AS 109 for Bad and Doubtful debts in terms of Master Directions 2016. Therefore, the company is complying with the directions with respect to adherence to difference in provisioning between IRACP norms and ECL methodology as per policy of the company.

7. (i) The capital adequacy ratio as disclosed in the quarterly return styled DNBS - 3 submitted to the Bank, has been correctly arrived at and such ratio is in compliance with the minimum CRAR prescribed by the Bank.

(ii) The company has furnished to the RBI, the quarterly statement of capital funds, risk assets/ exposures and risk asset ratio in DNBS -3 for the quarter ended 30 June 2025, 30 September 2025, 31 December 2025 & 31 March 2026 within the stipulated period based on provisional financial statements.

8. The company is not a NBFC Micro Finance Institution (NBFC-MFI) as defined by the Master Direction of RBI.

We have no responsibility to update this report for events occurring after the date of submission of signed copy of this report. Also, this report is issued solely for reference of the Company pursuant to the requirement as per the said Directions and is not to be used or distributed for any other purpose.

For **ABP & Associates**
Chartered Accountants
FRN : 315104E



CA KAMAL KU CHANDUKA
PARTNER
M No : 058790

UDIN : 26058790JGRKMA9301



For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C



CA AMIT TIWARI
PARTNER
M No : 408603

UDIN : 26408603NZ4JDT36996



Place : New Delhi
Date : 29th May 2026

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED (IIFCL)
STANDALONE BALANCE SHEET AS AT 31st MARCH 2026
CIN No. U67190DL2006GOI144520

(₹ in Lac)

S.No.	PARTICULARS	NOTE NO.	As at 31.03.2026 (Audited)	As at 31.03.2025 (Audited)
I	ASSETS			
1	Financial Assets			
(a)	Cash and Cash Equivalents	2A	74,110.35	43,602.48
(b)	Bank Balance other than (a) above	2B	555,879.13	213,932.87
(c)	Derivative Financial Instruments	3	174,673.79	135,382.74
(d)	Loans	4	8,005,357.02	6,812,481.76
(e)	Investments	5	922,127.48	839,461.46
(f)	Other Financial Assets	6	57,753.87	46,750.72
	Total Financial Assets (1)		9,789,901.64	8,091,612.03
2	Non-Financial Assets			
(a)	Current Tax Assets (Net)	7	1,056.59	2,921.65
(b)	Deferred Tax Asset (Net)	8	15,382.73	17,228.88
(c)	Property, Plant and Equipment	9	36,629.69	22,057.28
(d)	Capital Work-in-Progress	9A	2,217.96	15,333.67
(e)	Other Intangible Assets	10	784.27	975.27
(f)	Other Non-Financial Assets	11	2,103.87	7,085.51
	Total Non Financial Assets (2)		58,175.11	65,602.26
	TOTAL ASSETS (1+2)		9,848,076.75	8,157,214.29
II	LIABILITIES AND EQUITY			
A	Liabilities			
1	Financial Liabilities			
(a)	Debt Securities	12	3,360,545.40	3,009,336.36
(b)	Borrowings (Other than Debt Securities)	13	4,542,276.10	3,354,748.17
(c)	Other Financial Liabilities	14	135,427.19	122,969.96
	Total Financial Liabilities (A-1)		8,038,248.69	6,483,054.63
2	Non-Financial Liabilities			
(a)	Current Tax Liabilities (Net)	15	4,905.84	15,725.16
(b)	Provisions	16	4,915.54	4,889.42
(c)	Other Non-Financial Liabilities	17	10,198.05	14,085.16
	Total Non Financial Liabilities (A-2)		20,019.43	34,699.74
	TOTAL LIABILITIES (A)		8,058,268.12	6,517,754.37
B	Equity			
(a)	Equity Share Capital	18	999,991.62	999,991.62
(b)	Other Equity	19	789,816.97	639,468.30
	TOTAL EQUITY (B)		1,789,808.59	1,639,459.92
	TOTAL LIABILITIES AND EQUITY (A+B)		9,848,076.75	8,157,214.29

The accompanying notes from 1 to 28 are integral part of Standalone Financial Statements.

For and on behalf of Board of Directors of
India Infrastructure Finance Company Limited



[Signature]
Rohit Rishi
(Managing Director)
DIN No.: 11524681

[Signature]
Ruchi Singhal
(GM & Company Secretary)
Membership No.: 17837

[Signature]
Rajesh Srivastava -
(Deputy Managing Director)
DIN No.: 2007911

[Signature]
Rajeev Mukherja
(Chief General Manager-CFO)

In terms of our Audit Report of even date



For ABP & Associates
Chartered Accountants
FRN: 315104E
[Signature]
CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 005593C
[Signature]
CA Ansh Tiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED (IIFCL)
STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2026
CIN No. U67190DL2006GOI144520

(₹ in Lac)

S.No.	PARTICULARS	NOTE No.	Year Ended	
			31.03.2026 (Audited)	31.03.2025 (Audited)
I	INCOME			
A	Revenue from Operations			
(a)	Interest Income	20	692,087.63	600,757.97
(b)	Fees and Commission Income	21	5,161.07	5,826.89
(c)	Net Gain/(Loss) on Fair Value changes	22	(1,007.16)	12,254.58
	Total Revenue from Operations (A)		696,241.54	618,839.44
B	Other Income (B)	23	121,857.68	55,785.49
	Total Income I (A+B)		818,099.22	674,624.93
II	EXPENSES			
(a)	Finance Cost	24	457,407.40	403,030.19
(b)	Fees and Commission Expense	25	5,613.66	5,404.62
(c)	Impairment on Financial Instruments	26	(16,568.36)	(16,048.29)
(d)	Employee Benefit Expense	27	7,412.43	7,525.73
(e)	Depreciation, Amortization & Impairment	9,10	1,427.34	1,118.32
(f)	Corporate Social Responsibilities		4,054.46	2,597.59
(g)	Other Expenses	28	160,367.72	49,586.88
	Total Expenses II		619,716.65	444,215.04
	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)		198,382.57	230,209.89
	Exceptional Items		-	47,343.93
	Profit/ (Loss) Before Tax (I-II)		198,382.57	277,552.92
	Tax Expense:			
(i)	Current Tax			
- Current Year			(58,705.84)	(54,626.83)
- Earlier Year			(1,689.63)	(6.91)
(ii)	Deferred Tax		(1,644.92)	(6,441.75)
	Total Tax Expenses (i+ii)		(60,440.41)	(61,075.49)
	Profit/ (Loss) for the Year from continuing operations		137,942.17	216,477.43
	Profit/(loss) from discontinued operations		-	-
	Tax Expense of discontinued operations		-	-
	Profit/(loss) from discontinued operations(After tax)		-	-
	Profit/(loss) for the Year		137,942.17	216,477.43
	Other comprehensive income (OCI)			
A	(i) Items that will not be reclassified to Profit and Loss			
- Remeasurement on gains/(loss) defined benefit Obligation			4.80	(468.12)
- Income Tax relating to remeasurement of defined benefit Obligation			(1.21)	117.82
	Other Comprehensive Income/(Expense) (A)		3.59	(350.30)
	Total Comprehensive Income for the Year		137,945.76	216,127.13
	Basic and Diluted Earning Per Share (Face Value of ₹ 10 each)			
1. For continuing operations (in ₹)			1.38	2.16
2. For discontinued operations (in ₹)			-	-
3. For continuing and discontinued Operations (in ₹)			1.38	2.16
		1(B)(6)		

The accompanying notes from 1 to 28 are integral part of Standalone Financial Statements.

For and on behalf of Board of Directors of
India Infrastructure Finance Company Limited



Rohit Datta
(Managing Director)
DIN No.: 11524681

Palash Srivastava
(Deputy Managing Director)
DIN No.: 2007911

Ruchi Singhal
(GM & Company Secretary)
Membership No.: 17837

Rajeev Mukherjee
(Chief General Manager-CFO)

In terms of our Audit Report of even date

For ABP & Associates
Chartered Accountants
FRN: 315104E

For ADB & Company
Chartered Accountants
FRN: 005975C

CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

CA Anil Tiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED (IIFCL)
(A Govt. of India Enterprise)
5th FLOOR, NBCC TOWER, EAST KIDWAI NAGAR, NEW DELHI - 110023
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2026
CIN No. U67190DL2006GO1144520

(₹ in Lac)

S.NO.	PARTICULARS		Year Ended 31.03.2026 (Audited)	Year Ended 31.03.2025 (Audited)
	CASH FLOW FROM OPERATING ACTIVITIES			
(i)	Net Profit before Tax		198,382.57	277,552.92
	Adjustments for:			
(ii)	Depreciation and amortisation expense		1,427.34	1,118.32
(iii)	Provision/write offs		14,196.51	11,944.10
(iv)	Provisions/ Amounts written back		-	-
(v)	Foreign Exchange Fluctuation (Loss) / (Profit) on borrowings		138,813.51	72,735.84
(vi)	(Profit)/ Loss on sale of fixed assets		-	-
(vii)	Interest accrued and due on loans and advances		-	1,060.17
(viii)	Interest accrued but not due on borrowings		15,252.76	18,372.74
(ix)	Interest on income tax		(1,889.63)	(6.91)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		363,983.05	330,777.18
(i)	Cash Flow From Lending Operations		(1,209,490.76)	(1,918,786.95)
(ii)	Addition to Operating Investments		16,923.90	(72,047.42)
(iii)	(Increase)/decrease in other operating assets		(31,044.69)	(9,532.18)
(iv)	Decrease/(Increase) in other bank balances		(341,946.26)	557,940.25
(v)	Decrease in other operating liabilities		(21,752.32)	(6,940.84)
	CASH FLOW FROM OPERATIONS BEFORE TAX		(1,223,327.03)	(1,119,589.97)
	Taxes paid (Net)		(51,800.00)	(38,901.88)
	NET CASH FLOW FROM OPERATING ACTIVITIES	A	(1,275,127.04)	(1,158,491.94)
	B CASH FLOW FROM INVESTING ACTIVITIES			
(i)	Purchase of Plant, Property and Equipment		(15,808.73)	(1,275.55)
(ii)	(Increase)/decrease in Capital Work in progress		13,115.71	(6,544.19)
(iii)	(Increase)/decrease in Investments		(97,795.39)	(142,015.21)
	NET CASH FLOW FROM INVESTING ACTIVITIES	B	(100,488.43)	(149,834.95)
	C CASH FLOW FROM FINANCING ACTIVITIES			
(i)	Proceeds from Issue/ Allotment of Share Capital		-	-
(ii)	Net Proceeds/(repayment) from Borrowings		1,050,914.42	631,154.08
(iii)	Net Proceeds/(Repayment) from Debt Securities		355,208.90	716,000.00
	NET CASH FLOW FROM FINANCING ACTIVITIES	C	1,406,123.32	1,347,154.08
	NET CHANGE IN CASH & CASH EQUIVALENT (A+B+C)		36,507.85	38,827.20
	Add: Opening Cash and Cash Equivalents		43,602.48	4,775.28
	Closing Cash and Cash Equivalents		74,110.35	43,602.48
	Components of Closing Cash and Cash Equivalent Comprises of :-			
(i)	Cash on hand		-	-
(ii)	Current Accounts		74,110.35	43,602.48
	TOTAL		74,110.35	43,602.48

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

1) Figures of previous period (s) have been re-grouped/ re-arranged wherever necessary to make them comparable to the reporting period presentation.

2) The following bank balances are not available for free use by the company:

(Increase)/ decrease in other bank balances of ₹ (341,946.26) lac for the year ended 31st March 2026 & ₹ 557,940.25 lac for the year ended 31st March 2025 includes ₹ NIL lac as on 31st March 2026 (₹ NIL lac as on 31st March 2025) on which lien has been marked for interest payment of bonds and ₹ 5,95,292 lac as on 31st March 2026 (₹ 2,09,400 lac as on 31st March 2025) on which lien has been marked for overdraft.



For and on behalf of Board of Directors of
India Infrastructure Finance Company Limited

Rohit Rishi
(Managing Director)
DIN No.: 11524681

Patish Srivastava
(Deputy Managing Director)
DIN No.: 2007911

Rajesh Singh
(GM & Company Secretary)
Membership No.: 17837

Rajeev Mukhija
(Chief General Manager-CFO)



In terms of our Audit Report of even date

For ABP & Associates
Chartered Accountants
FRN: 315104E
CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 005393C
CA Amit Jiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026

Statement of changes in equity for the year ended 31st March 2025

A. Equity share capital

Particulars	Amount
Balance as on 1st April 2025	999,991.92
Changes in Equity Share Capital due to Prior period error	-
Restated Balance as on 1st April 2025	999,991.92
Changes in equity shares capital during the year	-
Balance as on 31st March 2025	999,991.92

B. Other Equity

Particulars	Reserve & Surplus										Total
	Capital reserve	Security Premium Account	DEBENTURE/ BOND REDEMPTION RESERVE	CASH FLOW HEDGE RESERVE	SPECIAL RESERVE U/S 38(1)(viii) OF INCOME TAX ACT, 1961	STAFF WELFARE RESERVE	CORPORATE SOCIAL RESPONSIBILITY RESERVE	RESERVE FUND U/S 45-4C OF RBI ACT 1934	OTHER COMPREHENSIVE INCOME	Retained Earning	
Balance as at 1st April, 2025	585.14	235.50	54,568.38	(20,317.05)	216,690.68	3,691.45	122.45	114,631.82	(1,075.19)	270,135.22	639,468.30
Prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated Balance at the beginning of the reporting period	585.14	235.50	54,568.38	(20,317.05)	216,690.68	3,691.45	122.45	114,631.82	(1,075.19)	270,135.22	639,468.30
Profit for the year	-	-	-	-	-	-	-	-	-	137,942.17	137,942.17
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	137,942.17	137,942.17
Amount utilized during the Year	-	-	-	-	-	(141.38)	-	-	3.59	(71,531.83)	(71,559.62)
Cash Flow Hedge Reserve during the Year	-	-	-	12,402.93	-	-	-	-	-	-	12,402.93
Transfer to Retained Earning	-	-	105.86	-	-	-	-	-	-	247.37	353.36
Transfer From Retained Earning	-	-	-	-	42,410.32	1,533.07	-	27,568.43	-	-	71,531.83
Balance as on 31st March 2025	585.14	235.50	54,662.29	(7,914.22)	259,101.00	5,083.14	122.45	142,420.26	(1,071.59)	336,792.93	789,816.97

Statement of changes in equity for the year ended 31st March 2025

A. Equity share capital

Particulars	Amount
Balance as at 1st April, 2024	999,991.62
Changes in Equity Share Capital due to Prior period error	-
Restated Balance as on 1st April 2024	999,991.62
Changes in equity shares capital during the year	-
Balance as on 31st March 2025	999,991.62

B. Other Equity

Particulars	Reserve & Surplus										Total
	Capital reserve	Security Premium Account	DEBENTURE/ BOND REDEMPTION RESERVE	CASH FLOW HEDGE RESERVE	SPECIAL RESERVE U/S 38(1)(viii) OF INCOME TAX ACT, 1961	STAFF WELFARE RESERVE	CORPORATE SOCIAL RESPONSIBILITY RESERVE	RESERVE FUND U/S 45-4C OF RBI ACT 1934	OTHER COMPREHENSIVE INCOME	Retained Earning	
Balance as at 1st April, 2024	585.14	235.50	54,568.38	(17,025.08)	177,588.70	297.14	122.45	71,636.34	(724.88)	139,449.56	287,816.28
Prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	585.14	235.50	54,568.38	(17,025.08)	177,588.70	297.14	122.45	71,636.34	(724.88)	139,449.56	287,816.28
Profit for the year	-	-	-	-	-	-	-	-	-	216,477.44	155,160.72
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	216,477.44	155,160.72
Amount utilized during the period	-	-	-	-	-	-	-	-	(350.31)	(85,791.78)	(86,142.09)
Cash Flow Hedge Reserve during the period	-	-	-	(3,291.97)	-	-	-	-	-	-	(3,291.97)
Transfer to retained earning	-	-	-	-	-	-	-	-	-	-	-
Transfer From Retained Earning	-	-	-	-	39,101.68	3,394.31	-	43,295.49	-	-	85,791.78
Balance as on 31st March 2025	585.14	235.50	54,568.38	(20,317.05)	216,690.68	3,691.45	122.45	114,631.82	(1,075.19)	270,135.22	639,468.30

Refer Note 19 for details

For and on behalf of Board of Directors of
India Infrastructure Finance Company Limited

Rohit Rishi
(Managing Director)
DIN No.: 11524881

Palash Srivastava
(Deputy Managing Director)
DIN No.: 2007911

Ravindra Singh
(GM & Company Secretary)
Membership No.: 17837

Rajeev Mukhija
(Chief General Manager-CFO)

In terms of our Audit Report of even date

For ABP & Associates
Chartered Accountants
FRN: 315104E

CA Kunal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 005593C

CA Anil Tiwari
Partner
Membership Number: 408603



Note 2: Cash and cash Equivalents

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(A)	CASH AND CASH EQUIVALENTS		
(i)	Cash on hand	-	-
(ii)	Balances with Banks	74,110.35	43,602.48
	SUB-TOTAL (A)	74,110.35	43,602.48
(B)	OTHER BANK BALANCES OTHER THAN (A) ABOVE		
(a)	Fixed Deposits with banks (Unencumbered)	50,487.13	4,532.87
(b)	Earmarked balances with banks for unclaimed interest on bonds	-	-
(c)	Held as security against Interest Payment of Bonds	-	-
(d)	Pledged to avail overdraft facility from banks	505,392.00	209,400.00
	SUB-TOTAL (B)	555,879.13	213,932.87
	TOTAL	629,989.48	257,535.35

Note 3: Derivative financial instruments

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026		As at 31.03.2025	
		Notional Amount	Fair Value	Notional Amount	Fair Value
	Derivatives:				
	Cross Currency Swap	269,289.38	99,647.94	479,480.79	124,863.15
	Principal Only Swap (Refer Note No. (1(B) 22.3)	725,527.64	75,025.85	477,287.21	10,519.59
	Total Derivative Financial Instruments	994,817.02	174,673.79	956,768.00	135,382.74

Note : Fair Value of Assets and Liabilities are presented as Derivative Financial instruments in the Financial Statement.



Note 4: Loans

		₹ in Lac	
S.No.	PARTICULARS	As at 31.03.2026 Amortised Cost	As at 31.03.2025 Amortised Cost
(A)	Loans		
(i)	Term Loans		
I	Infrastructural Loans: Standard Assets		
a.	Direct Lending	1,868,519.82	1,626,864.41
b.	Takeout financing Scheme	1,850,891.32	1,886,116.71
c.	Refinancing Scheme	2,386,907.04	2,186,120.00
d.	Bonds of Infrastructure Projects & InVIT Loans (Reckoned as Infrastructure Lending)*	2,232,577.60	1,213,451.83
II	Infrastructural Loans: Sub-Standard Assets		
a.	Direct Lending	-	23,676.72
III	Infrastructural Loans: Doubtful Assets		
a.	Direct Lending	13,363.75	53,102.58
b.	Takeout financing Scheme	19,193.32	1,016.94
	Total (A) Gross	8,171,452.86	6,990,351.13
	Less: Impairment loss allowance (Refer Note 1(B) 43)	160,728.91	175,544.54
	Less: Amount pending appropriation **	5,366.93	2,324.83
	Total (A) Net	8,005,357.02	6,812,481.76
(B)	(i) Secured by tangible assets and intangible assets, (ii) Unsecured	3,651,685.80 4,519,767.06	4,092,391.13 2,897,960.00
	Total (B) Gross	8,171,452.86	6,990,351.13
	Less: Impairment loss allowance (Refer Note 1(B) 43)	160,728.91	175,544.54
	Less: Amount pending appropriation **	5,366.93	2,324.83
	Total (B) Net	8,005,357.02	6,812,481.76
(C)	(i) Public Sector (ii) Other than Public Sector	2,977,608.69 5,193,844.17	1,750,750.00 5,239,601.13
	Total (C) Gross	8,171,452.86	6,990,351.13
	Less: Impairment loss allowance (Refer Note 1(B) 43)	160,728.91	175,544.54
	Less: Amount pending appropriation **	5,366.93	2,324.83
	Total (C) Net	8,005,357.02	6,812,481.76
(D)	(i) Loans in India (ii) Loan outside India	8,171,452.86 -	6,990,351.13 -
	Total (D) Gross	8,171,452.86	6,990,351.13
	Less: Impairment loss allowance (Refer Note 1(B) 43)	160,728.91	175,544.54
	Less: Amount pending appropriation **	5,366.93	2,324.83
	Total (D) Net	8,005,357.02	6,812,481.76
	Total	8,005,357.02	6,812,481.76

Footnote:

Sector	Particulars of Security #	Amount (₹ in Lac)	
Power and Other Sectors	Mortgage: First pari-passu charge by way of mortgage of Borrower's all immovable properties, present and future. Hypothecation: First pari-passu charge by way of hypothecation of all the Borrower's movable assets including plant and machinery etc. Pledging of shares minimum of 51% Escrow account and all rights and titles and interest of borrowers rank pari-passu	1,915,968.45	1,832,072.30
Road and Airport (PPP)	Right to receive annuity and toll collections of the project Escrow account and all rights and titles and interest of borrower rank pari passu Hypothecation: First pari-passu charge by way of hypothecation of all the Borrower's movable assets.	1,735,717.35	2,260,318.83
Financial Institutions under Refinancing Scheme and Bonds of Infrastructure Projects	Unsecured	4,519,767.06	2,897,960.00
	TOTAL#	8,171,452.86	6,990,351.13

The Infrastructure loan amount in Footnote giving particulars of security above includes ₹ 6,74,836.23 lac as on 31st March 2026 (₹ 5,52,584.50 lac as on 31st March 2025) being amount of loans due within a year. Further, aggregate provisions of ₹ 1,60,728.91 Lac has been made against the advances till 31st March 2026 (₹ 1,75,544.54 Lac till 31st March 2025).

* The Investment in the Bonds of Infrastructure Projects are treated as Loans and Advances pursuant to the Reserve Bank of India's letter dated 22nd September 2021, allowing the Investment including refinancing by way of subscription to bonds/debentures for infrastructure projects, whether in project under implementation or completed projects, shall be considered as Infrastructure Lending for the purpose of deployment of minimum 75% of total assets by IIFCL towards Infrastructure Loans.

** Pursuant to applicability of provisions of The Companies Act, 2013 w.e.f. 1st April 2014 and approval of the Board of Directors in the meeting held on 20th May 2014, Chief General Manager- Chief Financial Officer and Company secretary are considered as Key Managerial Personnel. Accordingly, Staff Loan extended to the Key Managerial Personnel is classified as loans and advances to related parties. The total amount of loan was ₹ 0.25 lacs as on 31st March 2026 (₹ 3.85 lac as on 31st March 2025).

** Amount pending appropriation is adjustable in loan accounts towards interest/ principal on due date and/or prepayment in loan



Note 5: Investments

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026					As at 31.03.2025						
		Amortised Cost	At Fair Value				Amortised Cost	At Fair Value				Others	Total
			Through Other Comprehensive Income	Through profit & loss	Designated at fair value through profit & loss	Others		Through Other Comprehensive Income	Through profit & loss	Designated at fair value through profit & loss	Others		
	Government Securities (Unquoted) (See footnote a and b)												
(i)	6.29% (Non-Transferable) Special Gov Security 2030	88,760.00	-	-	-	-	88,760.00	88,760.00	-	-	-	-	88,760.00
(ii)	6.34% (Non-Transferable) Special Gov Security 2031	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(iii)	6.34% (Non-Transferable) Special Gov Security 2032	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(iv)	6.39% (Non-Transferable) Special Gov Security 2033	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(v)	6.39% (Non-Transferable) Special Gov Security 2034	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(vi)	6.44% (Non-Transferable) Special Gov Security 2035	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(vii)	7.12% Madhya Pradesh SGS 25-09-2036	50,060.00	-	-	-	-	50,060.00	50,060.00	-	-	-	-	50,060.00
(viii)	7.11% Maharashtra SGS 25-09-2036	50,060.00	-	-	-	-	50,060.00	50,060.00	-	-	-	-	50,060.00
(ix)	6.76% Maharashtra SGS 23-04-2037	48,773.49	-	-	-	-	48,773.49	-	-	-	-	-	-
(x)	6.72% Maharashtra SGS 23-04-2038	49,957.40	-	-	-	-	49,957.40	-	-	-	-	-	-
		727,710.89	-	-	-	-	727,710.89	829,880.00	-	-	-	-	829,880.00
	Debt Securities												
	Investment in Debentures (Unquoted) (Fully Paid) (See footnotes a and b)												
(i)	Debentures in Bansal Pathways (Mangliwan-Chakghat) Pvt Ltd	-	-	6,078.00	-	-	6,078.00	-	-	6,078.00	-	-	6,078.00
(ii)	Debentures in Bansal Pathways (N.R.R.-1) Private Limited	-	-	7,276.00	-	-	7,276.00	-	-	7,276.00	-	-	7,276.00
(iii)	Debentures in Bansal Pathways (N.R.R.-2) Private Limited	-	-	11,184.00	-	-	11,184.00	-	-	11,184.00	-	-	11,184.00
(iv)	Debentures in Meenakshi Energies Private Limited	-	-	6,346.14	-	-	6,346.14	-	-	7,932.68	-	-	7,932.68
		-	-	30,884.14	-	-	30,884.14	-	-	32,470.68	-	-	32,470.68
	Equity Instruments												
	a. Equity Instruments - Unquoted (Fully Paid) (See footnotes a and b)												
	National Industrial Corridor Development Corporation Ltd	-	-	411.03	-	-	411.03	-	-	411.03	-	-	411.03
	Adhunik Power & Natural Resources Limited (Held by Security Trustees on behalf of IFCL)	-	-	4,765.00	-	-	4,765.00	-	-	4,765.00	-	-	4,765.00
		-	-	5,176.02	-	-	5,176.02	-	-	5,176.02	-	-	5,176.02
	b. Wholly Owned Subsidiaries (Investment at Cost)												
(i)	India Infrastructure Finance Company (IIFC) Ltd.	-	-	-	-	103,076.15	103,076.15	-	-	-	-	103,076.15	103,076.15
(ii)	IIFCL Asset Management Company Ltd.	-	-	-	-	1,250.00	1,250.00	-	-	-	-	1,250.00	1,250.00
(iii)	IIFCL Projects Ltd.	-	-	-	-	475.00	475.00	-	-	-	-	475.00	475.00
		-	-	-	-	104,801.15	104,801.15	-	-	-	-	104,801.15	104,801.15
	Others												
	a. Investment in Venture Capital (Unquoted) (Fully Paid)												
(i)	IDFC Project Equity Domestic Investors Trust II (Fully Paid)	-	-	566.06	-	-	566.06	-	-	601.56	-	-	601.56
		-	-	566.06	-	-	566.06	-	-	601.56	-	-	601.56



b. Investment in Security Receipts (Unquoted) (Fully Paid)												
Edelweiss Asset Reconstruction Company Ltd. (EARC Trust-SC 276)												
(i) Series I	-	-	-	-	-	-	-	-	-	-	-	-
(ii) NARCL TRUST-0001	-	-	29,485.40	-	-	-	-	-	-	12,160.01	-	12,160.01
(iii) NARCL TRUST-0008	-	-	2,647.22	-	-	-	-	-	-	29,485.40	-	29,485.40
(iv) NARCL TRUST-0009	-	-	1,868.81	-	-	-	-	-	-	2,647.22	-	2,647.22
(v) NARCL TRUST-0017	-	-	3,375.16	-	-	-	-	-	-	1,868.81	-	1,868.81
(vi) NARCL TRUST-0010	-	-	4,557.65	-	-	-	-	-	-	3,375.16	-	3,375.16
(vii) NARCL TRUST-0013	-	-	3,447.06	-	-	-	-	-	-	4,557.65	-	4,557.65
(viii) NARCL TRUST-0019	-	-	13,944.08	-	-	-	-	-	-	3,447.06	-	3,447.06
(ix) NARCL TRUST-0022	-	-	3,631.35	-	-	-	-	-	-	13,944.08	-	13,944.08
	-	-	77,254.94	-	-	-	-	-	-	3,631.35	-	3,631.35
	-	-	-	-	-	-	-	-	-	77,254.94	-	77,254.94
Total (A) Gross	727,710.89	-	109,880.77	-	104,801.15	942,392.80	629,880.00	-	126,840.23	-	104,801.15	861,521.37
(i) Overseas Investments	-	-	-	-	103,076.15	1,307.15	-	-	-	-	103,076.15	103,076.15
(ii) Investments in India	727,710.89	-	109,880.77	-	1,725.00	839,316.65	629,880.00	-	126,840.23	-	1,725.00	758,445.23
Total (B)	727,710.89	-	109,880.77	-	104,801.15	942,392.80	629,880.00	-	126,840.23	-	104,801.15	861,521.37
Total (A) to tally with (B)	727,710.89	-	109,880.77	-	104,801.15	942,392.80	629,880.00	-	126,840.23	-	104,801.15	861,521.37
Less: Allowance for impairment loss (C)	-	-	20,265.32	-	-	20,265.32	-	-	22,059.91	-	-	22,059.91
Total Net D = (A) - (C)	727,710.89	-	89,615.45	-	104,801.15	922,127.48	629,880.00	-	104,780.32	-	104,801.15	839,461.46

Allowance for impairment loss:

PARTICULARS	As at 31.03.2026						As at 31.03.2025					
	At Fair Value						At Fair Value					
	Amortised Cost	Through Other Comprehensive Income	Through profit & loss	Designated at fair value through profit & loss	Others	Total	Amortised Cost	Through Other Comprehensive Income	Through profit & loss	Designated at fair value through profit & loss	Others	Total
Aditya Power & Natural Resources Limited (Held by Security Trusts on behalf of IFCL)	-	-	4,191.05	-	-	4,191.05	-	-	-	4,191.05	-	4,191.05
Debentures in Bharat Petroleum (Maharashtra) Chakhatra Pvt Ltd	-	-	4,779.68	-	-	4,779.68	-	-	-	4,892.09	-	4,892.09
Debentures in Bharat Petroleum NRR 1	-	-	4,451.99	-	-	4,451.99	-	-	-	4,736.88	-	4,736.88
Debentures in Bharat Petroleum NRR 2	-	-	5,072.96	-	-	5,072.96	-	-	-	5,689.90	-	5,689.90
Debentures in Moolakoti Energies Private Limited	-	-	1,765.83	-	-	1,765.83	-	-	-	2,549.99	-	2,549.99
Total	-	-	20,265.32	-	-	20,265.32	-	-	22,059.91	-	-	22,059.91

Footnotes:

- (a) Aggregate amount of unquoted investments - Cost/Book Value 822,127.48 839,461.46
- (b) Ratings assigned by credit rating agencies and migration of ratings during the year:
The domestic debt instruments of IFCL have 'AAA' rating- the highest rating assigned by CRISIL, CARE, India Ratings & Research, ICRA and Brickwork- Credit Rating Agencies.
There has been no migration of ratings during the year.



Note 6: Other financial assets

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
A	Advances		
	Advances recoverable from employees*	3,840.11	2,912.00
	Security Deposit Paid	42.18	37.15
	Others	13,891.45	10,727.80
	SUB-TOTAL (A)	17,773.75	13,676.93
B	Interest accrued and due on loans and advances	-	-
	SUB-TOTAL (B)	-	-
C	Interest accrued but not due on :		
	Fixed Deposit with Banks	7,586.47	5,185.44
	Government Securities	3,179.75	17,071.65
	Loans & Advances	29,213.90	10,816.69
	SUB-TOTAL (C)	39,980.11	33,073.77
	Total (A)+(B)+(C)	57,753.87	46,750.72

*refer note 1(B)(5) of notes to Financial Statements.

Note 7: Current Tax Assets(Net)

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(i)	Net Income Tax Recoverable	793.41	2,665.83
(ii)	Goods and Service Tax Recoverable	263.16	255.81
	Total	1,056.58	2,921.65

Note 8: Deferred Tax Asset (Net)

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(I)	Deferred tax Assets on account of:		
(i)	Interest credited to Sundry Liabilities Account (Interest Capitalisation) offered for tax	-	1,166.85
(ii)	Expected Credit Loss	14,384.38	15,671.16
(iii)	Provision for Leave Encashment	-	-
(iv)	Depreciation and Amortisation	2,105.91	1,574.89
(v)	Provision for Sick Leave	100.79	111.01
(vi)	Provision for Medical Assistance Scheme	381.60	344.18
(vii)	Provision for PLI to Employees/WTDS	7.07	44.80
(viii)	Provision for Leave Fare Concession	33.47	31.59
	Deferred Tax Assets	17,013.22	18,944.48
(II)	Deferred tax Liability on account of:		
(i)	Interest credited to Sundry Liabilities Account (Interest Capitalisation) offered for tax	167.09	-
(ii)	Expenses on which TDS not deducted	-	-
(iii)	Others	1,463.40	1,715.62
	Deferred Tax Liability	1,630.49	1,715.62
	Deferred Tax Asset/(Liabilities) (Net)	15,382.73	17,228.88



Note 9 : PROPERTY, PLANT & EQUIPMENT

(₹ in Lac)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2025	Addition	Disposals/ Adjustments	As at 31.03.2026	As at 01.04.2025	For the Year	Deductions/ Reversals	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
TANGIBLE ASSETS										
BUILDING**	27,701.73	15,711.48	-	43,413.21	5,907.52	1,114.86	-	7,052.38	36,330.83	21,734.21
PLANT & MACHINERY	113.66	1.42	-	115.09	104.08	1.09	-	105.14	9.95	9.62
ELECTRICAL EQUIPMENT	346.41	-	-	346.41	329.09	-	-	329.09	17.32	17.32
FURNITURE & FITTINGS	594.94	-	-	594.94	485.96	26.22	-	512.20	82.74	108.90
VEHICLES	105.66	26.96	-	132.61	78.20	8.45	-	86.65	45.95	27.45
OFFICE EQUIPMENTS	343.94	-	-	343.94	321.71	2.02	-	323.73	20.21	22.23
COMPUTER HARDWARE	278.08	68.87	-	344.95	138.60	83.69	-	222.28	122.66	137.48
TOTAL	29,482.42	15,808.73	-	45,291.15	7,425.14	1,236.33	-	8,661.48	36,629.69	22,057.28
Previous Year	29,128.49	353.93	-	29,482.42	6,393.03	1,032.10	-	7,425.14	22,057.28	22,735.46

Note 9A : CAPITAL WORK IN PROGRESS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2025	Addition	Disposals/ Adjustments	As at 31.03.2026	As at 01.04.2025	For the Year	Deductions/ Reversals	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
CAPITAL WORK IN PROGRESS	15,333.67	2,879.96	15,995.67	2,217.96	-	-	-	-	2,217.96	15,333.67
TOTAL	15,333.67	2,879.96	15,995.67	2,217.96	-	-	-	-	2,217.96	15,333.67
Previous Year	8,789.48	6,544.19	-	15,333.67	-	-	-	-	15,333.67	8,789.48

CWIP Ageing	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CWIP					
Projects in progress	2,217.96	-	-	-	2,217.96
Projects temporarily suspended	-	-	-	-	-
TOTAL	2,217.96	-	-	-	2,217.96
Previous Year	6,544.19	8,789.48	-	-	15,333.67

Note 10 : INTANGIBLE ASSETS

(₹ in Lac)

DESCRIPTION	GROSS BLOCK				DEPRECIATION/ AMORTIZATION				NET BLOCK	
	As at 01.04.2025	Addition	Disposals/ Adjustments	As at 31.03.2026	As at 01.04.2025	For the Year	Deductions/ Reversals	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
COMPUTER SOFTWARE*	2,040.30	-	-	2,040.30	1,065.03	191.00	-	1,256.03	784.27	975.27
TOTAL	2,040.30	-	-	2,040.30	1,065.03	191.00	-	1,256.03	784.27	975.27
Previous Year	1,118.68	921.62	-	2,040.30	978.80	86.23	-	1,065.03	975.26	139.88

* Intangible Assets held by company are other than internally generated intangible assets

** NBCC Ltd. has allotted IIFCL, built up space at Kirti Nagar premises (Commercial Area, Residential Area and Parking Slots) on leasehold basis and at Narela Nagar premises (Commercial Area and Parking Slots) on freehold basis. The amount paid by IIFCL for acquiring the premises has been capitalized in the books of accounts. Since the lease agreement w.r.t. Kirti Nagar premises is yet to be executed, IIFCL has amortized the amount over the lease period of 30 years. Further, the Conveyance Deed for Narela Nagar premises is also yet to be executed.

There is no Revaluation in Property, Plant & Equipment and Intangible Assets during the year (Previous Year - Nil).



Note 11: Other non financial assets

(₹ in Lac)			
S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(i)	Prepaid Expenses	120.87	98.92
(ii)	Other Advances	867.91	6,986.58
(iii)	Gratuity (Funded)	137.69	-
(iv)	Leave Encashment (Funded)	577.40	-
	Total	2,103.87	7,085.51

Note 12: Debt Securities

(₹ in lac)					
S.No.	PARTICULARS	As at 31.03.2026		As at 31.03.2025	
		Amortised Cost	Total	Amortised Cost	Total
(A)	Others				
(i)	SECURED BONDS*				
(i)	79,110 (79,110 as at 31st March 2025) 8.30% Bonds of face value ₹ 1000 each, redeemable on 28/3/2026	-	-	791.10	791.10
(ii)	10,500 (10,500 as at 31st March 2025) 9.41% Taxable Bonds Series X of face value ₹ 10 lac each, redeemable on 27/07/2037	105,000.00	105,000.00	10,000.00	10,000.00
(iii)	500 (500 as at 31st March 2025) 9.36% Taxable Bonds Series X of face value ₹ 10 lac each, redeemable on 27/07/2042	5,000.00	5,000.00	5,000.00	5,000.00
(iv)	1,000 (1,000 as at 31st March 2025) 7.38% Tax Free Bonds Series III-B of face value ₹ 10 lac each, redeemable on 15/11/2027	10,000.00	10,000.00	67,411.62	67,411.62
(v)	3,400 (3,400 as at 31st March 2025) 7.41% Tax Free Bonds Series III-C of face value ₹ 10 lac each, redeemable on 15/11/2032	34,000.00	34,000.00	8,683.91	8,683.91
(vi)	500 (500 as at 31st March 2025) 7.38% Tax Free Bonds Series IV-B of face value ₹ 10 lac each, redeemable on 21/11/2027	5,000.00	5,000.00	3,615.54	3,615.54
(vii)	210 (210 as at 31st March 2025) 7.41% Tax Free Bonds Series IV-C of face value ₹ 10 lac each, redeemable on 21/11/2032	2,100.00	2,100.00	1,040.64	1,040.64
(viii)	68,770.81 (67,411.62 as at 31st March 2025) 7.38% Tax Free Bonds Tranche I - Series I of face value ₹ 1,000 each, redeemable on 22/01/2028	68,770.81	68,770.81	63,030.00	63,030.00
(ix)	7,324.72 (6,668.391 as at 31st March 2025) 7.86% Tax Free Bonds Tranche I - Series I of face value ₹ 1,000 each, redeemable on 22/01/2028	7,324.72	7,324.72	115,970.00	115,970.00
(x)	1,03,89,936 (1,01,62,809 as at 31st March 2025) 7.40% Tax Free Bonds Tranche I - Series III of face value ₹ 1,000 each, redeemable on 22/01/2033	103,899.36	103,899.36	112,970.00	112,970.00
(xi)	11,74,286 (14,01,415 as at 31st March 2025) 7.90% Tax Free Bonds Tranche I - Series III of face value ₹ 1,000 each, redeemable on 22/01/2033	11,742.86	11,742.86	890.09	890.09
(xii)	3,86,252 (3,61,554 as at 31st March 2025) 7.02% Tax Free Bonds Tranche II - Series II of face value ₹ 1,000 each, redeemable on 26/03/2028	3,862.52	3,862.52	30,353.30	30,353.30
(xiii)	79,366 (1,04,064 as at 31st March 2025) 7.52% Tax Free Bonds Tranche II - Series II of face value ₹ 1,000 each, redeemable on 26/03/2028	793.66	793.66	15,713.11	15,713.11
(xiv)	82,275 (42,472 as at 31st March 2025) 7.08% Tax Free Bonds Tranche II - Series III of face value ₹ 1,000 each, redeemable on 26/03/2033	822.75	822.75	679.08	679.08
(xv)	1,50,890 (1,90,693 as at 31st March 2025) 7.58% Tax Free Bonds Tranche II - Series III of face value ₹ 1,000 each, redeemable on 26/03/2033	1,508.90	1,508.90	27,989.22	27,989.22
(xvi)	6,303 (6,303 as at 31st March 2025) 8.26% Tax Free Bonds Series V-B of face value ₹ 10 lac each, redeemable on 23/08/2028	63,030.00	63,030.00	14,109.50	14,109.50
(xvii)	20 (20 as at 31st March 2025) 5.19% Tax Free Bonds Series V-C of face value ₹ 10 lac each, redeemable on 23/08/2033	200.00	200.00	1,228.07	1,228.07
(xviii)	11,597 (11,597 as at 31st March 2025) 8.46% Tax Free Bonds Series VI-B of face value ₹ 10 lac each, redeemable on 30/08/2028	115,970.00	115,970.00	159,584.86	159,584.86
(xix)	265 (265 as at 31st March 2025) 8.37% Tax Free Bonds Series VI-C of face value ₹ 10 lac each, redeemable on 30/08/2033	2,650.00	2,650.00	27,110.62	27,110.62
(xx)	11,297 (11,297 as at 31st March 2025) 8.48% Tax Free Bonds Series VII-B of face value ₹ 10 lac each, redeemable on 05/09/2028	112,970.00	112,970.00	34,000.00	34,000.00
(xxi)	30,353.30 (30,353.30 as at 31st March 2025) 8.38% Tax Free Bonds Tranche 1 - Series 2A of face value ₹ 1,000 each, redeemable on 12/11/2028	30,353.30	30,353.30	2,100.00	2,100.00
(xxii)	2,12,973 (89,009 as at 31st March 2025) 8.38% Tax Free Bonds Tranche 1 - Series 2B of face value ₹ 1,000 each, redeemable on 12/11/2028	2,129.73	2,129.73	101,628.09	101,628.09
(xxiii)	14,47,347 (15,71,311 as at 31st March 2025) 8.63% Tax Free Bonds Tranche 1 - Series 2B of face value ₹ 1,000 each, redeemable on 12/11/2028	14,473.47	14,473.47	14,014.15	14,014.15
(xxiv)	18,68,982 (18,68,982 as at 31st March 2025) 8.50% Tax Free Bonds Tranche 1 - Series 3A of face value ₹ 1,000 each, redeemable on 12/11/2033	18,689.82	18,689.82	424.72	424.72
(xxv)	4,31,754 (1,59,113 as at 31st March 2025) 8.50% Tax Free Bonds Tranche 1 - Series 3B of face value ₹ 1,000 each, redeemable on 12/11/2033	4,317.54	4,317.54	1,906.93	1,906.93
(xxvi)	21,47,867 (24,20,508 as at 31st March 2025) 8.75% Tax Free Bonds Tranche 1 - Series 3B of face value ₹ 1,000 each, redeemable on 12/11/2033	21,478.67	21,478.67	200.00	200.00
(xxvii)	27,98,922 (27,98,922 as at 31st March 2025) 8.48% Tax Free Bonds Tranche II - Series 2A of face value ₹ 1000 each, redeemable on 22/01/2029	27,989.22	27,989.22	2,650.00	2,650.00
(xxviii)	75,43,989 (75,43,989 as at 31st March 2025) 8.66% Tax Free Bonds Tranche II - Series 3A of face value ₹ 1000 each, redeemable on 22/01/2034	75,439.89	75,439.89	1,591.13	1,591.13
(xxix)	1,90,894 (67,908 as at 31st March 2025) 8.48% Tax Free Bonds Tranche II - Series 2B of face value ₹ 1,000 each, redeemable on 22/01/2029	1,908.94	1,908.94	18,689.82	18,689.82
(xxx)	12,87,964 (14,10,950 as at 31st March 2025) 8.73% Tax Free Bonds Tranche II - Series 2B of face value ₹ 1000 each, redeemable on 22/01/2029	12,879.64	12,879.64	24,205.08	24,205.08
(xxxi)	11,65,808 (5,15,765 as at 31st March 2025) 8.66% Tax Free Bonds Tranche I - Series 3B of face value ₹ 1,000 each, redeemable on 22/01/2034	11,658.08	11,658.08	5,157.65	5,157.65
(xxxii)	47,93,189 (54,43,232 as at 31st March 2025) 8.91% Tax Free Bonds Tranche I - Series 3B of face value ₹ 1000 each, redeemable on 22/01/2034	47,931.89	47,931.89	75,439.89	75,439.89
(xxxiii)	1,59,58,486 (1,59,58,486 as at 31st March 2025) 8.55% Tax Free Bonds Tranche III - Series 2A of face value ₹ 1000 each, redeemable on 27/03/2029	159,584.86	159,584.86	54,432.32	54,432.32
(xxxiv)	12,59,825 (12,59,825 as at 31st March 2025) 8.55% Tax Free Bonds Tranche III - Series 3 of face value ₹ 1000 each, redeemable on 27/03/2034	12,598.25	12,598.25	12,598.25	12,598.25
(xxxv)	3,29,038 (1,22,807 as at 31st March 2025) 8.65% Tax Free Bonds Tranche III - Series 2B of face value ₹ 1,000 each, redeemable on 27/03/2029	3,290.38	3,290.38	12,873.11	12,873.11
(xxxvi)	25,04,831 (27,11,062 as at 31st March 2025) 8.80% Tax Free Bonds Tranche III - Series 2B of face value ₹ 1000 each, redeemable on 27/03/2029	25,048.31	25,048.31	1,254.70	1,254.70
(xxxvii)	2,61,357 (125,470 as at 31st March 2025) 8.55% Tax Free Bonds Tranche I of face value ₹ 1,000 each, redeemable on 27/03/2034	2,613.57	2,613.57	105,000.00	105,000.00
(xxxviii)	11,51,424 (12,87,311 as at 31st March 2025) 8.80% Tax Free Bonds Tranche I of face value ₹ 1000 each, redeemable on 27/03/2034	11,514.24	11,514.24	5,000.00	5,000.00
	Total	1,138,545.40	1,138,545.40	1,139,336.50	1,139,336.50



II UNSECURED BONDS*				
(i) 15,000 7.17% Bonds of face value ₹ 10 lac each, redeemable on 12/03/2032	150,000.00	150,000.00	150,000.00	150,000.00
(ii) 5,000 7.45% Bonds of face value ₹ 10 lac each, redeemable on 31/05/2033	50,000.00	50,000.00	50,000.00	50,000.00
(iii) 200,000 7.53% Bonds of face value ₹ 1 lac each, redeemable on 18/09/2038	200,000.00	200,000.00	200,000.00	200,000.00
(iv) 200,000 7.69% Bonds of face value ₹ 1 lac each, redeemable on 26/10/2038	200,000.00	200,000.00	200,000.00	200,000.00
(v) 100,000 7.67% Bonds of face value ₹ 1 lac each, redeemable on 06/12/2038	100,000.00	100,000.00	100,000.00	100,000.00
(vi) 150,000 7.34% Bonds of face value ₹ 1 lac each, redeemable on 14/03/2039	150,000.00	150,000.00	150,000.00	150,000.00
(vii) 200,000 7.51% Bonds of face value ₹ 1 Lac each, redeemable on 25/04/2039	200,000.00	200,000.00	200,000.00	200,000.00
(viii) 1,02,500 7.41% Bonds of face value ₹ 1 Lac each, redeemable on 26/06/2039	102,500.00	102,500.00	102,500.00	102,500.00
(ix) 51,500 7.39% Bonds of face value ₹ 1 Lac each, redeemable on 01/08/2039	51,500.00	51,500.00	51,500.00	51,500.00
(x) 96,000 7.37% Bonds of face value ₹ 1 Lac each, redeemable on 02/09/2034	96,000.00	96,000.00	96,000.00	96,000.00
(xi) 1,58,500 7.26% Bonds of face value ₹ 1 Lac each, redeemable on 07/11/2034	158,500.00	158,500.00	158,500.00	158,500.00
(xii) 74,500 7.47% Bonds of face value ₹ 1 Lac each, redeemable on 07/11/2027	74,500.00	74,500.00	74,500.00	74,500.00
(xiii) 55,000 7.35% Bonds of face value ₹ 1 Lac each, redeemable on 20/12/2034	55,000.00	55,000.00	55,000.00	55,000.00
(xiv) 74,000 7.47% Bonds of face value ₹ 1 Lac each, redeemable on 20/03/2028	74,000.00	74,000.00	74,000.00	74,000.00
(xv) 104,000 7.56% Bonds of face value ₹ 1 Lac each, redeemable on 20/03/2028	104,000.00	104,000.00	104,000.00	104,000.00
(xvi) 100,000 7.28% Bonds of face value ₹ 1 Lac each, redeemable on 27/03/2032	100,000.00	100,000.00	100,000.00	100,000.00
(xvii) 200,000 7.08% Bonds of face value ₹ 1 Lac each, redeemable on 15/05/2035	200,000.00	200,000.00	-	-
(xviii) 156,000 6.99% Bonds of face value ₹ 1 Lac each, redeemable on 15/06/2030	156,000.00	156,000.00	-	-
	2,222,000.00	2,222,000.00	1,866,000.00	1,866,000.00
Total gross (A)	3,360,545.40	3,360,545.40	3,005,336.50	3,005,336.50
Debt securities in India	3,360,545.40	3,360,545.40	3,005,336.50	3,005,336.50
Debt securities outside India	-	-	-	-
Total gross (B)	3,360,545.40	3,360,545.40	3,005,336.50	3,005,336.50
Total (B) to tally with (A)	3,360,545.40	3,360,545.40	3,005,336.50	3,005,336.50

* All secured and unsecured bonds issued by IIFCL are non convertible and redeemable at par. Further, the secured bonds are secured on pari passu basis by all rights, titles, interests, benefit, claims and demands whatsoever of the Company's accounts including receivables of the Company of whatsoever nature, present and future.

Ratings assigned by credit rating agencies and migration of ratings during the year:

The domestic debt instruments of IIFCL have 'AAA' rating- the highest rating assigned by CRISIL, CARE, India Ratings & Research, ICRA and Brickworks- Credit Rating Agencies.

There has been no migration of ratings during the year.

Unsecured Bonds are Guaranteed by Government of India (Nil as on 31st March 2026 (Nil as on 31st March 2025) being the amount due to within 1 year from the end of reporting period)

Bonds or Debentures redeemed which the IIFCL has the power to reissue

NIL
NIL

NIL
NIL



Note 13: Borrowings (Other than Debt securities)

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026		As at 31.03.2025	
		Amortised Cost	Total	Amortised Cost	Total
a)	Term loans				
	Unsecured Loans:				
(i)	From Banks				
a.	Short Term Loans	1,233,101.40	1,233,101.40	1,563,248.07	1,563,248.07
b.	Long Term Loans	1,299,743.32	1,299,743.32	220,000.00	220,000.00
(ii)	From Other Parties				
a.	Asian Development Bank (ADB)	1,179,891.22	1,179,891.22	1,064,015.50	1,064,015.50
b.	IBRD (World Bank)	103,510.16	103,510.16	101,728.52	101,728.52
c.	European Investment Bank (EIB)	138,515.99	138,515.99	130,353.39	130,353.39
d.	Kreditanstalt für Wiederaufbau (KfW)	14,529.01	14,529.01	12,807.08	12,807.08
e.	Japan International Cooperation Agency (JICA)	204,052.62	204,052.62	214,970.21	214,970.21
f.	Sumitomo Mitsui Banking Corporation (SMBC)	154,050.00	154,050.00	-	-
b)	Loans repayable on demand				
	Secured Loans:				
(i)	From Banks*	214,882.39	214,882.39	47,625.41	47,625.41
	*(Secured by pledge of fixed deposit receipts of ₹ 5,05,392 as at 31st March 2026 (₹ 2,09,400 Lacs as at 31st March 2025)				
	Total (A)	4,542,276.10	4,542,276.10	3,354,748.17	3,354,748.17
	Borrowings in India	2,747,727.11	2,747,727.11	1,830,873.48	1,830,873.48
	Borrowings outside India-FC loans	1,794,548.99	1,794,548.99	1,523,874.71	1,523,874.71
	Total (B) to tally with (A)	4,542,276.10	4,542,276.10	3,354,748.17	3,354,748.17



TERMS OF REPAYMENT OF LONG TERM LOANS

i) Asian Development Bank

Tranche	Loan Amount (including short term) as per Agreement (\$ in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amount of repayment
I	3000	Overnight SOFR + 20bps	15.12.2012	15.06.2032	Semi-Annual	Each instalment of 2.50% of loan amount
II	2000	Overnight SOFR + 20bps	15.06.2014	15.12.2033	Semi-Annual	Each instalment of 2.50% of loan amount
III	2100	Overnight SOFR + 20bps	15.12.2014	15.06.2034	Semi-Annual	
IV	2500	Overnight SOFR + 30bps	15.12.2015	15.06.2035	Semi-Annual	Balloon instalments starting from 0.827816% to upto 5.550311% of loan amount
V	2400	Overnight SOFR + 40bps	15.12.2016	15.06.2036	Semi-Annual	
VI	4000	Overnight SOFR + 40bps	15.03.2018	15.03.2033	Semi-Annual	Balloon instalments starting from 2.173900% to upto 4.559913% of loan amount
VII	3000	Overnight SOFR + 50bps	01.05.2023	01.05.2038	Semi-Annual	Balloon instalments starting from 2.173900% to upto 4.559913% of loan amount
VIII	5000	Overnight SOFR + 50bps	01.06.2029	01.06.2044	Semi-Annual	Each instalment of 3.225806% of loan amount
Total	24000					

ii) IBRD (World Bank)

Loan Amount as per Agreement (\$ in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amount of repayment
1950*	Overnight SOFR + variable spread	15.04.2017	15.04.2037	Semi-Annual	Instalment (%) of 2.44% of loan amount upto 15.10.2036 and 2.40% on 15.04.2037

* The loan amount of IBRD (World Bank) has reduced to \$ 1,950 lac due to restructuring of its line of credit dated 18th December 2013 giving details of cancellation of loan amount of \$ 10,000 lac.

iii) Kreditanstalt für Wiederaufbau (KfW)

Tranche	Loan Amount as per Agreement (Euro in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amount of repayment
I	165.89	0.75%	30.06.2020	30.06.2050	Semi-Annual	- Euro 271,000 from 30.06.2020 to 30.12.2021 - Euro 272,000 from 30.06.2022 to 30.12.2049 and Euro 272,581.03 on 30.06.2050
II	334.11	4.99%	30.06.2015	30.06.2020	Semi-Annual	- Euro 3,037,000 from 30.06.2015 to 30.06.2018 - Euro 3,038,000 from 30.12.2018 to 30.12.2019 and Euro 3,038,418.97 on 30.06.2020
Total	500.00					

iv) European Investment Bank

Tranche	Loan Amount as per Agreement (Euro in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amount of repayment
I	350.00	6M EURIBOR + All-in spread of 0.275%	22.06.2020	20.12.2034	Semi-Annual	Each instalment of Euro 11,66,666.67
II	400.00	6M EURIBOR + All-in spread of 0.436%	21.06.2021	20.12.2034	Semi-Annual	Each instalment of Euro 14,28,571.43
III	400.00	6M EURIBOR + All-in spread of 0.426%	21.06.2021	20.12.2034	Semi-Annual	Each instalment of Euro 14,28,571.43
IV	850.00	6M EURIBOR + All-in spread of 0.346%	21.06.2021	20.12.2034	Semi-Annual	Each instalment of Euro 30,35,714.29
Total	2000.00					

v) Japan International Cooperation Agency

Tranche	Loan Amount as per Agreement (Japanese Yen in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amount of repayment
Portion-I	10,000.00	6M JPY LIBOR with a floor of 0.10% and cap of 6.208%	20.03.2022	20.03.2036	Semi-Annual	First instalment of 3.448328% of loan amount and subsequent instalments of 3.448274% of loan amount.
Portion-II	90,000.00	6M JPY LIBOR with a floor of 0.10% and cap of 6.208%	20.03.2022	20.03.2036	Semi-Annual	First instalment of 3.448328% of loan amount and subsequent instalments of 3.448274% of loan amount.

vi) Sumitomo Mitsui Banking Corporation

Tranche	Loan Amount as per Agreement (Japanese Yen in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency & Amount of repayment
I	160,000.00	TONA+0.8491%	25.07.2025	25.07.2030	Bullet repayment on the Final Maturity Date of each loan
II	100,000.00	TONA+0.8491%	11.11.2025	11.11.2030	Bullet repayment on the Final Maturity Date of each loan



Note 14: Other financial liabilities

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
	Interest accrued but not due on borrowings		
(i)	On bonds and term loans	130,499.67	115,246.91
(ii)	Security deposit received	63.93	1.43
(iii)	Others	4,863.58	7,721.63
	Total	135,427.19	122,969.96

Note 15: Current Tax liabilities(Net)

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(i)	Income Tax (Net)	4,905.84	15,725.16
	Total	4,905.84	15,725.16

Note 16: Provisions

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
	Provision for employee benefits		
(i)	Leave Encashment	-	-
(i)	Sick Leave	400.47	441.09
(ii)	Post-retirement medical benefit	1,516.21	1,367.54
(iii)	Leave Fare Concession	133.00	125.53
(iv)	Wage Revision	2,332.38	1,642.64
(v)	PLI to Employees/ WTDs	28.08	178.00
(vi)	Gratuity on account of New Labour Code	65.63	-
	Others		
(i)	Expense on Behalf of NPAs	439.77	1,134.61
	Total	4,915.54	4,889.42

Note 17: Other Non-Financial Liabilities

(₹ in Lac)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
(A)	Other payables		
(i)	Statutory Dues payable	772.76	423.43
(ii)	Unclaimed Interest on Bonds	0.69	0.69
(iii)	Commitment Charges payable	186.30	-
(iv)	Sundry Liabilities Account (Interest Capitalisation)*	3,725.97	9,026.24
(v)	Others	5,512.32	4,634.81
	Total	10,198.05	14,085.16

* The amount includes moratorium extended to borrowers of IIFCL from March 2020 to August 2020 in accordance with RBI Circular "COVID-19 Regulatory Package".



Note 18: EQUITY SHARE CAPITAL

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
A	Authorised Capital 10,000,000,000 equity shares of Rs. 10/- each (10,000,000,000 equity shares of Rs. 10/- each as at 31st March 2025)	1,000,000.00	1,000,000.00
B	Issued, Subscribed and Paid up Capital 9,999,916,230 (9,999,916,230 as at 31st March 2025) fully paid equity shares of Rs. 10/- each	999,991.62	999,991.62
	Total	999,991.62	999,991.62

Footnotes:

- a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	Year ended 31st March 2026		Year ended 31st March 2025	
	No. of Shares	₹ in Lac	No. of Shares	₹ in Lac
Shares outstanding at the beginning of the reporting period	9,999,916,230	999,991.62	9,999,916,230	999,991.62
Shares Issued during the reporting period	-	-	-	-
Shares outstanding at the end of the reporting period	9,999,916,230	999,991.62	9,999,916,230	999,991.62

- b) Details of the shares held by each shareholder holding more than 5% shares:-

PARTICULARS	Year ended 31st March 2026		Year ended 31st March 2025	
	No. of Shares	% Held	No. of Shares	% Held
President of India	9,999,916,230	100.00%	9,999,916,230	100.00%

- c) Disclosure of Shareholding of Promoters

	Shares held by promoters as at 31st March 2026		Shares held by promoters as at 31st March 2025		% change during the year
Promoter Name	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
President of India	9,999,916,230	100.00%	9,999,916,230	100.00%	-



Note 19: OTHER EQUITY

(₹ in Lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(a)	CAPITAL RESERVE (PROFIT ON SALE OF NON CURRENT SECURITIES)		
	Opening Balance	585.14	585.14
	Add: Transfer from Surplus in Statement of Profit and Loss	-	-
	Closing Balance	585.14	585.14
(b)	SECURITIES PREMIUM ACCOUNT (ON BONDS) (Footnote 1)		
	Opening Balance	235.50	235.50
	Add: For the year	-	-
	Closing Balance	235.50	235.50
(c)	DEBENTURE/ BOND REDEMPTION RESERVE		
	Opening Balance	54,568.28	54,568.28
	Less: Transfer to Surplus in Statement of Profit and Loss	105.99	-
	Closing Balance	54,462.29	54,568.28
(d)	CASH FLOW HEDGE RESERVE		
	Opening Balance	(20,317.05)	(17,025.08)
	Add: Cash Flow Hedge Reserve during the year	12,402.83	(3,291.97)
	Less: Amount utilized during the year and transferred to Surplus in Statement of Profit and Loss	-	-
	Closing Balance	(7,914.22)	(20,317.05)
(e)	OTHER RESERVES		
(i)	SPECIAL RESERVE U/S 36(1)(viii) OF INCOME TAX ACT, 1961 (Footnote 2)		
	Opening Balance	216,690.68	177,588.70
	Add: Transfer from Surplus in Statement of Profit and Loss (Net)	42,410.32	39,101.98
	Closing Balance	259,101.00	216,690.68
(ii)	STAFF WELFARE RESERVE (Footnote 3)		
	Opening Balance	3,394.31	297.14
	Add: Transfer from Surplus of Profit & Loss Account	1,533.07	3,097.17
	Less: Amount utilized during the year and transferred to Surplus in Statement of Profit and Loss	141.38	-
	Closing Balance	4,786.00	3,394.31
(iii)	CORPORATE SOCIAL RESPONSIBILITY RESERVE (Footnote 4)		
	Opening Balance	122.45	122.45
	Less: Amount Utilized	-	-
	Closing Balance	122.45	122.45
(iv)	RESERVE FUND U/S 45-IC OF RBI ACT 1934 (Footnote 5)		
	Opening Balance	114,831.82	71,536.34
	Add: Transfer from Surplus of Profit & Loss Account	27,588.43	43,295.49
	Closing Balance	142,420.26	114,831.82
(f)	SURPLUS IN STATEMENT OF PROFIT AND LOSS		
	Opening Balance	269,357.17	138,724.60
	Add: Profit after Tax	137,942.17	216,477.44
	Add: Transfer from Staff Welfare Reserve	141.38	-
	Add: Transfer from Debenture Redemption Reserve	105.99	-
	Less: Transfer to Staff Welfare Reserve	1,533.07	3,097.17
	Less: Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961	42,410.32	39,101.98
	Less: Re-measurement gain/(loss) on defined benefit plans	(3.59)	350.31
	Less: Transfer to Reserve Fund u/s 45-IC	27,588.43	43,295.49
	Closing Balance	336,018.55	269,357.17
	TOTAL	789,816.97	639,468.30

Footnotes:

- Securities Premium represents the premium received by the Company on issue of shares and debt securities. It is utilised in accordance with the provisions of the Companies Act, 2013.
- Special Reserve is the statutory reserve required to be maintained u/s 36(1)(viii) of Income Tax Act, 1961 by companies providing long term finance for development of infrastructure facility in India.
- Staff Welfare Reserve is created to promote, among the staff, sports, cultural and other welfare activities.
- From the year ended 31st March 2015, IIFCL has not created CSR Reserve towards CSR expenditure required to be incurred as per provisions of the Companies Act, 2013 and vide letter dated 3rd July 2015, has referred the issue to Department of Public Enterprises (DPE) for clarification on continuation of creating CSR Reserve and its utilization in addition to the amount required to be spent under CSR as per the provisions of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014. The reply from DPE is still awaited.
- The Reserve Fund is created as per section 45-IC of RBI Act 1934.



NOTE 20: INTEREST INCOME

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		On Financial Assets measured at Amortised Cost	
		31.03.2026	31.03.2025
A)	Interest on Loans		
(i)	Interest on Loans and Advances under Direct Lending	157,732.25	147,750.16
(ii)	Interest on Loans and Advances under Refinancing Scheme	145,294.96	143,395.92
(iii)	Interest on Loans and Advances under Takeout Financing Scheme	153,110.74	152,159.19
(iv)	Penal Interest	209.64	171.43
(v)	Interest on Infrastructure Bonds & InVIT Loans	155,197.59	78,653.78
B)	Interest Income from Investments		
(i)	Interest on Government Securities	45,355.25	37,394.89
C)	Interest on Deposits with Banks	35,187.19	41,232.59
	Total	692,087.63	600,757.97

NOTE 21: Fees and Commission Income

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		31.03.2026	31.03.2025
(i)	Upfront Fee	2,145.36	3,038.99
(ii)	Processing fee	207.00	356.00
(iii)	Pre-Payment Charges	1,116.15	250.11
(iv)	Fees from Credit Enhancement	195.00	451.07
(v)	Other Charges	1,497.55	1,530.71
	Total	5,161.07	5,626.89

NOTE 22: Net Gain/(Loss) on the Fair Value Changes

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		31.03.2026	31.03.2025
(A)	Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i)	On trading portfolio	-	-
(ii)	On financial instruments designated at fair value through profit or loss	(1,007.16)	12,254.58
	Total Net gain/(loss) on fair value changes (B)	(1,007.16)	12,254.58
	Fair Value changes*: (C)		
	-Realised	-	-
	-Unrealised	(1,007.16)	12,254.58
	Total Net gain/(loss) on fair value changes(B) to tally with (C)	(1,007.16)	12,254.58
	* Fair value changes in this schedule are other than those arising on account of interest income/expenses.		

NOTE 23: Other Income

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		31.03.2026	31.03.2025
	Others		
(i)	Recovery of loan written off	32,091.75	26,678.86
(ii)	Realisation of Government Guaranteed Security Receipts	-	16,834.35
(iii)	Net gain on foreign currency transactions and translations	-	-
(iv)	Gain on Swap deals	79,545.77	11,528.21
(v)	Miscellaneous Income	10,220.15	744.06
	Total	121,857.68	55,785.49



NOTE 24: Finance Cost

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		On Financial Liabilities measured at Amortised Cost	
		31.03.2026	31.03.2025
A) Interest on Borrowings			
(ii) Interest on Bank Borrowings		121,272.06	110,906.39
(iii) Interest on Loan from Multilateral Institutions		81,079.00	87,073.66
B) Interest on Debt Securities		254,595.21	204,496.38
C) Other Interest Expense			
i) Interest on Income Tax		461.13	553.75
	Total	457,407.40	403,030.19

NOTE 25: Fees and Commission Expense

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		31.03.2026	31.03.2025
(i) Government guarantee fees		4,879.81	4,671.57
(ii) Bond Servicing Expenses		259.83	733.05
(iii) Commitment charges		474.02	-
	Total	5,613.66	5,404.62

NOTE 26: Impairment of Financial Instruments

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		On Financial Instruments measured at Amortised Cost	
		31.03.2026	31.03.2025
(i) Loans		(14,815.63)	(14,511.48)
(ii) Investments		(1,794.59)	(1,594.83)
(iii) Expense on behalf of NPAs		43.86	58.03
	Total	(16,566.36)	(16,048.29)

NOTE 27: Employee Benefit Expense

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		31.03.2026	31.03.2025
(i) Salaries and wages		6,901.58	6,992.49
(ii) Contribution to provident and other funds		311.67	452.06
(iii) Staff welfare expenses		199.17	81.18
	Total	7,412.43	7,525.73

Note 28: Other Expenses

(₹ in Lac)

S.No.	PARTICULARS	Year Ended	
		31.03.2026	31.03.2025
(i) Rent, Taxes and Energy Costs		28.22	69.88
(ii) Printing & Stationery		35.53	27.55
(iii) Advertisement & Publicity		72.83	40.18
(iv) Director's Fees, allowances and expenses		13.60	13.95
(v) Auditor's Fees and expenses		28.00	20.86
(vi) Legal and professional Charges		733.79	331.23
(vii) Insurance		1.81	4.24
(viii) Other Expenditure			



a)	Net loss on foreign currency transactions and translations	136,613.51	22,735.84
b)	Other Expenses	6,224.92	3,403.65
c)	Loan Amount Written Off [See note 1(B)(20(a))]	16,615.50	13,939.51
	TOTAL	160,367.72	40,586.88



Note 1: MATERIAL ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

IIFCL is a public company domiciled and incorporated in India under the provisions of Companies Act. The registered office of the Company is situated at 5th Floor, Plate A & B, Block 2, NBCC Tower, East Kidwai Nagar, New Delhi, India.

IIFCL is set up with an objective to provide long term finance to viable infrastructure projects. Since inception, IIFCL was governed by the Scheme for Financing Viable Infrastructure Projects through a Special Purpose Vehicle, broadly referred to as SIFTI. Government vide letter dated 15th April 2026 has directed that SIFTI is no longer applicable to IIFCL or any of its subsidiaries and the Company's Board can take operational and financial decisions subject to extant regulatory framework of RBI. Reserve Bank of India has issued Certificate of Registration no N-14.03288 as Non-Banking Financial Company – Non-Deposit – Infrastructure Finance Company (NBFC-ND-IFC) to India Infrastructure Finance Company Limited (IIFCL) on 9th September 2013. RBI has allowed IIFCL to carry on the business of Non-Banking Financial Institution without accepting public deposits.

(A) MATERIAL ACCOUNTING POLICIES

1. Basis of preparation

- 1.1 **Accounting convention:** IIFCL presents its financial statements in accordance with the format provided in the Division III of Schedule III to Companies Act, 2013, for Non-Banking Financial Companies (NBFCs). The financial statements have been prepared on accrual basis and on a historical cost basis, except

- a. Financial assets classified as Fair Value through Other Comprehensive Income (FVOCI),
- b. Derivative financial instruments,
- c. Financial assets and liabilities designated at fair value through profit or loss (FVTPL),
- d. Defined benefit plans – plan assets measured at fair value.

All of which have been measured at fair value as required or allowed by relevant Ind AS. The financial statements are presented in Indian Rupees and all values are rounded to the nearest Rupees Lakhs, except when otherwise indicated.

- 1.2 **Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure thereof at the date of the financial statements and the reported amounts of revenue and expenses during the reporting



period. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which results materialize.

IIFCL has not made any assumption about the future, and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Statement of compliance

The financial statements of IIFCL are prepared on going concern basis and in accordance with the requirements of Ind AS notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 vide Gazette notification no. G.S.R.111(E) dated 16th February 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016, vide Gazette notification no. G.S.R.365(E) dated 30th March 2016 and other applicable regulatory guidelines/directions issued by Reserve Bank of India (RBI) from time to time.

3. Presentation of financial statements

Financial assets and financial liabilities are generally reported gross value in the Balance Sheet. They are only offset and reported net value when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the IIFCL and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. ISDAs) are only presented net value when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

4. Recognition Of Income / Expenditure

4.1. For all financial instruments measured at amortized cost, interest bearing financial assets classified as available-for-sale and financial instruments designated at FVTPL, interest income or expense is recorded using the EIR. The calculation takes into account all of the contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses. When the recorded value of a financial asset or a group of similar financial assets has been reduced by an impairment



loss, interest income continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss

- 4.2. Upfront fee income on loans granted is considered as income on accrual basis in cases where loan documents have been signed on allocated amount.
- 4.3. Commitment charges on loans taken by the company are accounted for as expense when draw down of loan is less than sanctioned amount of loan as per the Loan agreement.
- 4.4. Recoveries in borrower's accounts are appropriated as per the respective loan agreements.
- 4.5. The recovery from loan assets written off are treated as income in the year of receipt of recovery.
- 4.6. Dividend is accounted on accrual basis when right to receive the dividend is established. However, right to receive final dividend arises only on approval thereof by the shareholders in Annual General Meeting.
- 4.7. Income/Expenditure relating to a prior period, which does not exceed 0.1% of the total income, are treated as income/expenditure of current year.
- 4.8. Partial Credit Enhancement Guarantee fee is recognized in the accounting year on accrual basis when reasonable right of recovery is established. Any Partial Credit Enhancement Guarantee fee received in advance is deferred and is recognized as income over period of accrual.
- 4.9. Income including interest/discount or any other charges on Non-Performing Assets (NPA) is recognized only when it is actually realized. Any such income recognized before the asset became non-performing and remaining unrealized is reversed.
- 4.10. Interest on Income Tax refund is accounted on actual basis, i.e. treated as income in the year of receipt of Income Tax Refund.

5. Financial instruments:

5.1. Recognition and Initial Measurement:

The company initially recognizes financial assets and financial liabilities on the settlement date. A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.



5.2. Classification:

A. Financial Assets:

Financial assets of the Company comprise cash and cash equivalents, bank balances, investments in equity shares of companies other than in subsidiaries & joint ventures, loans to subsidiaries/employees, advances to employees, security deposit, claims recoverable etc.

On initial recognition, a financial asset is classified:

a) Amortized Cost:

Financial Instruments are measured at amortized cost where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- Are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These instruments are initially recognized at fair value plus directly attributable transaction costs, impact of which exceeds 0.5% of the total income. The measurement of credit impairment is based on the three-stage expected credit loss model described in Note 5.7 Impairment of financial assets.

b) Fair Value through Other Comprehensive Income(OCI):

Financial Instruments are measured at fair value through other comprehensive income where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- Are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These instruments are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognized in profit and loss. Upon disposal, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to the income statement. The measurement of credit impairment is based on the three-stage expected credit loss model as applied to financial assets at amortized cost. The expected credit loss model.



c) Fair Value through Profit and Loss:

- Items held for trading;
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognized at fair value, with transaction costs recognized in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognized in the income statement as they arise. Where a financial asset is measured at fair value, a credit valuation adjustment is included to reflect the credit worthiness of the counterparty, representing the movement in fair value attributable to changes in credit risk.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

In addition, on initial recognition, IIFCL may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

d) Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by IIFCL in a business combination to which IND AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

All other financial assets are classified as measured at FVTPL.

Subsequent measurement

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method, impact of which exceeds 0.5% of the total income.



Financial assets at fair value through other comprehensive income are measured at each reporting date at fair value. Fair value changes are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the income statement.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after IIFCL changes its business model for managing financial assets.

B. Financial Liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities, impact of which exceeds 0.5% of the total income. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Defining contractual cash flows solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.



C. Derivative financial instruments:

Derivative financial instruments are contracts whose value is derived from one or more underlying price, index or other variable, and typically comprise of instruments such as swaps, forward rate agreements, futures and options. IIFCL enters into derivative financial instruments in nature of hedging contracts to mitigate risk due to variation in foreign exchange rate where applicable involved in foreign currency borrowings of these contracts recognised in the balance sheet at fair value and are classified as trading except where they are designated as a part of an effective hedge relationship and classified as hedging derivatives. The carrying value of a derivative is re measured at fair value throughout the life of the contract. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

- a. Wherever the company has entered into forward contract or an instrument i.e., in substance of a forward exchange contract, the difference between the forward rate and the exchange rate on the date of forward exchange contract is recognized as income or expenses over the life of the contract as per Ind AS-21.
- b. Hedging taken on foreign currency loans is adjusted on FIFO basis after adjusting for the Loans given in foreign currency (i.e. natural hedge).
- c. Any profit or loss arising on cancellation or renewal of forward exchange contracts including interest rate swaps is recognized as income or as expense for the year.
- d. In respect of interest rate swap transactions in JPY Yen entered by the company, the company is providing mark to market loss as on Balance Sheet Date.
- e. The surplus or deficit on account of difference in spot exchange rate at the inception of forward contract and repayment of underlying foreign currency loan obligation recovered from or paid to counter party respectively as per the hedging contract is recognized as gain or loss at the time of repayment of such loan.
- f. The foreign currency loan (which is an underlying transaction) and the swap contract (to hedge against any loss arising on the aforesaid loans) are treated as separate transactions.
- g. Foreign currency borrowings are restated as per Indian Accounting Standard (Ind AS 21), The Effects of Changes in Foreign Exchange rates.

The guidance note on "Accounting for Derivative Contracts" issued by the ICAI in June 2015, is applied by the company from Financial year ended 31st March 2017. Any change in exchange rate, on amount of foreign currency borrowing as on reporting date since previous reporting date and from the date of drawdown borrowing during the period, is set off against Fair Value of Derivative Contracts and any gain or loss is recognized as Cash Flow Hedge Reserve. Fair Value of Derivative Contracts are provided by the respective Counter parties.

As per the Guidance Note, under a cash flow hedge, the hedging instrument is measured at fair value, but any gain or loss that is determined to be an effective hedge is recognized in equity.



e.g., Cash Flow Hedge Reserve. This is intended to avoid volatility in Statement of Profit & Loss in a period when the gains or losses on the hedged items are not realized therein.

5.3. De-recognition:

Financial assets

IIFCL derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the IIFCL neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

In addition to above, in case of Loan Assets:

- (a) Projects where Concession Agreement (CA) has been terminated by the Project Authority, account is derecognized in the financial year in which the contract is terminated.
- (b) Projects where Concession Agreement (CA) has been terminated by the Concessionaire, impairment is made on the basis of merits and facts of the case.
- (c) In cases where certain value of financial asset can be attached based on valuation report/ offer from Asset Reconstruction Companies etc., impairment is made to the extent of shortfall.
- (d) A loan asset other than cases under Strategic Debt Restructuring Scheme (SDR), Scheme for Sustainable Structuring of Stressed Assets (S4A), Outside Strategic Debt Restructuring (SDR) scheme applicable as per RBI Regulations and considered withdrawn pursuant to RBI Notification No. RBI/131 DBR No. BP.BC.101/21.04.048/2017-18 dated February 12, 2018 or any other mutually agreed restructuring/settlement process shall be derecognized in case the loan asset has been categorized as Non-Performing Asset (NPA) for more than 5 years or the scheduled commercial operations of the project have been delayed for more than 4 years unless any substantive offer for sale/realization of loan asset is available.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the statement of profit and loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in the statement of profit and loss on de-recognition of such securities. Any interest in transferred financial assets that qualify for de-recognition that is created or retained by the company is recognised as a separate asset or liability.



Financial liabilities

The IIFCL derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance cost.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

5.4. Modification:

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is de-recognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in the statement of profit and loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.



5.5. Fair Value Measurement

A significant portion of financial instruments are carried on the balance sheet at fair value.

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis.

If there is no quoted price in an active market, then the IIFCL uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e., the fair value of the consideration given or received. If the IIFCL determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in the statement of profit and loss on an appropriate basis.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is the amount payable on demand.

Unquoted equities are fair valued based on the below approach, in the order of hierarchy in which they appear, depending on the availability of the information available with the IIFCL:

- a. Break-up value of the investee entity from the company's latest available financial statements.
- b. At rupee one, if the latest financial statement is not available.

Units of Infrastructure Debt Funds & Alternate Investment Funds are valued as per latest available Net Asset Value. Security Receipts (SRs) guaranteed by the Government of India are valued in accordance with the applicable provisions of the Reserve Bank of India Master Direction - Transfer of Loan Exposures Directions, 2021, as amended from time to time. Pursuant to the amendment dated 29 March 2025, such Security Receipts are valued periodically based on the Net Asset Value (NAV) declared by the Asset Reconstruction Company which (ARC), determined considering the recovery ratings assigned to the said instruments. Accordingly, the



carrying value of such SRs is reviewed and recognized in the financial statements based on the NAV declared by the concerned ARC in compliance with the aforesaid RBI directions.

5.6. Valuation techniques for Fair Value Measurement

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarized below:

- Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the company has access to at the measurement date. The company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the IIFCL will classify the instruments as Level 3.
- Level 3 financial instruments – Those that include one or more unobservable input that is significant to the measurement as whole.

5.7. Impairment of financial assets

IIFCL applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

- Debt instruments measured at amortised cost and fair value through other comprehensive income;
- Loan commitments; and
- Financial guarantee contracts.

No ECL is recognized on equity investments.

Financial assets are classified through the following three stages based on the change in credit risk since initial recognition:



Stage 1: 12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired since origination are classified under this stage.

Stage 2: Lifetime ECL – not credit impaired

All exposures where there has been a significant increase in credit risk since initial recognition but are not credits impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3: Lifetime ECL – credit impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Calculation of Expected Credit Loss(ECL) on Loan Assets shall be minimum of Provisioning requirements as per RBI regulations which is as under:

- (i) Standard Assets: General Provision is made on outstanding amount of loans, including on interest accrued but not due at the year end at 0.40%.
- (ii) Sub-Standard Assets: A general provision of 10 percent of total outstanding amount is made.
- (iii) Doubtful Assets
 - (a) 100 percent provision to the extent to which the advance is not covered by the realizable value of the security to which the company has a valid recourse is made.
 - (b) In addition to item (a) above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20 percent to 50 percent of secured portion i.e. estimated realizable value of the outstanding, is made on the following basis:



becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

Accordingly, an account will be deemed to have been credit impaired and is therefore be moved to stage 3, if any of the following events were to happen:

- The account is over 90 Days Past Due (DPD);
- IIFCL consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, interest or (where relevant) fees.

Days past due (DPD) is measured for the number of days interest and / or principal remains unpaid, a bill remains overdue, an account remains continuously over limit / drawing power, or the credit in the account is less than the interest charged in the account.

Low Credit risk Assumption

Ind AS 101 - "Financial Instruments" states that *"The credit risk on a financial instrument is considered low for the purposes of paragraph 5.5.10, if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. (para B5.5.22)"* Further, while it has given the example of an external rating of 'investment grade' as having low credit risk, it acknowledges that financial instruments are not required to be externally rated to be considered to have low credit risk (para B5.5.23).

Accordingly an instrument is considered to be having low credit risk under the following situations:

- Zero unexpected loss as indicated by zero regulatory risk weight: Given that the unexpected loss estimated as per the regulatory risk-weights is 0%, the expected loss will also be zero. The ECL in such cases would be zero. Examples of such asset classes is domestic sovereign, foreign sovereigns with international rating of "AA" or better.
 - Low unexpected loss as indicated by 20% regulatory risk weight: Given the low unexpected loss for portfolios corresponding to risk-weights of 20%, these will also have very low expected loss. However, ECL may be non-zero, or empirical evidence may show that default rates for such asset class / portfolio is zero. Examples of such asset classes are foreign sovereigns with international rating of "A", domestic scheduled IIFCLs (those failing regulatory requirement of capital adequacy are not low credit risk), externally rated domestic "AAA" corporates, staff loans. Observed default rates for these portfolios are also zero.
- For the statements, all staff loans have been considered as low credit risk.



Level of segmentation in the portfolio used

Segmentation is aligned to the Internal Rating Based (IRB) models for the purpose of application of risk parameters. However, for forward looking estimates, the IIFCL may choose to group some of these sub-portfolios into broader categories or in some cases split them into sub-segments based on common risk drivers.

Measurement of ECLs

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the IIFCL in accordance with the contract and the cash flows that the IIFCL expects to receive.
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the IIFCL if the commitment is drawn down and the cash flows that the IIFCL expects to receive.
- Financial guarantee contracts: as the expected payments to reimburse the holder less any amounts that the IIFCL expects to recover.

ECLs are recognized using a provision for bad and doubtful debts account in Statement of Profit and Loss. In the case of debt instruments measured at fair value through other comprehensive income, the measurement of ECLs is based on the three-stage approach as applied to financial assets at amortised cost. IIFCL recognizes the provision charge in profit and loss, with the corresponding amount recognized in other comprehensive income, with no reduction in the carrying amount of the asset in the balance sheet.

Impairment Reserve:

As per the RBI circular RBI/2019-20/170 dated 13th March 2020, IIFCL shall hold impairment allowances as required by Ind AS. In parallel IIFCL shall also maintain the asset classification and compute provisions as per extant prudential norms on Income Recognition, Asset Classification



and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc.

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), IIFCL is required to appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

5.8. Accelerated Provisioning

IIFCL, as a prudent lender, in addition to normal provisioning to be done under RBI guidelines/ Expected Credit Loss (ECL) calculated as per Ind AS 109, in terms of applying stipulated percentages for secured/unsecured portions depending on asset classification, as may be amended from time to time, considers accelerated provisioning on a case-to-case basis, depending on the expected recovery scenario.

Accelerated provisioning is proposed in such exceptional cases, wherein even though provisioning might be adequate as per extant RBI guidelines, however, in the view of the Management, there might be circumstances which could affect recovery prospects. In such cases, the Management takes a case-to-case view on accelerated provisioning as a prudent measure.

The accelerated provisioning depends broadly on the following parameters:

- Status of the project.
- Promoter's ability to infuse the funds.
- Tangible security, cash flow and concessions available.
- Steps taken by the consortium for recovery.
- Management's perception.

The provision to be made in the account ranges from 10% to 100% taking into consideration the factors mentioned above.

6. Leasing

Lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.



7. Property, Plant and equipment

Property, Plant and equipment is stated at cost of acquisition excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value.

Property, Plant and equipment are derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of Profit and Loss on the date asset is derecognized.

8 Intangible assets and Intangible Assets under development

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent expenditure on already capitalized Intangible assets is capitalized when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits is recognized as an intangible asset when the same is ready for its use.

Expenditure on development shall be recognised as Intangible asset if it meets the eligibility criteria as per Ind AS 38 'Intangible Assets', otherwise it shall be recognised as an expense.

An item of Intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

9 Depreciation/ Amortization

Depreciation is calculated using write down method value method to the cost of property and equipment to their residual values over their estimated useful lives. Useful life is considered as per Schedule II of Companies Act 2013.

The office premise of IIFCL has been amortized over the lease period of 30 years.

Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. In case of lease asset, the estimated useful life is calculated on the basis of termination of lease period.



The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortization period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is presented as a separate line item in the income statement.

Useful life as per Schedule III

Asset Description	Estimated Useful Life	Residual Value as a % of original cost
Building	30 years	-
Computers and Data Processing Units		
-Laptops/computers	3 years	5%
-Servers	6 years	5%
Office Equipment's	5 years	5%
Furniture and Fixtures	10 years	5%
Vehicles	8 years	5%
Intangible Assets	5 years	5%

10 Impairment of non-financial assets

IIFCL assesses at each reporting date to ascertain indication that a non-financial asset may be impaired. Impairment ascertained as per assessment is recognized as expense.

11 Letter of Comforts (LOCs)

In the ordinary course of business, IIFCL issues Letter of Comforts (LoCs) to Banks, is generally to consortium members for issuing Letter of Credit/Financial Guarantee on behalf of lenders in favor of beneficiaries. LoCs are initially recognised in the financial statements within 'other liabilities') at fair value, being the premium received. Subsequent to initial recognition, the IIFCL's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortization recognised in the income statement, and the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee. Any increase in the liability relating to financial guarantees is recorded in the income statement in credit loss expense. The premium received is recognised in the income statement in net fees and commission income on a straight line basis over the life of the guarantee.



12 Provisions and Contingencies

Provisions are recognised when the IIFCL has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, IIFCL determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and Loss net of any reimbursement in other operating expenses.

A contingent liability is recognized and disclosed when there is:

- a) A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Group; or
- b) A present obligation arising from the past event which is not recognised as it is not probable that the outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Commitments include binding commitments to extend credit as per the agreements to lend to a customer so long as there is no violation of any condition established in the contract.

13 Taxes on Income

13.1 Current Taxes

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in India where IIFCL operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



13.2 Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilized. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

14 Earnings per Share

IIFCL presents basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the equity shareholders of the IIFCL by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss that is attributable to the equity shareholders and the weighted-average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

15 Employee Benefits

- 15.1 All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.
- 15.2 The contribution towards Provident Fund deducted from remuneration of employees and employer contribution thereon is deposited with Regional Provident Fund Commissioner (RPFO).
- 15.3 Employee benefits under defined contribution plans comprising NPS are recognized on the undiscounted obligation of the company to contribute to the plan. The same is paid to the IDBI Bank, which is the Point of Presence (POP) service provider for NPS facility and are expensed relating to the period..
- 15.4 All post-employment and other long term employee benefits are recognized as an expense in Statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable, determined using actuarial valuation technique.



- 15.5 Termination benefits are recognized as an expense immediately
- 15.6 Gain or loss arising out of actuarial valuation is recognized in the period in they occur in Other Comprehensive Income (OCI).
- 15.7 The employee benefits obligations i.e., sick leave, leave travel concession and Medical Assistance Scheme has been provided for the period up to date of reporting on the actuarial valuation of same.
- 15.8 Gratuity has been provided on the basis of amount payable to LIC on Group Gratuity Scheme through trust in the name of IIFCL Employees Group Gratuity Fund.
- 15.9 Leave Encashment has been provided on the basis of amount payable to LIC Group Leave Encashment Plan.
- 15.10 Provision for leave encashment, gratuity and sick leave of Executive Directors wherever applicable as per terms of appointment is accrued and made on the basis of estimated amount of liability.

16 Critical accounting assumptions and estimates

The application of the IIFCL's accounting policies requires the use of judgements, estimates and assumptions. If different assumptions or estimates were applied, the resulting values would change, impacting the net assets and income of the IIFCL. Assumptions made at each reporting date are based on best estimates at that date. Although IIFCL has internal control systems in place to ensure that estimates are reliably measured, actual amounts may differ from those estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The accounting policies which are most sensitive to the use of judgement, estimates and assumptions are specified below.

- **Fair value measurement**

A significant portion of financial instruments are carried on the balance sheet at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where the classification of a financial asset or liability results in it being measured at fair value, wherever possible, the fair value is determined by reference to the quoted bid or offer price in the most advantageous active market to which the IIFCL has immediate access. An adjustment for credit risk is also incorporated into the fair value as appropriate. Fair value for a net open position that is a financial liability quoted in an active market is the current offer price, and for a financial asset the bid price, multiplied by the number of units of the instrument held or issued. Where no active market exists for a particular asset or liability, the IIFCL uses a valuation technique to arrive at the fair value, including the use of transaction prices obtained in recent arm's length transactions, discounted cash flow



analysis, option pricing models and other valuation techniques, based on market conditions and risks existing at reporting date. In doing so, fair value is estimated using a valuation technique that makes maximum use of observable market inputs and places minimal reliance upon entity-specific inputs. The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the IIFCL recognizes the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

- **Impairment charges on loans and advances**

Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for loans and advances. In estimating these cash flows, the IIFCL makes judgements about the borrower's financial situation and the net realizable value of collateral. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance. A collective assessment of impairment takes into account data from the loan portfolio (such as credit quality, levels of arrears, credit utilization, loan to collateral ratios etc.), and concentrations of risk and economic data (including levels of unemployment, real estate price indices, country risk and the performance of different individual groups).

- **Provisions other than loan impairment**

Provisions are held in respect of a range of future obligations such as employee entitlements, restructuring costs and litigation provisions. Some of the provisions involve significant judgement about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgements about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate which reflects both current interest rates and the risks specific to that provision.



- **Loans and advances**

Loans and advances are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortized cost using the effective interest rate method.

17 Borrowings and debt securities

Borrowings and debt securities issued are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortized cost using the effective interest method, except where the Group designates liabilities at FVTPL.

18 Borrowing Costs

The Exchange differences on foreign currency borrowings are charged to Statement of Profit & Loss. The amount of exchange difference not exceeding the difference between interest on local currency borrowings and interest on foreign currency borrowings is considered as borrowings costs and is accounted for under Ind AS 23 – Borrowing Costs and the remaining exchange difference, if any, is accounted for under Ind AS 21 – The Effects of Changes in Foreign Exchange Rates.

For this purpose, the interest rate for the local currency borrowings is considered as that rate of bank overdraft taken by the company.

19 Investment in Subsidiary

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

On the date of transition to Ind AS, the Company has considered the carrying value of Investment in subsidiaries as per previous GAAP to be the deemed cost as per Ind AS 101.



20 Foreign Exchange Transactions

- 20.1 Expenses and income in foreign currency are accounted for at the exchange rates of banks prevailing on the date of transactions.
- 20.2 The following balances are translated in Indian currency at the exchange rates (RBI reference rates) prevailing on the date of closure of accounts:
- (a) Incomes or Expenses accrued but not due on foreign currency loans granted and foreign currency borrowings respectively.
 - (b) Contingent Liability in respect of Letter of Comfort issued in foreign currency.
- 20.3 Foreign Currency Loan liability is translated in Indian currency at RBI Reference rate prevailing on the date of reporting. The exchange difference is charged to Statement of Profit & Loss as per Accounting Standard 11, The Effect of Changes in Foreign Exchange Rates.
- 20.4 The actual/translation gain/loss (net) on foreign currency loan assets, liabilities and income & expenditure accrued/accrued but not due are credited/charged to the statement of profit and loss.

21 Derivative Accounting

- 21.1 Wherever the company has entered into forward contract or an instrument i.e., in substance of a forward exchange contract, the difference between the forward rate and the exchange rate on the date of forward exchange contract is recognized as income or expenses over the life of the contract as per Ind AS -21.
- 21.2 Hedging taken on foreign currency loans is adjusted on FIFO basis after adjusting for the Loans given in foreign currency (i.e. natural hedge).
- 21.3 Any profit or loss arising on cancellation or renewal of forward exchange contracts including interest rate swaps is recognized as income or as expense for the year.
- 21.4 In respect of interest rate swap transactions in JPY Yen entered by the company, the company is providing mark to market loss as on Balance Sheet Date.
- 21.5 The surplus or deficit on account of difference in spot exchange rate at the inception of forward contract and repayment of underlying foreign currency loan obligation recovered from or paid to counter party respectively as per the hedging contract is recognized as gain or loss at the time of repayment of such loan.
- 21.6 The foreign currency loan (which is an underlying transaction) and the swap contract (to hedge against any loss arising on the aforesaid loans) are treated as separate transactions.
- 21.7 Foreign currency borrowings are restated as per Indian Accounting Standard 21, The Effects of Changes in Foreign Exchange Rates.



The guidance note issued by the ICAI on "Accounting for Derivative Contracts" issued in June 2015, is applicable from 1st April 2016 and the same is applied by the company from Financial year ended 31st March 2017. Any change in exchange rate, on amount of foreign currency borrowing as on reporting date since previous reporting date and from the date of drawdown borrowing during the period, is set off against Fair Value of Derivative Contracts and any gain or loss is recognized as Cash Flow Hedge Reserve. Fair Value of Derivative Contract are provided by the respective Counter parties.

As per the Guidance Note, under a cash flow hedge, the hedging instrument is measured at fair value, but any gain or loss that is determined to be an effective hedge is recognized in equity, e.g., Cash Flow Hedge Reserve. This is intended to avoid volatility in Statement of Profit & Loss in a period when the gains or losses on the hedged items are not realized therein.

22 Accounting For Revenue Grants

- 22.1 Grants are recognized in the Statement of Profit and Loss as 'other income' on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate provided there is reasonable assurance of compliance of the terms attached with the sanction and of realization of amount of grants.
- 22.2 Grants received in respect of expenditure already incurred in prior periods are recognized in the Statement of Profit & Loss in the year of approval of grant.
- 22.3 The unspent amount of grant at the year end, if any, is shown under Current Liabilities.

23 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.



(B) OTHER NOTES TO THE FINANCIAL STATEMENTS

1. Prior Period Income & Expenses (**Ind AS-8**) which have been included under the regular heads in Statement of Profit & Loss are as under (refer note 28):

(₹ in lac)

Particular	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(A) Income		
(i) Income on Loans & Advances	-	-
(ii) Penal Interest	-	-
(iii) Other Charges	-	-
Total (A)	-	-
(B) Expenditure		
(i) Establishment and other expenses	-	-
(ii) Depreciation	-	-
Total (B)	-	-
Net impact via Gain/(Loss) on current year profit [(A)-(B)]	-	-

2. Changes in Accounting Policies:

There is no change in accounting policies during the year ended 31st March 2026.



3. Disclosure under Indian Accounting Standard 19 "Employee Benefits" (Ind AS-19)

As per Ind AS-19 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

A) GRATUITY PLAN (FUNDED): The Gratuity liability arises on account of future payments, which are required to be made in the event of retirement, death in service or withdrawal. The same has been provided on the basis of amount payable to LIC on Group Gratuity Scheme through trust in the name of IIFCL Employees Group Gratuity Fund. IIFCL pays amount of gratuity liability of employees under LIC group gratuity scheme and has recognized the actuarially determined net defined benefit position in accordance with the requirements of Ind AS 19 "Employee Benefits" to the extent recoverable and permissible under the asset ceiling provisions of Ind AS 19.

I. Assumptions for Gratuity Plan:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50%

II. Sensitivity Analysis of the defined benefit obligation.

(₹ in lac)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	597.98
a)	Impact due to increase of 0.50%	(31.42)
b)	Impact due to decrease of 0.50 %	34.11
	Present Value of Obligation at the end of the period	597.98
a)	Impact due to increase of 0.50%	8.17
b)	Impact due to decrease of 0.50 %	(7.56)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated by actuary.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

As per IRDA circular no. IRDA/ACTL/REG/CIR/123/06/2013 dated 28th June 2013, no new member can be added to the Existing Policy. Hence, IIFCL subscribed to a new policy viz Policy No.103001183 for new employees in addition to the earlier policy viz Policy No. 331776.



(₹ in lac)			
	Net Defined Benefit (Asset)/ Liability	Year Ended 31 st March 2026	Year Ended 31 st March 2025
a)	Present value of obligation	597.98	629.93
b)	Fair value of plan assets	735.67	645.85
c)	Net assets / (liability) recognized in balance sheet as provision	137.69	15.92
	Change in plan assets		
a)	Fair value of plan assets at the beginning of the period	645.85	599.81
b)	Actual return on plan assets	51.69	46.04
c)	Mortality Charges	-	-
d)	Employer contribution	78.13	-
e)	Benefits paid	(40.00)	-
f)	Fair value of plan assets at the end of the period	735.67	645.85
	Change in Benefit Obligation		
a)	Present value of obligation as at the beginning of the period	629.93	545.43
b)	Acquisition adjustment	-	-
c)	Interest Cost	44.03	39.38
d)	Service Cost	45.09	52.32
e)	Past Service Cost including curtailment Gains/Losses	-	-
f)	Benefits Paid	(40.00)	-
g)	Total Actuarial (Gain)/Loss on Obligation	(81.07)	(7.21)
h)	Present value of obligation as at the End of the period	597.98	629.93
	Change in Net Defined Benefit Obligation		
a)	Net defined benefit liability at the start of the period	(15.92)	(54.37)
b)	Acquisition adjustment	-	-
c)	Total Service Cost	45.09	52.32
d)	Net Interest cost (Income)	(1.11)	(3.93)
e)	Re-measurements	(87.62)	(9.93)
f)	Contribution paid to the Fund	(78.13)	-
g)	Benefit paid directly by the enterprise	-	-
h)	Net defined benefit liability at the end of the period	(137.69)	(15.92)
	Bifurcation Actuarial Gain/Loss on Obligation		
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(54.05)	15.75
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	(27.02)	(22.95)



B) EARNED LEAVE LIABILITY: The earned leave due to an employee is the period which the employee has earned, diminished by the period of leave actually taken by the employee. It is earned at one-eleventh part of duty. IIFCL has recognized the actuarially determined net defined benefit position in accordance with the requirements of Ind AS 19 "Employee Benefits" to the extent recoverable and permissible under the asset ceiling provisions of Ind AS 19.

Assumptions for Leave Encashment Plan:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50 %

Sensitivity Analysis of the defined benefit obligation.

(₹ in lac)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	1,217.69
a)	Impact due to increase of 0.50%	(67.95)
b)	Impact due to decrease of 0.50 %	72.01
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	1,217.69
a)	Impact due to increase of 0.50%	73.94
b)	Impact due to decrease of 0.50 %	(68.73)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(₹ in lac)

		Year Ended 31 st March 2026	Year Ended 31 st March 2025
	Net Defined Benefit (Asset)/ Liability		
a)	Present value of obligation	1,217.69	1,247.39
b)	Fair value of plan assets	2,195.09	1,767.44
c)	Net assets / (liability) recognized in balance sheet as provision	977.40	520.04
	Change in plan assets		
a)	Fair value of plan assets at the beginning of the period	1,767.44	1,182.39
b)	Actual return on plan assets	149.84	118.48
c)	Mortality Charges	-	-



d)	Employer contribution	445.74	466.57
e)	Benefits paid	(167.92)	-
f)	Fair value of plan assets at the end of the period	2,195.09	1,767.44
Change in Benefit Obligation			
a)	Present value of obligation as at the beginning of the period	1,247.39	980.39
b)	Acquisition adjustment	-	-
c)	Interest Cost	87.19	70.78
d)	Service Cost	128.66	129.42
e)	Past Service Cost including curtailment Gains/Losses	-	-
f)	Benefits Paid	(167.92)	-
g)	Total Actuarial (Gain)/Loss on Obligation	(77.64)	66.80
h)	Present value of obligation as at the End of the period	1,217.69	1,247.39
Change in Net Defined Benefit Obligation			
a)	Net defined benefit liability at the start of the period	(520.04)	(202.00)
b)	Acquisition adjustment	-	-
c)	Total Service Cost	128.66	129.42
d)	Net Interest cost (Income)	(36.35)	(14.58)
e)	Re-measurements	(103.94)	33.69
f)	Contribution paid to the Fund	(445.74)	(466.57)
g)	Benefit paid directly by the enterprise	-	-
h)	Net defined benefit liability at the end of the period	(977.40)	(520.04)
Bifurcation Actuarial Gain/Loss on Obligation			
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(117.28)	32.06
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	39.64	34.74

I. OTHER EMPLOYEE BENEFITS (UNFUNDED)

Actuarial assumptions for other employee benefits (unfunded)

C) LEAVE FARE CONCESSION: All whole-time employees of the Company who have completed one year of service including continuous temporary service on the date the journey is performed by him or his family are eligible for this facility. The concession shall be admissible once in every block of two years and the first of such set / block shall commence from the first date of the month in which an employee joins the Company, but the same can be availed of only after his/her completion of one year of continuous service including temporary service / probation period.

Assumptions for Leave Fare Concession:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)



c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	265.71	292.77
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D) SICK LEAVE: Sick leave is a half leave pay. Where an employee has served the company for at least a period of three years, the employee may, on request, be permitted to avail of, during the full period of service of the employee, sick leave on leave pay upto a maximum of years, such leave on leave pay being entered in sick leave account of the employee as twice the period of leave availed of by the employee.

Assumptions for Sick Leave Plan:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50 %

Sensitivity Analysis of the defined benefit obligation

(₹ in lac)

a) Impact of the change in discount rate

	Present Value of Obligation at the end of the period	400.47
a)	Impact due to increase of 0.50%	(22.76)
b)	Impact due to decrease of 0.50 %	24.12

b) Impact of the change in salary increase

	Present Value of Obligation at the end of the period	400.47
a)	Impact due to increase of 0.50%	24.77
b)	Impact due to decrease of 0.50 %	(23.02)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(₹ in lac)

	Net Defined Benefit (Asset)/ Liability	Year Ended 31 st March 2026	Year Ended 31 st March 2025
a)	Present value of obligation	400.47	441.09
b)	Fair value of plan assets	-	-
c)	Net assets / (liability) recognized in balance sheet as provision	(400.47)	(441.09)



	Change in Benefit Obligation		
a)	Present value of obligation as at the beginning of the period	441.09	321.34
b)	Acquisition adjustment	-	-
c)	Interest Cost	30.83	23.20
d)	Service Cost	38.44	44.17
e)	Past Service Cost including curtailment Gains/Losses	-	-
f)	Benefits Paid	-	-
g)	Total Actuarial (Gain)/Loss on Obligation	(109.90)	52.38
h)	Present value of obligation as at the End of the period	400.47	441.09
	Change in Net Defined Benefit Obligation		
a)	Net defined benefit liability at the start of the period	441.09	321.34
b)	Acquisition adjustment	-	-
c)	Total Service Cost	38.44	44.17
d)	Net Interest cost (Income)	30.83	23.20
e)	Re-measurements	(109.90)	52.38
f)	Contribution paid to the Fund	-	-
g)	Benefit paid directly by the enterprise	-	-
h)	Net defined benefit liability at the end of the period	400.47	441.09
	Bifurcation Actuarial Gain/Loss on Obligation		
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(39.30)	11.98
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	(70.60)	40.40

E) Post-retirement medical benefit (PRMB) (Introduced from Sep 2015):) : Actuarial valuation of the Post-retirement medical benefit (PRMB) liability as on 31st March 2025, as per Ind AS-19. The Company has Post-Retirement Medical Benefit (PRMB), under which retired employees and their dependents are provided medical facilities.

Assumptions for Post-retirement medical benefit (PRMB) Plan:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50 %

Sensitivity Analysis of the defined benefit obligation.

(₹ in lac)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	1,516.21



a)	Impact due to increase of 0.50 %	(21.38)
b)	Impact due to decrease of 0.50 %	23.49

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.
Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(₹ in lac)

	Net Defined Benefit (Asset)/ Liability	Year Ended 31 st March 2026	Year Ended 31 st March 2025
a)	Present value of obligation	1,516.21	1,367.54
b)	Fair value of plan assets	-	-
c)	Net assets / (liability) recognized in balance sheet as provision	(1,516.21)	(1,367.54)
	Change in Benefit Obligation		
a)	Present value of obligation as at the beginning of the period	1,367.54	1,160.01
b)	Interest Cost	95.59	83.75
c)	Service Cost	82.64	81.37
d)	Benefits Paid	(44.34)	(16.70)
e)	Total Actuarial (Gain)/Loss on Obligation	14.78	59.11
f)	Present value of obligation as at the End of the period	1,516.21	1,367.54
	Change in Net Defined Benefit Obligation		
a)	Net defined benefit liability at the start of the period	1,367.54	1,160.01
b)	Service Cost	82.64	81.37
c)	Net Interest cost (Income)	95.59	83.75
d)	Re-measurements	14.78	59.11
e)	Contribution paid to the Fund	-	-
f)	Benefit paid directly by the enterprise	(44.34)	(16.70)
g)	Net defined benefit liability at the end of the period	1,516.21	1,367.54
	Bifurcation Actuarial Gain/Loss on Obligation		
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(151.98)	38.33
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	166.76	20.78

G) Defined contribution plans:

(a) Pension:

The Company pays fixed contribution to National Pension Scheme (NPS) for its pension obligation towards employees at predetermined rates into the Tier-I NPS Account (Pension Account) of the employees.



(b) Provident Fund:

The Company pays fixed contribution on account of provident fund to EPFO. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

G) The amount recognized in Other Comprehensive Income (OCI) for each employee benefit is as under: -
(₹ in lac)

Employee Benefit	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Actuarial (Gain)/Loss on Earned Leave	77.64	(66.80)
Actuarial (Gain)/Loss on Gratuity	81.07	7.21
Actuarial (Gain)/Loss on LFC	(249.02)	(297.04)
Actuarial (Gain)/Loss on PRMB	(14.78)	(59.11)
Actuarial (Gain)/Loss on SL	109.90	(52.38)
Total	4.80	(468.12)

4. The Company's main business is to provide finance/ refinance for Infrastructure Projects and the company does not have more than one reportable segment in terms of **Indian Accounting Standard-108, Operating Segments** issued by the Institute of Chartered Accountants of India.
5. As per **Indian Accounting Standard-24, Related Party Disclosures**, the disclosures of transactions with the related parties are given below:

A) Managerial Remuneration and related party disclosures

(i) Key Managerial Personnel

Whole Time Directors

- Shri Rohit Rishi
- Shri Palash Srivastava
- Managing Director (w.e.f. 04.02.2026)
- Deputy Managing Director

Other than Directors

- Shri Rajeev Mukhija
- Ms. Ruchi Singhal
- Chief General Manager-CFO
- General Manager-Company Secretary

(ii) Wholly owned Subsidiary Company:

- (a) India Infrastructure Finance Company (UK) Ltd.
- (b) IIFCL Projects Ltd.
- (c) IIFCL Asset Management Company Ltd.



B) Transactions during year ended 31st March 2026 (Previous year ended on 31st March 2025) with related parties:

(₹ in lac)

S.No.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(a)	Managerial Remuneration (Whole Time directors)		
	(i) Shri Rohit Rishi (Managing Director) #		
	Remuneration	7.19	-
	(ii) Shri Palash Srivastava (Deputy Managing Director)		
	Remuneration	53.55	3.34
	(iii) Shri PR Jaishankar (Ex-Managing Director) *		
	Remuneration	9.83	52.08
	(iv) Shri Pawan K Kumar (Ex-Deputy Managing Director) @		
	Remuneration	-	30.25
(b)	Managerial Remuneration (Other than directors)		
	(i) Shri Rajeev Mukhija (Chief General Manager- CFO)		
	Remuneration	84.37	104.41
	(ii) Ms. Ruchi Singhal (General Manager-CS) \$		
	Remuneration	60.69	55.99
	(iii) Sh. Rupesh Kumar (Assistant General Manager-CS) %		
	Remuneration	-	66.88
	(iv) Sh. Abhirup Singh (Assistant General Manager-CS) ^		
	Remuneration	-	44.50
(c)	Rent received/ recoverable from subsidiaries/ associate companies		
	IIFCL Projects Ltd.	108.46	113.39
	IIFCL Asset Management Company Ltd	-	107.63
(d)	Amounts other than Rent recovered/recoverable from subsidiaries:		
	IIFCL Projects Ltd.		38.55
	IIFCL Asset Management Company Ltd	-	0.99
	IIFC (UK) Ltd.	23.06	-
(e)	Sitting Fees:		
	Shri. Samir Jerambhai Boghara	13.60	13.95

w.e.f. 4th Feb 2026, * till 28th May 2025, @ till 30th September 2024, \$ w.e.f. 19th December 2024, % till 18th December 2024, ^ till 14th May 2024



C) Balances Outstanding

(₹ in lac)

S.No.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
i)	Investment in equity shares:		
	Wholly owned subsidiaries:		
	(a) IIFC (UK) Ltd.	103,076.15	103,076.15
	(b) IIFCL Projects Ltd.	475.00	475.00
	(c) IIFCL Asset Management Company Ltd.	1,250.00	1,250.00
	Amount recoverable from subsidiaries/ associate		
	(a) IIFCL Projects Ltd.	50.79	89.46
	(b) IIFCL Asset Management Company Ltd.	(16.86)	-
	(c) IIFC (UK) Ltd.	0.19	3.73
	Advances to KMP	0.25	3.85

6. In terms of **Ind AS-33, Earnings Per Share**, issued by the Institute of Chartered Accountants of India, Earnings per share (Basic & Diluted) is as under:

Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
	Shares	Amount ₹ in lakh	Shares	Amount ₹ in lakh
Nominal Value of share (₹)	10/-		10/-	
Number of Equity Share (No. in lac)	99,999.16		99,999.16	
Weighted Average Number of Equity Shares (No. in lac) (Denominator)	99,999.16		99,999.16	
Net Profit (after tax) (Numerator) (₹ in lac)		137,945.76		216,127.13
Earnings Per Share (Basic & Diluted) (₹) (For continued operations)		1.38		2.16
Earnings Per Share (Basic & Diluted) (₹) (For discontinued operations)		-		-

7. Fixed Assets possessed by the company are treated as 'Corporate Assets' and not 'Cash Generating Units' as defined by **Ind AS -36** on "Impairment of Assets". As on 31st March 2026, there were no events or change in circumstances, which indicate any impairment in the assets.



8. (A) Disclosure under Indian Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets (Ind AS-37)"

(₹ in lac)

Particulars	Year Ended 31st March 2026	Year Ended 31st March 2025
Proposed Wage Revision		
Opening Balance	1,642.64	1,054.92
Addition during the period	759.74	587.72
Amount Paid/ Transferred to current liabilities	70.00	-
Reversal of unutilized provision	-	-
Closing Balance	2,332.38	1,642.64
Contingent Provision against Standard Assets		
Opening Balance	27,560.41	19,622.53
Addition during the period	7,030.87	7,937.88
Closing Balance	34,591.28	27,560.41
Provision against Sub-standard Assets		
Opening Balance	2,367.87	-
Addition during the period	2,367.87	2,367.87
Provision write back on account of NPA write off	-	-
Closing Balance	-	2,367.87
Provision against Restructured Assets		
Opening Balance	1,520.71	6,819.57
Addition/Adjustment during the period	(800.35)	(5,298.86)
Provision write back on account of NPA write off	-	-
Closing Balance	720.35	1,520.71
Provision against Doubtful Assets		
Opening Balance	22,189.36	37,598.21
Addition/Adjustment during the period	10,367.72	7,528.17
Provision write back on account of NPA write off	-	(7,880.68)
Closing Balance	32,557.08	22,189.36
Provision for diminution in investments		
Opening Balance	22,059.91	23,654.75
Addition during the period	-	-
Provision adjusted on account being sale of investments	1,794.59	1,594.83
Closing Balance	20,265.32	22,059.91



(B) Other Disclosures:

(₹ in lac)

Particulars	Year Ended 31st March 2026	Year Ended 31st March 2025
Income Tax (Net)		
Opening Balance	15,725.16	7,356.12
Addition during the period	40,980.82	47,271.02
Amount paid/ adjusted during the period	51,800.00	38,901.98
Closing Balance	4,905.98	15,725.16
Leave Fare Concession		
Opening Balance	125.53	105.73
Addition during the period	293.33	332.44
Amount paid/adjusted during the period	285.86	312.64
Closing Balance	133.00	125.53
Post-retirement Medical Benefit		
Opening Balance	1,367.54	1,160.01
Addition during the period	193.01	224.23
Amount paid/adjusted during the period	44.34	16.70
Closing Balance	1,516.21	1,367.54
Leave Encashment		
Opening Balance	-	-
Addition during the period	-	-
Amount paid/adjusted during the period	-	-
Closing Balance	-	-
Sick Leave		
Opening Balance	441.09	321.34
Addition during the period	(40.63)	119.75
Amount paid/adjusted during the period	-	-
Closing Balance	400.47	441.09



9. Contingent liabilities and commitments (to the extent not provided for) are as under:-

(₹ In lac)

S.N o.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(A)			
	(a) Claims against the company not acknowledged as debt:		
	(i) Demand of Income Tax dues for Assessment Year 2016-17 made by the Income Tax Deptt. Vide order dated 28 th December 2018.	632.66	682.33
	(ii) Demand of Income Tax dues for Assessment Year 2016-17 made by the Income Tax Deptt. on Income Tax portal dated 30 th March 2023.	174.58	174.58
	(iii) Demand of Income Tax dues for Assessment Year 2017-18 made by the Income Tax Deptt.	51.65	51.65
	(iv) Demand of Income Tax due for Assessment Year 2020-21 made by the Income Tax Deptt. Vide notice dated 27 th March 2025	5,131.21	2665.81
	(v) Demand of Income Tax dues for Assessment Year 2024-25 made by the Income Tax Deptt. Vide Order Dated 13 th March 2026	7,656.32	-
	(vi) Demand of Service Tax dues – Demand paid along with interest under protest.	71.52	71.52
	(vii) Demand for GST for Financial Year 2017-18	0.90	0.90
	(viii) Demand for GST for Financial Year 2018-19	270.76	270.76
	(ix) Demand for GST for Financial Year 2019-20	872.45	872.45
	(x) Demand for GST for Financial Year 2020-21	104.35	104.35
	(b) Guarantees	Nil	Nil
	(c) Other money for which the company is contingently liable:		
	(i) Letter of Comfort for issue of Letter of Credit (LC) (The company has issued letters of comfort to respective lead banks/member bank in the consortium of lenders for issuing LC on behalf of respective borrowers for subsequently releasing the amount of LC towards disbursement of sanctioned loan assistance)	1,06,854.67*	80,225.98
	(ii) Guarantee given under credit enhancement scheme	21,782.30	22,413.10
(B)			
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
	Estimated amount of contracts remaining to be executed on capital account (net of advances)	2,462.78	2,932.44



13. Based on information available with the company, there are no suppliers/service providers who are registered as Micro, Small and Medium undertakings under "The Micro, Small and Medium Enterprises Development Act 2006" as on 31st March 2026.

The details are as under:

Particulars	As at 31 st March 2026	As at 31 March 2025
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-



14. Derivative Transactions

- a) The company has undertaken composite contracts i.e. Cross currency swaps (Principal and Interest) to hedge risks relating to floating interest rates as well as foreign exchange fluctuations on foreign currency borrowings from multilateral institutions as under:

(₹ in Lac)

Institution	Amount of Cross currency swaps	
	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Asian Development Bank (ADB):-		
USD	3,045.38	4,947.00
INR	288,257.91	423,371.39
IBRD World Bank:-		
USD	-	1,078.99
INR	-	92,341.65

All hedges are 100% effective i.e. there is no ineffectiveness.

Hedge Ratio: There is an economic relationship between the hedged item and the hedging instrument as the terms of the forward contracts, interest rate swaps and cross currency swaps contract match that of the foreign currency borrowings. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the forward contracts, interest rate swaps and cross currency swaps are identical to the hedged risk components. The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

As per the Mark-to-Market (M2M) valuations furnished by the counter party banks and other value on the above contracts, the net M2M gain as on 31st March 2026 amounts to ₹ 174,673.79 lac (Gross gain of ₹ 174,673.79 lac less Gross loss ₹ NIL lac) and M2M gain as on 31st March 2025 amounts to ₹ 1,35,382.74 lac (Gross gain of ₹ 136,327.97 lac less Gross loss ₹ 945.23 lac)

During the financial year ended 31st March 2012, the company sought the opinion of Expert Advisory Committee of the Institute of Chartered Accountant of India to advice on the correct accounting treatment to be followed by the company for accounting treatments in respect of foreign currency loan to the extent hedged. In this regard, ICAI vide letter dated 22nd September 2015 provided opinion in the matter. ICAI also issued guidance note on "Accounting for Derivative Contracts" in June 2015 which is applicable from 1st April 2016 and the same is applied by the company from financial year ended 31st March 2017. Any change in exchange rate, on amount of foreign currency borrowing as on reporting date since previous reporting date and from the date of drawdown borrowing during the period, is set off against Fair Value of Derivative Contracts and any gain or loss is recognized as Cash Flow Hedge Reserve. Fair Value of Derivative Contracts are provided by the respective Counter parties.

In this regard, IIFCL vide letter dated 26th December 2016 informed Institute of Chartered Accountants of India (ICAI), the issues faced by IIFCL pertaining to market to market/ Fair Value on hedge contracts while applying Guidance Note on Derivatives, with a copy to Reserve Bank of India. The matter has been referred to the Research Committee of ICAI as per their letter dated 3rd May 2017.



The details of hedged portion of loan restated at closing rate in line with Ind AS-21 are as follows:

(₹ in Lac)

Institution	Amount of Hedged Portion of Loans	
	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Asian Development Bank (ADB):-		
USD	10,815.82	11,514.56
INR	1,023,763.52	985,432.21
IBRD World Bank:-		
USD	1,059.82	1,187.99
INR	100,316.52	101,670.02
European Investment Bank (EIB)		
EURO	100.00	256.67
INR	10,900.64	23,696.65
Japan International Cooperation Agency (JICA)		
YEN	71,036.40	-
INR	42,089.07	-
Sumitomo Mitsui Banking Corporation (SMBC)		
YEN	147,948.38	-
INR	87,659.42	-

Disclosure of financial currency exposure as per Guidance Note on Accounting for Derivative Contracts:-

(₹ in Lac)

I. Assets	Foreign Curren cy	Current Year			Previous Year		
		Exchang e Rate	Amount in Foreign Currency	Amount in (₹ in Lac)	Exchang e Rate	Amount in Foreign Currency	Amount in (₹ in Lac)
Receivables (Trade & Other)	-	-	-	-	-	-	-
Other Monetary assets (e.g. ICDs/Loans given in FC)	-	-	-	-	-	-	-
Total Receivables (A)	-	-	-	-	-	-	-
Hedges by derivative contracts (B)	-	-	-	-	-	-	-



Unhedged Receivables (C=A - B)	-	-	-	-	-	-	-
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II. Liabilities	Foreign Currency	Year Ended 31 st March 2026			Year Ended 31 st March 2025		
		Exchange Rate	Amount in Foreign Currency	Amount in (₹ in Lac)	Exchange Rate	Amount in Foreign Currency	Amount in (₹ in Lac)
Payables (Trade & Other)	-	-	-	-	-	-	-
Borrowings (ECB and Other)	USD	94.6543	13,558.83	1,283,401.37	85.5814	13,621.80	1,165,772.55
	EURO	109.006	1,404.00	153,045.00	92.3246	1,550.63	143,161.35
	JPY	0.5925	604,392.60	358,102.62	0.5675	378,831.86	214,970.21
Total Payables (D)	USD	94.6543	13,558.83	1,283,401.37	85.5814	13,621.80	1,165,772.55
	EURO	109.006	1,404.00	153,045.00	92.3246	1,550.63	143,161.35
	JPY	0.5925	604,392.60	358,102.62	0.5675	378,831.86	214,970.21
Hedges by derivative contracts (E)	USD	94.6543	11,875.64	1,124,080.04	85.5814	12,702.55	1,087,102.23
	EURO	109.006	100.00	10,900.64	92.3246	256.67	23,696.65
	JPY	0.5925	218,984.78	129,748.48	0.5675	-	-
Unhedged Payables (F= D - E)	USD	94.6543	1,683.19	159,321.33	85.5814	919.25	78,670.32
	EURO	109.006	1,304.00	142,144.36	92.3246	1,293.96	119,464.70
	JPY	0.5925	385,407.82	228,354.13	0.5675	378,831.86	214,970.21
III. Contingent Liabilities and Commitme nts	Foreign Currency	Current Year			Previous Year		
		Exchange Rate	Amount in Foreign Currency	Amount in ₹	Exchange Rate	Amount in Foreign Currency	Amount in ₹
Contingent Liabilities	-	-	-	-	-	-	-
Commitme nts	-	-	-	-	-	-	-
Total (G)	-	-	-	-	-	-	-
Hedges by derivative contracts (H)	-	-	-	-	-	-	-
Unhedged Payables (I= G-H)	-	-	-	-	-	-	-



15. Creation of Bond Redemption Reserve

a) In respect of privately placed bonds: Since the company is notified as Public financial institution within the meaning of Section 2(72) of Companies Act 2013 vide notification no S.O.143 (E) (F.NO.3/5/2008) Dated 14th January 2009 of Central Government, it is not required to create Bond Redemption Reserve in respect of private placed bonds as per circular no 04/2013 issued by Ministry of Corporate Affairs, Government of India dated 11th February 2013.

b) In respect of publicly placed bonds: The company issued Tax Free Bonds of the face value of ₹ 1,000 each aggregating to ₹ 3,15,631.89 Lac in FY 2012-13, ₹ 6,87,754.25 lac in FY 2013-14 and Long Term Infrastructure Bonds of ₹ 9,096.18 Lac in FY 2010-11 totaling ₹ 10,12,482.32 Lac through public issue. As per Rule 18(7)(b)(ii) of Companies (Share Capital and Debentures) Rules 2014, The Company shall create Debenture Redemption Reserve(DRR) for NBFCs registered with the RBI under Section 45-IA of the RBI(Amendment) Act,1997, 'the adequacy' of DRR will be 25% of the value of debentures issued through public issue as per present SEBI (Issue and Listing of Debt Securities) Regulations,2008, and no DRR is

Required in the case of Privately Placed Debentures. Accordingly, the company has created bond redemption reserve of ₹ 54,462.29 lac up to 31st March 2026 (₹ 54,568.28 lac up to 31st March 2025).

The Ministry of Corporate Affairs, vide notification dated 19-August-2019 has amended the Companies (Share Capital & Debentures) Rules and accordingly the Company is no longer required to create Debenture Redemption Reserve on issuance of redeemable non-convertible debentures.

As per the disclosure requirements contained in the listing agreement with Stock exchange, it is stated that the company has not given any loans and advances in the nature of loans to Individuals, associates and to firms/ companies in whom directors are interested. Further, no loan (borrower) has made any investment in the shares of the company or its subsidiary.

16. (a) RBI issued certificate of registration dated 9th September 2013 to IIFCL to carry on the business of Non-Banking Financial Institution without accepting public deposits.

(b) Prudential norms issued by RBI for NBFC-IFC are applicable to the Company.

(c) The company has restructured/ rescheduled Nil loan account during 31st March 2026 having Nil outstanding balance during 31st March 2026 (₹ Nil as on 31st March 2025) and there is no shortfall in value of security in these accounts as on 31st March 2026 refer note 1(A)(5.7)(v).



17. Auditors' Remuneration includes:

(₹ in lac)

Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(i) Audit Fee	15.00	12.00
(ii) Taxation Matters	2.40	2.40
(iii) Certification Work	2.50	1.06
(iv) Limited Review	8.10	5.40
Total	28.00	20.86

18. The status of pending assessment of Income Tax for the various Assessment Year(s) is as under:

Assessment Year	Status
2016-17	Assessment order u/s 143(3) dated 28.12.2018 received on 28.12.2018, Appeal filed before CIT(A) on 25.01.2019 against disallowances made in assessment order and deposited 20% tax demand of Rs. 137 lacs under protest and Rs. 46.71 lac has been adjusted from refund of AY 2011-12. Appeal was filed with CIT(A) against the said order. Order u/s 250 r.w.s 143(3) dated 26.03.2025 was issued allowing the appeal partially. Appeal filed with ITAT against the order of CIT(A). Notice u/s 154 proposing an addition of Rs. 519.18 lac was received on excess claim on deduction u/s 36(1)(viii), against which reply was submitted on 20.01.2023. IIFCL received similar notice u/s 154 adding taxable Income of Rs 1500.18 lac. IIFCL filed an appeal with CIT(A) against the order on 27th April 2023. Order received u/s 250 dated 26/09/2024, dismissing the appeal filed. Appeal filed with ITAT as on 29/11/2024 against CIT(A) order passed u/s 250, which is pending as on date. ITAT has issued common order on 11.02.2026 in respect of both the above appeals dismissing the order for Rs. 1556 lacs and remanded back to AO for disallowance of Rs. 1772 lacs.
2017-18	IIFCL received the assessment Order u/s 143(3) passed by Income Tax Department dated 17.12.2019 disallowing item of expense of Rs. 50.67 lac. IIFCL filed appeal with CIT(A) dated 15.03.2023 with condonation of delay. Appeal filed with CIT(A), dismissed on the grounds condonation of delay not approved. Notice u/s 154 proposing an addition of Rs. 421.12 lac was received on excess claim on deduction u/s 36(1)(viii), against which reply was submitted on 12.12.2022. IIFCL received similar notice u/s 154. The reply was submitted on 7th September 2023. IIFCL received another order u/s 154 dated 31.05.2023 without taking the cognizance of the reply and adding taxable Income of Rs 1216.83 lac. Appeal pending before CIT(A) and Order u/s 250 issued as on 05/12/2024 allowing the appeal in favour of IIFCL. The order was appealed by department before ITAT which again allowed the appeal in favour of IIFCL.



	Notice u/s 148A dated 01.03.2024 was issued. Order u/s 250 issued as on 05/12/2024 allowing the appeal in favour of IIFCL. ITR filed in response to notice issued u/s 148 on 25.06.2024. Reassessment proceedings u/s 147 opened vide letter no ITBA/AST/S/61/2024-25/1066229074(1) dated 28/06/2024. Several notices dated 04/12/2024, 14/12/2024, 22/12/2024, 24/12/2024 and 09/01/2025, were issued and replies to the same are uploaded on IT Portal. Order u/s 147 issued on 13/02/2025 disallowing Rs. 14923530/-. Appeal filed with CIT(A) on 13.03.2025. Order dated 25.11.2025 issued by CIT (A) dismissing the appeal of IIFCL. Appeal filed to ITAT against the order of CIT (A) on 22.01.2026. The order is heard by ITAT as on 18.05.2026.
2018-19	Notice u/s 148A dated 17.08.2024 was issued. Reply to Show cause notice dated 17.08.2024 submitted on due date 26.08.2024. Order u/s 148A(d) passed dt 31.08.2024 and proceedings u/s 148 has been initiated vide Notice dt 31.08.2024 with due date of submission being 30.11.2024. ITR filed in response to notice issued u/s 148 on 29.11.2024. Reassessment proceedings u/s 147 opened vide letter no ITBA/AST/S/61/2025-26/1075729795(1) dated 22/04/2025. Several Notices dated 15/05/2025, 16/05/2025, 29/05/2025, 17/09/2025 and 25.09.2025 were issued and duly replied on IT portal. Order issued u/s 147 r.w.s. 144B of the Act on 19.02.2026 assessing income at Rs. 294,82,85,410/-, making NIL Addition.
2020-21	A demand notice dated 27/03/2025 has been issued creating a demand of Rs. 26,65,81,260/- due to disallowance of contingent liabilities as reported by Tax Auditor in TAR. Another demand notice dated 04/08/2025 was issued increasing the demand to Rs. 51,31,20,590 on the same issues. Rectification application filed u/s 154 against demand notice on 18.04.2026. The CPC intimation order issued decreasing the demand to Rs. 42000 as on 19.05.2026.
2024-25	Faceless assessment Proceedings initiated vide notice dated 24.06.2025 and replies have been submitted to the department against the notices issued in this regard. Order passed u/s 143(3) on 13.03.2026 assessing income at Rs 17,54,66,45,529/- after making disallowance of Rs 2,23,28,64,899/- . Appeal filed with CIT(A) against the said order on 10.04.2026.

19. Other Disclosures:

- During the year Ended 31st March 2026, the Company had written off 3 accounts amounting ₹ 16,615.50 lacs (₹ 13,939.51 lac in 7 loan accounts as on 31st March 2025) refer note 1(A)(5.3).
- IIFCL had made Provision for diminution in investments of ₹ 20,265.32 Lac in for year ended 31st March 2026 as under:
 - During 2017-18 outstanding loan principal of ₹ 52,000.00 lac and interest other overdues thereon of ₹ 2,545.99 lac from M/s Adhunik Power and Natural Resources Limited (APNRL) sold to Edelweiss Asset Reconstruction Company Ltd. (EARC), an Asset Reconstruction Company, at consideration of ₹ 38,884.95 lac, including upfront realization of ₹ 108.18 lac, equity share capital of APNRL of ₹ 9,710.71 lac (i.e. fully paid equity shares of ₹ 10 each) and Security Receipts of ₹ 38,884.95 lac. EARC simultaneously, bought equity shares of APNRL of ₹ 10 each aggregating 4945.70 lac @ ₹ 1.2045 per share aggregating ₹ 595.72 lac. Accordingly, IIFCL considered the price for sale of equity



shares of APNRL paid to IIFCL by EARC as fair value. Accordingly, the remaining equity shares held by IIFCL in APNRL as on 31st March 2018 are valued at ₹ 1.2045 per share, net of Provision for Diminution in Investments of ₹ 4,191.05 lac. IIFCL has valued the equity share capital on the basis of latest available fair valuation.

- Consequent to substitution of Concessionaire in case of M/s Topworth Tollways Pvt. Ltd., out of outstanding loan amount of ₹ 8,000.00 Lac, an amount of ₹ 6,078.00 lac has been or discharged by issue of 0.01% coupon Optionally Convertible Redeemable Debentures carrying coupon rate @ 0.01% annually of incoming concessionaire i.e. Bansal Pathways Pvt. Ltd. The balance outstanding loan of Rs 1,922.00 lac would be carried over to Bansal Pathways (Mangawan- Chakghat) Pvt Ltd., the new concessionaire. Accordingly, provision for Diminution of ₹ 4,779.68 lac in investments is booked by debentures issued by Bansal Pathways (Mangawan- Chakghat) Pvt Ltd. are repayable at par after 25 years from receipt of debentures.
- The total principal outstanding of IIFCL in MEP Nagpur Ring Road 1 Private Limited of Rs 10,087.84 lac as on 31.03.2021 has been taken over by Bansal Pathways Nagpur Ring Road 1 Private Limited in the form of term loan of Rs 2811.84 lac and debentures of Rs 7,276 lac carrying a coupon rate of 0.01%. Accordingly, provision for Diminution of ₹ 4,451.99 lac is created on the debentures.
- IIFCL principal outstanding amount in MEP Nagpur Ring Road 2 Private Limited of Rs 11,184.00 lac as on 31.03.2021 has been taken over by Bansal Pathways Nagpur Ring Road 2 Private Limited in the form of debentures of Rs 11,184.00 lac carrying a coupon rate of 0.01%. Accordingly, provision for Diminution of ₹ 5,072.96 lac is created on the debentures.
- IIFCL had a principal outstanding amount in Meenakshi Energy Limited of Rs 22,137.32 lac. The project was referred under the Corporate Insolvency Resolution Process in the year 2019. The Insolvency Resolution plan as submitted by Vendanta Limited was approved by NCLT on 10th August 2023. Accordingly, IIFCL has received an upfront fees amount of ₹14.93 crore and ₹79.32 crore as Debentures. For the same, provision for Diminution of ₹ 1,769.63 lac is created on the debentures.

c. Disclosures of Investment and Security Receipt as on 31st March 2026:

(₹ In Lac)

Particulars		SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
(i)	Book value of SRs backed by NPAs sold by the bank as underlying	73,254.54	-	-
	Provision held against (i)	-	-	-
(ii)	Book value of SRs backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying	-	-	-
	Provision held against (ii)	-	-	-
Total (i) + (ii)		73,254.54	-	-



20. Disclosures pertaining to Expenditure on Corporate Social Responsibility Activities:

a) Breakup of various heads of expenses included in CSR expenditure:

(₹ In Lac)

S.No.	Name of the Organization	Project Details	Year Ended 31 st March 2026	Year Ended 31 st March 2025
01	District Administration Changlang, Government of Arunachal Pradesh	Construction of a School building at Government Primary School, Nayang Village at Changlang, Arunachal Pradesh	-	124.66
02	District Administration, Mayurbhanj, Odisha	De-addiction & Women Empowerment Centre at Mayurbhanj, Odisha	125.00	-
03	District Administration, Mayurbhanj, Odisha	Construction of 4 Health Sub-Centres in Changlang, Arunachal Pradesh	676.81	-
04	Zilla Parishad, Dholpur (Rajasthan)	50 Digital Samvidhan Ghars (DSGs) in Dholpur (Rajasthan)	292.71	-
05	Madhya Pradesh Council of Science and Technology	10 Smart Classrooms (E-Paathshala) at Government Schools of Guna (MP)	43.00	-
06	Samridh Gramaya Abhiyan Society	Restoration of Hathodi Stepwell (Bawri) at Bharatpur (Rajasthan)	99.00	-
07	Transferred to UCSRA*		2,817.94	2,472.93
	Total		4,054.46	2,597.59

Since amount pertains to ongoing projects, it has been transferred to unspent CSR Account on 30.04.2026 (previous year on 30.04.2025).

b) Additional disclosure in respect of CSR expenditure:

i. Amount spent during the year ended 31st March 2026: ₹ 1,236.52 lac

(₹ In Lac)

Particulars	Year Ended 31 st March 2026			Year Ended 31 st March 2025		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i) Construction/ Acquisition of any Asset	1,236.52	2,470.40	3,706.92	124.66	2,165.42	2,290.08
(ii) On purpose other than (i) above#	0	347.54	347.54	-	307.51	307.51
Total	1,236.52	2,817.94	4,054.46	124.66	2,472.93	2,597.59

ii. Shortfall at the end of the year – NIL (An amount of ₹ 2,817.94 lac has been transferred to the UCSRA)



- iii. Total of previous year shortfall - NIL
- iv. Reason for shortfall: CSR projects of IIFCL are identified through a transparent multi-stage appraisal and approval process, which requires adequate time for due diligence and evaluation. Further, most CSR initiatives are multi-year projects and are subject to fulfilment of implementation conditions, including requisite clearances/approvals from local authorities and statutory bodies prior to commencement. Accordingly, the entire sanctioned CSR amount may not be fully utilised within the same financial year and the unspent amount is transferred to the Unspent CSR Account (UCSRA) in compliance with the provisions of the Companies Act, 2013, for timely and proper implementation of approved projects.
- v. Nature of CSR Activity: During the FY, the Company undertook CSR initiatives in the areas of healthcare, education, women empowerment, environmental sustainability, heritage conservation, road safety, and community infrastructure development across various States/UTs.
- vi. Details of related party transaction eg. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standards: Not Applicable
- vii. Where a provision is made with respect to liability incurred by entering into a contractual obligation, the movement in the provision during the year shall be shown separately: ₹ 4,827.90 lacs

21. Statement of Additional information as required in terms of paragraph 13 of Non-banking Financial (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(₹ in lac)

Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side:				
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	1,138,545.40	-	11,39,336.50	-
: Unsecured	2,222,000.00	-	1,866,000.00	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	1,794,549.00	-	1,523,874.69	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (short/long term bank loan)	2,747,725.20	-	1,830,873.48	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-



(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-
(c) Other public deposits	-	-	-
Assets side:	Amount outstanding		
	Year Ended 31st March 2026	Year Ended 31st March 2025	
(3) Break-up of Loans and Advances including bills receivables [Other than those included in (5) below]:			
(a) Secured	3,651,685.80	4,092,391.13	
(b) Unsecured	4,519,767.06	2,897,960.00	
(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities			
(i) Lease assets including lease rentals under sundry debtors:			
(a) Financial lease	-	-	
(b) Operating lease	-	-	
(ii) Stock on hire including hire charges under sundry debtors:			
(a) Assets on hire	-	-	
(b) Repossessed Assets	-	-	
(iii) Other loans counting towards AFC activities			
(a) Loans where assets have been repossessed	-	-	
(b) Loans other than (a) above	-	-	
(5) Break-up of Investments:			
Current Investments:			
1. Quoted:			
(i) Shares: (a) Equity	-	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of mutual funds	-	-	
(iv) Government Securities	-	-	
(v) Others (please specify)	-	-	
2. Unquoted:			
(i) Shares: (a) Equity	-	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of mutual funds	-	-	
(iv) Government Securities	-	-	
(v) Others (please specify)	-	-	
Long Term investments:			
1. Quoted:			
(i) Shares: (a) Equity	-	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of mutual funds	-	-	



(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted:		
(i) Shares: (a) Equity (b) Preference	109,977.17	109,977.17
(ii) Debentures and Bonds	30,884.14	32,470.68
(iii) Units of mutual funds	-	-
(iii) Government Securities	727,710.89	629,880.00
(iv) Others (advance against equity share capital) (Investment in venture capital units)	566.06	601.56
(v) Investment in security receipts	73,254.54	88,591.97
Total	9,113,845.66	7,851,872.51

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	Amount net of provisions (As on 31 st March 2026)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	3,579,858.74	4,430,865.21	8,010,723.95
Total	3,579,858.74	4,430,865.21	8,010,723.95

Category	Amount net of provisions (As on 31 st March 2025)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	3,958,186.83	2,856,619.76	6,814,806.59
Total	3,958,186.83	2,856,619.76	6,814,806.59

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	Amount net of provisions (As on 31 st March 2026)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	104,801.15	104,801.15
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	817,326.34	817,326.34

Category	Amount net of provisions (As on 31 st March 2025)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	104,801.15	104,801.15



(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	734,660.31	734,660.31
(8) Other information			
Particulars	As on 31st March 2026	As on 31st March 2025	
(i) Gross Non-Performing Assets			
(a) Related parties	-	-	
(b) Other than related parties	32,557.08	77,798.24	
(ii) Net Non-Performing Assets			
(a) Related parties			
(b) Other than related parties	-	24,340.56	
(iii) Assets acquired in satisfaction of debt	Nil	Nil	

22. Disclosures pursuant to Reserve Bank of India (NBFC- Scale based regulation) Directions, 2023 dated 19.10.2023 (as amended)

22.1 Capital

Particulars	As at 31st March 2026	As at 31st March 2025
CRAR (%)	20.53%	23.44%
CRAR – Tier I capital (%)	19.28%	22.19%
CRAR – Tier II capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier- II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

22.2 Investments

(₹ in lac)

S.No.	Particulars	Year Ended 31st March 2026	Year Ended 31st March 2025
1	Value of investments		
(i)	Gross value of investments	942,392.80	861,521.38
(a)	In India	839,316.66	758,445.23
(b)	Outside India	103,076.15	103,076.15
(ii)	Provisions for depreciation		
(a)	In India	20,265.32	22,059.91
(b)	Outside India	-	-
(iii)	Net value of investments	922,127.48	839,461.46
(a)	In India	819,051.33	734,660.33
(b)	Outside India	103,076.15	103,076.15
2	Movements of provisions held towards depreciation of investments		
(i)	Opening balance	22,059.91	23,654.75
(ii)	Add: Provisions made during the year/period	-	-



(iii)	Less: Write off/Write back of excess provisions during the year/period	1,794.59	1,594.83
(iv)	Closing balance	20,265.32	22,059.91

22.3 Derivatives

Risk Exposure in Derivatives:

Qualitative Disclosure

NBFCs are required to describe their risk management policies pertaining to derivatives with particular reference to the extent to which derivatives are used, the associated risks and business purposes served. In compliance of RBI guidelines dated 19th October, 2023(as amended), same is being disclosed as under:

- IIFCL undertakes derivative transactions to mitigate currency and interest rate risk of foreign currency borrowings. The company has put in place the Hedging Policy which forms a part of Resource and Treasury policy duly approved by Board of Directors. The company's derivative transactions are governed by this policy which outlines the instruments which would be used for hedging as per the underlying liabilities.
- IIFCL undertakes derivative transaction for purpose of hedging and mitigating interest rate and currency risks (Market risk) arising on foreign currency borrowings.
- IIFCL undertakes derivative transactions for the purpose of hedging exchange and interest rate risk of foreign currency borrowings and not for any other purpose. The terms of Derivative transactions match with the corresponding underlying (Liabilities) for continuous effectiveness. The said effectiveness is ascertained at the time of inception of hedge through matching term concept.
- IIFCL reports the status of derivative transaction and their MTM to Senior Management on monthly basis and to the Board of Directors on Half Yearly basis. Further the MTM is being independently monitored by R&T Advisors of IIFCL on Half Yearly basis.
- Exchange traded Interest Rate Derivatives on IIFCL Books are Nil.
- IIFCL undertakes Cross Currency Interest Rate Swap to hedge its Foreign Currency exposures. The figures shown in Quantitative disclosure cannot be segregated since the deals are booked on a consolidated basis for principal and Interest cash flows.
- The accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation is disclosed in Accounting Policy 1(A)(5.2)
- As per Resources & Treasury Policy, approved for each financial year by the Management & Investment Committee of the Board of Directors, IIFCL shall keep its position hedged between 65-70% of the total exposure. Further the exchange fluctuation difference of the open position net of with the saving of forward premium should not breach 10% of the net worth of the company at any point of time. Further if rupee depreciates 5% or more within the financial year on portfolio basis, IIFCL would keep its position hedged at approx. 75%.

Risk Management Structure

- IIFCL manages risk as per Integrated Risk Management Framework duly approved by the Board of Directors. Besides, Resources and Treasury policy of IIFCL is approved by Management and Investment committee of the Board annually. These framework policy, provide the guiding parameters based on which IIFCL takes decisions for managing the Currency Risk that it is exposed to on account of foreign currency loan.
- IIFCL has also constituted Board Level Risk Management Committee & Board level Asset Liability Management Committee (ALCO Committee) for strengthening the risk management in the business operations. ALCO monitors liquidity & interest rate risks which includes periodic analysis of short term and long term liquidity profile of asset receipts and debt service obligations. Derivative transactions include



cross currency swaps and currency swaps to hedge liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

Type of Risks Involved:

A) Types of Risks:

- i. Credit Risk - Credit risk involves the risk of loss arising from the diminution in credit quality of a borrower along with the risk that the borrower may default on contractual repayments under a loan or an advance. IIFCL has Integrated Risk Management Framework to manage credit risk in infrastructure lending.
- ii. Market Risk - Market risk is the risk of loss due to adverse changes in the market value (the price) of an instrument or portfolio of instruments. Market risk comprises of currency risk and interest rate risk. Currency risk arises on account of any change/ fluctuation in exchange rate between rupee and foreign currencies. The interest rate risk exposure is mainly from changes in interest rates over the period of time. IIFCL faces market risks and interest rate risks as a part of its business activity.
- iii. Liquidity Risk - Liquidity risk is the risk of loss due to failure of the institution to meet funding requirements or execute a transaction utilizing funds borrowed at reasonable price. There may be market liquidity risk or funding liquidity risk. IIFCL manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of combined credit lines.
- iv. Operational Risk - Operational risk is the risk of loss occurring as a result of inadequate system and control, deficiencies in information system, human error or a management failure. The operational risk management policy of IIFCL seeks to manage the operational risks.

B) Stress Tests:

IIFCL undertakes derivative transactions to manage the risk of financial loss on account of fluctuations in foreign exchange rates and interest rates.

The details of stress tests on foreign currency loan portfolio under the following scenarios and potential impact on income is as under:

Assumptions

The percentage depreciation is assumed on the reference rate (base case) as on 31.03.2026. Accordingly, the depreciated exchange rates for shock scenarios are as below:

Exchange Rate i.e. INR per	Shock Scenarios			
	Base Case	Baseline	Medium	Severe
	RBI Reference Rate (31.03.2026)	5%	10%	20%
USD	94.6543	99.3870	104.1197	113.5852
EUR	109.0064	114.4567	119.9070	130.8077
JPY	0.5925	0.6221	0.6518	0.7110



The benchmark rates (SOFR/EURIBOR) along with rates under shock scenarios are as below:

Benchmark Interest Rate	Shock Scenarios			
	Base Case	Baseline	Medium	Severe
	Benchmark Interest Rates (31.03.2026)	0.5%	1.00%	2.00%
SOFR	3.86%	4.36%	4.86%	5.86%
EURIBOR	2.48%	2.98%	3.48%	4.48%

For the purpose of stress test, the portion of currencies hedged through seagull options have been assumed as unhedged as it has limited downside protection.

The portfolio hedged through full currency swaps are assumed to remain unaffected by depreciation of INR.

For stress test for interest rate risk on foreign currency borrowings, the shock scenarios denote the percentage by which the benchmark component of the interest rate is expected to increase. The spread component of the interest rate is assumed to remain fixed.

The impact of change in interest rate is assumed to impact only unhedged amount and the amount hedged through POS.

Impact of the scenarios is assessed as the additional expense or loss of income due to shock scenarios vis-à-vis the base scenario.

Impact due to Depreciation of INR

The impact of change in foreign exchange rates impacts both the interest payments and loan repayments. However, the borrowings hedged through full currency swaps are immune to variation in foreign exchange rates.

1) Impact of INR Depreciation on Interest Payments on Unhedged and POS Hedged Borrowings (Rs. Crore)

Shock Scenarios	Baseline	Medium	Severe
	5%	10%	20%
USD	22.25	44.50	88.99
EUR	2.69	5.38	10.75
JPY	1.29	2.59	5.17
Total	26.23	52.46	104.92

2) Impact of INR Depreciation on Unhedged Exposure of Principal Outstanding: (Rs. Crore)

Shock Scenarios	Baseline	Medium	Severe
	5%	10%	20%
USD	79.66	159.32	318.64
EUR	76.52	153.04	306.09



JPY	152.39	304.78	609.56
Total	308.57	617.14	1234.29

3) Total Impact of INR Depreciation (a+b)

(Rs. Crore)

Shock Scenarios	Baseline	Medium	Severe
	5%	10%	20%
USD	101.91	203.82	407.64
EUR	79.21	158.42	316.84
JPY	153.68	307.36	614.73
Total	334.80	669.60	1339.21

Impact of Change in Benchmark Interest Rates (SOFR/EURIBOR) on Unhedged and POS Hedged Exposure

(Rs. Crore)

Shock Scenario	Baseline	Medium	Severe
Change in RoI by	0.50%	1.00%	2.00%
USD	49.76	99.51	199.03
EUR	9.31	18.61	37.22
JPY	17.91	35.81	71.62
Total	76.97	153.94	307.87

The total impact arising from depreciation on foreign currency borrowings as of 31.03.2026 is estimated at Rs.334.80 crore under the baseline scenario, Rs.669.60 crore under the medium scenario, and Rs.1,339.21 crore under the severe scenario.

Further, under scenarios assuming an increase in interest rates on foreign currency loans by 0.5% (baseline), 1.0% (medium), and 2.0% (severe), the estimated impact amounts to Rs.76.97 crore, Rs.153.94 crore, and Rs.307.87 crore under the baseline, medium, and severe scenarios, respectively.

Forward Rate Agreement/Interest Rate Swap

(₹ in Lac)

S.No.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(i)	The notional principal of swap agreements	994,817.02	956,768.00
(ii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iii)	Concentration of credit risk arising from the swaps *	Refer *	Refer *
(iv)	The fair value of the swap book	174,673.79	135,382.74

* The Company enters into swap agreements in accordance with RBI Guidelines. All the swap agreements entered into with the banks are well within the credit risk limit defined in the Board approved policy.



Quantitative Disclosures

(₹ in Lac)

S.No.	Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
		Currency derivatives	Interest Rate derivative	Currency derivatives	Interest Rate derivative
(i)	Derivatives (Notional Principal Amount)	994,817.02	994,817.02	956,768.00	956,768.00
	For hedging	994,817.02	994,817.02	956,768.00	956,768.00
(ii)	Marked to Market positions	174,673.79	174,673.79	135,382.74	135,382.74
	a. Asset (+)	174,673.79	174,673.79	136,327.97	136,327.97
	b. Liability (-)	-	-	945.23	945.23
(iii)	Credit Exposures	-	-	-	-
(iv)	Unhedged Exposures	5,29,819.82	5,29,819.82	413,122.10	413,122.10

22.4 Disclosures relating to Securitization

Details of Financial Assets sold to Securitization/ Reconstruction Company for Asset reconstruction:

(₹ in Lac)

S.No.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(i)	No. of Accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC/ RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate (gain)/loss over net book value	-	-

22.5 Details of Non- performing Financial Assets sold:

(₹ in Lac)

S.No.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(i)	No. of accounts sold	2	-
(ii)	Aggregate outstanding	10,759.00	-
(iii)	Aggregate consideration received	3,973.00*	-

* Includes Principal Outstanding and excludes interest & other charges



22.6 Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at 31st March 2026:

(₹ in lac)

Particulars	1 Day to 7 Days	8 to 14 Days	15 to 30/31 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	-	56.00	8,379.19	51,500.96	23,775.03	136,671.00	427,000.10	1,803,414.00	1,450,226.00	4,270,430.58	8,171,452.86
Investments	-	-	-	-	-	-	-	-	88,760.00	6,38,950.89	727,710.89
Borrowings	-	-	-	-	-	-	-	917,879.56	156,000.00	2,286,665.34	3,360,545.40
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	4,503.96	7,158.87	34,659.03	22,652.70	70,229.01	294,660.67	485,374.42	875,310.84	1,794,548.99
Borrowings from banks	33,137.84	382,495.39	0.00	326,876.88	538,351.64	167,319.00	0.00	1,239,596.36	60,000.00	0.00	2,747,727.11

Maturity pattern of certain items of assets and liabilities as at 31st March 2025:

(₹ in lac)

Particulars	1 Day to 7 Days	8 to 14 Days	15 to 30/31 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	2.54	922.54	6,003.60	27,276.37	20,431.83	60,336.55	436,691.07	985,638.32	1,261,557.45	4,191,490.86	6,990,351.13
Investments	-	-	-	-	-	-	-	-	-	6,29,880.00	6,29,880.00



Borrowings	-	-	-	-	-	-	791.10	348,251.71	569,627.85	2,086,665.84	3,005,336.50
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	9,519.52	5,618.45	30,007.66	11,007.07	57,207.53	240,253.68	260,874.80	909,385.98	1,523,874.69
Borrowings from banks	47625.48	-	74,700.00	742,548.00	746,000.00	-	-	220,000.00	-	-	18,30,873.48

22.7 Exposures

22.7.1 Exposure to Real estate sector

The Company does not have any direct or indirect exposure to the real estate sector as at 31st March 2026. (previous year Nil).

22.7.2 Exposure to Capital Market:

(₹ in lac)

S.No.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-



(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	566.06	601.56

22.8 Additional Disclosures: Provisions and Contingencies

(₹ in Lac)

S. No.	Breakup of Provisions and Contingencies reflected in Statement of Profit & Loss	Year Ended 31 st March 2025	Year Ended 31 st March 2025
(i)	Provisions for depreciation on Investment	20,265.32	22,059.91
(ii)	Provision towards NPA	32,557.08	53,457.67
(iii)	Provision for income tax (including deferred tax)	60,440.55	61,075.48
(iv)	Provision for Standard Assets (including restructured accounts & SDR accounts)	129,315.45	122,086.87

22.9 Concentration of Advances, Exposure and NPAs:

(i) Concentration of Advances

(₹ in lac)

Particular	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Total Advances to twenty largest borrowers	4,423,960.82	4,146,112.68
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	54.14%	59.31%

(ii) Concentration of Exposure

(₹ in lac)

Particular	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Total Exposure to twenty largest borrowers	4,423,960.82	4,146,112.68
Percentage of Exposure to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	54.14%	59.31%



(₹ in Lac)

(iv) Sector- wise NPAs

(v) Movement of NPAs:



22.10 Customer Complaints

S.No.	Particular	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	149	223
(c)	No. of complaints redressed during the year	149	223
(d)	No. of complaints pending at the end of the year	-	-

22.11 Additional Disclosures

S.No.	Disclosure	Comment
(i)	Registration/ license/authorization obtained from other financial regulator	Corporate Identification No. U67190DL2006GOI144520 obtained from Ministry of Corporate Affairs
(ii)	Ratings assigned by credit rating agencies and migration of ratings during the year	AAA stable assigned by various Rating agencies for domestic bonds issued by company. There is no migration of rating during the year ended 31 st March 2026.
(iii)	Penalties, if any, levied by any regulator	Nil
(iv)	Information viz., area, country and joint venture partners	
	(a) Joint Ventures	None
	(b) Overseas Subsidiary	IIFC (UK) Ltd. wholly owned subsidiary of company operates from London, United Kingdom and undertakes financing infrastructure projects in India,



22.12 Disclosure of Restructured Accounts

S. No.	Type of Restructuring		Under CDR Mechanism	Under SME Debt Restructuring Mechanism	Others (₹ in lac)					Total (₹ in lac)				
			Total	Total	Standard	Sub Standard	Doubtful	Loss	Total	Standard	Sub Standard	Doubtful	Loss	Total
	Details													
1	Restructured Accounts as on 01.04.2025	No. of borrowers			2.00	-	-	-	2.00	2.00	-	-	-	2.00
		Amount outstanding			22,177.56	-	-	-	22,177.56	22,177.56	-	-	-	22,177.56
		Provision thereon			1,520.71	-	-	-	1,520.71	1,520.71	-	-	-	1,520.71
2	Fresh restructuring during the FY during the year ended 31.03.2026	No. of borrowers			-	-	-	-	-	-	-	-	-	-
		Amount outstanding			-	-	-	-	-	-	-	-	-	-
		Provision thereon			-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the year ended 31.03.2026	No. of borrowers			-	-	-	-	-	-	-	-	-	-
		Amount outstanding			-	-	-	-	-	-	-	-	-	-
		Provision thereon			-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next	No. of borrowers			-	-	-	-	-	-	-	-	-	-
		Amount outstanding			-	-	-	-	-	-	-	-	-	-
		Provision thereon			-	-	-	-	-	-	-	-	-	-



	year ended 31.03.2026												
5	Down gradations of restructured accounts during the year ended 31.03.2026	No. of borrowers			-	-	-	-	-	-	-	-	-
		Amount outstanding			-	-	-	-	-	-	-	-	-
		Provision thereon			-	-	-	-	-	-	-	-	-
6	Write offs/Prepayment of restructured accounts during the year ended 31.03.2026	No. of borrowers			1.00	-	-	1.00	1.00	-	-	-	1.00
		Amount outstanding			14,017.13	-	-	14,017.13	14,017.13	-	-	-	14,017.13
		Provision thereon			800.35	-	-	800.35	800.35	-	-	-	800.35
7	Restructured Accounts as on 31.03.2026 (closing figures)	No. of borrowers			1.00	-	-	1.00	1.00	-	-	-	1.00
		Amount outstanding			8,160,43	-	-	8,160,43	8,160,43	-	-	-	8,160,43
		Provision thereon			720.35	-	-	720.35	720.35	-	-	-	720.35

22.13 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

Name of Joint Venture/Subsidiary	Other Partner in the JV	Country	Total Assets (Amount in \$)
IIFC (UK) Ltd.	None	United Kingdom	Nil. IIFCL does not hold any overseas assets with IIFC (UK) Ltd.

23. Disclosures pursuant to Reserve Bank of India's Scale based regulation on NBFC's:

- Exposure to real estate sector :** IIFCL's exposure of Real Estate sector has been disclosed in note 1 (B) 23.7.1.
- Exposure to capital market:** IIFCL's exposure to Capital Market has been disclosed in Note 1(B) 23.7.2.



c) **Sectoral exposure:**

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)*	Gross NPAs	Percentag e of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off- balance sheet exposure)*	Gross NPAs	Percent age of Gross NPAs to total exposur e in that sector
Corporat e Sector	8,278,307.53	32,557.08	0.39%	7,070,577.11	77,798.24	1.10%

*Includes Balance Outstanding and Letter of Credit Outstanding

- d) **Intra-group exposures:** The Intra group exposure of IIFCL is disclosed in Note 1 (B) 5(C).
- e) **Unhedged foreign currency exposure:** The Unhedged foreign currency exposure of IIFCL is disclosed in Note 1(B)14(b).
- f) **Details of Single Borrower Limit(SGL)/Group Borrower Limit(GBL) exceeded by the applicable NBFC.**
- List of Single Exposures exceeding Limits as at 31.03.2026- Nil
 - List of Single Exposures exceeding Limits as at 31.03.2026- Nil
 - List of Group Exposures exceeding Limits as at 31.03.2026- Nil
 - List of Group Exposures exceeding Limits as at 31.03.2026- Nil
- g) **Related Party Disclosure:** The Related Party Disclosure of IIFCL is disclosed in Note 1(B) 5(B).
- h) **Disclosure of complaints:** The Disclosure complaints of IIFCL is disclosed in Note 1(B) 23.10. Further, the number of grounds of complaints is classified as Others.
- i) **Breach of covenant:** Nil
- j) **Divergence in Asset Classification and Provisioning:** Nil



24. Capital management:

In reference to the disclosure regarding Capital Management as per requirement of Para 134-136 of Ind AS 1, presentation of Financial Statement, it is mentioned that IIFCL being a Non-Banking Financial Company-Infrastructure Finance Company (NBFC-IFC), IIFCL is required to maintain capital, referred to as owned funds, as per RBI Regulations.

As per RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Owned Fund means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Government of India has infused capital in IIFCL from time to time. This has enabled IIFCL to comply with capital requirements stipulated by RBI. Moreover, IIFCL considers distribution of dividend taking into account impact on capital i.e. net owned funds subject to the directions of Government of India. No changes were made in the objectives, policies or processes w.r.t. capital management during the reporting years. The Capital Adequacy Ratio of IIFCL as on 31st March 2026 stands at 20.53% (23.44% as on 31st March 2025) (Refer Note 1(B) 22.1).

25. Department of Investment & Public Asset Management (DIPAM), Ministry of Finance, vide their Office Memorandum (OM) F. No. 5/2/2016-Policy dated 18th November 2024 issued "Guidelines on Capital Restructuring of CPSEs". The guidelines provide for payment of Dividend, issue of Bonus Shares, Buyback of Shares and Splitting of Shares by PSUs. The Guidelines for issue of Bonus Shares and Splitting of Shares are not applicable to IIFCL.

26. Guidelines on Capital Restructuring of Central Public Sector Enterprises on 18th November 2024 of Department of Department of Investment & Public Asset Management, Ministry of Finance, CPSEs are required to pay a minimum annual dividend of 30% of PAT or 4% of the net-worth, whichever is higher subject to the limit, if any, under any extant legal provision. In this regard, IIFCL vide letter dated 21st September 2016 had requested Government for exemption from payment of dividend for at least 3 years from FY 2015-16 to FY 2017-18. Subsequently, IIFCL vide letter dated 19th September 2019 had requested Government for exemption from payment of dividend atleast upto FY 2021-22. The reply of IIFCL's Letter is awaited.

Moreover, as per RBI circular RBI/2021-22/59, DOR.ACC.REC.No.23/21.02.067/2021-22 dated 24th June 2021 provides a minimum requirement that a NBFC has to declare dividend if its NNPA is less than 6% in each of the last three years, including as at the close of the financial year for which dividend is proposed to be declared. As per the aforementioned eligibility criteria, IIFCL was ineligible to declare dividend and, accordingly, IIFCL did not declare dividend for FY 2022-23.

With respect to FY 2023-24 & FY 2024-25, IIFCL's Board of Directors in their meetings held on 28th March 2024 & 18th December 2024 respectively have approved the proposal to request Government of India to provide exemption from payment of dividend. The same has been sent to the Government of India. The reply of IIFCL's Letter is awaited.



With respect to FY 2025-26, IIFCL's Board of Directors in their meeting held on 27th March 2026 have approved the proposal to request Government of India to provide exemption from payment of dividend. The same has been sent to the Government of India. The reply of IIFCL's Letter is awaited.

27. Pursuant to policy no. 1(A)(5.2(A)(a)) Upfront Fee, professing fee or any other fee directly attributable to loan assets not exceeding 0.5% of total income are initially recognized on accrual basis in Statement of Profit & Loss.
28. NBCC Ltd. has allotted IIFCL, built up space at Kidwai Nagar premises (Commercial Area, Residential Area and Parking Slots) on leasehold basis and at Nauroji Nagar premises (Commercial Area and Parking Slots) on freehold basis. As per the terms of allotment, Stamp Duty, Registration Fee, GST on sale Consideration/other allied charges, Ground Rent and Property Tax are to be paid as and when demanded by NBCC.
29. Government of India vide letter dated 9th February 2012 informed IIFCL that it has been decided that the equity of National Industrial Corridor Development Corporation Limited (NICDC) erstwhile Delhi Mumbai Industrial Corridor Development Corporation Limited (DMICDC) to the extent of 41% will be acquired by IIFCL, notwithstanding that IIFCL was not mandated to acquire equity share as per SIFTI, Scheme for Financing Viable Infrastructure Projects, under which IIFCL carries out its activities. Subsequent to the further infusion in the equity of NICDC, of the shareholding of IIFCL was changed to 4.1% in FY 2012-13. Accordingly, IIFCL has valued the investment at cost.
30. In accordance with the Guidelines relating to COVID-19 Regulatory Package dated 27th March 2020 and 17th April 2020, the RBI allowed Commercial banks, Co-operative banks, financial institutions and NBFCs to grant a 3-month moratorium on payment of instalments of all term loans which were standard assets as on 29th February 2020. The objective was to help alleviate the hardship of borrowers which was brought on by the national lockdown. The moratorium was initially granted for three months on payment of all instalments, including principal/ or interest components etc. falling due between 1st March 2020 and 31st May 2020. On 22nd May 2020, RBI extended this moratorium period by 3 months i.e. up to August 31, 2020. Interest continued to accrue on the outstanding portion of the loan during the moratorium period. For all accounts where the moratorium was granted, the ageing of accounts remained stand still during the moratorium period. Lenders were required to put in place Board approved policy prior to offering their customers the moratorium. Lenders have adopted different methods in offering the moratorium either an 'opt-in' or 'opt-out' structure.
- IIFCL has extended Moratorium for payment of Interest and Principal in eligible cases of Term Loans granted, for the period March 2020 to August 2020 in accordance with RBI Circular The repayment of the facility created, in such cases have been stipulated within the repayment period of the Original Term Loan. During Year Ended 30th September 2020, IIFCL recognized deferred interest income in moratorium loan cases without treating the same as restructuring in terms of direction no DCB.BPD (PCB) MC No. 12/09.14.000/2015-16 dated July 1, 2015. IIFCL vide letter dated 12th November 2020 requested RBI to guide that the recognition of interest income by IIFCL is in line with regulatory conformity. RBI reply in this regard is still awaited. Consequently, as on 31st March 2021, IIFCL has conservatively deferred recognition of unrealized interest income of ₹ 45,914.50 lac for moratorium period on moratorium loan cases till realization subsequently.
- During the year ended 31st March 2026, IIFCL has received repayments amounting ₹ 5,747.07 lac.



31. In accordance with the instructions of RBI Circular dated 07.04.2021 on "Asset Classification and Income Recognition following the expiry of Covid 19 regulatory package", the Bank shall refund/adjust 'interest on interest' charged to all borrowers including those who had availed of working capital facilities during moratorium period i.e. 01.03.2020 to 31.08.2020, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount to be refunded/adjusted for different facilities has been finalized by the Indian Bank Association (IBA) in consultation with other industry participants/bodies, for adopting by all the lending institutions. Accordingly, IBA vide its letter dated 19.04.2021 has informed methodology finalised for refund/adjustment as per Supreme Court judgement. Accordingly, IIFCL has not recognised the estimated amount of interest on interest income of ₹2,500 lac during the year ended on 31st March 2021. The credit of the interest income is yet to be given to the borrowers.
32. The Company has, at all times maintained sufficient security cover for the secured NCDs as stated in the respective information memorandum towards the principal amount and interest accrued. Further, IIFCL has not defaulted in the repayment of debt securities and interest thereon for the year ended 31st March 2026 and 31st March 2025.
33. As per RBI circular RBI/DOR/2024-25/135 DOR.STR.REC.72/21.04.048/2024-25 dtd. March 29, 2025 on guidelines for government-guaranteed Security Receipts, NBFCs are permitted to reverse any excess provision to the profit and loss Account in the year of transfer of loan to Asset reconstruction company (ARC) for the value higher than the net book value (NBV), provided the consideration consists solely of cash and SRs guaranteed by the Government of India. Such SRs shall be valued periodically by reckoning the Net Asset Value (NAV) declared by the ARC based on the recovery ratings received for such instruments. IIFCL has accounted unrealized losses in the Statement of Profit and Loss amounting to ₹ 1,007.16 lakhs on account of fair valuation of Security Receipts guaranteed by Government as on 31.03.2026.
34. There is no Benami Property held by the Company and there is no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
35. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."



36. There are no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
37. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
38. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
39. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
40. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate (Ind AS 12):

Reconciliation of tax expenses and product of profit before tax and corporate tax rate is as under:

(₹ in lac)

Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Profit before Tax	198,382.57	277,552.92
Statutory Income Tax Rate	25.17%	25.17%
Expected Income Tax Expense	49,928.93	69,854.52
Tax Effect of Income Tax Adjustment:		
Benefit of Deduction u/s 36(1) of Income Tax Act	-	-
Net Provisions Disallowed	(3,728.80)	(3,652.25)
Non-allowability of Income Tax	20,924.85	1,467.80
Income tax Earlier Years	(1,889.63)	(6.91)
Others	(2,950.01)	11,362.82
Deferred Tax	(1,844.93)	(6,441.75)
Tax Expense	(60,440.41)	(61,075.48)

41. Reconciliation of Liabilities to Cash Flows arising from Financing Activities:

(₹ in lac)

Particulars	Opening balance as at 1 st April 2025	Cash Flows (Net)	Other Changes*	Closing balance as at 31 st March 2026
Borrowings	3,354,748.17	1,050,915.10	136,612.83	4,542,276.10
Debt Securities	3,005,336.50	355,208.90	-	3,005,336.50

*Other changes include reinstatement of long-term borrowings, adjustment of ancillary borrowing cost.

Particulars	Opening balance as at 1 st April 2024	Cash Flows (Net)	Other Changes*	Closing balance as at 31 st March 2025
Borrowings	2,700,858.25	631,154.08	22,735.84	3,354,748.17
Debt Securities	2,289,336.50	716,000.00	-	3,005,336.50

*Other changes include reinstatement of long-term borrowings, adjustment of ancillary borrowing cost.



42. Fair value measurement hierarchy of financial assets and liabilities measured at amortized cost/Fair Value:

a. Fair Value hierarchy

Level 1- Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.

Level 2- Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3- Inputs are unobservable inputs for the valuation of assets or liabilities that the Company can access at measurement date. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments. Valuation techniques include net present value and discounted cash flow models, income approach, comparison with similar instruments for which observable market prices exist, option pricing models and other valuation models.

(₹ in lac)

Particulars	Year Ended 31 st March 2026		
	Level 1	Level 2	Level 3
Financial Asset:			
Amortised Cost	-	-	9,525,612.41
FVTPL	-	247,928.33	16,360.90
Financial Liability:			
Amortised Cost	-	-	8,038,248.69

Particulars	Year Ended 31 st March 2025		
	Level 1	Level 2	Level 3
Financial Asset:			
Amortised Cost	-	-	7,851,448.98
FVTPL	-	223,974.71	16,188.35
Financial Liability:			
Amortised Cost	-	-	6,483,054.63



b. Fair value of financial assets and liabilities that are measured at amortized cost:

(₹ in lac)

Particular	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets	9,789,901.64	9,789,901.64	8,091,612.03	8,091,612.03
Financial Liabilities	8,038,248.69	8,038,248.69	6,483,054.63	6,483,054.63

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Cross currency interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the currency, interest rate curves and forward rate curves of the underlying instrument. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships.

43. Detail of Stage wise Exposure and Impairment Loss

(₹ in lac)

Particular	Stage 1	Stage 2	Stage 3	Total
As on 31st March 2026				
Total Exposure	8,138,074.94	633.06	32,557.08	8,171,265.08
Impairment Allowance	127,681.53	490.30	32,557.08	160,728.91
ECL %	1.57%	77.45%	100.00%	1.97%
As on 31st March 2025				
Total Exposure	6,865,717.85	46,560.99	77,798.24	6,990,077.07
Impairment Allowance	97,941.45	22,941.08	53,457.67	175,544.54
ECL %	1.43%	49.27%	68.71%	2.51%



44. Comparison of provision required as per Income Recognition, Asset Classification & Provisioning Norms (IRACP) of RBI & Impairment Allowance as per Ind AS 109 'Financial Instruments':

Year Ended 31st March 2026

(₹ in lac)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	8,138,074.94	127,681.53	8,010,393.41	34,966.36	92,715.17
	Stage 2	633.06	490.30	142.76	345.27	145.03
	FITL	1,143.62	1,143.62	-	1,143.62	-
Subtotal		8,139,851.62	129,315.45	8,010,536.17	36,455.25	92,860.20
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	32,557.08	32,557.08	-	32,557.08	-
Subtotal for doubtful		32,557.08	32,557.08	-	32,557.08	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		32,557.08	32,557.08	-	32,557.08	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1					
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
	Stage 1	8,138,074.94	127,681.53	8,010,393.41	34,966.36	92,715.17
	FITL	1,143.62	1,143.62	-	1,143.62	-
	Stage 2	633.06	490.30	142.76	345.27	145.03
	Stage 3	32,557.08	32,557.08	-	32,557.08	-
	Total	8,172,408.70	161,872.53	8,010,536.17	69,012.33	92,860.20



Year Ended 31st March 2025

(₹ in lac)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	6,865,717.85	99,145.79	6,766,572.06	27,560.41	71,585.38
	Stage 2	46,560.99	22,941.08	23,619.91	1,520.71	21,420.37
	FITL	1,753.55	1,753.55	-	1,753.55	-
Subtotal		6,914,032.39	123,840.42	6,790,191.97	30,834.67	93,005.76
Non-Performing Assets (NPA)						
Substandard	Stage 3	23,678.72	11,666.75	12,011.97	2,367.87	9,298.88
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	54,119.52	41,790.93	12,328.59	22,189.36	19,601.57
Subtotal for doubtful		54,119.52	41,790.93	12,328.59	22,189.36	19,601.57
Loss	Stage 3	0	0	0	0	0
Subtotal for NPA		77,798.24	53,457.67	24,340.56	24,557.23	28,900.44
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1			0		0
	Stage 2			0		0
	Stage 3			0		0
Subtotal		0	0	0	0	0
	Stage 1	6,865,717.85	99,145.79	6,766,572.06	27,560.41	71,585.38
	FITL	1,753.55	1,753.55	-	1,753.55	-
	Stage 2	46,560.99	22,941.08	23,619.91	1,520.71	21,420.37
	Stage 3	77,798.24	53,457.67	24,340.56	24,557.23	28,900.44
	Total	6,991,830.63	177,298.10	6,814,532.53	55,391.90	121,906.20



45. Public disclosure on liquidity risk in accordance to the Guidelines on Liquidity Risk Management Framework and Liquidity Coverage Ratio as per RBI's Master Direction as on 31st March 2026 :

Funding Concentration based on counter party (Borrowing)

Date	Number of significant counterparties*	Amount (Rs. In crores)	% of liabilities
31.03.2026	15	60,595.22	76.68%

*Significant counterparty/significant instrument/product is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

Top 10 lenders (Amount in Rs. Crores and % of Total Borrowing)

S. No.	Particulars*	As at 31.03.2026	
		Amount (Rs. In crores)	% of total borrowing
1	Asian Development Bank (ADB)	11,798.91	15.35%
2	State Bank of India	7,494.32	9.75%
3	Union Bank of India	7,257.71	9.44%
4	Punjab National Bank	6,000.00	7.80%
5	Japan International Cooperation Agency (JICA)	2,040.53	2.65%
6	Bank of Baroda	2,000.00	2.60%
7	Sumitomo Mitsui Banking Corporation (SMBC)	1,540.50	2.00%
8	European Investment Bank (EIB)	1,385.16	1.80%
9	Central Bank of India	1,379.00	1.79%
10	World Bank	1,035.10	1.35%
	TOTAL	41,931.22	54.54%

*Based on outstanding bank borrowings and multilateral/bilateral loans.

*Significant counterparty/significant instrument/product is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

Funding Concentration based on significant instrument/product

S. No.	Particulars	As at 31.03.2026	
		Amount (Rs. In crores)	% of total borrowing
1	Debt Securities		
	Taxable Domestic Bonds	23,320.00	30.33%
	Tax-Free Domestic Bonds	10,285.46	13.38%
	Domestic Infrastructure Bonds	0	0.00%
	Commercial Paper	0	0.00%
	Subtotal (1)	33,605.46	43.71%



2	Borrowing		
	Rupee Term Loan	12,331.03	15.60%
	Short Term Loan	12,997.47	16.45%
	Foreign Currency Loan	17,945.49	22.71%
	Overdraft against Fixed Deposits	2,148.82	2.72%
	Subtotal (2)	45,422.81	57.48%
	TOTAL (1+2)	79,028.27	100.00%

Stock Ratios

Parameter	As at 31.03.2026
Commercial Paper to Total Borrowing	0.00%
Commercial Paper to Total Liabilities	0.00%
Commercial Paper to Total Assets	0.00%
Non-Convertible Debentures to Total Borrowing	42.52%
Non-Convertible Debentures to Total Liabilities	41.70%
Non-Convertible Debentures to Total Assets	34.12%
Other Short-Term Liabilities to Total Borrowing	15.60%
Other Short-Term Liabilities to Total Liabilities	15.30%
Other Short-Term Liabilities to Total Assets	12.52%

Institutional set-up for Liquidity Risk Management

IIFCL endeavors to maintain sufficient Liquidity to take care of its business requirements as per Resource and Treasury Policy of IIFCL. Further, the Liquidity Risk Management of IIFCL has undertaken through the Asset Liability Management Framework of IIFCL (ALM Policy) and the organizational setup for the same is as below:

- Board of Directors
- Risk Management Committee
- Asset-Liability Management Committee
- Risk Management Department

Also, the Risk Management Committee, which is a Board-level committee comprising Non-Executive Directors, the Managing Director, and the Deputy Managing Director of IIFCL, is responsible for overseeing the overall risks faced by IIFCL, including liquidity risk.

Further, IIFCL not only measures the liquidity positions on an ongoing basis but also examines how liquidity requirements are likely to evolve under different assumptions using following tools/techniques:

- Bucketing and Bucketing Assumptions
- Cash Flow Measurement – Structural Liquidity Report
- Dynamic Liquidity Report
- Limits Monitoring
- Stock Based Approach – Liquidity Ratios



- Liquidity Coverage Ratio (LCR)
- Stress Testing Framework for Liquidity Risk
- Funding Strategy
- Currency Risk
- Contingency Funding Plan

Disclosure pertaining to Liquidity Coverage Ratio:

RBI issued the guidelines covering liquidity risk management for NBFCs wherein RBI introduced Liquidity Coverage Ratio (LCR) applicable on all non - deposit taking NBFCs with asset size of more than Rs. 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. As per the guideline, LCR is represented by Stock of High-Quality Liquid Assets (HQLA) divided by Total Net Cash Outflows (stressed outflow less stressed inflows) over the next 30 calendar days. HQLA are defined by RBI as the liquid assets that can be readily sold or immediately convertible into cash at little/no loss of value or can be used as collateral to obtain funds in stress situations.

As stipulated by RBI, w.e.f. 01-12-2024, IIFCL is required to hold minimum LCR of 100% and IIFCL has maintained HQLA in line with the RBI requirement in the form of Current Account balance with Banks and eligible Government Securities. For the quarter ended 31.03.2026, data has been presented as simple averages of daily observations over the quarter.

As evident, currently IIFCL's liquidity coverage ratio is as per the regulatory limits of 100%.

LCR Disclosure Template – Year ended 31st March 2026

(₹ in crore)

		Quarter ended June 2025		Quarter ended September 2025		Quarter ended December 2025		Quarter ended March 2026*	
		Total Unweig hted Value (averag e)	Total Weigh ted Value (avera ge)	Total Unwei ghted Value (avera ge)	Total Weight ed Value (avera ge)	Total Unweig hted Value (averag e)	Total Weight ed Value (avera ge)	Total Unwei ghted Value (avera ge)	Total Weigh ted Value (avera ge)
High Quality Liquid Assets									
1	Total High Quality Liquid Asset (HQLA)	1700.14	1700.14	2784.71	2784.71	2870.09	2870.09	2231.89	2231.89
Cash Outflows									
2	Deposits (for deposit taking Companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	3990.70	4589.31	5665.90	6515.79	7517.95	8645.64	5248.30	6035.55



5	Addition requirements, of which	-	-	-	-	-	-	-	-
(	Outflows related to derivative exposures and other collateral requirements	-	-	11.85	13.63	0.30	0.35	-	-
i									
)									
(	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
ii									
i	Credit and liquidity facilities	735.19	845.47	926.83	1065.85	1238.13	1423.85	1206.43	1387.39
)									
6	Other Contractual funding obligations	223.18	256.66	70.40	80.96	205.47	236.29	366.75	421.77
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	Total Cash Outflows	4949.07	5691.43	6674.98	7676.23	8961.85	10306.13	6821.48	7844.70
Cash Inflows									
9	Secured Lending	-	-	-	-	-	-	-	-
1	Inflows from fully performing exposures	306.30	229.73	72.11	54.08	91.52	68.64	1685.16	1263.87
0									
1	Other Cash inflows	7508.39	5631.29	8904.85	6678.64	9940.74	7455.55	8364.73	6273.55
1									
2	Total Cash Inflows	7814.69	5861.02	8976.96	6732.72	10032.26	7524.20	10049.89	7537.42
Total Adjusted Value									
1									
3	Total HQLA	1700.14	1700.14	2784.71	2784.71	2870.09	2870.09	2231.89	2231.89
1									
4	Total Net Cash Outflows	1422.86	1422.86	1919.06	1919.06	2781.93	2781.93	1961.18	1961.18
1									
5	Liquidity Coverage Ratio(%)	119.49	119.49	145.11	145.11	103.17	103.17	113.80	113.80

* From 01.01.2026 to 31.03.2026 (Average)

46. Disclosure on Loans to Directors, Senior Officers, and relatives of Directors

Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Directors and their relatives*	-	-
Entities associated with directors and their relatives	-	-



Senior Officers and their relatives	-	-
-------------------------------------	---	---

* Does not include Loans & Advances as per terms of employment of respective directors.

47. In response to IIFCL's letter dated 21st July 2021, RBI clarified that investments including refinancing by way of subscription to bonds/debentures for infrastructure projects, whether in projects under implementation or in completed projects, shall be considered as 'infrastructure lending' for the purpose of deployment of minimum 75% of total assets by IIFCL towards 'infrastructure loans'. Accordingly, IIFCL reckoned amount of subscription to Bonds of Infrastructure Projects for determining the Gross NPA and Net NPA ratios. However, RBI in its Preliminary Inspection and Risk Assessment Report w.r.t. Financial Position as on 31st March 2023, had observed the Company had included its investment in Bonds as part of its Loans & Advances while calculating NPA ratios (therefore, understating the ratios).

In this regard, IIFCL has made submission to RBI that subscription to the Bonds of Infrastructure Projects are classified as Loans & Advance. Accordingly, amount of Loans & Advances including amount of subscription to Bonds of Infrastructure Projects is considered for determining the Gross NPA and Net NPA.

The Gross NPA and Net NPA of IIFCL as on 31st March 2026 as per Loans & Advances excluding Subscription to Bonds of Infrastructure Projects would be GNPA- 0.55% and NNPA- NIL for the year ended 31st March 2026 (GNPA-1.35% and NNPA-0.42% for the year ended 31st March 2025).

48. The brief details regarding Fraud Loan Assets are as under:

S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
1.	Ind Barath Power (Madras) Ltd.	February 25, 2015	Dec 31 st , 2016	Project Background - Implementation of a coal based thermal power plant with a capacity of 660 MW (1x660 MW) in Tuticorin. Reason for NPA - The borrower had made certain advances to the suppliers of equipment, Balance of	Reason for Fraud - The consortium lenders had appointed PricewaterhouseCoopers (PwC) to conduct forensic audit, wherein the Auditor concluded that certain transaction may be categorized as a fraudulent transaction under section 66 of Insolvency & Bankruptcy Code 2016. Accordingly, IIFCL had declared the account as fraud on 22.03.2018 and had reported to RBI, as per extant guidelines. Status of reporting to investigating authority - FIR was lodged by EOW, Delhi Police, with ref no. 196 dated 03.10.2018, based on the complaint filed by the lenders in February 2018. CVC had convened a meeting in Dec 2018 to review the matter. - Based on the directions of Home Ministry, EOW, Delhi Police transferred the account to CBI, BSFB Delhi and CBI filed FIR on 29.04.2019.



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				Plant (BOP) etc. and parked the balance amount in Fixed Deposits (FDs) pending utilization. Axis Bank had acted as TRA Bank. However, group companies of the borrower had availed short term loans to the tune of around Rs. 577 crores against FDs so created, from the funds disbursed by the consortium. The consortium advised the borrower and Axis Bank (TRA Bank) to return the funds so diverted, which was not complied with. Further, part of the advances extended to Civil/BOP	- CBI had filed charge sheet against 16 accused including Mr. K Raghu Rama Krishhna Raju (Chairman and Managing Director) and Madhusudhana Reddy (Director). Legal Status/Way Forward/ - Suit for permanent and mandatory injunction and damages has been filed against Axis Bank for breach of its contractual obligations under the TRA and the amended TRA on 02.04.2019 at High Court of Delhi. Proceedings are underway. - The borrower was admitted under CIRP of NCLT in August 2017 and further, application for initiation of CIRP against guarantor was filed in September 2018 in NCLT, Chennai. With respect to CIRP of the borrower, considering the merits and de-merits of the plan submitted by Resolution Applicant, CoC dissented the resolution plan. NCLT vide order dated 22.04.2019, referred the account to liquidation. - Presently, company is under liquidation which is stayed. On 09.04.2021, the Hon'ble NCLT passed an order in Sec. 66 application against which both the lenders and the liquidator have filed appeals with NCLAT which are pending adjudication as on date. - CIRP was started against the promotor company Ind Barath Power Infra Ltd. by IIFCL. However, Hon'ble NCLAT, Chennai Bench, vide its interim order dated 05.04.2023, has directed the CoC that "till the next date of hearing, it shall not proceed further in the subject matter in issue". As per vide email dated 14.07.2025, it was informed that "<i>at the request of the Insolvency and Bankruptcy Board of India ("IBBI"), the Hon'ble NCLAT, had pre-listed the said appeal and the same was listed on July 14, 2025.</i>" The Counsel for Appellant initiated arguments and the matter is now listed on 29.05.2026. - Staff Accountability exercise is completed and no staff was found accountable.



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				contractor (Sokeo Power) to the tune of around Rs. 350 crores, were returned to the group companies of the borrower, which were also diverted for purposes other than the project. - The borrower gave certain commitments for payments. However, no tangible progress was made. - Ind Barath Power (Madras) Ltd. was classified as a Non-Performing Asset (NPA) due to persistent loan defaults, inability to service debt obligations, and eventual insolvency proceedings initiated under the Insolvency and Bankruptcy Code (IBC).	



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
2.	Gangotri Jhabua Jobat Kukshi Tollways Pvt Ltd	February 14, 2012	March 31, 2018	Project Background - IIFCL had sanctioned and disbursed Rupee term loan of Rs 39.11 crore for part funding the project promoted by M/s Gangotri Enterprises Ltd for carrying out two laning of Jhabua Jobat Kukshi section of road (State Highway-39) from km 0.00 km to 92.42 km (length of 95.00 km) on Build-Operate-Transfer (BOT) basis in the state of Madhya Pradesh Reason for NPA - The project achieved COD in August 2018. However, toll collection has been lower than the initial estimations.	Reason for Fraud - Basis the findings of the forensic audit report (FAR), IIFCL's Board in its meeting dated 21.12.2019, had approved declaring the account as a fraud account. The same was reported to Reserve Bank of India. Status of reporting to investigating authority - IIFCL had forwarded a complaint with Central Bureau of Investigation. However, CBI had returned the Complaint advising to file fresh complaint by Lead Bank. IIFCL had requested Lead Bank to file a fresh complaint in the matter. - Lead Bank being a private sector Bank, vis, Axis Bank had filed a complaint with the Economic Offences Wing (EOW), New Delhi. However, the complaint has been closed by the EOW stating "during the course of enquiry, no cognizable offence has been found to be made out in the present matter." - In respect of declassification of the account as fraud, Lead Bank informed that since key conditions of recovery/write-off of the fraud amount remains unmet, they cannot declassify the account as fraud. - Meanwhile, during the Vigilance Department's Quarterly Structured Meeting, the team was advised to consult the CVC on how to proceed. Legal Status/Way Forward - IIFCL had filed suit in DRT in March 2020. - Lead Bank is in process of filing application under section 7 of IBC. - Lenders are also following up with the Authority for termination of Project. - Staff Accountability exercise is completed and no staff was found accountable.
3.	Topworth Tollways (Bela) Pvt. Ltd	February 03, 2014	December 31, 2016	Project Background Construction, development,	Reason for Fraud - The Forensic Auditor had reported the following: - As per ABS as on 31.03.2018 an amount of Rs. 45.75 crores are still outstanding out of



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				management and maintenance of four lane carriageway of Satna – Bela (NH-75) from km 155.40 to km 198.600 in the state of Madhya Pradesh on BOT basis. The project was awarded by MP Road Development Corporation Limited (MPRDC). Reason for NPA - The project was running behind schedule. - The Concession Agreement was terminated by MPRDC vide its letter dated 29.05.2017. - Lead Bank has filed OA in DRT, Mumbai.	Rs. 42 crores each paid to Topworth Infra Pvt Ltd (Parent/holding company cum EPC Contractor) towards Mobilisation advance and equipment advance in 2013-14. - Unsecured Loans of Rs.8 crore squared off with the receivables of Rs.4.05 crore of Topworth Infra Private Ltd and equipment advances of Rs.3.95 crore. - Company had opened a current account with Karur Vysya Bank in FY 2016-17 and deposited Rs.5.79 crore which was routed outside the Escrow mechanism. - Lead Bank had declared the project account as fraud. - In line with the Lead Bank, IIFCL had also declared the project account as fraud and reported the same to RBI. Status of reporting to investigating authority - As per the order of city civil court, Mumbai vide Notice of Motion 519 of 2020, lenders are restrained from taking any precipitative action on the basis of declaration of account of Borrower Company as fraud. IIFCL has been following up regularly but there is no further update and the stay continues. Legal Status/Way Forward - IIFCL had filed Original Application in DRT in January 2019 (OA 30/2021). Proceedings are underway. - Insolvency resolution process against Personal Guarantor (Mr. Abhay Narendra Lodha) to the Corporate Debtor to Topworth Tollways (Bela) Pvt Ltd was filed by State Bank of India, wherein IIFCL had submitted its claims. - Staff Accountability exercise is completed and no staff was found accountable.
4.	Ranchi Expressways Ltd	August 26, 2011	December 31, 2017	Project Background The project promoted by Madhucon	Reason for Fraud As per the Forensic Audit report, the directors of the Borrower Company in conspiracy with the auditors and using the accounts of promoter group companies fraudulently obtained the



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				Group involved Four laning from km 114.00 to km 277.500 on the Ranchi-Rargaon-Jamshedpur section of National Highway(NH)-33 in the state of Jharkhand under National Highways Development Programme Phase III to be executed on Build, Operate and Transfer (BOT) Annuity basis. The Concession Authority is NHAI. Reason for NPA The project suffered due to non-availability of RoW, environment and forest clearance, and failure by promoters in infusing their equity on timely manner.	drawdown from consortium of banks. As a result of the above conspiracy funds to the tune of Rs. 264.01 Crore was diverted on account of round tripping in equity/sub ordinate debt infusion, diversion of mobilization and material advances and not utilizing the same for purpose of project work as per agreed terms. All consortium lenders including IIFCL have declared the account as fraud. Status of reporting to investigating authority - On direction of the High Court, CBI has registered an FIR in the case on 12.03.2019 and enquiry is underway. Legal Status/Way Forward - Suit in DRT, Hyderabad filed on 15.06.2020. Proceedings are underway. - Account is admitted in NCLT on 22.12.2023. IIFCL claims are provisionally admitted. Currently, NCLAT stay on proceedings. - Arbitration Proceedings: As informed by the Company, Arbitration proceedings were initiated and company had made claims of ~Rs.8200.00 crores and there were counter claims by NHAI to the extent of ~Rs. 2860.00 Crores. - Lead Bank informed during the JLM held on 15.05.2025 that company has not paid the fees of Arbitration committee which will hinder further proceedings. - Staff Accountability exercise is completed and no staff being found accountable.



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				The project has achieved physical progress of approx. 50.24% as on date.	
5.	Sew LSY Highways Ltd	November 30, 2011	September 30, 2016	Project Background - Four-Laning of Delhi-Saharanpur-Yamunotri (up to Uttarakhand border) Section of SH-57 (km. 10.911 to km. 217.000). Reason for NPA - Project has been Terminated by Concessioneing Authority i.e. UPSHA.	Reason for Fraud and Status of Reporting to Investigating Authority - In Feb 2017, FIR has been filed by UPSHA with Police Authority, UP, against company directors, LIE and CAs of lenders, citing mis-utilization of funds. In continuation of this, IIFCL has received a letter in Aug 2019, from Special Investigation Team (SIT), Uttar Pradesh Police, wherein information/documents pertaining to the captioned project account has been asked. IIFCL is in process of submitting the same. - IIFCL, in line with Lead Bank, has declared the account as fraud. - A complaint was registered with CBI. Legal Status/Way Forward - Lenders have filed a joint recovery suit in DRT, Hyderabad on 10.08.2017. proceedings are underway. - Lenders have received offer for purchase of asset from NARCL. IIFCL has given its mandate to Lead bank to conduct Swiss challenge process. - Lead Bank has issued EOI for Swiss challenge process. - On conducting the Swiss Challenge no bids were received. - As no counter bids were received, lenders have assigned debt to NARCL in the month of March,2024. The transfer of Loan exposure was on "as is what is", "whatever there is" and "without recourse" basis, i.e., the risks such as credit risk, Operational risk, Legal or any other type of risks associated with the stressed loan



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
					were also transferred to the buyer/acquirer (NARCL). - IIFCL has received its share in consortium. - Staff Accountability exercise is completed and no staff being found accountable.
6.	Jas Infrastructure & Power Ltd	November 19, 2011	October 31, 2013	Project Background 1320 MW (2*660 MW) supercritical coal based thermal power project in Banka District, Bihar, of Abhijeet Group. - The project was at standstill since Nov 2012 with physical progress of 28% Reason for NPA - The account slipped into NPA category on 30.10.2013 with IIFCL as during 2012 Captive block allotted to the project appeared in the CAG report on coal block allocations in Aug, 2012.	Reason for Fraud - The forensic auditor in its report has stated inter-alia that the borrowed funds have been moved from the Borrower Company to group companies without creating any assets, borrowed from Banks and financial institutions utilized for the purposes other than that it was borrowed for etc. - PNB (second largest lender) has declared the account as fraud and filed complaint with CBI in March 2019. The Board of IIFCL in its meeting held on June 29, 2020 has declared the account as fraud based on forensic audit. Status of reporting to investigating authority - PNB (second largest lender) has filed complaint with CBI in March 2019. FIR has been registered by CBI. PNB updated that CBI has returned the complaint stating there was stay by Nagpur Civil Court, PNB also stated that no fresh CBI complaint has been filed by them. IIFCL has been following up regularly but there is no further update and the stay continues. Legal Status/Way Forward - IIFCL along with PFC and SBBJ has joined the suit filed by ACRE in DRT, Delhi. - Recovery application was filed in DRT in October 2016. The matter is listed for argument on 18.05.2026. - During Joint Site Visit conducted by lenders on 20.01.2017, it was observed that the plant & m/c were missing. Borrower has been advised to lodge Police complaint and file insurance claim. However, there is no response. Accordingly, IIFCL issued notice under section 13(2) of SARFAESI Act on 02.02.2017. - The project was referred under CIRP by PNB in October 2019 and was admitted in NCLT,



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
					Kolkata. As no Expression of Interest (Eoi) was received, Committee of Creditors accorded its consent for Liquidation. The proceedings under Liquidation are underway. The liquidation proceedings are ongoing at NCLT Kolkata. Further, appeals have been filed at NCLAT and Delhi High Court. Staff Accountability exercise is completed and no staff being found accountable.
7.	Reliance Communications Ltd	March 01, 2016	December 31, 2017	Project Background The project involved up gradation of communication technology in Phase manner. Phase I being the expenditure towards acquiring spectrum from Department of Telecommunication (DoT) and Phase II involves expenditure on expansion and capacity augmentation of existing telecommunications network related to 2G/3G/BWA, Direct to Home Services.	Reason for Fraud - Forensic Auditor (M/s BDO India LLP) in its audit report has observed that Borrowed Funds to the extent of Rs. 15,436 crores were utilized in non-compliance to the terms of sanction letters. Status of reporting to Investigating Authority - Account was declared as Fraud by IIFCL in March 2021 and reported to RBI on 15.06.2021. - SBI (Lead Bank) filed a complaint with CBI. As regard including IIFCL's name in the CBI complaint, SBI informed that Hon'ble High Court of Delhi vide interim order dated 06.01.2021 directed SBI to maintain "status quo". - Thereafter, Lead bank vide mail dated 31.05.2023 informed that in view of recent Supreme Court order dated 27.03.2023 on Fraud classification and Reporting by Bank, Delhi High Court vide its order dated 12.05.2023 (set-aside the SBI action in having declared the account as "Fraud". Therefore, the matter was to be re-examined before taking any further action. - Meanwhile as discussed in the lender's meeting held on 12.10.2023, IIFCL issued Show Cause Notices (SCN) to borrower / directors in line with other lenders. IIFCL had received queries by borrower / directors which were replied by IIFCL. - State Bank of India (Lead Bank) vide email dated 20th June 2025, informed lenders that they have declared the account of RCOM and its promoter Director-Anil Ambani as fraud vide its FIC dated 13.06.2025. Further, SBI informed vide email



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				- IIFCL had participated in part funding the Phase II project. - A Joint Lenders Forum (JLF) with State Bank of India as a Lead and JLF Conveyer was formed with effect from 02/06/2017. - The Company was referred under Corporate Insolvency Resolution Process (CIRP). Reason for NPA - The account turned NPA due to high cost, increase in competition in the telecom sector and overall stress in the telecom industry. - The reduction of total income is due to rationalization of the various tariff plans in	dated 19.09.2025 that RTL has been declared wilful default and RCOM is under process. - SBI filed a complaint with CBI on 18.08.2025 mentioning their dues of ~Rs. 2929 cr. Further dues of other lenders were also mentioned in the complaint, including IIFCL's dues of Rs. 248 cr. Subsequently, CBI has registered an FIR on 21.08.2025. - IIFCL has participated in Phase II of the project which was led by Bank of Baroda (BoB). - BoB has also filed a separate complaint with CBI on 24.02.2026 mentioning their dues of Rs. 2223 cr. Subsequently, CBI has registered an FIR on 25.02.2026. - Currently, the investigation is underway. - Since IIFCL continues to retain the account as fraud. Therefore, in line with BoB, Special Committee of Board for Monitoring and Follow-up of Cases of Fraud (SCBMF) during the meeting held in Mar 26 advised to file the complaint against the borrower before CBI which is under process. Legal Status/Way Forward/ - IIFCL had submitted a claim of Rs. 328.59 Crore vide Form C before the IRP of RCOM. Further, as the Deed of Hypothecation was executed on 16/06/2016 by RCOM, RTL, RITL and Reliance Communication Infrastructure Ltd (RCIL) in favor Axis Trustee Services Ltd. (on behalf of IIFCL), IIFCL had filed claim before RPs of RITL, RTL and RCIL. - The Resolution Plan submitted by UVARC for RCOM and RTL and RDPPSL for RITL was voted in favor with 100% majority and was filed by RP with NCLT, Mumbai for orders. - Plan of Reliance Communication Infrastructure Limited (subsidiary of RCOM) was held in Aug 2021. The resolution plan submitted by Reliance Projects and Property Management Services Limited ("RPPMSL") was approved by CoC.



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				some circle, slow down subscriber additions in some areas.	- NCLT approved the plan by RDPPSL for RITL. The resolution plans for other two entities are yet to be approved. - IIFCL submitted No-Dues Certificate to Resolution professional pursuant to the Resolution Plan submitted by Reliance Digital Platform & Project Services Limited through its division Infrastructure Projects in relation to the corporate insolvency resolution process of Reliance Infratel Limited (RITL) (yet to be received). - IIFCL share in approved resolution plan in RITL is approx. Rs. 29 Cr. (i.e 0.80% of 3720 Cr.) and in RCIL is 3.77 Cr (i.e .83%) - Staff Accountability exercise is completed and no staff being found accountable.
8.	Transstroy Obdullagan j Betul Tollways Ltd	January 08, 2013	December 31, 2016	Project Background Four Laning of Obdullaganj to Betul section of NH-69 from km 2.800 to KM 8.300 and km 20.700 to km 137.000 (approx. length 121.36 km) (excluding wild life sanctuary from km 8.300 to km 20.700) (Except Bypass 28.000 to km 61.500 as Two lane with paved shoulder) in the state of Madhya	Reason for Fraud - Forensic Auditor (M/s Sarath Associates) in its audit report, has observed that: The end use of the promoter's contribution and the bank loans totaling to Rs 453.48 crores could not be fully verified as the borrower had transferred entire funds to EPC contractor viz., Transtroy India Limited and the EPC contractor did not cooperate in providing the supporting documents for the expenses incurred by it against the Obdulaganj and Betul Road project. An amount of Rs 90.93 crores were used in paying against the IDC charges, Rs 38.48 crores were claimed as expenses incurred at site but no supporting documents were provided in support of such expenses. Balance amount of Rs 324.07 crores could not be verified independently with any support documents. - Basis the findings of FAR, IIFCL declared the account as fraud June 2021. Status of reporting to investigating authority - Lead Bank has informed that it had filed a joint CBI complaint on behalf of all the member



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				Pradesh (MP) to be executed as BOT (Toll) project on DBFOT pattern under NHDP Phase III. - The project was awarded by NHAI and Scheduled COD of the project was 30.04.2015. - IIFCL has sanctioned a Term Loan assistance of Rs. 160.00 Cr to the project. Reason for NPA - The project was terminated by NHAI on 18.10.2016 on account of citing, abandonment of the project highway by the concessionaire, non-achievement of project milestones, non-maintaining the project highway in	Banks with CBI, Delhi on 30.09.2021. However, CBI has raised certain queries and directed Lead Bank to resubmit the complaint to CBI, Bengaluru. - Revised complaint was submitted by the Lead Bank to CBI on 31.01.2023, 09.11.2023. - Lead Bank informed that CBI complaint was submitted for the fourth time on 30.05.2024. However, CBI, BSFB Bangalore has returned the complaint on 09.08.2024 by quoting Hon'ble Supreme Court order dt 27.03.2023 in case SBI Vs Rajesh Agarwal. - In compliance to the Hon'ble Supreme Court order dt 27.03.2023, Lead bank issued SCNs and rebuttal notices to replies of SCNs to the borrower/directors on 09.01.2025 and 08.07.2025 respectively. - IIFCL has also issued SCNs on 30.07.2025 and replies from directors have been received. - Revised CBI Compliant was submitted but CBI, New Delhi vide their letter dated 14.08.2025 returned the compliant stating that "<i>Complaint was not reclassified as Fraud by our Bank</i>". Lead Bank is following with CBI to ascertain the reason. No reply has been received from CBI officials till date. IIFCL is following up with Lead Bank for the matter. - As requested by Nominee Director of SPV, Mr. Sridhar Cherukuri in its reply to SCN, a copy of Forensic Audit report along with annexures was again shared with him. Also, as per the decision of SCBMF, an opportunity for in-person hearing was also communicated to him. However, in response no such request for scheduling a meeting was received. - Accordingly, SCBMF during its meeting held in Mar 26 decided to retain the account as fraud. Legal Status/Way Forward - Legal Notice was issued through advocate against the borrower/ promoters/ sponsors/



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				traffic worthy condition and non-payment of fee to IE. Further, due to non-servicing of dues of lenders, the account turned into NPA with IIFCL w.e.f. 31.12.2016.	guarantors for repayment of outstanding dues of lenders, including IIFCL. The Joint recovery suit has been filed in DRT, Hyderabad in October 2017 bearing OA No. 678/2017, wherein disposal was allowed. As per the DRT order, Company is liable to pay to the consortium the claims made in the Original Application (OA) in DRT suit. However, there is no collateral security available in the project. The recovery mechanism is being explored by lenders, Staff Accountability exercise is completed and no staff being found accountable.
9.	Transstroy Hoskote Dobbaspel Tollways Private Limited	September 02, 2013	September 30, 2017	Project Background: - Four laning of existing road on Hoskote-Dobbaspel Section (Km 58.300 to Km 138.320) of NH-207 in the state of Karnataka on DBFOT basis. - The project was awarded by NHAI. Scheduled COD of the project was 08.02.2016 - IIFCL has sanctioned a Term Loan assistance of Rs. 112.00 Cr	Reason for Fraud - Forensic Auditor (M/s Sarath Associates) in its audit report, has observed that: The EPC contractor (Transstroy India) failed to provide the records and supporting documents for the funds transferred by SPV as evidence of expenses incurred, inspite of repeated attempts for submission of the same during the Forensic Audit. Further, it also failed to justify the reasons why only 11.34% of the total project was completed against the 44.70% of the fund utilisation of the total project cost and the huge gap in fund utilisation vis-a-vis work completion. there is a possible diversion of funds by EPC contractor. Further there was no proper justification for the expenses incurred and also noncooperation in submitting the required information. - Basis the findings of FAR, IIFCL declared the account as fraud in June 2021. Status of reporting to investigating authority - IIFCL, in line with other consortium lenders, had provided mandate to Lead Bank (Central Bank of India) to file the complaint with CBI, Hyderabad. Lead bank has informed that it has forwarded the papers to CBI Delhi on



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				Reason for NPA - The project was terminated by the NHAI in May 2017 on account of citing abandonment of the project highway by the concessionaire, non-achievement of project milestones, non-maintaining the project highway in traffic worthy condition in terms of Safety requirements and non-payment of fee to IE. - Further, due to non-servicing of dues of lenders, the account turned into NPA with IIFCL w.e.f. 30.09.2017.	25.10.2021 for doing the needful. However, CBI has raised certain queries and directed Lead Bank to resubmit the complaint to CBI, Bengaluru. - Revised complaint was submitted by the Lead Bank to CBI on 19.01.2023, and 09.11.2023. - Lead Bank submitted CBI complaint for fourth time on 15.05.2024. However, CBI, BSFB Bangalore has returned the complaint on 09.08.2024 by quoting Hon'ble Supreme Court order dt 7.03.2023 in case SBI Vs Rajesh Agarwal. - In compliance to the Hon'ble Supreme Court order dt 27.03.2023, Lead bank issued SCNs and rebuttal notices to replies of SCNs to the borrower/directors on 09.01.2025 and 23.06.2025 respectively. - IIFCL also issued Show Cause Notices on 30.07.2025, however, no reply was received. - Since no reply was received against the SCNs, either from borrower or directors, within the stipulated time, SCBMF during its meeting held in Dec 25 decided to retain the account as fraud. - Meanwhile, Lead Bank has submitted revised CBI complaint. CBI had asked lenders to confirm about availability of documents. Though, IIFCL had confirmed the availability of documents, Lead Bank vide email dated 04.11.2025 informed that due to no response from remaining lenders about availability of documents, CBI, returned the complaint and have asked to submit an Annexure to the letter. Legal Status/Way Forward - Legal Notice was issued through advocate against the borrower/ promoters/ sponsors/ guarantors for repayment of outstanding dues of lenders, including IIFCL. The Joint recovery suit has been filed in DRT, Hyderabad on 15.12.2018, wherein disposal was allowed. - As per the DRT order, Company is liable to pay to the consortium the claims made in the Original Application (OA) in DRT suit. However, there is



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
					no collateral security available in the project. The recovery mechanism is being explored by lenders. Staff Accountability exercise is completed and no staff being found accountable.
10.	Transstroy Bhopal - Biaora Tollways Private Limited	02.09.2013	31.01.2016	Project Background: - Four laning of the Bhopal - Biaora section (km 316.10 to km. 423.40) of National Highway no.12 in the State of Madhya Pradesh on design, build, finance, operate, transfer (DBFOT) basis toll basis. - The project was awarded by MPRDC. Scheduled COD of the project was set as 12.08.2014 and was later extended to 20.05.2016. - IIFCL had sanctioned a Term Loan assistance of Rs. 100.00 Cr to the captioned	Reason for Fraud Forensic Auditor (M/s Sarath Associates) in its audit report, has observed that: Out of the total project estimated cost of Rs 711.59 crores, an amount of Rs. 499.92 crores which is equivalent to 70.25% was spent by the borrower, however only 43.15% of work was completed as per the LIE report and 18.64% of completion as certified by IE in the letter of MPRDCL. EPC contractor could not justify for the gap and also failed in providing the supporting documents for spending such expenses towards the project. The EPC contractor failed to provide the record, and supporting documents for the funds transferred by SPV as evidence of expenses incurred, during the Forensic Audit. Further, it also failed to justify the reasons why only 43.15% of the total project was completed against the 70.25% of the fund utilization of the total project cost and the huge gap in fund utilization vis-a-vis work completion, there is a possible diversion of funds by EPC contractor. Further, there was no proper justification for the expenses incurred and also non-cooperation in submitting the required information. - Basis the findings of FAR, IIFCL declared the account as fraud in June 2021. Status of reporting to investigating authority - IIFCL, in line with other consortium lenders, had provided mandate to Lead Bank (Central Bank of India) to file the complaint with CBI, Hyderabad. Lead bank has informed that it has forwarded the



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				project account. Reason for NPA - The project was terminated by the MPRDC in May, 2016, citing, non-achievement of project milestone, failure in paying dues to the authority towards IE's fee, delay in achieving financial closure etc. and failed to expedite the construction work at the project site. - Further, due to non-servicing of dues of lenders, the account turned into NPA with IIFCL w.e.f. 31.01.2016.	papers to CBI Delhi on 13/10/2021 for doing the needful. - However, CBI, vide their letter dated 06.01.2022 has returned the complaint showing certain deficiencies. - Revised CBI complaint against the company and Directors was submitted to CBI, New Delhi on 04.02.2023. However, CBI, New Delhi returned the complaint citing certain lacunae. - Lead Bank submitted CBI Complaint for fourth time on 28.05.2024. However, CBI, BSFB Bangalore had returned the complaint on 09.08.2024 quoting Hon'ble Supreme Court order dt 27.03.2023 in case SBI Vs Rajesh Agarwal. - In compliance to the Hon'ble Supreme Court order dt 27.03.2023, Lead bank issued SCNs and rebuttal notices to replies of SCNs to the borrower/directors on 09.01.2025 and 08.07.2025 respectively. - IIFCL has also issued SCNs on 30.07.2025 to the directors / promoter / borrower. The reply was received from both the directors. - Based on the contents of the reply received in response to the SCNs issued by IIFCL, SCBMF during its meeting held in December 25 decided that fraud classification is not to be reversed. - Meanwhile, revised CBI Complaint was submitted but CBI, New Delhi vide their letter dated 14.08.2025 returned the compliant stating that "Complaint was not reclassified as Fraud by our Bank". Lead Bank has requested Nodal Officer, New Delhi to discuss with CBI reasons for return of the compliant as in similar account M/s Transstroy Hoskote Dobbaspur Tollways Private Limited, complaint was processed for further investigation. No reply has been received from CBI officials till date. Legal Status/Way Forward - Legal Notice was issued through advocate against the borrower/ promoters/ sponsors/ guarantors for repayment of outstanding dues of lenders, including IIFCL. The Joint recovery suit



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
					has been filed in DRT, Hyderabad on 16.10.2017, wherein disposal was allowed. - As per the DRT order, Company is liable to pay to the consortium the claims made in the Original Application (OA) in DRT suit. However, there is no collateral security available in the project. The recovery mechanism are being explored by lenders. - Staff Accountability exercise is completed and no staff being found accountable.
11.	Kiratpur Ner Chowk Expressways Ltd	05-Jun-12	31-Dec-18	Project Background: Development and Construction of Four laning of the Kiratpur - Ner-Chowk section of NH-21 from km 73.200 to km 186.500 in the state of Punjab and Himachal Pradesh under NHDP Phase III on design, build, finance, operate and transfer (DBFOT) (Toll) basis. Reason for NPA The project suffered delay in completion due to non-fulfillment of obligation by the Authority like delay in providing ROW, RoB, Forest clearance.	Reason for Fraud - Forensic Auditor (M/s Parkash Ved & Co.) was appointed by the lenders. Forensic Auditor, in its audit report, has concluded as under:- - As per of various Investigations conducted by RBI various agencies regarding group accounts it has been observed that one of its group company IFIN engaged in financing, lend money to various entities/ group companies who in turn further lend to IL&FS Transportation Networks Limited, by bypassing RBI directions on concentration of credit in a single company or a group company. These group companies which acted as a conduit was assuring that loan from IFIN will not have to be repaid till ITNL pay them back. As per findings the exposure were taken on special purpose vehicles of IL&FS Transportation Networks Limited by assignment of loan originally given to ITNL. - It has also been observed that some of the projects of SPV's were terminated as there were no scope of SPV's generating funds to repay loans assigned to them. Due to mismatch in cash flow the company defaulted on payment of Rs. 20.91 Crore due on principle and interest of Non-convertible debentures because of insufficient funds. All this happened because the company did not have a board approved policy and investment review committee and risk management committee did not meet at all.



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				- The project had been at a standstill since Nov. 2016 and was yet to achieve PCOD. Physical Progress of the project as per IE Report was 63.23%. - Concessionaire, on January 23, 2019 had issued Termination Notice. - The account being an entity of IL&FS, has been referred to NCLT along with its other group entities. Due to moratorium imposed by NCLAT, no recovery / legal action could be initiated at this juncture against 'IL&FS' and its 348 group companies.	- The company officials also informed the Lenders regarding invocation of termination contract with NHAI. All these factors have resulted into collapse of the project, thus classifying the same as sub-standard. - Based on the above, Consortium Lead Bank vide email dated 29.09.2021 had informed the Consortium that it had declared Account M/s Kiratpur Ner Chowk Expressway Ltd. (KNCEL) as fraud on 22.09.2021. - Accordingly, the matter was placed before the Board of Directors of IIFCL during its meeting held on 12th November 2021 and the Board resolved to declare the account as fraud. Status of reporting to investigating authority: - IIFCL mandated Lead Lender for filing joint complaint on behalf of consortium lenders. Lead bank vide letter dated 07.07.2022 informed that Complaint was filed with CBI. Further, CBI vide letter dated 29.12.2023 returned the complaint in line with Supreme Court Judgement dated 27.03.2023. - In compliance to the Hon'ble Supreme Court order dt 27.03.2023, IIFCL & other consortium Lenders issued SCN to the borrower. In response to the SCN, the Borrower's reply received was not found to be satisfactory by the Lead Bank and it was decided to file the revised complaint with the CBI. - Reply received in response to the SCN issued by IIFCL was also not found to be satisfactory and docs not warrant review of fraud declaration in the account. Accordingly, as decided by SCBMF during its meeting held in Dec 25, IIFCL continues to retain the account as fraud. - Meanwhile, to file the revised complaint Lead Bank had asked mandate from all consortium Lenders. All lenders except Central Bank of India provided the mandate to the Lead Bank. - During the follow up with Lead Bank, it informed that Central Bank of India (CBI) has cited NCLAT order whereby protection has been extended to



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
					the Professional Directors such that the banks cannot make an application for proceeding against them and accordingly, has requested if Lead Bank/member banks have approached NCLAT for proceeding against the Company and its Directors. - In order to discuss the matter at hand and to decide the way forward, Lead Bank indicated that it shall be convening a JLM in the month of Apr 26. Legal Status/Way Forward - NCLT vide order dated order dated 24.02.2021 with respect to settlement between NHAI and Kiratpur Ner Chowk Expressways Ltd, (KNCEL) had approved an amount of Rs. 672.62 crore in KNCEL for distribution in accordance with the Revised Distribution Framework approved for IL&FS Group. - NHAI released an amount of Rs. 662.53 crores on 31.03.2021 into the Escrow Account. IIFCL had received its share of amount of Rs. 122.80 crore on 09.04.2021. - Staff Accountability exercise is completed and no staff being found accountable.
12.	Surat Super Yarn Park Ltd	25.06.2007	30.06.2016	Project Background Project was sanctioned under PMDO facility. IIFCL had sanctioned an amount of Rs. 2.51 crores to the project on 25.06.2007 to set up common infrastructure facility for a textile park	Reason for Fraud & Status of reporting to investigating authority - PMDO lenders engaged SP Chopra, CA firm from Delhi, for conducting forensic audit of this account. SP Chopra declared the borrower as non-cooperative without referring any conclusion with respect to fraud angle. - With the borrower being non-cooperative and to arrive at a conclusion with respect to fraud angle, member lenders advised the Asset Manager for engaging another CA firm and advised for restricting the scope of audit limited to PMDO loan utilization. Accordingly, ASA & Associates LLP, Delhi was appointed for conducting forensic audit for the project with above scope and the report was shared amongst the lenders. However, ASA had indicated that conclusion of



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				near Surat, Gujarat. • PMDO facility disbursed a term loan of Rs 51.74 Cr to SSYPL. • Project commenced operations during August 2011. Reason for NPA • Due to continuing stress in securing job orders, the interest on FITL was serviced by the promoters out of their own sources. Subsequently, the account slipped into NPA on 30.06.2016.	report with respect to fraud angle would be difficult with the restricted scope given to them. • Meanwhile, based on the forensic audit report of SP Chopra, out of fifteen lenders, Indian bank, PNB and Canara Bank had declared the account as fraud on 09.02.2024, 25.07.2024 and 07.12.2024 respectively after following due procedure. Further, PNB had filed an FIR on this case with Economic Offences Wing (EOW), Delhi Police on 04.11.2024 and investigations are under progress. As requested by PNB, Asset Manager has been in the process of producing original loan documents for verification with EOW, Delhi. • Central Bank of India has issued Show Cause Notice to SSYPL & its directors for declaration of account as fraud and got objections from Mr. Babulal Jain and Mr. Karthik Jain (directors of the Park) on the observations of SP Chopra in their forensic audit. Despite multiple attempts from Asset Manager, SP Chopra has not yet responded to the objections raised by the directors of the Park in the forensic audit report. • IDBI Bank indicated that they were also in the process of declaring the account as fraud based on the forensic audit report of SP Chopra and offered personal hearings to the directors of SSYPL in the end of July 2025. Both Central Bank and IDBI Bank are yet to declare the account as fraud. • Meanwhile, as per the minutes of the 79th meeting Of Credit Committee of PMDO Facility held on April 17, 2026, it was decided that a fresh forensic audit of Surat Super Yarn Park Limited will be conducted through AAR & Co, CA Firm. • Meanwhile, IIFCL issued Show Cause Notices in December 2025 to Borrower, Promoters/ Directors. As the reply received in response to the SCNs issued by IIFCL was found to be



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
					unsatisfactory, based on the recommendation of Special Committee of Board for Monitoring and Follow-Up of Cases of Fraud (SCBMF) during its meeting held in March 2025, IIFCL has declared the account as fraud. - In compliance to the extant RBI guidelines, IIFCL has reported the account as fraud on 07.04.2026 via FMR-1. Further, IIFCL is in process of filing a complaint with Economic Offences Wing (EOW). - The case has been reported to HCMD and staff accountability exercise has been initiated. Legal Status/Way Forward - Original Application (OA) with DRT-II, Ahmedabad was filed in May 30, 2019 vide OA No.898/19. The matter is at final hearing stage which is scheduled in November 2026.
13.	Yuvaraj Power Projects Ltd	08.10.2009	30.06.2016	Project Background PMDO Facility had sanctioned debt of Rs. 95.21 Cr (IIFCL's share - Rs. 5.19 Cr approx.) for setting up of Integrated Municipal Solid Waste (MSW) Management Facility compromising 13 MW MSW based power plant at Kadiyam in Vemogiri	Reason for Fraud & Status of reporting to investigating authority - Suri & Co, Chartered Accountants, Chennai, performed Forensic Audit of the project based on the records and information furnished / provided by IL&FS Urban Infrastructure Managers Limited. - A joint complaint regarding, fraud, dishonest misappropriation of the property, criminal breach of trust, and other offences committed by M/S Yuvraj Power Projects Limited, Directors and Guarantors and other unknown persons was filed by UBI with CBI dated 29.03.2022 on the grounds of relevant findings reported in the forensic report dated 25.08.2015. - CBI reported the following observation on complaint dated 29.03.2022: a) A declaration has not been made by the bank in the complaint that the proposed accused was accorded appropriate opportunity. As per Hon'ble Supreme Court judgment dated 27.03.2023 in which it is decided that their



S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				Village Mandal and three MSW processing and composting plant each at Nidadavolu and Samalkota, Rajamundry, Andhra Pradesh. Reason for NPA - Due to delay in implementation of the project, the loan account was restructured with effect from February 2013. - As the promoter, Mr. MVS Ramu, could not infuse equity as per the restructuring terms, resulted in failure of implementation of restructuring plan. - Consequently, the account was declared	opportunity of being heard was given by the Banks. b) Complainant bank has not obtained mandate from all the members bank to lodge the complaint. c) During the visit of CBI team to the concerned branch, it observed that some relevant document and agreement executed between the bank and the borrower were not available at the complainant bank. - Thereafter, UBI had individually initiated a complaint with CBI against the borrower and later few lenders under PMDO extended their mandate in favor of UBI on this matter. With lack of mandate from entire lenders under PMDO Facility, CBI did not entertain the complaint made by UBI and hence could not be proceeded further. - UBI lodged new complaint in month of May 2025 (for their loan portion and not for entire PMDO facility) against the borrower with CBI which had declined to take up the case citing that there were non-compliance of accounting standards or violation of Companies Act 2013 in the account which were in civil by nature and no criminal offense was seen in the account. UBI indicated that observations of forensic audit report along with the report was shared with CBI but it had declined to take up the matter. - Subsequently, few lenders requested Canara Bank to handle CBI complaint on behalf of PMDO lenders, Canara Bank had indicated that it would not file case with CBI against the borrower due to (a) non-availability of any approval from their authority on this matter (b) Information by Union Bank of India (UBI) in the earlier meeting that their complaint filed against the borrower, was declined by CBI. - IIFCL had issued Show Cause Notices on 30th January 2026 to Borrower, Promoters/Directors, however, no response was received.



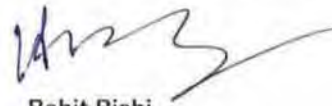
S N	Project Name	Date of Sanction	Date of NPA	Brief Background	Legal Status / Way Forward / Status of reporting to investigating authority / recovery status etc.
				NPA on 30.06.2016.	- Accordingly, based on the recommendation of SCBMF during its meeting held in March 2025, IIFCL has declared the account as fraud. - As per extant RBI guidelines, IIFCL has reported the account as fraud on 07.04.2026 via FMR 1. - Further, IIFCL is in process of filing a complaint with Economic Offences Wing (EOW). - The case has been reported to HCMD and staff accountability exercise has been initiated. Legal Status - Original Application (OA) for recovery of the balance loan amount was filed with Debt Recovery Tribunal (DRT), Vishakhapatnam on April 10, 2015 vide No. 760/16. Based on the order of Hon'ble PO, recovery certificate (RC) vide No. 110/2024 was issued and Demand Notices to the Borrower and other respondents were issued.

49. IIFCL does not expect any financial impact of the pending litigation cases comprising recovery suits in loan cases except 2 cases filed in HR matters.

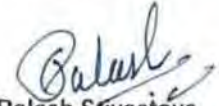


49. The previous year figures have been regrouped wherever considered necessary.

For and on behalf of the Board of Directors of
India Infrastructure Finance Company Ltd.



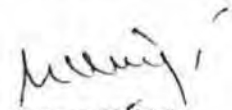
Rohit Rishi
(Managing Director)
(DIN No:- 11524681)



Palash Srivastava
(Deputy Managing Director)
(DIN No:- 2007911)



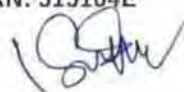
Ruchi Singhal
(GM & Company Secretary)
Membership No:- 17837



Rajeev Mukhija
(CGM- CFO)

In terms of our Audit Report of even date

For ABP & Associates
Chartered Accountants
FRN: 315104E



CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 005593C



CA Amit Tiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026



कार्यालय महानिदेशक लेखापरीक्षा
उद्योग एवं कॉर्पोरेट कार्य
ऑडिट भवन, आई.पी. एस्टेट
नई दिल्ली-110 002



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यानिष्ठा
Dedicated to Truth in Public Interest

OFFICE OF THE DIRECTOR GENERAL OF AUDIT
INDUSTRY AND CORPORATE AFFAIRS
AUDIT BHAWAN, I.P. ESTATE
NEW DELHI-110002

संख्या: एएमजी-II/28(4)/वार्षिक लेखापरीक्षा/IIFCL (2025-26)/2026-27/24-25 दिनांक / DATE 30 JUL 2026

सेवा में,

प्रबन्ध निदेशक,
इंडिया इंफ्रास्ट्रक्चर फाइनेंस कंपनी लिमिटेड,
5 वां तल, ब्लॉक-2, प्लेट ए एवं बी, एनबीसीसी टॉवर
ईस्ट किडवई नगर, नई दिल्ली- 110 023

विषय : कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2026 को समाप्त वर्ष के लिए
इंडिया इंफ्रास्ट्रक्चर फाइनेंस कंपनी लिमिटेड के वार्षिक वित्तीय लेखों पर भारत के नियंत्रक एवं
महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2026 को समाप्त हुए वर्ष के
लिए इंडिया इंफ्रास्ट्रक्चर फाइनेंस कंपनी लिमिटेड के वार्षिक वित्तीय लेखों पर उपरोक्त विषय संबंधित संलग्न पत्र
अग्रेषित है।

भवदीय,

पवन
30/7/24

(डॉ पवन कुमार कोंडा)
प्रधान निदेशक लेखा परीक्षा
(उद्योग एवं कारपोरेट कार्य)
नई दिल्ली

संलग्नक:- यथोपरि

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF INDIA INFRASTRUCTURE FINANCE
COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2026**

The preparation of financial statements of India Infrastructure Finance Company Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 23 July 2026 which supersedes their earlier Audit Report dated 29 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of India Infrastructure Finance Company Limited for the year ended 31 March 2026 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the Statutory Auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

A Comment on Financial Position

A.1 Assets: ₹98,48,076.75 lakh

Non-Financial Assets: ₹58,175.11 lakh

Capital Works-in-Progress: ₹2,217.96 lakh (Note 9A)

The Company had entered into a Memorandum of Understanding (MoU) with NBCC (India) Limited for execution of interior and fit-out works at its office premises at World Trade Centre, New Delhi. The total approved project cost was ₹2,149.72 lakh and payments aggregating ₹1,666.19 lakh had been made to NBCC upto 20 March 2026. Further, NBCC had submitted (20 March 2026) a further demand letter/ RA Bill amounting to ₹311.55 lakh towards subsequent milestones of the project, which had been examined and considered eligible for release by the Company in terms of the MoU provisions. The said amount was subsequently paid on 2 April 2026.

However, while preparing the financial statements for the year 2025-26, the Company did not recognise the demand of ₹311.55 lakh and booked only ₹1,666.19 lakh under Capital Work-in-Progress (CWIP), which resulted in understatement of CWIP and corresponding understatement of Liability to the extent of ₹311.55 lakh.

Further, in respect of Project 'SUPER' (SAP Upgrade, Enhancement and Retrofit), invoices amounting to ₹746.65 lakh had been raised by M/s Accenture against three milestones achieved up to 31 March 2026. The amount of ₹149.33 lakh on achievement of the first milestone which was invoiced during FY 2024-25, had been charged to revenue instead of being booked in CWIP. Further, only ₹551.76 lakh (net of GST Input Tax Credit of ₹45.56 lakh) has been booked in CWIP during FY 2025-26. Accordingly, the amount of ₹149.33 lakh relating to the first milestone was required to be corrected during the current year in accordance with the Accounting Policy 4.7.

Thus, the above have resulted in understatement of CWIP by ₹460.88 lakh, an understatement of liabilities by ₹311.55 lakh and understatement of Profit for the year by ₹149.33 lakh.

**For and on behalf of the
Comptroller & Auditor General of India**

427
30/7/26

**(Dr. Pawan Kumar Konda)
Principal Director of Audit
Industry & Corporate Affairs,
New Delhi**

Place: New Delhi

Date: 13 0 JUL 2026

1. Comments of Comptroller and Auditor General of India Under Section 143(6)(b) read with section 129 (4) of the Companies Act, 2013 on the Standalone financial statement of IIFCL for Year ended 31st March 2026.

Assets: ₹98,48,076.75 lakh

Non-Financial Assets: ₹58,175.11 lakh

Capital Works-in-Progress: ₹2,217 .96 lakh (Note 9A)

The Company had entered into a Memorandum of Understanding (MoU) with NBCC (India) Limited for execution of interior and fit-out works at its office premises at World Trade Centre, New Delhi. The total approved project cost was ₹2,149.72 lakh and payments aggregating ₹1,666.19 lakh had been made to NBCC upto 20 March 2026. Further, NBCC had submitted (20 March 2026) a further demand letter/ RA Bill amounting to ₹311.55 lakh towards subsequent milestone of the project, which had been examined and considered eligible for release by the company in terms of the MoU provisions. The said amount was subsequently paid on 2 April 2026.

However, while preparing the financial statements for the year 2025-26, the Company did not recognise the demand of ₹311.55 lakh and booked only ₹1,666.19 lakh under Capital Work-in-Progress (CWIP), which resulted in understatement of CWIP and corresponding understatement of Liability to the extent of ₹311.55 lakh.

Further, in respect of Project 'SUPER' (SAP Upgrade. Enhancement and Retrofit), invoices amounting to ₹746.65 lakh had been raised by M/s Accenture against three milestones achieved up to 31 March 2026. The amount of ₹149.33 lakh on achievement of the first milestone which was invoiced during FY 2024-25, had been charged to revenue instead of being booked in CWIP. Further, only ₹551.76 lakh (net of GST Input Tax Credit of ₹45.56 lakh) has been booked in CWIP during FY 2025-26. Accordingly, the amount of ₹149.33 lakh relating to the first milestone was required to be corrected during the current year in accordance with the Accounting Policy 4.7.

Thus, the above have resulted in understatement of CWIP by ₹460.88 lakh, an understatement of liabilities by ₹311.55 lakh and understatement of Profit for the year by ₹149.33 lakh.

IIFCL Action Plan:

It is submitted that, pursuant to the observation of C&AG, necessary corrective accounting adjustments have been carried out in the books of accounts.

In respect of the interior and fit-out works at IIFCL's office premises at World Trade Centre, New Delhi, an amount of ₹311.55 lakh, pertaining to the amount payable to NBCC (India) Limited, has been transferred to Capital Work-in-Progress (CWIP) in SAP vide Journal Voucher dated 07.08.2026. The relevant voucher is enclosed for reference.

Further, in respect of Project SUPER (SAP Upgrade, Enhancement and Retrofit), an amount of ₹126.55 lakh (excluding GST), has been transferred to Capital Work-in-Progress (CWIP) in SAP vide Journal Voucher dated 13.08.2026. The GST component had already been expensed off during FY 2024-25 and, accordingly, the aforesaid amount of ₹126.55 lakh, excluding GST, has been transferred to CWIP. The relevant voucher is enclosed for reference.

Thus, the necessary accounting adjustments have been made to appropriately reflect the expenditure relating to the aforesaid projects under CWIP.

ABP & Associates
Chartered Accountants
R-13, 3rd Floor,
Rajouri Garden,
New Delhi- 110027

ADB & COMPANY
Chartered Accountants
First Floor, Mahavir Gaushala Complex,
K.K. Road, Moudhapara,
Raipur 492-001 (C.G.)

REVISED INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED
FINANCIAL STATEMENT FOR YEAR ENDED 31ST MARCH 2026

(Revised based on the observations of the Comptroller and Auditor General of India)

To,
The Members
India Infrastructure Finance Company Limited.
New Delhi

Revised Report on the Audit of the Consolidated Financial Statements (Modification
has been marked as *)

OPINION

1. We have audited the accompanying consolidated financial statements of **India Infrastructure Finance Company Limited** ("hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2026, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of the material accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "the Consolidated Ind As Financial Statements"). We had issued our Independent Auditors' Report dated 29.05.2026 on the consolidated financial statements of the Holding Company for the financial year ended 31st March 2026, as approved by the Board of Directors of the Company. In furtherance to the provisional observations of the Comptroller and Auditor General of India, we are issuing this Revised Independent Auditor's Report by amending the "Report on Other Legal and Regulatory Requirements" section, namely the reporting under clause 3(xxi) of the Companies (Auditor's Report) Order, 2020 in respect of qualifications/adverse remarks in the CARO reports of the components, the reporting under Section 143(3)(c) of the Act relating to branch offices, and the reference to Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), of the previous audit report. This report supersedes the previous audit report dated 29.05.2026.

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of the other auditors on separate audited financial statements/financial information of three subsidiary referred to in the Other Matters section below the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and gives

a true and fair view in conformity with the Indian accounting standards(Ind AS) as specified under section 133 of the Companies Act 2013(“the Act”), read with the Companies (Indian Accounting Standards) Rule, 2015 and the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (“RBI Guidelines”) and other accounting principles generally accepted in India, of the state of affairs of the Group and its Consolidated net profit and other financial information for the year ended 31st March, 2026 and their consolidated net profit(financial performance including other comprehensive income), their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (“SAs”) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the “Auditors’ responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Company and its Subsidiaries in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

3. Key audit matters are those matters that in our professional judgement were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor’s Response
Impairment of Loans and Advances (Expected Credit Loss) Total Loans as at March 31, 2026: Rs 86,688.76 crores ECL Provision as at March 31, 2026: Rs 2,447.13 crores (Refer Note 5 to the Standalone financial statements)	
The impairment of infrastructure loans is calculated using the Expected Credit Loss (ECL) model as mandated by Ind AS 109: Financial Instruments. Because infrastructure projects have long gestation periods and are susceptible to regulatory delays and cost overruns, estimating impairment requires significant management judgment. The complexity lies in determining Loan	Our audit procedures in respect of this area included, but not limited to: a. Obtained and read Company’s approved policies on ECL and evaluated the appropriateness of the Company’s accounting policies for impairment of financial instruments and ensuring alignment with Reserve Bank of India (RBI) guidelines and Ind AS 109 -

Staging Criteria (identifying Significant Increase in Credit Risk), calculating Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD), and factoring in forward-looking macroeconomic variables.	Financial Instruments ('Ind AS 109'); b. Performed a walkthrough of the impairment loss allowance process, and assessed the design and tested operating effectiveness of the key controls over completeness and accuracy of the key inputs (including loan book as at March 31, 2026) and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. These controls, amongst others, included controls over the staging of the loan portfolio along with passing of journal entries and preparing disclosures; c. Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Since, modelling assumptions and parameters were based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios; d. Assessed the critical assumptions & input data used by the Company for estimating, grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability weighted default (PD) and loss-given default (LGD) rates; e. Performed sample testing of the input data used for determining the PD (probability of default) and LGD (loss given default) rates and agreed the data with the underlying books of accounts and records; f. Tested the arithmetical accuracy of computation of ECL (expected credit loss) provision performed by the Company; g. Tested the completeness of loans included in the ECL calculations as of March 31, 2026 by reconciling such data with the balances as per loan book register; h. Assessed the appropriateness of the disclosures made by the management as per the requirements of Ind AS 109 -'Financial
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	Instruments' in the Standalone Financial Statements and i. Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable.
Valuation of Derivative Instruments and Hedge Accounting Total Derivative Assets as at March 31, 2026: Rs 1,746.64 crores Total Derivative Liabilities as at March 31, 2026: Rs NIL Cash Flow Hedge Reserve as at March 31, 2026: Rs (79.15 crores) (Refer Note to the Standalone Financial Statements)	
The Company enters into derivative financial instruments including cross currency swaps, interest rate swaps and forward exchange contracts to hedge exposures arising from foreign currency borrowings and interest rate risks. The valuation of derivative financial instruments and application of hedge accounting under Ind AS 109 – Financial Instruments involve significant management judgment, estimation uncertainty and use of specialized valuation techniques. The determination of fair value is dependent on various market observable inputs such as foreign exchange rates, interest rate yield curves, discounting factors and counterparty quotations and, in certain cases, assumptions relating to future market and economic conditions. Further, hedge accounting requires formal documentation of hedge relationships, ongoing assessment of hedge effectiveness and complex accounting treatments relating to recognition of gains and losses in the Cash Flow Hedge Reserve and Statement of Profit and Loss. Considering: the materiality of derivative exposures, the complexity involved in valuation methodologies, the significant judgments and assumptions applied by management, the involvement of external counterparty valuations, and the potential impact on the standalone financial statements	Our audit procedures in relation to valuation of derivative instruments and hedge accounting included, but were not limited to, the following: a. Obtained an understanding of the Company's policies, processes and internal controls relating to derivative transactions, valuation methodologies and hedge accounting and assessed whether these were in compliance with the applicable requirements of Ind AS 109, Ind AS 21 and relevant regulatory guidelines; b. Evaluated the design and tested the operating effectiveness of key internal financial controls over authorization, recording, valuation, monitoring and reporting of derivative contracts and hedge relationships; c. Obtained and inspected, on a sample basis, derivative agreements and underlying borrowing documents to assess whether derivative transactions were appropriately recorded and supported by contractual documentation; d. Assessed the appropriateness of management's valuation methodology and evaluated the reasonableness of key inputs and assumptions used in determining fair values, including foreign exchange rates, yield curves, discount rates and counterparty quotations; e. Evaluated whether hedge relationships designated by management satisfied the

	qualifying criteria prescribed under Ind AS 109, including existence of formal hedge documentation and assessment of hedge effectiveness. Certificate taken from the practitioner assigned by the organization. f. Tested, on a sample basis, journal entries and accounting treatments relating to derivative valuation adjustments, hedge reserve accounting and related gain/loss recognition in the Statement of Profit and Loss; g. Assessed whether the disclosures relating to derivative financial instruments, valuation techniques, fair value hierarchy, hedge accounting and related risk exposures were in accordance with the applicable disclosure requirements of Ind AS 107 and Ind AS 109; h. Obtained written representations from management and those charged with governance regarding the appropriateness of assumptions, valuation methodologies and completeness of derivative exposures and hedge relationships recognized in the standalone financial statements;
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

4. The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the consolidated financial statements and Standalone Financial Statements and our auditor's report thereon, . These reports are expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information when made available to us and if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

5. The Parent Company's Board of Directors are responsible for the preparation of the Consolidated Financial Statement that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated statement of change in equity and consolidated cash flow statement of the Group and in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rule, 2015, the relevant provisions of the Banking Regulation Act, 1949, and RBI Guidelines and other accounting principles generally accepted in India. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimate that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statement by the Directors of the Parent Company as aforesaid.

In preparing the Consolidated Financial Statement, the respective Board of Directors of the entities included in the Group, are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for Audit of the Consolidated Financial statements

6. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial statement/ financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this Audit report.

Materiality is the magnitude of the misstatements in the consolidated financial statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and in evaluating the statements of our work; and (ii) to evaluate the effect of any identified misstatement in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

7. IIFCL is the Holding Company with three subsidiaries, as detailed below:

S.No.	Name of Subsidiary	Country of Incorporation
1.	IIFCL Asset Management Company Limited	India
2.	IIFCL Projects Limited	India
3.	IIFCL UK Limited	United Kingdom

We did not audit the separate financial statements of two Indian subsidiaries, whose financial statements reflect total assets of ₹ 6,263.83 lakhs as at 31 March, 2026, total revenues of ₹ 1,956.45 lakhs and net cash flows amounting to ₹ 85.11 lakhs for the year ended on that date, as considered in the consolidated financial statements. These separate financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

We did not audit the financial statements of 1 subsidiary, India Infrastructure Finance Company (UK) Limited, whose financial statements reflect total assets of ₹8,26,104.56 lakhs as at 31 March 2026, total revenues of ₹52,219.86 lakh lakhs, total net profit/(loss) of ₹9,050.61 lakhs, and net cash inflows/(outflows) of ₹ 8,314.77 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors under the accounting principles generally accepted in their respective country and their audit report has been furnished to us by the Management. The Holding Company's Management, with the assistance of a compilation auditor, has converted the financial statements of such subsidiary from the accounting principles generally accepted in their respective country to the accounting principles generally accepted in India (Ind AS). We have audited these conversion adjustments made by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based on the report of the other auditors and the conversion adjustments prepared by the Management and audited by us.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the unaudited financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

8. With respect to the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by

us for the Company and based on our consideration of CARO reports and Physical Verification of Fixed Assets Report issued by respective auditors of the companies included in consolidated financial statements, we report that the following qualifications/adverse remarks have been made by the respective auditors in their CARO reports, along with the details of the companies and the paragraph numbers of the CARO report containing such qualifications or adverse remarks: *(A) India Infrastructure Finance Company Limited (Holding Company – Standalone) – Annexure A: paragraph (i)(a)(i) – proper records maintained except for the situation of Property, Plant and Equipment and capital work-in-progress; paragraph (i)(c) – title deeds of immovable properties not held in the name of the Company; and paragraph (vii)(b) – details of statutory dues not deposited on account of disputes; and (B) IIFCL Projects Limited (Subsidiary) – Annexure A: paragraph (i)(a)(A) – proper records of Property, Plant and Equipment and right-of-use assets not maintained; paragraph (i)(b) – Property, Plant and Equipment not physically verified by the management during the year; and paragraph (xiv)(a) – a control weakness noted in the internal audit system relating to unreconciled balances of trade receivables. Save as aforesaid, there are no other qualifications or adverse remarks in the CARO reports of the companies included in the consolidated financial statements.

9. As required by Section 143 (3) of the Act based on our audit and on the consideration of unaudited financial statements certified by the management of one foreign subsidiary as referred in “Other Matters” paragraph, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the company so far as it appears from our examination of those books and management certified financials.
 - (c) *The Holding Company and its subsidiaries do not have any branch office. Accordingly, the requirement of reporting whether the report on the accounts of any branch office of the company audited under sub-section (8) of Section 143 by a person other than the company’s auditor has been sent to us, and the manner in which we have dealt with it in preparing our report, does not arise and reporting under Section 143(3)(c) of the Act is not applicable to the company and its subsidiaries;
 - (d) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (e) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,
 - (f) In terms Notification no. G.S.R. 463(E) dtd. 05-06-2015 issued by the Ministry of Corporate Affairs, the provision of Section 164(2) of the Companies Act, 2013 in

respect of disqualification of directors are not applicable to the Company and its subsidiary's;

- (g) With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the company and its subsidiary's incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- (h) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the company and its subsidiary's.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with *Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended vide the Companies (Audit and Auditors) Amendment Rules, 2021, to the extent applicable, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the management certified financial statements including the other financial information of subsidiary entities, as noted in "Other Matters" paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its subsidiary's– **Refer Note 31 (I)** to the notes to consolidated financial statements;
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts – **Refer Note 5 & 18** to the consolidated financial statements in respect of such items as it relates to the Company and its subsidiary's and
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
- iv) a) The respective Managements of the Company and its Subsidiary, whose financial statements are unaudited, have represented to us that to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any such subsidiary's to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- b) The respective Managements of the Company and its subsidiary's, whose financial statements are unaudited, have represented to us that to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiary's from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of subsidiary's shall directly or indirectly, lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c)Based on the audit procedures that have been considered reasonable and appropriate in the circumstances nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v The Group has not declared/paid dividend during the year and hence provisions of section 123 of the Companies Act, 2013 are not applicable on the company.

vi Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and that performed by the respective auditors of the its subsidiary’s whose financial statements have been audited under the Act, we report that the company and the above referred and its subsidiary’s have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **ABP & Associates**
Chartered Accountants
FRN : 315104E

For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C

Sd/-
CA KAMAL KU CHANDUKA
PARTNER
M No : 058790

Sd/-
CA AMIT TIWARI
PARTNER
M No : 408603

UDIN : 26058790GSWBEM3741

UDIN : 26408603LFCNVY5046

Place : New Delhi
Date : 23/07/2026

Annexure A to Independent Auditor's Report

Refer to in Para 9 of the Independent Auditor's Report of even date to the members of India Infrastructure Finance Company Limited on the consolidated financial statement for the year ending 31st March 2026.

We have audited the internal financial controls over financial reporting of INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), as of March 31, 2026, in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Management of the Holding Company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Internal Financial Controls over Financial Reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's Internal Financial Controls over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over Financial Reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that such controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, subject to the comments made in the "Basis for Opinion" paragraph in the main audit report, the Holding Company and its subsidiaries have, in all material respects, an adequate internal financial controls system over financial reporting, and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the respective entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ABP & Associates**
Chartered Accountants
FRN : 315104E

For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C

Sd/-
CA KAMAL KU CHANDUKA
PARTNER
M No : 058790

Sd/-
CA AMIT TIWARI
PARTNER
M No : 408603

UDIN : 26058790GSWBEM3741

UDIN : 26408603LFCNVY5046

Place : New Delhi
Date : 23/07/2026

ABP & Associates
Chartered Accountants
R-13, 3rd Floor,
Rajouri Garden,
New Delhi- 110027

ADB & COMPANY
Chartered Accountants
First Floor, Mahavir Gaushala Complex,
K.K. Road, Moudhapara,
Raipur 492-001 (C.G.)

COMPLIANCE CERTIFICATE

To
The Board of Directors
India Infrastructure Finance Company Limited
5th Floor, Part A&B, Block B
East Kidwai Nagar,
New Delhi -110023

We, ABP & Associates and ADB & Company ("the Joint Auditors") have conducted the audit of the Consolidated annual accounts of India Infrastructure Finance Company Limited for the period ended 31st March 2026 in accordance with the directions /sub-directions issued by the CAG of India Under section 143(5) of the companies Act 2013 and certify that we have complied with all the directions /sub-directions issued.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

For **ABP & Associates**
Chartered Accountants
FRN : 315104E



CA KAMAL KU CHANDUKA
PARTNER
M No : 058790

UDIN : 26058790HQVMST7229

For **ADB & COMPANY**
Chartered Accountants
FRN : 005593C



CA AMIT TIWARI
PARTNER
M No : 408603

UDIN : 26408603JLAWMG8917

Place : New Delhi
Date : 29th May 2026

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED (IIFCL)
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2026
CIN No. U67190DL2006GOI144520

(₹ in Lac)

S.No.	PARTICULARS	NOTE No.	As at 31.03.2026 (Audited)	As at 31.03.2025 (Audited)
I	ASSETS			
1	Financial Assets			
(a)	Cash and Cash Equivalents	2A	96,193.17	58,524.43
(b)	Bank Balance other than (a) above	2B	915,918.74	527,356.36
(c)	Derivative Financial Instruments	3	174,673.79	135,382.74
(d)	Receivables	4	784.95	699.48
(e)	Loans	5	8,418,795.95	7,148,623.92
(f)	Investments	6	818,475.18	736,986.94
(g)	Other Financial Assets	7	90,067.07	76,657.46
	Total Financial Assets (1)		10,514,908.85	8,684,231.33
2	Non-Financial Assets			
(a)	Current Tax Assets (Net)	8	3,197.45	4,042.09
(a)	Deferred Tax Asset (Net)	9	15,568.78	17,315.21
(b)	Property, Plant and Equipment	10	36,682.64	22,111.68
(c)	Capital Work-in-Progress	10A	2,217.96	15,333.67
(d)	Right of Use Asset	10B	25.16	-
(e)	Other Intangible Assets	11	785.26	977.16
(f)	Other Non-Financial Assets	12	2,227.86	10,487.41
	Total Non Financial Assets (2)		60,705.11	70,267.23
	TOTAL ASSETS (1+2)		10,575,613.96	8,754,498.56
II	LIABILITIES AND EQUITY			
A	Liabilities			
1	Financial Liabilities			
(a)	Payables	13	164.65	225.84
(b)	Debt Securities	14	3,739,162.60	3,347,662.10
(c)	Borrowings (Other than Debt Securities)	15	4,827,299.09	3,568,701.67
(d)	Other Financial Liabilities	16	139,854.48	126,156.39
	Total Financial Liabilities (1)		8,706,480.82	7,042,746.00
2	Non-Financial Liabilities			
(a)	Current Tax Liabilities (Net)	17	18,098.33	29,820.04
(b)	Provisions	18	5,363.23	5,423.78
(c)	Other Non-Financial Liabilities	19	12,878.43	16,087.30
	Total Non Financial Liabilities (2)		36,339.99	51,331.12
	Total Liabilities (1+2)		8,742,820.81	7,094,077.12
B	Equity			
(a)	Equity Share Capital	20	999,991.62	999,991.62
(b)	Other Equity	21	832,801.50	660,429.82
	Total Equity (B)		1,832,793.12	1,660,421.44
	TOTAL LIABILITIES AND EQUITY (A+B)		10,575,613.96	8,754,498.56

The accompanying notes from 1 to 29 are integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors of
India Infrastructure Finance Company Limited



Rohit Rishi
(Managing Director)
DIN No.: 11524681
Ruchi Singhal
(GM & Company Secretary)
Membership No.: 17837

Palash Shrivastava
(Deputy Managing Director)
DIN No.: 2007919
Rajeev Mukhya
(Chief General Manager-CFO)

In terms of our Audit Report of even date



For ABP & Associates
Chartered Accountants
FRN: 315104E
CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 0055930
CA Amit Tiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED (IIFCL)
STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026
CIN No. U67190DL2006GOI144520

(₹ In Lac)

S.No.	PARTICULARS	NOTE No.	As at 31.03.2026 (Audited)	As at 31.03.2025 (Audited)
	Revenue from Operations			
(a)	Interest Income	21	744,083.28	664,689.33
(b)	Fees and Commission Income	22	6,886.65	7,667.42
I	Total Revenue from Operations(a+b)		750,969.93	672,356.75
II	Other Income	23	122,081.24	55,957.83
III	Total Income (I+II)		873,051.18	728,314.58
	IV EXPENSES			
(a)	Finance Cost	24	488,638.80	448,792.09
(b)	Fees and Commission Expense	25	9,060.64	11,501.34
(c)	Net (Gain) /Loss on Fair Value Changes	26	1,007.16	(12,254.58)
(d)	Impairment on Financial Instruments	27	(9,540.99)	(56,938.34)
(e)	Employee Benefit Expense	28	9,638.30	9,679.52
(f)	Depreciation, Amortization & Impairment	9,10	1,447.78	1,137.70
(g)	Corporate Social Responsibilities		4,054.46	2,597.59
(h)	Other Expenses	29	161,323.88	41,561.31
	Total Expenses (IV)		665,630.03	446,076.64
V	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)		207,421.15	282,237.94
VI	Exceptional Items		-	47,343.03
VII	Profit/ (Loss) Before Tax (V-VI)		207,421.15	329,580.97
	Tax Expense:			
(i)	Current Tax		(56,592.42)	(59,988.14)
(ii)	Tax Adjustments for Earlier Years		(1,889.50)	14.94
(iii)	Deferred Tax		(1,957.01)	(6,464.25)
VIII	Total Tax Expenses (i+ii+iii)		(60,438.94)	(66,437.45)
IX	Profit/ (Loss) for the Year from continuing operations (VII-VIII)		146,982.21	263,143.53
	Profit/(loss) from discontinued operations		-	-
	Tax Expense of discontinued operations		-	-
X	Profit/(loss) from discontinued operations(After tax)		-	-
XI	Profit/(Loss) (from continuing and discontinued operations) (IX+X)		146,982.21	263,143.53
XII	Other Comprehensive Income (OCI)			
A.	(i) Items that will not be reclassified to Profit and Loss			
	- Remeasurement on gains/(loss)/defined benefit Obligation		69.85	(541.34)
	- Income Tax relating to remeasurement of defined benefit Obligation		(13.56)	134.61
	Other Comprehensive Income/(Expense) (A)		56.28	(406.74)
XIII	Total Comprehensive Income for the Year (XI+XII)		147,038.49	262,736.79
XIV	Basic and Diluted Earning Per Share (Face Value of ₹ 10 each)			
1.	For continuing operations (in ₹)		1.47	2.63
2.	For discontinued operations (in ₹)	1(B)(8)	-	-
3.	For continuing and discontinued Operations (in ₹)		1.47	2.63

The accompanying notes from 1 to 29 are integral part of Consolidated Financial Statements.

For and on behalf of Board of Directors of
India Infrastructure Finance Company Limited



Rohit Rishi
(Managing Director)
DIN No.: 11524681

Ruchi Singhal
(GM & Company Secretary)
Membership No.: 17837

Palash Srivastava
(Deputy Managing Director)
DIN No.: 2007911
Rajeev Mukhiya
(Chief General Manager-CFO)

In terms of our Audit Report of even date



For ABP & Associates
Chartered Accountants
FRN: 315104E
CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 005593C
CA Amit Tiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED (IIFCL)
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026
CIN No. U67190DL2006GOI144520

(₹ in Lacs)

S.NO.	PARTICULARS		Year Ended 31.03.2026 (Audited)	Year Ended 31.03.2025 (Audited)
A	CASH FLOW FROM OPERATING ACTIVITIES			
(i)	Net Profit before Tax		207,421.15	329,580.97
	Adjustments for:			
(ii)	Depreciation/ Impairment and amortisation expense		1,447.78	1,137.70
(iii)	Provision/write offs		(16,219.39)	(40,464.56)
(iv)	Interest accrued and due on loans and advances		-	1,060.17
(v)	Interest accrued but not due on borrowings		16,427.68	15,441.08
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		209,077.21	306,755.36
(i)	Cash Flow From Lending Operations		(1,259,598.13)	(1,620,363.80)
(ii)	Sale of/ (Addition) to Investments		16,923.96	(72,047.42)
(iii)	(Increase)/decrease in Trade Receivables		(85.47)	(190.31)
(iv)	(Increase)/decrease in other operating assets		(32,038.29)	(2,065.66)
(v)	(Increase)/decrease in other bank balances		(387,600.45)	619,241.22
(vi)	Increase/(decrease) in other operating liabilities		(14,063.75)	6,101.87
	CASH FLOW FROM OPERATIONS BEFORE TAX		(1,467,384.91)	(762,568.73)
	Taxes paid (Net)		(58,481.93)	(59,973.20)
	NET CASH FROM OPERATIONS	A	(1,525,866.84)	(822,541.93)
B	CASH FLOW FROM INVESTING ACTIVITIES			
(i)	Purchase of Plant, Property and Equipment		(15,831.46)	(1,292.25)
(ii)	Sale of Plant, Property and Equipment		(0.22)	-
(iii)	(Increase)/decrease in Capital Work in progress		13,115.71	(6,544.19)
(iv)	(Increase)/decrease in Investments		(96,617.61)	(102,446.62)
	NET CASH FROM INVESTING ACTIVITIES	B	(99,333.58)	(110,283.06)
C	CASH FLOW FROM FINANCING ACTIVITIES			
(i)	Proceeds from Issue/ Allotment of Share Capital		-	-
(ii)	Net Proceeds from Borrowings		1,258,597.42	701,095.41
(iii)	Net Proceeds from Debt Securities		391,500.50	281,280.85
	NET CASH FROM FINANCING ACTIVITIES	C	1,650,097.92	982,376.26
D	EFFECT OF FOREIGN EXCHANGE TRANSLATION DIFFERENCE	D	12,771.25	2,371.89
	NET CHANGE IN CASH & CASH EQUIVALENT (A+B+C+D)		37,668.75	51,923.15
	Add: Cash and Cash Equivalents at the beginning of the period		58,524.43	6,601.30
	Cash and Cash Equivalents at the end of the period		96,193.17	58,524.43
	Components of Cash and Cash Equivalents at the end of the period:-			
(i)	Cash on hand		0.18	0.04
(ii)	Current Accounts		74,679.64	348.83
(iii)	Fixed Deposit Accounts		21,513.34	58,175.57
	TOTAL		96,193.17	58,524.43

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

1) Figures of previous period (s) have been re-grouped /re-arranged wherever necessary to make them comparable to the reporting period presentation.

2) The following bank balances are not available for free use by the company

(Increase)/ decrease in other bank balances of ₹ (387,600.45) lac for the year ended 31st March 2026 & ₹ 619,241.22 lac for the year ended 31st March 2025 includes ₹ NIL lac as on 31st March 2026 (₹ NIL lac as on 31st March 2025) on which lien has been marked for interest payment of bonds and ₹ 5,05,392 lac as on 31st March 2026 (₹ 2,09,400 lac as on 31st March 2025) on which lien has been marked for overdraw.

For and on behalf of Board of Directors of
India Infrastructure Finance Company Limited



Rohit Rishi
(Managing Director)
DIN No.: 11524681

Ruchi Singhal
(GM & Company Secretary)
Membership No.: 17837

Palash Srivastava
(Deputy Managing Director)
DIN No.: 2007911
Rajeev Mukhija
(Chief General Manager/CCFO)

In terms of our Audit Report of even date



For ABP & Associates
Chartered Accountants
FRN: 315104E
CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 005593C
CA Amit Tiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED (IIFCL)
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2025

Consolidated Statement of changes in equity for the year ended 31st March 2025

A. Equity share capital

Particulars	Amount
Balance as on 1st April 2025	999,991.82
Changes in Equity Share Capital due to Prior period error	-
Restated Balance as on 1st April 2025	999,991.82
Changes of equity share capital during the year	-
Balance as on 31st March 2025	999,991.82

B. Other Equity

Particulars	Reserve & Surplus											Total
	Capital reserve	Security Premium Account	DEBENTURE BOND REDEMPTION RESERVE	CASH FLOW HEDGE RESERVE	SPECIAL RESERVE U/S 36(1)(viii) OF INCOME TAX ACT, 1961	STAFF WELFARE RESERVE	CORPORATE SOCIAL RESPONSIBILITY RESERVE	FOREIGN CURRENCY TRANSLATION DIFFERENCE RESERVE	IMPAIRMENT RESERVE	RESERVE FUND U/S 45(4) OF RBI ACT 1934	RETAINED EARNINGS	
Balance as at 1st April, 2025	585.14	235.58	54,588.28	(26,317.03)	218,888.89	3,354.82	122.45	18,084.32	101,238.76	114,831.82	171,003.09	668,428.84
Prior period error	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	585.14	235.58	54,588.28	(26,317.03)	218,888.89	3,354.82	122.45	18,084.32	101,238.76	114,831.82	171,003.09	668,428.84
Profit for the period	-	-	-	-	-	-	-	-	-	-	147,195.53	147,195.53
Other Comprehensive Income for the period (net of expense tax)	-	-	-	-	-	-	-	-	-	-	171,003.09	171,003.09
Total Comprehensive Income for the period	-	-	-	-	-	-	-	-	-	-	318,198.62	318,198.62
Amount utilized during the period	-	-	-	-	-	-	-	-	-	-	(318,198.62)	(318,198.62)
Cash Flow Hedge Reserve during the period	-	-	-	22,402.83	-	-	-	-	-	-	-	22,402.83
Transfer to Foreign Currency Translation Difference Reserve	-	-	-	-	-	-	-	12,771.25	-	-	-	12,771.25
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-	-	147,195.53	147,195.53
Transfer From Retained Earnings	-	-	-	-	-	-	-	-	-	-	(147,195.53)	(147,195.53)
Balance as on 31st March 2025	585.14	235.58	54,588.28	(4,914.20)	218,888.89	3,354.82	122.45	30,855.57	101,238.76	114,831.82	348,908.41	832,881.58

Consolidated Statement of changes in equity for the year ended 31st March 2025

A. Equity share capital

Particulars	Amount
Balance as at 1st April, 2024	999,991.82
Changes in Equity Share Capital due to Prior period error	-
Restated Balance as on 1st April 2024	999,991.82
Changes of equity share capital during the year	-
Balance as at 31st March 2025	999,991.82

B. Other Equity

Particulars	Reserve & Surplus											Total
	Capital reserve	Security Premium Account	DEBENTURE BOND REDEMPTION RESERVE	CASH FLOW HEDGE RESERVE	SPECIAL RESERVE U/S 36(1)(viii) OF INCOME TAX ACT, 1961	STAFF WELFARE RESERVE	CORPORATE SOCIAL RESPONSIBILITY RESERVE	FOREIGN CURRENCY TRANSLATION DIFFERENCE RESERVE	IMPAIRMENT RESERVE	RESERVE FUND U/S 45(4) OF RBI ACT 1934	RETAINED EARNINGS	
Balance as at 1st April, 2024	585.14	235.58	54,588.28	(17,825.88)	177,558.70	287.15	122.45	15,712.43	101,238.76	71,836.34	(6,222.12)	388,628.56
Prior period error	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	585.14	235.58	54,588.28	(17,825.88)	177,558.70	287.15	122.45	15,712.43	101,238.76	71,836.34	(6,222.12)	388,628.56
Profit for the year	-	-	-	-	-	-	-	-	-	-	263,141.54	263,141.54
Other Comprehensive Income for the year (net of expense tax)	-	-	-	-	-	-	-	-	-	-	171,003.09	171,003.09
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	434,144.63	434,144.63
Amount utilized during the period	-	-	-	-	-	-	-	-	-	-	(434,144.63)	(434,144.63)
Cash Flow Hedge Reserve during the period	-	-	-	3,291.17	-	-	-	-	-	-	-	3,291.17
Transfer to Foreign Currency Translation Difference Reserve	-	-	-	-	-	-	-	3,375.88	-	-	-	3,375.88
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-	-	10,89	10,89
Transfer From Retained Earnings	-	-	-	-	-	-	-	-	-	-	(10,89)	(10,89)
Balance as at 31st March 2025	585.14	235.58	54,588.28	(10,317.03)	218,888.89	3,881.89	122.45	18,084.32	101,238.76	114,831.82	170,796.04	668,428.84

Note: Refer Note 2.1 for details



Place: New Delhi
Date: 23.03.2025



For and on behalf of Board of Directors of
India Infrastructure Finance Company Limited

Rohit Singh
(Managing Director)
DIN No.: 11524681

Ruchi Singh
(GM & Company Secretary)
Membership No.: 17837

Rajeev Singh
(Deputy Managing Director)
DIN No.: 2007911

Rajeev Muthija
(Chief General Manager-CFO)

In terms of our Audit Report of even date

For ABP & Associates
Chartered Accountants
FRN: 315104E

CA Kunal Kumar Chanduka
Partner
Membership Number: 058780

For ADB & Company
Chartered Accountants
FRN: 035559C

CA Anil Tiwari
Partner
Membership Number: 408602

Note 2A: Cash and Cash equivalents

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(A)	CASH AND CASH EQUIVALENTS		
(i)	Cash on hand	0.18	0.04
(ii)	Balance with Banks	74,679.64	348.82
(iii)	Fixed Deposits with banks (Unencumbered)	21,513.34	58,175.57
	TOTAL	96,193.17	58,524.43

Note 2B: Bank Balance other than 2A above

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
	OTHER BANK BALANCES		
(i)	Fixed Deposits with banks (Unencumbered) (original maturity more than three and upto twelve months)	410,522.24	317,951.86
(ii)	Earmarked balances with banks for unclaimed interest on bonds	-	-
(iii)	Held as security against Interest Payment of Bonds	-	-
(iv)	Against Bank Guarantee	4.50	4.50
(v)	Pledged to avail overdraft facility from banks	505,392.00	209,400.00
	TOTAL	915,918.74	527,356.36

Note 3: Derivative financial instruments

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026		As at 31.03.2025	
		Notional Amount	Fair Value	Notional Amount	Fair Value
	ASSETS				
	Other Derivatives:				
(a)	Cross Currency Swap	269,289.38	99,647.94	479,480.79	124,863.15
(b)	Principal Only Swap (Refer Note No. 23.3)	725,527.64	75,025.85	477,287.21	10,519.59
	Total derivative financial instruments	994,817.02	174,673.79	956,768.00	135,382.74

Note : Fair Value of Assets and Liabilities are presented as Derivative Financial Instruments in the Financial Statement.

Note 4: Trade receivables

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
	Reveivables considered good, Unsecured:		
(a)	Related Parties	70.74	79.80
(b)	Others	714.21	619.68
	Total	784.95	699.48

	Age Wise analysis of Trade Receivables	31.03.2026	31.03.2025
(a)	Less than 6 months	541.60	699.48
(b)	6 months to 1 Year	243.35	-
(c)	1 - 2 Year	-	-
(d)	2 - 3 Year	-	-
(e)	More than 3 Years	-	-
	Total	784.95	699.48



Note 5: Loans

(₹ in lac)			
S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(A)	Loans		
(i)	Term Loans		
I	Infrastructural Loans: Standard Assets		
a.	Direct Lending	2,286,009.94	2,062,406.64
b.	Takeout financing Scheme	1,650,891.32	1,886,116.71
c.	Refinancing Scheme	2,386,907.04	2,186,120.00
d.	Bonds of Infrastructure Projects & InVIT Loans (Reckoned as Infrastructure Lending)*	2,232,577.60	1,213,451.83
II	Infrastructural Loans: Sub-Standard Assets		
a.	Direct Lending	-	23,678.72
III	Infrastructural Loans: Doubtful Assets		
a.	Direct Lending	93,296.81	53,102.58
c.	Takeout financing Scheme	19,193.32	1,016.94
	Total (A) Gross	8,668,876.04	7,425,893.41
	Less: Impairment loss allowance(Refer Note 1(B) 30)	244,713.16	274,944.67
	Less: Amount pending appropriation	5,366.93	2,324.83
	Total (A) Net	8,418,795.95	7,148,623.92
(B)	(i) Secured by tangible assets and intangible assets.	4,149,108.98	4,527,933.42
	(ii) Unsecured	4,519,767.06	2,897,960.00
	Total (B) Gross	8,668,876.04	7,425,893.42
	Less: Impairment loss allowance	244,713.16	274,944.68
	Less: Amount pending appropriation	5,366.93	2,324.83
	Total (B) Net	8,418,795.96	7,148,623.92
(C)	Loans in India		
(i)	Public Sector	2,977,608.69	1,750,750.00
(ii)	Other than Public Sector	5,691,267.35	5,675,143.42
	Total (C) Gross	8,668,876.04	7,425,893.42
	Less: Impairment loss allowance	244,713.16	274,944.67
	Less: Amount pending appropriation	5,366.93	2,324.83
	Total (C) Net	8,418,795.95	7,148,623.92
	Total	8,418,795.95	7,148,623.92

Footnote:

Sector	Particulars of Security	Amount (₹ in lac)	
Power and Other Sectors	Mortgage: First parri-passu charge by way of mortgage of Borrower's all immovable properties, present and future. Hypothecation: First parri-passu charge by way of hypothecation of all the Borrower's movable assets including plant and machinery etc. Pledging of shares minimum of 51% Escrow account and all rights and titles and interest of borrowers rank parri-passu	2,413,391.63	2,267,614.59
Road and Airport (PPP)	Right to receive annuity and toll collections of the project Escrow account and all rights and titles and interest of borrower rank pari passu Hypothecation: First parri-passu charge by way of hypothecation of all the Borrower's movable assets.	1,735,717.35	2,260,318.83
Financial Institutions under Refinancing Scheme and Bonds of Infrastructure Projects	Unsecured	4,519,767.06	2,897,960.00
	TOTAL	8,668,876.04	7,425,893.42

* The Investment in the Bonds of Infrastructure Projects are treated as Loans and Advances pursuant to the Reserve Bank of India's letter dated 22nd September 2021, allowing the Investment including refinancing by way of subscription to bonds /debentures for infrastructure projects, whether in project under implementation or completed projects, shall be considered as Infrastructure Lending for the purpose of deployment of minimum 75% of total assets by IIFCL towards Infrastructure Loans.



Note 6: Investments

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026						As at 31.03.2025					
		Amortised Cost	At Fair Value					Amortised Cost	At Fair Value				
			Through Other Comprehensive Income	Through profit & loss	Designated at fair value through profit & loss	Others	Total		Through Other Comprehensive Income	Through profit & loss	Designated at fair value through profit & loss	Others	Total
	Mutual funds												
(i)	Mutual Fund Investment by IAMCL	-	-	1,148.84	-	-	1,148.84	-	-	2,326.62	-	-	2,326.62
	Government Securities												
(i)	6.29% (Non-Transferable) Special Gov Security 2030	88,760.00	-	-	-	-	88,760.00	88,760.00	-	-	-	-	88,760.00
(ii)	6.34% (Non-Transferable) Special Gov Security 2031	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(iii)	6.34% (Non-Transferable) Special Gov Security 2032	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(iv)	6.39% (Non-Transferable) Special Gov Security 2033	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(v)	6.39% (Non-Transferable) Special Gov Security 2034	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(vi)	6.44% (Non-Transferable) Special Gov Security 2035	88,200.00	-	-	-	-	88,200.00	88,200.00	-	-	-	-	88,200.00
(vii)	7.12% Madhya Pradesh SGS 25-09-2036	50,060.00	-	-	-	-	50,060.00	50,060.00	-	-	-	-	50,060.00
(viii)	7.11% Maharashtra SGS 25-09-2036	50,060.00	-	-	-	-	50,060.00	50,060.00	-	-	-	-	50,060.00
(ix)	6.78% Maharashtra SGS 23-04-2037	49,773.49	-	-	-	-	49,773.49	-	-	-	-	-	-
(x)	6.72% Maharashtra SGS 23-04-2038	49,057.40	-	-	-	-	49,057.40	-	-	-	-	-	-
		727,710.89	-	-	-	-	727,710.89	629,880.00	-	-	-	-	629,880.00
	Debt Securities												
	Investment in Debentures (Unquoted) (Fully Paid)												
(i)	Debentures in Bansal Pathways (Mangawan- Charghat) Pvt Ltd	-	-	6,078.00	-	-	6,078.00	-	-	6,078.00	-	-	6,078.00
(ii)	Debentures in Bansal Pathways (N.R.R.-1) Private Limited	-	-	7,276.00	-	-	7,276.00	-	-	7,276.00	-	-	7,276.00
(iii)	Debentures in Bansal Pathways (N.R.R.-2) Private Limited	-	-	11,184.00	-	-	11,184.00	-	-	11,184.00	-	-	11,184.00
(iv)	Debentures in Meenakshi Energies Private Limited	-	-	6,346.14	-	-	6,346.14	-	-	7,932.68	-	-	7,932.68
		-	-	30,884.14	-	-	30,884.14	-	-	32,470.68	-	-	32,470.68
	Equity Instruments												
	Unquoted Equity Instruments												
(i)	Dehi Mumbai Industrial Corridor Development Corporation Ltd.	-	-	411.03	-	-	411.03	-	-	411.03	-	-	411.03
(ii)	Aadusik Power & Natural Resources Limited (Held by Security Trustee on behalf of)	-	-	4,765.00	-	-	4,765.00	-	-	4,765.00	-	-	4,765.00
		-	-	5,176.02	-	-	5,176.02	-	-	5,176.02	-	-	5,176.02
	Others												
(i)	Investment in Venture Capital (Unquoted) (Fully Paid)												
(ii)	IDFC Project Equity Domestic Investors Trust II (Fully Paid)	-	-	566.06	-	-	566.06	-	-	601.56	-	-	601.56
	b. Investment in Security Receipts (Unquoted) (Fully Paid)												
(i)	Edelweiss Asset Reconstruction Company Ltd. (EARC Trust-SC 276-Series I)	-	-	-	-	-	-	-	-	12,160.01	-	-	12,160.01
(ii)	NARCL TRUST-0001	-	-	39,485.40	-	-	39,485.40	-	-	39,485.40	-	-	39,485.40
(iii)	NARCL TRUST-0008	-	-	2,647.22	-	-	2,647.22	-	-	2,901.45	-	-	2,901.45
(iv)	NARCL TRUST-0009	-	-	1,866.61	-	-	1,866.61	-	-	3,467.93	-	-	3,467.93
(v)	NARCL TRUST-0017	-	-	3,375.16	-	-	3,375.16	-	-	3,944.09	-	-	3,944.09
(vi)	NARCL TRUST-0010	-	-	4,557.65	-	-	4,557.65	-	-	4,557.65	-	-	4,557.65
(vii)	NARCL TRUST-0013	-	-	3,447.06	-	-	3,447.06	-	-	3,447.06	-	-	3,447.06
(viii)	NARCL TRUST-0019	-	-	13,944.09	-	-	13,944.09	-	-	14,956.26	-	-	14,956.26
(ix)	NARCL TRUST-0022	-	-	3,931.35	-	-	3,931.35	-	-	3,672.10	-	-	3,672.10
		-	-	73,254.54	-	-	73,254.54	-	-	88,591.97	-	-	88,591.97
	Total (A) Gross	727,710.89	-	111,029.61	-	-	838,740.50	629,880.00	-	126,840.23	-	-	759,046.85
	Less: Allowance for impairment loss (IC)	-	-	20,265.32	-	-	20,265.32	-	-	22,039.91	-	-	22,039.91
	Total Net D = (A) - (C)	727,710.89	-	90,764.29	-	-	818,475.18	629,880.00	-	104,800.32	-	-	736,986.94



Details of Allowance for Impairment Loss

S.No.	PARTICULARS	As at 31.03.2026						As at 31.03.2025					
		Amortised Cost	At Fair Value				Total	Amortised Cost	At Fair Value				Total
			Through Other Comprehensive Income	Through profit & loss	Designated at fair value through profit & loss	Others			Through Other Comprehensive Income	Through profit & loss	Designated at fair value through profit & loss	Others	
(i)	Adhunik Power & Natural Resources Limited (held by Security Trustee on behalf of	-	-	4,191.05	-	-	4,191.05	-	-	4,191.05	-	-	4,191.05
(ii)	Debentures in Bansal Pathways (Mangawan- Chakghat) Pvt Ltd	-	-	4,779.65	-	-	4,779.65	-	-	4,892.09	-	-	4,892.09
(iii)	Debentures in Bansal Pathways NRR 1	-	-	4,451.99	-	-	4,451.99	-	-	4,736.86	-	-	4,736.86
(iv)	Debentures in Bansal Pathways NRR 2	-	-	5,072.96	-	-	5,072.96	-	-	5,689.90	-	-	5,689.90
(v)	Debentures in Meenakshi Energies Private Limited	-	-	1,769.53	-	-	1,769.53	-	-	2,549.99	-	-	2,549.99
	Total	-	-	20,265.32	-	-	20,265.32	-	-	22,059.91	-	-	22,059.91

Footnotes:

(a) Aggregate amount of Quoted investments - Cost/ Book Value

(i) Cost/ Book Value

(ii) Market Value

(a) Aggregate amount of unquoted investments - Cost/ Book Value

518,475.15

736,585.94

(b) Refer Note 1(A)(5) for valuation of individual investments. There are no investments designated at FVTPL and FVTOCI.

(c) Ratings assigned by credit rating agencies and migration of ratings during the year:

The domestic debt instruments of IIFCL have "AAA" rating- the highest rating assigned by CRISIL, CARE, India Ratings & Research, ICRA and Brwworks- Credit Rating Agencies.



Note 7: Other financial assets

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
A	Advances		
(i)	Advances recoverable from employees	3,977.23	3,103.14
(ii)	Security Deposit Paid	62.25	54.63
(iii)	Others	13,908.69	11,929.30
	SUB-TOTAL (A)	17,948.17	15,087.07
B	Interest accrued and due on loans and advances	-	-
	SUB-TOTAL (B)	-	-
C	Interest accrued but not due on :		
(i)	Fixed Deposit with Banks	11,195.98	7,783.44
(ii)	Government Securities	3,179.75	17,071.65
(iii)	Loans & Advances	57,743.18	36,715.30
	SUB-TOTAL (C)	72,118.91	61,570.39
	Total (A)+(B)+(C)	90,067.07	76,657.45

Note 8: Current Tax Assets (Net)

(₹ in lac)

S.No	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(i)	Net Income Tax Recoverable	1,821.86	2,714.96
(ii)	Goods & Service Tax Recoverable	1,366.91	1,208.70
(iii)	Net Advance Tax Recoverable	8.68	118.42
	Total	3,197.45	4,042.09

Note 9: Deferred Tax Asset

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(I)	Deferred tax Assets:		
(i)	Interest credited to Sundry Liabilities Account (Interest Capitalisation) offered for tax	-	1,166.85
(ii)	Expected Credit Loss	-	15,671.16
(iii)	Provision for Leave Encashment	14,384.38	25.79
(iv)	Depreciation	2,105.91	1,573.01
(v)	Provision for Sick Leave	100.79	111.01
(vi)	Provision for Medical Assistance Scheme	381.60	370.51
(vii)	Provision for Wage Revision	-	15.16
(viii)	Provision for Leave Fare Concession	33.47	41.29
(ix)	Provision for Gratuity	-	16.59
(x)	Deferred Tax Asset of IAMCL	93.36	(5.36)
(xi)	Provision for PLI to WTDs/Employees	7.07	44.80
(xiii)	Deferred Tax Asset of IPL	92.70	-
	Deferred Tax Assets	17,199.28	19,030.82
(II)	Deferred tax Liability:		
(i)	Interest credited to Sundry Liabilities Account (Interest Capitalisation) offered for tax	167.09	-
(ii)	Expenses on which TDS not deducted	-	-
(iii)	Others	1,463.40	1,715.62
	Deferred Tax Liability	1,630.49	1,715.62
	Deferred Tax Asset/(Liability) (Net)	15,568.78	17,315.21



Note 10: Property, Plant and Equipment

(₹ in lac)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2025	Addition	Disposals/ Adjustments	As at 31.03.2026	As at 01.04.2025	For the Period	Deductions/ Reversals	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
TANGIBLE ASSETS										
BUILDING	27,701.73	15,711.48	-	43,413.21	5,967.52	1,114.88	-	7,082.38	36,330.83	21,734.21
PLANT & MACHINERY	144.85	1.42	(1.99)	148.27	135.18	1.03	(1.98)	138.26	10.01	9.67
FURNITURE & FIXTURES	653.10	7.95	-	661.04	535.84	38.18	-	574.02	87.02	117.26
VEHICLES	123.33	26.98	-	150.28	94.08	8.85	-	102.92	47.36	29.26
OFFICE EQUIPMENTS	357.43	0.70	-	358.13	333.59	2.71	0.00	336.30	21.84	23.84
COMPUTER HARDWARE	361.86	79.35	-	441.20	212.40	93.36	-	305.77	135.43	149.45
LEASEHOLD DEVELOPMENTS	100.96	15.27	-	116.23	61.85	21.56	-	83.41	32.83	39.12
ELECTRICAL EQUIPMENT	346.41	-	-	346.41	329.09	-	-	329.09	17.32	17.32
TOTAL	29,789.66	15,843.13	(1.99)	45,634.79	7,669.50	1,280.62	(1.98)	8,952.14	36,682.65	22,120.12

Note 10A : CAPITAL WORK IN PROGRESS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2025	Addition	Disposals/ Adjustments	As at 31.03.2026	As at 01.04.2025	For the Period	Deductions/ Reversals	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
CAPITAL WORK IN PROGRESS	15,333.67	2,879.96	15,995.67	2,217.96	-	-	-	-	2,217.96	15,333.67
TOTAL	15,333.67	2,879.96	15,995.67	2,217.96	-	-	-	-	2,217.96	15,333.67

CWIP Ageing					
Amount in CWIP for the period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CWIP					
Projects in progress	2,217.96	-	-	-	2,217.96
Projects temporarily suspended	-	-	-	-	-
TOTAL	2,217.96	-	-	-	2,217.96

Note 10B : Right of Use Asset

(₹ in lac)

DESCRIPTION	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at 01.04.2025	Addition	Disposals/ Adjustments	As at 31.03.2026	As at 01.04.2025	For the Period	Deductions/ Reversals	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Right-of- Use (ROU) Asset	-	30.04	-	30.04	-	4.68	-	4.68	25.16	-
TOTAL	-	30.04	-	30.04	-	4.68	-	4.68	25.16	-

Note 11 : OTHER INTANGIBLE ASSETS

(₹ in lac)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2025	Addition	Disposals/ Adjustments	As at 31.03.2026	As at 01.04.2025	For the Period	Deductions/ Reversals	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
COMPUTER SOFTWARE*	2,049.28	0.07	-	2,049.34	1,072.10	192.21	0.21	1,264.10	785.24	977.17
TOTAL	2,049.28	0.07	-	2,049.34	1,072.10	192.21	0.21	1,264.10	785.24	977.17



Note 12: Other non financial assets

(₹ in lac)			
S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(i)	Prepaid Expenses	162.82	3,462.01
(ii)	Prepaid Staff Cost	38.34	38.82
(iii)	Other Advances	911.60	6,986.58
(iv)	Gratuity (Funded)	137.69	-
(v)	Leave Encashment (Funded)	977.40	-
	Total	2,227.86	10,487.41

Note 13: Payables

(₹ in lac)			
S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
	Trade Payables		
(i)	Total outstanding dues of micro enterprises and small enterprises	89.09	2.10
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	75.56	223.74
	Total	164.65	225.84
	Age Wise analysis of Trade Payables	31.03.2026	31.03.2025
(a)	Less than 1 Year	159.96	225.84
(b)	1 - 2 Year	4.69	-
(c)	2 - 3 Year	-	-
	Total	164.65	225.84

Note 14: DEBT SECURITIES

(₹ in lac)					
S.No.	PARTICULARS	As at 31.03.2026		As at 31.03.2025	
		Amortised Cost	Total	Amortised Cost	Total
(A)	Others				
I	SECURED BONDS^				
(i)	79,110 (79,110 as at 31st March 2025) 8.30% Bonds of face value ₹ 1000 each, redeemable on 28/3/2026	-	-	791.10	791.10
(ii)	10,500 (10,500 as at 31st March 2025) 9.41% Taxable Bonds Series X of face value ₹ 10 lac each, redeemable on 27/07/2037	105,000.00	105,000.00	10,000.00	10,000.00
(iii)	500 (500 as at 31st March 2025) 9.36% Taxable Bonds Series X of face value ₹ 10 lac each, redeemable on 27/07/2042	5,000.00	5,000.00	5,000.00	5,000.00
(iv)	1,000 (1,000 as at 31st March 2025) 7.38% Tax Free Bonds Series III-B of face value ₹ 10 lac each, redeemable on 15/11/2027	10,000.00	10,000.00	67,411.62	67,411.62
(v)	3,400 (3,400 as at 31st March 2025) 7.41% Tax Free Bonds Series III-C of face value ₹ 10 lac each, redeemable on 15/11/2032	34,000.00	34,000.00	8,683.91	8,683.91
(vi)	500 (500 as at 31st March 2025) 7.38% Tax Free Bonds Series IV-B of face value ₹ 10 lac each, redeemable on 21/11/2027	5,000.00	5,000.00	3,615.54	3,615.54
(vii)	210 (210 as at 31st March 2025) 7.41% Tax Free Bonds Series IV-C of face value ₹ 10 lac each, redeemable on 21/11/2032	2,100.00	2,100.00	1,040.64	1,040.64
(viii)	68,77,081 (67,41,162 as at 31st March 2025) 7.36% Tax Free Bonds Tranche I - Series I of face value ₹ 1,000 each, redeemable on 22/01/2028	68,770.81	68,770.81	63,030.00	63,030.00
(ix)	7,32,472 (6,68,391 as at 31st March 2025) 7.86% Tax Free Bonds Tranche I - Series I of face value ₹ 1,000 each, redeemable on 22/01/2028	7,324.72	7,324.72	115,970.00	115,970.00
(x)	1,03,89,938 (1,01,62,809 as at 31st March 2025) 7.40% Tax Free Bonds Tranche I - Series III of face value ₹ 1,000 each, redeemable on 26/03/2028	103,899.38	103,899.38	112,970.00	112,970.00
(xi)	11,74,286 (14,01,415 as at 31st March 2025) 7.90% Tax Free Bonds Tranche I - Series III of face value ₹ 1,000 each, redeemable on 22/01/2033	11,742.86	11,742.86	890.09	890.09
(xii)	3,86,252 (3,61,554 as at 31st March 2025) 7.02% Tax Free Bonds Tranche II - Series II of face value ₹ 1,000 each, redeemable on 26/03/2028	3,862.52	3,862.52	30,353.30	30,353.30
(xiii)	79,366 (1,04,064 as at 31st March 2025) 7.52% Tax Free Bonds Tranche II - Series II of face value ₹ 1,000 each, redeemable on 26/03/2028	793.66	793.66	15,713.11	15,713.11
(xiv)	82,275 (42,472 as at 31st March 2025) 7.08% Tax Free Bonds Tranche II - Series III of face value ₹ 1,000 each, redeemable on 26/03/2033	822.75	822.75	679.08	679.08
(xv)	1,50,890 (1,90,693 as at 31st March 2025) 7.58% Tax Free Bonds Tranche II - Series III of face value ₹ 1,000 each, redeemable on 26/03/2033	1,508.90	1,508.90	27,989.22	27,989.22
(xvi)	6,303 (6,303 as at 31st March 2025) 8.26% Tax Free Bonds Series V-B of face value ₹ 10 lac each, redeemable on 23/08/2028	63,030.00	63,030.00	14,109.50	14,109.50
(xvii)	20 (20 as at 31st March 2025) 8.19% Tax Free Bonds Series V-C of face value ₹ 10 lac each, redeemable on 23/08/2032	200.00	200.00	1,228.07	1,228.07
(xviii)	11,597 (11,597 as at 31st March 2025) 8.46% Tax Free Bonds Series VI-B of face value ₹ 10 lac each, redeemable on 30/08/2028	115,970.00	115,970.00	159,584.86	159,584.86
(xix)	265 (265 as at 31st March 2025) 8.37% Tax Free Bonds Series VI-C of face value ₹ 10 lac each, redeemable on 30/08/2033	2,650.00	2,650.00	27,110.62	27,110.62
(xx)	11,297 (11,297 as at 31st March 2025) 8.48% Tax Free Bonds Series VII-B of face value ₹ 10 lac each, redeemable on 05/09/2028	112,970.00	112,970.00	34,000.00	34,000.00
(xxi)	30,35,330 (30,35,330 as at 31st March 2025) 8.38% Tax Free Bonds Tranche 1 - Series 2A of face value ₹ 1,000 each, redeemable on 12/11/2028	30,353.30	30,353.30	2,100.00	2,100.00
(xxii)	2,12,973 (89,009 as at 31st March 2025) 8.38% Tax Free Bonds Tranche 1 - Series 2B of face value ₹ 1,000 each, redeemable on 12/11/2028	2,129.73	2,129.73	101,628.09	101,628.09



(xxiii)	14,47,347 (15,71,311 as at 31st March 2025) 8.63% Tax Free Bonds Tranche 1 - Series 2B of face value ₹ 1,000 each, redeemable on 12/11/2028	14,473.47	14,473.47	14,014.15	14,014.15
(xxiv)	18,68,982 (18,68,982 as at 31st March 2025) 8.50% Tax Free Bonds Tranche 1 - Series 3A of face value ₹ 1,000 each, redeemable on 12/11/2033	18,689.82	18,689.82	424.72	424.72
(xxv)	4,31,754 (1,59,113 as at 31st March 2025) 8.50% Tax Free Bonds Tranche 1 - Series 3B of face value ₹ 1,000 each, redeemable on 12/11/2033	4,317.54	4,317.54	1,906.93	1,906.93
(xxvi)	21,47,867 (24,20,508 as at 31st March 2025) 8.75% Tax Free Bonds Tranche 1 - Series 3B of face value ₹ 1,000 each, redeemable on 12/11/2033	21,478.67	21,478.67	200.00	200.00
(xxvii)	27,98,922 (27,98,922 as at 31st March 2025) 8.48% Tax Free Bonds Tranche II - Series 2A of face value ₹ 1000 each, redeemable on 22/01/2029	27,989.22	27,989.22	2,650.00	2,650.00
(xxviii)	75,43,989 (75,43,989 as at 31st March 2025) 8.66% Tax Free Bonds Tranche II - Series 3A of face value ₹ 1000 each, redeemable on 22/01/2034	75,439.89	75,439.89	1,591.13	1,591.13
(xxix)	1,90,894 (67,908 as at 31st March 2025) 8.48% Tax Free Bonds Tranche II - Series 2B of face value ₹ 1,000 each, redeemable on 22/01/2029	1,908.94	1,908.94	18,689.82	18,689.82
(xxx)	12,87,964 (14,10,950 as at 31st March 2025) 8.73% Tax Free Bonds Tranche I - Series 2B of face value ₹ 1000 each, redeemable on 22/01/2029	12,879.64	12,879.64	24,205.08	24,205.08
(xxxi)	11,65,808 (5,15,765 as at 31st March 2025) 8.66% Tax Free Bonds Tranche I - Series 3B of face value ₹ 1,000 each, redeemable on 22/01/2034	11,658.08	11,658.08	5,157.65	5,157.65
(xxxii)	47,93,189 (54,43,232 as at 31st March 2025) 8.91% Tax Free Bonds Tranche I - Series 3B of face value ₹ 1000 each, redeemable on 22/01/2034	47,931.89	47,931.89	75,439.89	75,439.89
(xxxiii)	1,59,58,486 (1,59,58,486 as at 31st March 2025) 8.55% Tax Free Bonds Tranche III - Series 2A of face value ₹ 1000 each, redeemable on 27/03/2029	159,584.86	159,584.86	54,432.32	54,432.32
(xxxiv)	12,59,825 (12,59,825 as at 31st March 2025) 8.55% Tax Free Bonds Tranche III - Series 3 of face value ₹ 1000 each, redeemable on 27/03/2034	12,598.25	12,598.25	12,598.25	12,598.25
(xxxv)	3,29,038 (1,22,807 as at 31st March 2025) 8.55% Tax Free Bonds Tranche III - Series 2B of face value ₹ 1,000 each, redeemable on 27/03/2029	3,290.38	3,290.38	12,873.11	12,873.11
(xxxvi)	25,04,831 (27,11,062 as at 31st March 2025) 8.60% Tax Free Bonds Tranche III - Series 2B of face value ₹ 1000 each, redeemable on 27/03/2029	25,048.31	25,048.31	1,254.70	1,254.70
(xxxvii)	2,61,357 (125,470 as at 31st March 2025) 8.55% Tax Free Bonds Tranche I of face value ₹ 1,000 each, redeemable on 27/03/2034	2,613.57	2,613.57	105,000.00	105,000.00
(xxxviii)	11,51,424 (12,87,311 as at 31st March 2025) 8.60% Tax Free Bonds Tranche I of face value ₹ 1000 each, redeemable on 27/03/2034	11,514.24	11,514.24	5,000.00	5,000.00
		1,138,545.40	1,138,545.40	1,139,336.50	1,139,336.50
II UNSECURED BONDS*					
(i)	400 Interest linked to US\$ 6 months LIBOR Bonds of face value \$ 1 million each, subscribed by RBI, redeemable on 29/01/2029	378,617.20	378,617.20	342,325.60	342,325.60
(ii)	15,000 7.17% Bonds of face value ₹ 10 lac each, redeemable on 12/03/2032	150,000.00	150,000.00	150,000.00	150,000.00
(iii)	5,000 7.46% Bonds of face value ₹ 10 lac each, redeemable on 31/05/2033	50,000.00	50,000.00	50,000.00	50,000.00
(iv)	200,000 7.69% Bonds of face value ₹ 10 lac each, redeemable on 26/10/2038	200,000.00	200,000.00	200,000.00	200,000.00
(v)	200,000 7.69% Bonds of face value ₹ 1 lac each, redeemable on 26/10/2038	200,000.00	200,000.00	200,000.00	200,000.00
(vi)	100,000 7.67% Bonds of face value ₹ 1 lac each, redeemable on 26/10/2038	100,000.00	100,000.00	100,000.00	100,000.00
(vii)	150,000 7.34% Bonds of face value ₹ 1 lac each, redeemable on 14/03/2039	150,000.00	150,000.00	150,000.00	150,000.00
(viii)	200,000 7.51% Bonds of face value ₹ 1 Lac each, redeemable on 25/04/2039	200,000.00	200,000.00	200,000.00	200,000.00
(ix)	1,02,500 7.41% Bonds of face value ₹ 1 Lac each, redeemable on 26/06/2039	102,500.00	102,500.00	102,500.00	102,500.00
(x)	51,500 7.39% Bonds of face value ₹ 1 Lac each, redeemable on 01/08/2039	51,500.00	51,500.00	51,500.00	51,500.00
(xi)	96,000 7.37% Bonds of face value ₹ 1 Lac each, redeemable on 02/09/2034	96,000.00	96,000.00	96,000.00	96,000.00
(xii)	1,58,500 7.26% Bonds of face value ₹ 1 Lac each, redeemable on 07/11/2034	158,500.00	158,500.00	158,500.00	158,500.00
(xiii)	74,500 7.47% Bonds of face value ₹ 1 Lac each, redeemable on 07/11/2027	74,500.00	74,500.00	74,500.00	74,500.00
(xiv)	55,000 7.35% Bonds of face value ₹ 1 Lac each, redeemable on 20/12/2034	55,000.00	55,000.00	55,000.00	55,000.00
(xv)	74,000 7.47% Bonds of face value ₹ 1 Lac each, redeemable on 20/03/2028	74,000.00	74,000.00	74,000.00	74,000.00
(xvi)	104,000 7.56% Bonds of face value ₹ 1 Lac each, redeemable on 20/03/2028	104,000.00	104,000.00	104,000.00	104,000.00
(xvii)	100,000 7.28% Bonds of face value ₹ 1 Lac each, redeemable on 27/03/2032	100,000.00	100,000.00	100,000.00	100,000.00
(xviii)	200,000 7.08% Bonds of face value ₹ 1 Lac each, redeemable on 15/05/2035	200,000.00	200,000.00	-	-
(xix)	156,000 6.99% Bonds of face value ₹ 1 Lac each, redeemable on 15/06/2030	156,000.00	156,000.00	-	-
		2,600,617.20	2,600,617.20	2,208,325.60	2,208,325.60
Total gross (A)		3,739,162.60	3,739,162.60	3,347,662.10	3,347,662.10
Debt securities in India		3,360,545.40	3,360,545.40	2,289,336.50	2,289,336.50
Debt securities outside India		378,617.20	378,617.20	1,058,325.60	1,058,325.60
Total gross (B)		3,739,162.60	3,739,162.60	3,347,662.10	3,347,662.10
Total (B) to tally with (A)		3,739,162.60	3,739,162.60	3,347,662.10	3,347,662.10



Note 15: Borrowings (Other than Debt securities)

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026		As at 31.03.2025	
		Amortised Cost	Total	Amortised Cost	Total
a)	Term loans				
(i)	From Banks				
a.	Short Term Loans from Banks	1,233,101.40	1,233,101.40	1,563,248.07	1,563,248.07
b.	Other Loans - IIFC UK	285,022.98	285,022.98	213,953.49	213,953.49
c.	Long Term Loans	1,299,743.32	1,299,743.32	220,000.00	220,000.00
(ii)	From Other Parties				
	Unsecured Loans:				
a.	Asian Development Bank (ADB)	1,179,891.22	1,179,891.22	1,064,015.50	1,064,015.50
b.	IBRD (World Bank)	103,510.16	103,510.16	101,728.52	101,728.52
c.	European Investment Bank (EIB)	138,515.99	138,515.99	130,353.39	130,353.39
d.	Kreditanstalt für Wiederaufbau (KfW)	14,529.01	14,529.01	12,807.08	12,807.08
e.	Japan International Cooperation Agency	204,052.62	204,052.62	214,970.21	214,970.21
f.	Sumitomo Mitsui Banking Corporation (SMBC)	154,050.00	154,050.00	-	-
b)	Loans repayable on demand				
	Secured Loans:				
i)	from Banks (Overdraft)	214,882.39	214,882.39	47,625.41	47,625.41
	*(Secured by pledge of fixed deposit receipts of ₹ 5,05,392 as at 31st March 2026 (₹ 2,09,400 Lacs as at 31st March 2025)				
	Total (A)	4,827,299.09	4,827,299.09	3,568,701.67	3,568,701.67
	Borrowings in India	2,747,727.11	2,747,727.11	1,830,873.47	1,830,873.47
	Borrowings outside India-FC loans	2,079,571.98	2,079,571.98	1,737,828.21	1,737,828.21
	Total	4,827,299.09	4,827,299.09	3,568,701.67	3,568,701.67



TERMS OF REPAYMENT OF LONG TERM LOANS

i) Asian Development Bank

Tranche	Loan Amount (including short term) as per Agreement (\$ in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amt of repayment
I	3000	Overnight SOFR +20bps	15.12.2012	15.06.2032	Semi-Annual	Each instalment of 2.50% of loan amount
II	2000	Overnight SOFR +20bps	15.06.2014	15.12.2033	Semi-Annual	Each instalment of 2.50% of loan amount
III	2100	Overnight SOFR +20bps	15.12.2014	15.06.2034	Semi-Annual	Ballooning instalments starting from 0.827816% to upto 5.550311% of loan amount
IV	2500	Overnight SOFR +30bps	15.12.2015	15.06.2035	Semi-Annual	
V	2400	Overnight SOFR +40bps	15.12.2016	15.06.2036	Semi-Annual	
VI	4000	Overnight SOFR +40bps	15.03.2018	15.03.2033	Semi-Annual	Ballooning instalments starting from 2.173900% to upto 4.559913% of loan amount
VII	3000	Overnight SOFR +50bps	01.05.2023	01.05.2038	Semi-Annual	Ballooning instalments starting from 2.173900% to upto 4.559913% of loan amount
VIII	5000	Overnight SOFR + 50bps	01.06.2029	01.06.2044	Semi-Annual	Each instalment of 3.225806% of loan amount
Total	24000					

ii) IBRD (World Bank)

Loan Amount as per Agreement (\$ in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amt of repayment
1950*	Overnight SOFR +variable spread	15.04.2017	15.04.2037	Semi-Annual	Instalment (s) of 2.44% of loan amount upto 15.10.2036 and 2.40% on 15.04.2037

* The loan amount of IBRD (World Bank) has reduced to \$ 1,950 lac due to restructuring of its line of credit dated 18th December 2013 giving details of cancellation of loan amount of \$ 10,000 lac

iii) Kreditanstalt für Wiederaufbau (KfW)

Tranche	Loan Amount as per Agreement (Euro in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amt of repayment
I	165.89	0.75%	30.06.2020	30.06.2050	Semi-Annual	- Euro 271,000 from 30.06.2020 to 30.12.2021 - Euro 272,000 from 30.06.2022 to 30.12.2049 and Euro 272581.03 on 30.06.2050
II	334.11	4.99%	30.06.2015	30.06.2020	Semi-Annual	- Euro 3,037,000 from 30.06.2015 to 30.06.2018 - Euro 3,038,000 from 30.12.2018 to 30.12.2019 and Euro 3,038,418.97 on 30.06.2020
Total	500.00					

iv) European Investment Bank

Tranche	Loan Amount as per Agreement (Euro in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amt of repayment
I	350.00	6M EURIBOR+All-in spread of 0.275%	22.06.2020	20.12.2034	Semi-Annual	Each instalment of Euro 11,68,666.67
II	400.00	6M EURIBOR+All-in spread of 0.436%	21.06.2021	20.12.2034	Semi-Annual	Each instalment of Euro 14,28,571.43
III	400.00	6M EURIBOR+All-in spread of 0.426%	21.06.2021	20.12.2034	Semi-Annual	Each instalment of Euro 14,28,571.43
IV	850.00	6M EURIBOR+All-in spread of 0.346%	21.06.2021	20.12.2034	Semi-Annual	Each instalment of Euro 30,35,714.29
Total	2000.00					

v) Japan International Cooperation Agency

Tranche	Loan Amount as per Agreement (Japanese Yen in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency of repayment	Amt of repayment
Portion-I	10,000.00	6M JPY LIBOR with a floor of 0.10% and cap of 6.208%	20.03.2022	20.03.2036	Semi-Annual	First instalment of 3.448328% of loan amount and subsequent instalments of 3.448274% of loan amount.
Portion-II	90,000.00	6M JPY LIBOR with a floor of 0.10% and cap of 6.208%	20.03.2022	20.03.2036	Semi-Annual	First instalment of 3.448328% of loan amount and subsequent instalments of 3.448274% of loan amount.

vi) Sumitomo Mitsui Banking Corporation

Tranche	Loan Amount as per Agreement (Japanese Yen in Lac)	Rate of Interest	Repayment from	Repayment upto	Frequency & Amount of repayment
I	100,000.00	TONA+0.8491%	25.07.2025	25.07.2030	Bullet repayment on the Final Maturity Date of each loan
II	100,000.00	TONA+0.8491%	11.11.2025	11.11.2030	Bullet repayment on the Final Maturity Date of each loan



Note 16: Other financial liabilities

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
A	Interest accrued		
(i)	On bonds and term loans	134,835.35	118,407.67
B	Others		
(i)	Security deposit received	63.93	1.43
(ii)	Others	4,955.21	7,747.30
	Total	139,854.49	126,156.39

Note 17: Current Tax liabilities

(₹ in lakhs)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(i)	Provision for Income Tax	13,192.49	14,094.88
(ii)	Income Tax (Net)	4,905.84	15,725.16
	Total	18,098.34	29,820.04

Note 18: Provisions

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
	Provision for employee benefits		
(i)	Leave Encashment	95.28	124.27
(ii)	Sick Leave	400.47	441.09
(iii)	Post-retirement medical benefit	1,606.44	1,463.51
(iv)	Leave Fare Concession	178.82	173.88
(v)	Wage Revision	2,466.86	1,817.19
(vi)	Gratuity	81.88	91.22
(vii)	PLI to Employees/WTDs	28.08	178.00
(viii)	Gratuity on account of New Labour Code	65.63	-
	Others		
(i)	Expense on Behalf of NPAs	439.77	1,134.61
	Total	5,363.23	5,423.78

Note 19: OTHER NON-FINANCIAL LIABILITIES

(₹ in lac)

S.No.	Particulars	As at 31.03.2026	As at 31.03.2025
(A)	Other payables		
(i)	Statutory Dues payable	2,003.11	1,457.55
(ii)	Unclaimed Interest on Bonds	0.69	0.69
(iii)	Commitment Charges payable	186.30	-
(iv)	Sundry Liabilities Account (Interest Capitalisation)*	3,725.97	9,026.24
(v)	Others	6,962.35	5,602.82
	Total	12,878.43	16,087.30

* The amount includes moratorium extended to borrowers of IIFCL from March 2020 to August 2020 in accordance with RBI Circular " COVID-19 Regulatory Package".



Note 20: Equity Share Capital

(₹ in lac)

S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
A	Authorised Capital		
	10,000,000,000 equity shares of Rs. 10/- each (10,000,000,000 equity shares of Rs.10/- each as at 31st March 2025)	1,000,000.00	1,000,000.00
B	Issued, Subscribed and Paid up Capital		
	9,999,916,230 (9,999,916,230 as at 31st March 2025) fully paid equity shares of Rs. 10/- each	999,991.62	999,991.62
	Total	999,991.62	999,991.62

Footnotes:

- a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	As at 31st March 2026		As at 31st March 2025	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Shares outstanding at the beginning of the reporting period	9,999,916,230	999,991.62	9,999,916,230	999,991.62
Shares Issued during the reporting period	-	-	-	-
Shares outstanding at the end of the reporting period	9,999,916,230	999,991.62	9,999,916,230	999,991.62

- b) Details of the shares held by each shareholder holding more than 5% shares:-

PARTICULARS	Year ended 31st March 2026		Year ended 31st March 2025	
	No. of Shares	% Held	No. of Shares	% Held
President of India	9,999,916,230	100.00%	9,999,916,230	100.00%

- c) Disclosure of Shareholding of Promoters

Promoter Name	Shares held by promoters as at 31st March 2026		Shares held by promoters as at 31st March 2025		% change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
President of India	9,999,916,230	100.00%	9,999,916,230	100.00%	-



Note 21: Other Equity

(₹ in lac)			
S.No.	PARTICULARS	As at 31.03.2026	As at 31.03.2025
(a)	CAPITAL RESERVE (PROFIT ON SALE OF NON CURRENT		
	Opening Balance	585.14	585.14
	Add: Transfer from Surplus in Statement of Profit and Loss	-	-
	Closing Balance	585.14	585.14
(b)	SECURITIES PREMIUM ACCOUNT (ON BONDS) (Footnote 1)		
	Opening Balance	235.50	235.50
	Add: For the year	-	-
	Closing Balance	235.50	235.50
(c)	DEBENTURE/ BOND REDEMPTION RESERVE		
	Opening Balance	54,568.28	54,568.28
	Less: Transfer to Surplus in Statement of Profit and Loss	105.99	-
	Closing Balance	54,462.29	54,568.28
(d)	CASH FLOW HEDGE RESERVE		
	Opening Balance	(20,317.05)	(17,025.08)
	Add: Cash Flow Hedge Reserve during the period	12,402.83	(3,291.97)
	Closing Balance	(7,914.22)	(20,317.05)
(e)	OTHER RESERVES		
(i)	SPECIAL RESERVE U/S 36(1)(viii) OF INCOME TAX ACT, 1961 (Footnote 2)		
	Opening Balance	216,690.69	177,588.70
	Add: Transfer from Surplus in Statement of Profit and Loss (Net)	42,410.32	39,101.98
	Closing Balance	259,101.01	216,690.69
(ii)	STAFF WELFARE RESERVE (Footnote 3)		
	Opening Balance	3,394.82	297.16
	Add: Transfer from Surplus of Profit & Loss Account	1,537.55	3,400.02
	Less: Amount utilized during the year and transferred to Surplus in Statement of Profit	139.15	302.36
	Closing Balance	4,793.22	3,394.02
(iii)	CORPORATE SOCIAL RESPONSIBILITY RESERVE (Footnote 4)		
	Opening Balance	122.45	122.45
	Less: Amount Utilized	-	-
	Closing Balance	122.45	122.45
(iv)	FOREIGN CURRENCY TRANSLATION DIFFERENCE RESERVE		
	Opening Balance	18,084.32	15,712.43
	Add/ Less: Adjustments during the year	12,771.25	2,371.89
	Closing Balance	30,855.57	18,084.32
(v)	Impairment Reserve (Footnote 5)		
	Opening Balance	101,230.76	101,230.76
	Add/ Less: Adjustments during the year	-	-
	Closing Balance	101,230.76	101,230.76
(vi)	RESERVE FUND U/S 45-IC OF RBI ACT 1934 (Footnote 6)		
	Opening Balance	114,831.82	71,536.34
	Add: Transfer from Surplus of Profit & Loss Account	27,588.43	43,295.49
	Closing Balance	142,420.26	114,831.82
(f)	RETAINED EARNINGS		
	Opening Balance	171,003.09	(6,222.12)
	Add: Profit after Tax	147,195.53	263,143.54
	Add: Transfer from Staff Welfare Reserve	141.38	297.07
	Add: Ind AS adjustment	-	10.80
	Add: Transfer from Debenture Redemption Reserve	105.99	-
	Less: Transfer to Staff Welfare Reserve	1,542.03	3,400.02
	Less: Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act,	42,410.32	39,101.98
	Less: Preoperative GIFT SEZ expenses	-	4.33
	Less: Transfer to Impairment Allowance Reserve	0.11	0.11
	Less: Prior Period Item	33.19	2.96
	Less: Tax Adjustments	18.79	14.57
	Less: Re-measurement gain/(loss) on defined benefit plans	(56.28)	406.74
	Less: Transfer to Reserve Fund u/s 45-IC	27,588.43	43,295.49
	Closing Balance	246,909.41	171,003.09
	TOTAL	832,801.39	660,429.82

Footnotes:

- Securities Premium represents the premium received by the Company on issue of shares and debt securities. It is utilised in accordance with the provisions of the Companies Act, 2013.
- Special Reserve is the statutory reserve required to be maintained u/s 36(1)(viii) of Income Tax Act, 1961 by companies providing long term finance for development of infrastructure facility in India.
- Staff Welfare Reserve is created to promote, among the staff, sports, cultural and other welfare activities.
- From the year ended 31st March 2015, IIFCL has not created CSR Reserve towards CSR expenditure required to be incurred as per provisions of the Companies Act, 2013 and vide letter dated 3rd July 2015, has referred the issue to Department of Public Enterprises (DPE) for clarification on continuation of creating CSR Reserve and its utilization in addition to the amount required to be spent under CSR as per the provisions of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014. The reply from DPE is still awaited.
- The impairment allowance reserve is created as per RBI circular RBI/2019-20/170 dated 13th March 2020 for the impairment on loan assets as per Ind AS is lower than the provisions as per RBI's Income Recognition, Asset Classification and Provisioning (IRACP) norms.
- The Reserve Fund is created as per section 45-IC of RBI Act 1934.



Note 24: Finance Cost

(₹ in lac)

S.No.	PARTICULARS	As at	
		On Financial Liabilities measured at Amortised Cost	
		31.03.2026	31.03.2025
A)	Interest on Borrowings		
(i)	Interest on Bank Borrowings	152,503.45	156,668.30
(ii)	Interest on Loan from Multilateral Institutions	81,079.00	87,073.66
B)	Interest on Debt Securities	254,595.21	204,496.38
C)	Other Interest Expense		
(i)	Interest on Income Tax	461.13	553.75
	Total	488,638.80	448,792.09

Note 25: Fees and Commission Expense

(₹ in lac)

S.No.	PARTICULARS	As at	
		31.03.2026	31.03.2025
(i)	Government guarantee fees	8,326.78	10,768.30
(ii)	Bond Servicing Expenses	259.83	733.05
(iii)	Commitment charges	474.02	-
	Total	9,060.64	11,501.34

Note 26: Net (Gain)/Loss on the Fair Value Changes

(₹ in lac)

S.No.	PARTICULARS	As at	
		31.03.2026	31.03.2025
	Net (gain)/ loss on financial instruments at fair value through profit or loss		
(i)	On trading portfolio	-	-
(ii)	On financial instruments designated at fair value through profit or loss	1,007.16	(12,254.58)
	Total Net (gain)/loss on fair value changes	1,007.16	(12,254.58)
	Fair Value changes*:		
	-Realised	-	-
	-Unrealised	1,007.16	(12,254.58)
	Total Net (gain)/loss on fair value changes	1,007.16	(12,254.58)
	* Fair value changes in this schedule are other than those arising on account of interest income/expenses.		

Note 27: Impairment of Financial Instruments

(₹ in lac)

S.No.	PARTICULARS	As at	
		On Financial Instruments measured at Amortised Cost	
		31.03.2026	31.03.2025
(i)	Loan Assets	(7,790.26)	(55,401.54)
(ii)	Investments	(1,794.59)	(1,594.83)
(iii)	Expense on behalf of NPAs	43.86	58.03
	Total	(9,540.99)	(56,938.34)



Note 28: Employee Benefit Expenses

(₹ in lac)

S.No.	PARTICULARS	As at	
		31.03.2026	31.03.2025
(i)	Salaries and wages	8,959.11	8,960.18
(ii)	Contribution to provident and other funds	462.24	608.52
(iii)	Staff welfare expenses	216.94	106.86
(iv)	Prepaid Staff Cost	-	3.96
	Total	9,638.30	9,679.52

Note 29: Other Expenses

(₹ in lac)

S.No.	PARTICULARS	As at	
		31.03.2026	31.03.2025
(i)	Rent, Taxes and Energy Costs	199.81	292.16
(ii)	Printing & Stationery	36.97	35.52
(iii)	Advertisement & Publicity	72.83	40.18
(iv)	Director's Fees, allowances and expenses	18.30	19.75
(v)	Auditor's Fees and expenses	195.64	147.57
(vi)	Legal and professional Charges	975.25	348.24
(vii)	Insurance	24.32	23.45
(viii)	Other Expenditure		
a)	Net loss on foreign currency transactions and translations	136,613.51	22,735.84
b)	Other Expenses	6,571.75	3,979.10
c)	Loan Amount Written Off [See note 1(B)(19)]	16,615.50	13,939.51
	Total	161,323.88	41,561.31



Note 1: MATERIAL ACCOUNTING POLICIES AND OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026

IIFCL is a public company domiciled and incorporated in India under the provisions of Companies Act. The registered office of the Company is situated at 5th Floor, Plate A & B, Block 2, NBCC Tower, East Kidwai Nagar, New Delhi, India.

IIFCL is set up with an objective to provide long term finance to viable infrastructure projects. Since inception, IIFCL was governed by the Scheme for Financing Viable Infrastructure Projects through a Special Purpose Vehicle, broadly referred to as SIFTI. Government vide letter dated 15th April 2026 has directed that SIFTI is no longer applicable to IIFCL or any of its subsidiaries and the Company's Board can take operational and financial decisions subject to extant regulatory framework of RBI. Reserve Bank of India has issued Certificate of Registration no N-14.03288 as Non-Banking Financial Company – Non-Deposit - Infrastructure Finance Company (NBFC-ND-IFC) to India Infrastructure Finance Company Limited (IIFCL) on 9th September 2013. RBI has allowed IIFCL to carry on the business of Non-Banking Financial Institution without accepting public deposits.

(A) MATERIAL ACCOUNTING POLICIES

1. Basis of preparation

- 1.1 The Consolidated Financial Statements comprise the individual financial statements of India Infrastructure Finance Company Limited (the parent company) and financial statements of its subsidiaries, India Infrastructure Finance Company (UK) Limited (IIFC (UK) Ltd.), IIFCL Projects Limited and IIFCL Asset Management Company Limited (together constituting as the group) as on 31st March 2026 and for the period ended on that date. The Consolidated Financial Statements have been prepared on the following basis:
- The Financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of Assets, Liabilities, Income and Expenses, after eliminating intra-group transactions resulting in unrealized profits or losses as per Ind AS 110 on "Consolidated Financial Statements".
 - The assets and liabilities, both monetary and non-monetary, of the foreign subsidiary are translated at the closing exchange rate.
 - Income and expense items of the foreign subsidiary are translated at the RBI reference rate between the reporting currency and the foreign currency at the date of transaction.
 - All resulting exchange difference is accumulated in a foreign currency translation reserve.



- 1.2 The Individual Financial Statements of the following subsidiaries have been Consolidated in the consolidated Financial Statements:

Name of Subsidiary	Country of Incorporation	Current Period	Previous Period
		Proportion of Ownership Interest (%)	Proportion of Ownership Interest (%)
IIFC (UK) Limited	United Kingdom	100%	100%
IIFCL Projects Limited	India	100%	100%
IIFCL Asset Management Company Limited	India	100%	100%

- 1.3 The wholly owned foreign subsidiary company's i.e. IIFC (U.K) Limited financial statements have been converted as per Generally Accepted Accounting Practices in India applied for preparing financial statements of the Parent Company.
- 1.4 **Accounting convention:** IIFCL presents its financial statements in accordance with the format provided in the Division III of Schedule III to Companies Act, 2013, for Non-Banking Financial Companies (NBFCs). The financial statements have been prepared on accrual basis and on a historical cost basis, except
- Financial assets classified as Fair Value through Other Comprehensive Income (FVOCI),
 - Derivative financial instruments,
 - Financial assets and liabilities designated at fair value through profit or loss (FVTPL),
 - Defined benefit plans – plan assets measured at fair value.

All of which have been measured at fair value as required or allowed by relevant Ind AS. The financial statements are presented in Indian Rupees and all values are rounded to the nearest Rupees Lakhs, except when otherwise indicated.

- 1.5 **Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure thereof at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which results materialize.

IIFCL has not made any assumption about the future, and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



2. Statement of compliance

The financial statements of IIFCL are prepared on going concern basis and in accordance with the requirements of Ind AS notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 vide Gazette notification no. G.S.R.111(E) dated 16th February 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016, vide Gazette notification no. G.S.R.365(E) dated 30th March 2016 and other applicable regulatory guidelines/directions issued by Reserve Bank of India (RBI) from time to time.

3. Presentation of financial statements

Financial assets and financial liabilities are generally reported gross value in the Balance Sheet. They are only offset and reported net value when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the IIFCL and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. ISDAs) are only presented net value when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

4. Recognition Of Income / Expenditure

4.1. For all financial instruments measured at amortized cost, interest bearing financial assets classified as available-for-sale and financial instruments designated at FVTPL, interest income or expense is recorded using the EIR. The calculation takes into account all of the contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses. When the recorded value of a financial asset or a group of similar financial assets has been reduced by an impairment loss, interest income continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

4.2. Upfront fee income on loans granted is considered as income on accrual basis in cases where loan documents have been signed on allocated amount.



- 4.3. Commitment charges on loans taken by the company are accounted for as expense when draw down of loan is less than sanctioned amount of loan as per the Loan agreement.
- 4.4. Recoveries in borrower's accounts are appropriated as per the respective loan agreements.
- 4.5. The recovery from loan assets written off are treated as income in the year of receipt of recovery.
- 4.6. Dividend is accounted on accrual basis when right to receive the dividend is established. However, right to receive final dividend arises only on approval thereof by the shareholders in Annual General Meeting.
- 4.7. Income/Expenditure relating to a prior period, which does not exceed 0.1% of the total income, are treated as income/expenditure of current year.
- 4.8. Partial Credit Enhancement Guarantee fee is recognized in the accounting year on accrual basis when reasonable right of recovery is established. Any Partial Credit Enhancement Guarantee fee received in advance is deferred and is recognized as income over period of accrual.
- 4.9. Income including interest/discount or any other charges on Non-Performing Assets (NPA) is recognized only when it is actually realized. Any such income recognized before the asset became non-performing and remaining unrealized is reversed.
- 4.10. Interest on Income Tax refund is accounted on actual basis, i.e. treated as income in the year of receipt of Income Tax Refund.

5. Financial instruments:

5.1. Recognition and Initial Measurement:

The company initially recognizes financial assets and financial liabilities on the settlement date. A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

5.2. Classification:

A. Financial Assets:

Financial assets of the Company comprise cash and cash equivalents, bank balances, investments in equity shares of companies other than in subsidiaries & joint ventures, loans to subsidiaries/employees, advances to employees, security deposit, claims recoverable etc.

On initial recognition, a financial asset is classified:

a) Amortized Cost:

Financial Instruments are measured at amortized cost where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and



- Are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These instruments are initially recognized at fair value plus directly attributable transaction costs, impact of which exceeds 0.5% of the total income. The measurement of credit impairment is based on the three-stage expected credit loss model described in Note 6.7 Impairment of financial assets.

b) Fair Value through Other Comprehensive Income(OCI):

Financial Instruments are measured at fair value through other comprehensive income where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- Are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the income statement. The measurement of credit impairment is based on the three-stage expected credit loss model as applied to financial assets at amortised cost. The expected credit loss model.

c) Fair Value through Profit and Loss:

- Items held for trading;
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise. Where a financial asset is measured at fair value, a credit valuation adjustment is included to reflect the credit worthiness of the counterparty, representing the movement in fair value attributable to changes in credit risk.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term, or forms part of a portfolio of financial



instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

In addition, on initial recognition, IIFCL may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

d) Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by IIFCL in a business combination to which IND AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management. Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

All other financial assets are classified as measured at FVTPL.

Subsequent measurement

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method, impact of which exceeds 0.5% of the total income.

Financial assets at fair value through other comprehensive income are measured at each reporting date at fair value. Fair value changes are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the income statement.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after IIFCL changes its business model for managing financial assets.

B. Financial Liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company.



Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities, impact of which exceeds 0.5% of the total income. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Defining contractual cash flows solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

C. Derivative financial instruments:

Derivative financial instruments are contracts whose value is derived from one or more underlying price, index or other variable, and typically comprise of instruments such as swaps, forward rate agreements, futures and options. IIFCL enters into derivative financial instruments in nature of hedging contracts to mitigate risk due to variation in foreign exchange rate where applicable involved in foreign currency borrowings of these contracts recognised in the balance sheet at fair value and are classified as trading except where they are designated as a part of an effective hedge relationship and classified as hedging derivatives. The carrying value of a derivative is re measured at fair value throughout the life of the contract. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

- a. Wherever the company has entered into forward contract or an instrument i.e., in substance of a forward exchange contract, the difference between the forward rate and the exchange rate on the date of forward exchange contract is recognized as income or expenses over the life of the contract as per Ind AS-21.
- b. Hedging taken on foreign currency loans is adjusted on FIFO basis after adjusting for the Loans given in foreign currency (i.e. natural hedge).
- c. Any profit or loss arising on cancellation or renewal of forward exchange contracts including interest rate swaps is recognized as income or as expense for the year.



- d. In respect of interest rate swap transactions in JPY Yen entered by the company, the company is providing mark to market loss as on Balance Sheet Date.
- e. The surplus or deficit on account of difference in spot exchange rate at the inception of forward contract and repayment of underlying foreign currency loan obligation recovered from or paid to counter party respectively as per the hedging contract is recognized as gain or loss at the time of repayment of such loan.
- f. The foreign currency loan (which is an underlying transaction) and the swap contract (to hedge against any loss arising on the aforesaid loans) are treated as separate transactions.
- g. Foreign currency borrowings are restated as per Indian Accounting Standard (Ind AS 21), The Effects of Changes in Foreign Exchange rates.

The guidance note on "Accounting for Derivative Contracts" issued by the ICAI in June 2015, is applied by the company from Financial year ended 31st March 2017. Any change in exchange rate, on amount of foreign currency borrowing as on reporting date since previous reporting date and from the date of drawdown borrowing during the period, is set off against Fair Value of Derivative Contracts and any gain or loss is recognized as Cash Flow Hedge Reserve. Fair Value of Derivative Contracts are provided by the respective Counter parties.

As per the Guidance Note, under a cash flow hedge, the hedging instrument is measured at fair value, but any gain or loss that is determined to be an effective hedge is recognized in equity, e.g., Cash Flow Hedge Reserve. This is intended to avoid volatility in Statement of Profit & Loss in a period when the gains or losses on the hedged items are not realized therein.

5.3. De-recognition:

Financial assets

IIFCL derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the IIFCL neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

In addition to above, in case of Loan Assets:

- (a) Projects where Concession Agreement (CA) has been terminated by the Project Authority, account is derecognized in the financial year in which the contract is terminated.
- (b) Projects where Concession Agreement (CA) has been terminated by the Concessionaire, impairment is made on the basis of merits and facts of the case.
- (c) In cases where certain value of financial asset can be attached based on valuation report/ offer from Asset Reconstruction Companies etc., impairment is made to the extent of shortfall.



(d) A loan asset other than cases under Strategic Debt Restructuring Scheme (SDR), Scheme for Sustainable Structuring of Stressed Assets (S4A), Outside Strategic Debt Restructuring (SDR) scheme applicable as per RBI Regulations and considered withdrawn pursuant to RBI Notification No. RBI/131 DBR No. BP.BC.101/21.04.048/2017-18 dated February 12, 2018 or any other mutually agreed restructuring/settlement process shall be derecognized in case the loan asset has been categorized as Non-Performing Asset (NPA) for more than 5 years or the scheduled commercial operations of the project have been delayed for more than 4 years unless any substantive offer for sale/realization of loan asset is available.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the statement of profit and loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in the statement of profit and loss on de-recognition of such securities. Any interest in transferred financial assets that qualify for de-recognition that is created or retained by the company is recognised as a separate asset or liability.

Financial liabilities

The IIFCL derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance cost.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

5.4. Modification:

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have



expired. In this case, the original financial asset is de-recognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in the statement of profit and loss. The gross carrying amount of the financial asset shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

5.5. Fair Value Measurement

A significant portion of financial instruments are carried on the balance sheet at fair value.

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis.

If there is no quoted price in an active market, then the IIFCL uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the IIFCL determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in the statement of profit and loss on an appropriate basis.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is the amount payable on demand.



Unquoted equities are fair valued based on the below approach, in the order of hierarchy in which they appear, depending on the availability of the information available with the IIFCL:

- a. Break-up value of the investee entity from the company's latest available financial statements.
- b. At rupee one, if the latest financial statement is not available.

Units of Infrastructure Debt Funds & Alternate Investment Funds are valued as per latest available Net Asset Value. Security Receipts (SRs) guaranteed by the Government of India are valued in accordance with the applicable provisions of the Reserve Bank of India Master Direction - Transfer of Loan Exposures Directions, 2021, as amended from time to time. Pursuant to the amendment dated 29 March 2025, such Security Receipts are valued periodically based on the Net Asset Value (NAV) declared by the Asset Reconstruction Company which (ARC), determined considering the recovery ratings assigned to the said instruments. Accordingly, the carrying value of such SRs is reviewed and recognized in the financial statements based on the NAV declared by the concerned ARC in compliance with the aforesaid RBI directions.

5.6. Valuation techniques for Fair Value Measurement

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarized below:

- Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the company has access to at the measurement date. The company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the IIFCL will classify the instruments as Level 3.
- Level 3 financial instruments – Those that include one or more unobservable input that is significant to the measurement as whole.

5.7. Impairment of financial assets



IIFCL applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

- Debt instruments measured at amortised cost and fair value through other comprehensive income;
- Loan commitments; and
- Financial guarantee contracts.

No ECL is recognized on equity investments.

Financial assets are classified through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired since origination are classified under this stage.

Stage 2: Lifetime ECL – not credit impaired

All exposures where there has been a significant increase in credit risk since initial recognition but are not credits impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3: Lifetime ECL – credit impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Calculation of Expected Credit Loss(ECL) on Loan Assets shall be minimum of Provisioning requirements as per RBI regulations which is as under:

- Standard Assets: General Provision is made on outstanding amount of loans, including on interest accrued but not due at the year end at 0.40 %.
- Sub-Standard Assets: A general provision of 10 percent of total outstanding amount is made.
- Doubtful Assets



- | Period for which the asset has been considered as doubtful | Percentage of provision |
|--|-------------------------|
| Up to one year | 20 |
| One to three years | 30 |
| More than three years | 50 |

The entire asset is written off, however if the assets are permitted to remain in the books for any reason, 100 percent of the outstanding is provided for.

For the following cases, the provisioning against Restructured Standard Assets will be as per RBI norms, including provision on diminution in fair value:

- ### Determining the stage for classification of a financial asset

An exposure will move from stage 1 through stage 3 as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk. Exposures that are less than 30 days past due are considered as stage 1.)

The provision for bad and doubtful debts for financial assets considered as stage 1 is based on a 12-month expected credit loss (ECL). Whereas the provision for bad and doubtful debts for financial assets considered as stage 2 and stage 3 is computed based on a life time ECL model. When an asset is uncollectible, it is derecognized against the related provision. Such assets are derecognised after all the necessary procedures have been completed and the amount of the loss has been determined.



However, there is a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due unless an entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The definition of default used for these purposes is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

Accordingly, an account will be deemed to have been credit impaired and is therefore be moved to stage 3, if any of the following events were to happen:

- The account is over 90 Days Past Due (DPD);
- IIFCL consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, interest or (where relevant) fees.

Days past due (DPD) is measured for the number of days interest and / or principal remains unpaid, a bill remains overdue, an account remains continuously over limit / drawing power, or the credit in the account is less than the interest charged in the account.

Low Credit risk Assumption

Ind AS 101 - "Financial Instruments" states that *"The credit risk on a financial instrument is considered low for the purposes of paragraph 5.5.10, if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. (para B5.5.22)"* Further, while it has given the example of an external rating of 'investment grade' as having low credit risk, it acknowledges that financial instruments are not required to be externally rated to be considered to have low credit risk (para B5.5.23).

Accordingly an instrument is considered to be having low credit risk under the following situations:

- Zero unexpected loss as indicated by zero regulatory risk weight: Given that the unexpected loss estimated as per the regulatory risk-weights is 0%, the expected loss will also be zero. The ECL in such cases would be zero. Examples of such asset classes is domestic sovereign, foreign sovereigns with international rating of "AA" or better.
- Low unexpected loss as indicated by 20% regulatory risk weight: Given the low unexpected loss for portfolios corresponding to risk-weights of 20%, these will also have very low expected loss. However, ECL may be non-zero, or empirical evidence may show that default rates for such asset class / portfolio is zero. Examples of such asset classes are foreign sovereigns with international rating of "A", domestic scheduled IIFCLs (those failing regulatory requirement of capital adequacy are not low credit risk), externally rated domestic "AAA" corporates, staff loans. Observed default rates for these portfolios are also zero.



For the statements, all staff loans have been considered as low credit risk.

Level of segmentation in the portfolio used

Segmentation is aligned to the Internal Rating Based (IRB) models for the purpose of application of risk parameters. However, for forward looking estimates, the IIFCL may choose to group some of these sub-portfolios into broader categories or in some cases split them into sub-segments based on common risk drivers.

Measurement of ECLs

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the IIFCL in accordance with the contract and the cash flows that the IIFCL expects to receive.
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the IIFCL if the commitment is drawn down and the cash flows that the IIFCL expects to receive.
- Financial guarantee contracts: as the expected payments to reimburse the holder less any amounts that the IIFCL expects to recover.

ECLs are recognized using a provision for bad and doubtful debts account in Statement of Profit and Loss. In the case of debt instruments measured at fair value through other comprehensive income, the measurement of ECLs is based on the three-stage approach as applied to financial assets at amortised cost. IIFCL recognizes the provision charge in profit and loss, with the corresponding amount recognized in other comprehensive income, with no reduction in the carrying amount of the asset in the balance sheet.

Impairment Reserve:

As per the RBI circular RBI/2019-20/170 dated 13th March 2020, IIFCL shall hold impairment allowances as required by Ind AS. In parallel IIFCL shall also maintain the asset classification and compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc.

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), IIFCL is required to appropriate the difference



from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

5.8. Accelerated Provisioning

IIFCL, as a prudent lender, in addition to normal provisioning to be done under RBI guidelines/ Expected Credit Loss (ECL) calculated as per Ind AS 109 in terms of applying stipulated percentages for secured/unsecured portions depending on asset classification, as may be amended from time to time, considers accelerated provisioning on a case-to-case basis, depending on the expected recovery scenario.

Accelerated provisioning is proposed in such exceptional cases, wherein even though provisioning might be adequate as per extant RBI guidelines, however, in the view of the Management, there might be circumstances which could affect recovery prospects. In such cases, the Management takes a case-to-case view on accelerated provisioning as a prudent measure.

The accelerated provisioning depends broadly on the following parameters:

- Status of the project.
- Promoter's ability to infuse the funds.
- Tangible security, cash flow and concessions available.
- Steps taken by the consortium for recovery.
- Management's perception.

The provision to be made in the account ranges from 10% to 100% taking into consideration the factors mentioned above

6. Leasing

Lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.



7. Property, Plant and equipment

Property, Plant and equipment is stated at cost of acquisition excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value.

Property, Plant and equipment are derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of Profit and Loss on the date asset is derecognized.

8 Intangible assets and Intangible Assets under development

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Subsequent expenditure on already capitalized Intangible assets is capitalized when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits is recognized as an intangible asset when the same is ready for its use.

Expenditure on development shall be recognised as Intangible asset if it meets the eligibility criteria as per Ind AS 38 'Intangible Assets', otherwise it shall be recognised as an expense.

An item of Intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

9 Depreciation/ Amortization

Depreciation is calculated using write down method value method to the cost of property and equipment to their residual values over their estimated useful lives. Useful life is considered as per Schedule II of Companies Act 2013.

The office premise of IIFCL has been amortized over the lease period of 30 years.

Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. In case of lease asset, the estimated useful life is calculated on the basis of termination of lease period.



The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortization period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is presented as a separate line item in the income statement.

Useful life as per Schedule III

Asset Description	Estimated Useful Life	Residual Value as a % of original cost
Building	30 years	-
Computers and Data Processing Units		
-Laptops/computers	3 years	5%
-Servers	6 years	5%
Office Equipment's	5 years	5%
Furniture and Fixtures	10 years	5%
Vehicles	8 years	5%
Intangible Assets	5 years	5%

10 Impairment of non-financial assets

IIFCL assesses at each reporting date to ascertain indication that a non-financial asset may be impaired. Impairment ascertained as per assessment is recognized as expense.

11 Letter of Comforts (LOCs)

In the ordinary course of business, IIFCL issues Letter of Comforts (LoCs) to Banks, is generally to consortium members for issuing Letter of Credit/Financial Guarantee on behalf of lenders in favor of beneficiaries. LoCs are initially recognised in the financial statements within 'other liabilities') at fair value, being the premium received. Subsequent to initial recognition, the IIFCL's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortization recognised in the income statement, and the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee. Any increase in the liability relating to financial guarantees is recorded in the income statement in credit loss expense. The premium received is recognised in the income statement in net fees and commission income on a straight line basis over the life of the guarantee.



12 Provisions and Contingencies

Provisions are recognised when the IIFCL has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, IIFCL determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and Loss net of any reimbursement in other operating expenses.

A contingent liability is recognized and disclosed when there is:

- a) A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Group; or
- b) A present obligation arising from the past event which is not recognised as it is not probable that the outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Commitments include binding commitments to extend credit as per the agreements to lend to a customer so long as there is no violation of any condition established in the contract.

13 Taxes on Income

13.1 Current Taxes

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in India where IIFCL operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

13.2 Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability



method. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilized. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

14 Earnings per Share

IIFCL presents basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the equity shareholders of the IIFCL by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss that is attributable to the equity shareholders and the weighted-average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

15 Employee Benefits

- 15.1 All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.
- 15.2 The contribution towards Provident Fund deducted from remuneration of employees and employer contribution thereon is deposited with Regional Provident Fund Commissioner (RPFO).
- 15.3 Employee benefits under defined contribution plans comprising NPS are recognized on the undiscounted obligation of the company to contribute to the plan. The same is paid to the IDBI Bank, which is the Point of Presence (POP) service provider for NPS facility and are expensed relating to the period..
- 15.4 All post-employment and other long term employee benefits are recognized as an expense in Statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable, determined using actuarial valuation technique.
- 15.5 Termination benefits are recognized as an expense immediately
- 15.6 Gain or loss arising out of actuarial valuation is recognized in the period in they occur in Other Comprehensive Income (OCI).
- 15.7 The employee benefits obligations i.e., sick leave, leave travel concession and Medical Assistance Scheme has been provided for the period up to date of reporting on the actuarial valuation of same.
- 15.8 Gratuity has been provided on the basis of amount payable to LIC on Group Gratuity Scheme through trust in the name of IIFCL Employees Group Gratuity Fund.



- 15.9 Leave Encashment has been provided on the basis of amount payable to LIC Group Leave Encashment Plan.
- 15.10 Provision for leave encashment, gratuity and sick leave of Executive Directors wherever applicable as per terms of appointment is accrued and made on the basis of estimated amount of liability.

16 Critical accounting assumptions and estimates

The application of the IIFCL's accounting policies requires the use of judgements, estimates and assumptions. If different assumptions or estimates were applied, the resulting values would change, impacting the net assets and income of the IIFCL. Assumptions made at each reporting date are based on best estimates at that date. Although IIFCL has internal control systems in place to ensure that estimates are reliably measured, actual amounts may differ from those estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The accounting policies which are most sensitive to the use of judgement, estimates and assumptions are specified below.

- **Fair value measurement**

A significant portion of financial instruments are carried on the balance sheet at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where the classification of a financial asset or liability results in it being measured at fair value, wherever possible, the fair value is determined by reference to the quoted bid or offer price in the most advantageous active market to which the IIFCL has immediate access. An adjustment for credit risk is also incorporated into the fair value as appropriate. Fair value for a net open position that is a financial liability quoted in an active market is the current offer price, and for a financial asset the bid price, multiplied by the number of units of the instrument held or issued. Where no active market exists for a particular asset or liability, the IIFCL uses a valuation technique to arrive at the fair value, including the use of transaction prices obtained in recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques, based on market conditions and risks existing at reporting date. In doing so, fair value is estimated using a valuation technique that makes maximum use of observable market inputs and places minimal reliance upon entity-specific inputs. The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the IIFCL recognizes the difference between the



transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

- **Impairment charges on loans and advances**

Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for loans and advances. In estimating these cash flows, the IIFCL makes judgements about the borrower's financial situation and the net realizable value of collateral. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance. A collective assessment of impairment takes into account data from the loan portfolio (such as credit quality, levels of arrears, credit utilization, loan to collateral ratios etc.), and concentrations of risk and economic data (including levels of unemployment, real estate price indices, country risk and the performance of different individual groups).

- **Provisions other than loan impairment**

Provisions are held in respect of a range of future obligations such as employee entitlements, restructuring costs and litigation provisions. Some of the provisions involve significant judgement about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgements about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate which reflects both current interest rates and the risks specific to that provision.

- **Loans and advances**

Loans and advances are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortized cost using the effective interest rate method.

17 Borrowings and debt securities

Borrowings and debt securities issued are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortized cost using the effective interest method, except where the Group designates liabilities at FVTPL.

18 Borrowing Costs

The Exchange differences on foreign currency borrowings are charged to Statement of Profit & Loss. The amount of exchange difference not exceeding the difference between interest on local currency borrowings and interest on foreign currency borrowings is considered as borrowings costs and is accounted for under Ind AS 23 – Borrowing Costs and the remaining



exchange difference, if any, is accounted for under Ind AS 21 - The Effects of Changes in Foreign Exchange Rates.

For this purpose, the interest rate for the local currency borrowings is considered as that rate of bank overdraft taken by the company.

19 Investment in Subsidiary

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

On the date of transition to Ind AS, the Company has considered the carrying value of Investment in subsidiaries as per previous GAAP to be the deemed cost as per Ind AS 101.

20 Foreign Exchange Transactions

20.1 Expenses and income in foreign currency are accounted for at the exchange rates of banks prevailing on the date of transactions.

20.2 The following balances are translated in Indian currency at the exchange rates (RBI reference rates) prevailing on the date of closure of accounts:

- (a) Incomes or Expenses accrued but not due on foreign currency loans granted and foreign currency borrowings respectively.
- (b) Contingent Liability in respect of Letter of Comfort issued in foreign currency.

20.3 Foreign Currency Loan liability is translated in Indian currency at RBI Reference rate prevailing on the date of reporting. The exchange difference is charged to Statement of Profit & Loss as per Accounting Standard 11, The Effect of Changes in Foreign Exchange Rates.

20.4 The actual/translation gain/loss (net) on foreign currency loan assets, liabilities and income & expenditure accrued/accrued but not due are credited/charged to the statement of profit and loss.

21 Derivative Accounting

21.1 Wherever the company has entered into forward contract or an instrument i.e., in substance of a forward exchange contract, the difference between the forward rate and the exchange rate on the date of forward exchange contract is recognized as income or expenses over the life of the contract as per Indian Accounting Standard-21.

21.2 Hedging taken on foreign currency loans is adjusted on FIFO basis after adjusting for the Loans given in foreign currency (i.e. natural hedge).

21.3 Any profit or loss arising on cancellation or renewal of forward exchange contracts including interest rate swaps is recognized as income or as expense for the year.



- 21.4 In respect of interest rate swap transactions in JPY Yen entered by the company, the company is providing mark to market loss as on Balance Sheet Date.
- 21.5 The surplus or deficit on account of difference in spot exchange rate at the inception of forward contract and repayment of underlying foreign currency loan obligation recovered from or paid to counter party respectively as per the hedging contract is recognized as gain or loss at the time of repayment of such loan.
- 21.6 The foreign currency loan (which is an underlying transaction) and the swap contract (to hedge against any loss arising on the aforesaid loans) are treated as separate transactions.
- 21.7 Foreign currency borrowings are restated as per Indian Accounting Standard 21, The Effects of Changes in Foreign Exchange rates.

The guidance note issued by the ICAI on "Accounting for Derivative Contracts" issued in June 2015, is applicable from 1st April 2016 and the same is applied by the company from Financial year ended 31st March 2017. Any change in exchange rate, on amount of foreign currency borrowing as on reporting date since previous reporting date and from the date of drawdown borrowing during the period, is set off against Fair Value of Derivative Contracts and any gain or loss is recognized as Cash Flow Hedge Reserve. Fair Value of Derivative Contract are provided by the respective Counter parties.

As per the Guidance Note, under a cash flow hedge, the hedging instrument is measured at fair value, but any gain or loss that is determined to be an effective hedge is recognized in equity, e.g., Cash Flow Hedge Reserve. This is intended to avoid volatility in Statement of Profit & Loss in a period when the gains or losses on the hedged items are not realized therein.

22 Accounting For Revenue Grants

- 22.1 Grants are recognized in the Statement of Profit and Loss as 'other income' on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate provided there is reasonable assurance of compliance of the terms attached with the sanction and of realization of amount of grants.
- 22.2 Grants received in respect of expenditure already incurred in prior periods are recognized in the Statement of Profit & Loss in the year of approval of grant.
- 22.3 The unspent amount of grant at the year end, if any, is shown under Current Liabilities.

23 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.



(B) OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- (a) The Subsidiaries considered in the preparation of the consolidated financial statements are India Infrastructure Finance Company (U.K.) Limited incorporated at United Kingdom, IIFCL Projects Limited and IIFCL Asset Management Company Limited incorporated at India.

(b) The Consolidated Financial Statements of India Infrastructure Finance Company Limited is for the year ended 31st March 2026. The financial statements of the subsidiary companies are also made for the year ended 31st March 2026.
- Prior Period Income & Expenses (**Ind AS-8**) which have been included under the regular heads in Statement of Profit & Loss are as under:

(₹ in lac)

Particular	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(A) Income		
(i) Income on Loans & Advances	-	-
(ii) Penal Interest	-	-
(iii) Other Charges	-	-
Total (A)	-	-
(B) Expenditure		
(i) Establishment and other expenses	-	-
(ii) Salaries and Wages	-	-
Total (B)	-	-
Net impact via Gain/(Loss) on current year profit [(A)-(B)]	-	-

3. Changes in Accounting Policies:

There is no Change in Accounting Policies during the Year Ended 31st March 2026.



4. Disclosure under Ind AS 19 (revised 2005) "Employee Benefits" (Ind AS 19)

As per Ind AS-19 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

India Infrastructure Finance Company Limited:

A) GRATUITY PLAN (FUNDED): The Gratuity liability arises on account of future payments, which are required to be made in the event of retirement, death in service or withdrawal. The same has been provided on the basis of amount payable to LIC on Group Gratuity Scheme through trust in the name of IIFCL Employees Group Gratuity Fund. IIFCL pays amount of gratuity liability of employees under LIC group gratuity scheme and has recognized the actuarially determined net defined benefit position in accordance with the requirements of Ind AS 19 "Employee Benefits" to the extent recoverable and permissible under the asset ceiling provisions of Ind AS 19.

I. Assumptions for Gratuity Plan:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50%

II. Sensitivity Analysis of the defined benefit obligation

(₹ in lac)

a) Impact of the change in discount rate

	Present Value of Obligation at the end of the period	597.98
a)	Impact due to increase of 0.50%	(31.42)
b)	Impact due to decrease of 0.50 %	34.11
	Present Value of Obligation at the end of the period	597.98
a)	Impact due to increase of 0.50%	8.17
b)	Impact due to decrease of 0.50 %	(7.56)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated by actuary.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

As per IRDA circular no. IRDA/ACTL/REG/CIR/123/06/2013 dated 28th June 2013, no new member can be added to the Existing Policy. Hence, IIFCL subscribed to a new policy viz Policy No.103001183 for new



employees in addition to the earlier policy viz Policy No. 331776.

(₹ in lac)

	Net Defined Benefit (Asset)/ Liability	Year Ended 31 st March 2026	Year Ended 31 st March 2025
a)	Present value of obligation	597.98	629.93
b)	Fair value of plan assets	735.67	645.85
c)	Net assets / (liability) recognized in balance sheet as provision	137.69	15.92
	Change in plan assets		
a)	Fair value of plan assets at the beginning of the period	645.85	599.81
b)	Actual return on plan assets	51.69	46.04
c)	Mortality Charges	-	-
d)	Employer contribution	78.13	-
e)	Benefits paid	(40.00)	-
f)	Fair value of plan assets at the end of the period	735.67	645.85
	Change in Benefit Obligation		
a)	Present value of obligation as at the beginning of the period	629.93	545.43
b)	Acquisition adjustment	-	-
c)	Interest Cost	44.03	39.38
d)	Service Cost	45.09	52.32
e)	Past Service Cost including curtailment Gains/Losses	-	-
f)	Benefits Paid	(40.00)	-
g)	Total Actuarial (Gain)/Loss on Obligation	(81.07)	(7.21)
h)	Present value of obligation as at the End of the period	597.98	629.93
	Change in Net Defined Benefit Obligation		
a)	Net defined benefit liability at the start of the period	(15.92)	(54.37)
b)	Acquisition adjustment	-	-
c)	Total Service Cost	45.09	52.32
d)	Net Interest cost (Income)	(1.11)	(3.93)
e)	Re-measurements	(87.62)	(9.93)
f)	Contribution paid to the Fund	(78.13)	-
g)	Benefit paid directly by the enterprise	-	-
h)	Net defined benefit liability at the end of the period	(137.69)	(15.92)
	Bifurcation Actuarial Gain/Loss on Obligation		
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-



b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(54.05)	15.75
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	(27.02)	(22.95)

A) EARNED LEAVE LIABILITY: The earned leave due to an employee is the period which the employee has earned, diminished by the period of leave actually taken by the employee. It is earned at one-eleventh part of duty. IIFCL has recognized the actuarially determined net defined benefit position in accordance with the requirements of Ind AS 19 "Employee Benefits" to the extent recoverable and permissible under the asset ceiling provisions of Ind AS 19.

Assumptions for Leave Encashment Plan:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50 %

Sensitivity Analysis of the defined benefit obligation.

(₹ in lac)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	1,217.69
a)	Impact due to increase of 0.50%	(67.95)
b)	Impact due to decrease of 0.50 %	72.01
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	1,217.69
a)	Impact due to increase of 0.50%	73.94
b)	Impact due to decrease of 0.50 %	(68.73)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(₹ in lac)

	Net Defined Benefit (Asset)/ Liability	Year Ended 31 st March 2026	Year Ended 31 st March 2025
a)	Present value of obligation	1,217.69	1,247.39
b)	Fair value of plan assets	2,195.09	1,767.44



c)	Net assets / (liability) recognized in balance sheet as provision	977.40	520.04
	Change in plan assets		
a)	Fair value of plan assets at the beginning of the period	1,767.44	1,182.39
b)	Actual return on plan assets	149.84	118.48
c)	Mortality Charges	-	-
d)	Employer contribution	445.74	466.57
e)	Benefits paid	(167.92)	-
f)	Fair value of plan assets at the end of the period	2,195.09	1,767.44
	Change in Benefit Obligation		
a)	Present value of obligation as at the beginning of the period	1,247.39	980.39
b)	Acquisition adjustment	-	-
c)	Interest Cost	87.19	70.78
d)	Service Cost	128.66	129.42
e)	Past Service Cost including curtailment Gains/Losses	-	-
f)	Benefits Paid	(167.92)	-
g)	Total Actuarial (Gain)/Loss on Obligation	(77.64)	66.80
h)	Present value of obligation as at the End of the period	1,217.69	1,247.39
	Change in Net Defined Benefit Obligation		
a)	Net defined benefit liability at the start of the period	(520.04)	(202.00)
b)	Acquisition adjustment	-	-
c)	Total Service Cost	128.66	129.42
d)	Net Interest cost (Income)	(36.35)	(14.58)
e)	Re-measurements	(103.94)	33.69
f)	Contribution paid to the Fund	(445.74)	(466.57)
g)	Benefit paid directly by the enterprise	-	-
h)	Net defined benefit liability at the end of the period	(977.40)	(520.04)
	Bifurcation Actuarial Gain/Loss on Obligation		
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(117.28)	32.06
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	39.64	34.74

I. OTHER EMPLOYEE BENEFITS (UNFUNDED)

Actuarial assumptions for other employee benefits (unfunded)

B) LEAVE FARE CONCESSION: All whole-time employees of the Company who have completed one year of service including continuous temporary service on the date the journey is performed by him or his family are eligible for this facility. The concession shall be admissible once in every



block of two years and the first of such set / block shall commence from the first date of the month in which an employee joins the Company, but the same can be availed of only after his/her completion of one year of continuous service including temporary service / probation period.

Assumptions for Leave Fare Concession:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50 %

Sensitivity Analysis of the defined benefit obligation.

(₹ in lac)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	133.00
a)	Impact due to increase of 0.50%	(5.51)
b)	Impact due to decrease of 0.50 %	5.57

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(₹ in lac)

	Net Defined Benefit (Asset)/ Liability	Year Ended 31 st March 2026	Year Ended 31 st March 2025
a)	Present value of obligation	133.00	125.53
b)	Fair value of plan assets	-	-
c)	Net assets / (liability) recognized in balance sheet as provision	(133.00)	(125.53)
	Change in Benefit Obligation		
a)	Present value of obligation as at the beginning of the period	125.53	105.73
b)	Interest Cost	-	7.63
c)	Service Cost	8.77	27.76
d)	Benefits Paid	35.54	(312.64)
e)	Total Actuarial (Gain)/Loss on Obligation	-	297.04
f)	Present value of obligation as at the End of the period	(285.86)	125.53
	Change in Net Defined Benefit Obligation		
a)	Net defined benefit liability at the start of the period	125.53	105.73
b)	Service Cost	35.54	27.76



C) **SICK LEAVE:** Sick leave is a half leave pay. Where an employee has served the company for at least a period of three years, the employee may, on request, be permitted to avail of, during the full period of service of the employee, sick leave on leave pay upto a maximum of years, such leave on leave pay being entered in sick leave account of the employee as twice the period of leave availed of by the employee.

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50 %

(₹ in lac)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.



Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(₹ in lac)

	Net Defined Benefit (Asset)/ Liability	Year Ended 31 st March 2026	Year Ended 31 st March 2025
a)	Present value of obligation	400.47	441.09
b)	Fair value of plan assets	-	-
c)	Net assets / (liability) recognized in balance sheet as provision	(400.47)	(441.09)
	Change in Benefit Obligation		
a)	Present value of obligation as at the beginning of the period	441.09	321.34
b)	Acquisition adjustment	-	-
c)	Interest Cost	30.83	23.20
d)	Service Cost	38.44	44.17
e)	Past Service Cost including curtailment Gains/Losses	-	-
f)	Benefits Paid	-	-
g)	Total Actuarial (Gain)/Loss on Obligation	(109.90)	52.38
h)	Present value of obligation as at the End of the period	400.47	441.09
	Change in Net Defined Benefit Obligation		
a)	Net defined benefit liability at the start of the period	441.09	321.34
b)	Acquisition adjustment	-	-
c)	Total Service Cost	38.44	44.17
d)	Net Interest cost (Income)	30.83	23.20
e)	Re-measurements	(109.90)	52.38
f)	Contribution paid to the Fund	-	-
g)	Benefit paid directly by the enterprise	-	-
h)	Net defined benefit liability at the end of the period	400.47	441.09
	Bifurcation Actuarial Gain/Loss on Obligation		
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(39.30)	11.98
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	(70.60)	40.40

D) Post-retirement medical benefit (PRMB) (Introduced from Sep 2015): Actuarial valuation of the Post-retirement medical benefit (PRMB) liability as on 31st March 2025, as per Ind AS-19. The Company has Post-Retirement Medical Benefit (PRMB), under which retired employees and their dependents are provided medical facilities.



Assumptions for Post-retirement medical benefit (PRMB) Plan:

	31 st March 2026	31 st March 2025
Mortality rate	100 % of IALM (2012 -14)	100 % of IALM (2012 -14)
Withdrawal rate	1 % to 3 % depending on age	1 % to 3 % depending on age
Discount rate (p.a.)	7.78%	6.99%
Salary escalation (p.a.)	5.50%	5.50 %

Sensitivity Analysis of the defined benefit obligation.
(₹ in lac)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	1,516.21
a)	Impact due to increase of 0.50 %	(21.38)
b)	Impact due to decrease of 0.50 %	23.49

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.
Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(₹ in lac)

	Net Defined Benefit (Asset)/ Liability	Year Ended 31 st March 2026	Year Ended 31 st March 2025
a)	Present value of obligation	1,516.21	1,367.54
b)	Fair value of plan assets	-	-
c)	Net assets / (liability) recognized in balance sheet as provision	(1,516.21)	(1,367.54)
Change in Benefit Obligation			
a)	Present value of obligation as at the beginning of the period	1,367.54	1,160.01
b)	Interest Cost	95.59	83.75
c)	Service Cost	82.64	81.37
d)	Benefits Paid	(44.34)	(16.70)
e)	Total Actuarial (Gain)/Loss on Obligation	14.78	59.11
f)	Present value of obligation as at the End of the period	1,516.21	1,367.54
Change in Net Defined Benefit Obligation			
a)	Net defined benefit liability at the start of the period	1,367.54	1,160.01
b)	Service Cost	82.64	81.37
c)	Net Interest cost (Income)	95.59	83.75
d)	Re-measurements	14.78	59.11
e)	Contribution paid to the Fund	-	-
f)	Benefit paid directly by the enterprise	(44.34)	(16.70)
g)	Net defined benefit liability at the end of the period	1,516.21	1,367.54



There are no Investment held against the provision for gratuity and leave encashment.

ACTUARIAL ASSUMPTIONS:	As at 31st March 2026
Method Of Valuation:	Project Unit Credit Method
Discount Rate:	7.22%
Salary Escalation Rate:	5.50%
Retirement Age:	60 Years
Withdrawal Rate:	3% at younger ages upto 30 years, From age 31 to 44 it is 2% and reducing upto 1% at older age from 44 years according to graduated scale.
Mortality Rate	India Assured Lives Mortality (2012-14)

Sensitivity analysis:

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the statement of financial position.

IIFCL Asset Management Company Ltd:

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(₹ in lac)

Particulars	Gratuity		Leave Encashment		Post-Retirement Medical Benefits		Leave Travel Concession	
	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2026	As at 31 st March 2025
Opening Balance	1,786.54	1,401.12	1,845.31	1,459.53	4,452.26	3,432.31	-	624.65
Interest Cost	123.81	100.32	127.88	104.50	308.54	245.76	-	-
Current Service Cost	142.17	171.34	150.12	174.73	215.23	427.86	-	-
Benefit Paid	(795.98)	-	(488.00)	(126.48)	-	-	-	(584.00)
Actuarial (Gain)/ Loss on Obligation	500.69	113.76	220.07	233.03	(2,316.06)	346.33	-	(40.65)



Closing Balance	1,757.23	1,786.54	1,855.38	1,845.31	2,659.97	4,452.26	-	-
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ACTUARIAL ASSUMPTIONS:

	As at 31st March 2026	As at 31st March 2025
Method Of Valuation :	Project Unit Credit Method	Project Unit Credit Method
Discount Rate :	7.08%	6.93%
Salary Escalation Rate:	5.50%	5.50%
Retirement Age:	60 Years	60 Years
Withdrawal Rate:	3% at younger ages and reducing to 1% at older ages according to graduated scale.	3% at younger ages and reducing to 1% at older ages according to graduated scale.
Mortality Rate	India Assured Lives Mortality (2012-14)	India Assured Lives Mortality (2012-14)

Sensitivity analysis

For the year ended 31st March 2026 - Effects due to change in assumptions:

Change in	Change in assumptions	Gratuity	Leave Encashment	Post Retirement Medical Benefits	Leave Travel Concession
Discount Rate	+0.5%	(69.50)	(75.06)	(7.15)	N.A.
	-0.5%	72.87	77.78	8.34	N.A.
Salary Growth Rate	+0.5%	73.63	78.92	-	N.A.
	-0.5%	(70.84)	(75.92)	-	N.A.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognized within the statement of financial position.

Defined contribution plans:

(a) Pension:

The Company pays fixed contribution to National Pension Scheme (NPS) for its pension obligation towards employees at predetermined rates into the Tier-I NPS Account (Pension Account) of the employees.



(b) Provident Fund:

The Company pays fixed contribution on account of provident fund to EPFO. The Company estimates that no liability will arise in this regard in the near future and hence, no further provision is considered necessary.

The amount recognized in Other Comprehensive Income (OCI) for each employee benefit is as under:

(₹ in lac)

Employee Benefit	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Actuarial (Gain)/Loss on earned Leave	110.19	(105.95)
Actuarial (Gain)/Loss on Gratuity	95.58	(6.06)
Actuarial (Gain)/Loss on LFC	(253.18)	(321.42)
Actuarial (Gain)/Loss on PRMB	7.36	(55.53)
Actuarial (Gain)/Loss on SL	109.90	(52.38)
Total	110.19	(541.34)

5. The Company's main business is to provide finance/ refinance for Infrastructure Projects, UK subsidiary i.e. India Infrastructure Finance Company (U.K.) Limited is also engage in the business of providing finance for infrastructure projects where as the IIFCL Projects Limited is engaged in infrastructure project development & advisory activities and IIFCL Asset Management Company Limited (IAMCL) is set up to engage in management of Infrastructure Debt Funds (IDFs) through Mutual Fund route. As IAMCL is yet to start management of IDF, segment information is not furnished for the same. Segment information as required by **Indian Accounting Standard (Ind AS) 108** issued by the Institute of Chartered Accountants of India is furnished below:

(₹ in lac)

Particular	Financing	Advisory Services	Investment Management Fee	Total
Segment Reporting Revenue				
Revenue from Operation	749,532.49	1,582.21	86.74	751,201.44
Less: Inter segment Revenue	63.93	167.55		231.48
Total Operating Income	749,468.56	1,414.65	86.74	750,969.93
Profit Before Tax	207,428.69	(98.19)	90.68	207,421.15
Tax	(60,332.30)	(10.15)	(96.49)	(60,438.94)
Profit After Tax	147,096.40	(108.33)	(5.81)	146,982.21
Segment Assets	10,569,380.11	3,336.98	2,896.84	10,575,613.96
Segment Liabilities	8,742,021.73	682.30	116.83	8,742,820.81
Capital Employed	1,827,358.38	2,654.68	2,780.00	1,832,793.07
Depreciation and Amortization	1,432.53	14.58	0.66	1,447.78



Capital Expenditure	15,833.99	9.14	-	15,843.13
Non Cash Expenditure	153,229.01	-	-	153,229.01

6. As per Indian Accounting Standard (Ind AS)-24, Related Party Disclosures, the disclosures of transactions with the related parties are given below:

A) Managerial Remuneration and related party disclosures

(i) Key Managerial Personnel

Whole Time Directors

- | | |
|----------------------------------|---|
| - Shri Rohit Rishi | - Managing Director (w.e.f. 04.02.2026) |
| - Shri Palash Srivastava | - Deputy Managing Director |
| - Shri Vimlesh Kumar | - Acting CEO & CIO |
| - Ms Ayushi Sharma | - Head Finance, IAMCL |
| - Shri Mehul Krishnakant Patwari | - Chief Executive Officer & Director, IPL |

Other than Directors

- | | |
|-----------------------|-------------------------------------|
| - Shri Rajeev Mukhija | - Chief General Manager-CFO |
| - Ms. Ruchi Singhal | - General Manager-Company Secretary |

- B) Transactions during the year ended 31st March 2026 (Previous year Ended 31st March 2025) with related parties:**

(₹ in lac)

S.No.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(a)	Managerial Remuneration (Directors)		
	(i) Shri Rohit Rishi (Managing Director) #		
	Remuneration	7.19	-
	(ii) Shri PR Jaishankar (Ex- Managing Director) *		
	Remuneration	9.83	52.08
	(iii) Shri Palash Srivastava (Deputy Managing Director)		
	Remuneration	53.55	3.34
	(iv) Shri Pawan K Kumar (Ex-Deputy Managing Director) @		
	Remuneration	-	30.24
	(v) Sh. Vimlesh Kumar (Acting Chief Executive Officer, IAMCL)		
	Remuneration	-	24.42
	(vi) Sh. Satish Kumar Nagpal (Ex- Chief Executive Officer, IAMCL)		
	Remuneration	-	5.66
	(vii) Sh. S K Sharma-Head Finance, IAMCL (w.e.f. 6th December 2024 and Ceased w.e.f. 12th December 2025)		
	Remuneration	14.68	6.71
	(viii) Ms. Ayushi Sharma-Head Finance, IAMCL (Appointed w.e.f. 15th December 2025)		
	Remuneration	14.68	6.71
(b)	Managerial Remuneration (Other than directors)		



	(i) Shri Rajeev Mukhija (Chief General Manager- CFO)		
	Remuneration	84.37	104.41
	(ii) Ms. Ruchi Singhal (General Manager-CS)\$		
	Remuneration	60.69	55.99
	(iii) Sh. Rupesh Kumar (Assistant General Manager-CS)%		
	Remuneration	-	66.88
	(iv) Sh. Abhirup Singh (Assistant General Manager-CS)^		
	Remuneration	-	44.50
	(v) Sh. Ajay PS Saini (Company Secretary, IAMCL)		
	Remuneration	-	47.52
	(vi) Shri Ashok Kumar Gandhi (Head Finance and CFO, IAMCL)		
	Remuneration	-	5.03
	(vii) Shri Mehul Krishnakant Patwari - Chief Executive Officer & Director, IPL.		
	Remuneration	30.33	55.00
(c)	(i) Sitting fee paid to Part Time Non- Official Directors:		
	Samir Jerambhai Boghara	13.60	13.95
	Shri Sanjeev Channa	1.50	2.10
	Mr. Harish Kant Parikh	1.40	1.70
	Sudhir Arya	1.50	2.00

w.e.f. 4th Feb 2026, * till 28th May 2025, @ till 30th September 2024, \$ w.e.f. 19th December 2024, % till 18th December 2024, ^ till 14th May 2024

(i) Pursuant to the applicability of relevant provisions of the Companies Act, 2013 w.e.f. 1st April 2014, the following information is disclosed as per Clause 2 of General instructions for the preparation of consolidated financial statements of Schedule III of Companies Act, 2013:

Name of the Entity	Net Assets* i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
		(₹ in Lac)		(₹ in Lac)
	As on 31.03.2025	As on 31.03.2025	As on 31.03.2025	As on 31.03.2025
Parent				
India Infrastructure Finance Company Limited	92.37%	1,789,744.68	93.64%	137,881.83
Subsidiaries				
Indian				
IIFCL Projects Ltd.	0.14%	2,654.67	0.08%	116.24
IIFCL Asset Management Company	0.14%	2,780.01	0.14%	203.13



Ltd.				
Foreign				
IIFC(UK) Ltd.	7.35%	142,350.99	6.15%	9,050.62
Minority Interests in all subsidiaries	-	-	-	-
Associates (Investment as per equity method)				
Indian	-	-	-	-
Foreign	-	-	-	-
Joint Ventures (as per proportionate consolidation/ investment as per equity method)				
Indian	-	-	-	-
Foreign	-	-	-	-

(ii) The salient features of the financial statements of subsidiaries as per Companies Act, 2013:

(₹ in lac)

Name of Subsidiary	Report ing Currency	Share Capital	Reserve s & Surplus	Total Assets	Total Liabilities	Turn-over	Profit before Tax	Provisi on for Tax	Profit after Tax	Sh are - hol din g
IIFCL Projects Ltd.	₹ in Lac	475.00	2,076.05	3,336.98	682.30	1,834.87	15.60	(10.15)	52.32	100 %
IIFCL Asset Management Company Ltd.	₹ in Lac	1,250.00	1,530.01	2,896.84	116.83	121.58	90.68	(96.49)	187.18	100 %
IIFC(UK) Ltd.	₹ in Lac	103,076.15	39,442.39	826,104.55	683,753.56	52,219.86	8,942.50	108.11	9,050.61	100 %
	USD (in million)	150.00	0.39	872.76	722.37	57.69	9.43	0.12	9.55	

7. Provisions of Ind AS-116, Leases

- Financial Lease: NIL
- Operating Lease: The Company has taken office premises under operating lease with varying lease periods and disclosure requirements are as under:-



(₹ in lac)

Particulars	Period Ended 31 st March 2026	Year Ended 31 st March 2025
Total of future minimum lease payments (Gross Investment)	310.95	373.05
Present value of lease payments	279.17	325.26
10 Year G-Sec Yield	7.14%	6.75%
Maturity profile of total of future minimum lease payments		
Not later than one year	103.65	91.36
Later than one year but not later than five year	207.30	281.69
Later than five year	-	-
Total	310.95	373.05

8. In terms of **Ind AS-33, Earnings Per Share**, issued by the Institute of Chartered Accountants of India, Earnings per share (Basic & Diluted) is as under:

Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
	Shares	Amount ₹ in lac	Shares	Amount ₹ in lac
Nominal Value of share (₹)	10/-		10/-	
Number of Equity Share (No. in lac)	99,999.16		99,999.16	
#Weighted Average Number of Equity Shares (No. in lac) (Denominator) (Basic)	99,999.16		99,999.16	
#Weighted Average Number of Equity Shares (No. in lac) (Denominator) (Diluted)	99,999.16		99,999.16	
Net Profit (after tax) (Numerator)		147,038.49		262,736.79
Earnings Per Share (Basic & Diluted) (₹) (For continued operations)		1.47		2.63
Earnings Per Share (Basic & Diluted) (₹) (For discontinued operations)		-		-

9. Fixed assets possessed by the company are treated as 'Corporate Assets' and not 'Cash Generating Units' as defined by **Ind AS -36** on "Impairment of Assets". As on 31st March 2026, there were no events or change in circumstances, which indicate any impairment in the asset.



10. (A) Disclosure under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

(₹ in lac)

Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Proposed Wage Revision		
Opening Balance	1,817.19	1,191.91
Addition during the period	785.86	625.28
Amount Paid/Adjusted	102.26	-
Reversal of unutilized provision	33.93	-
Closing Balance	2,466.86	1,817.19
Contingent Provision against Standard Assets		
Opening Balance	28,776.22	21,117.55
Addition/Adjustment during the period	7,030.87	7,658.67
Provision write back	-	-
Closing Balance	35,807.09	28,776.22
Provision against Sub-standard Assets		
Opening Balance	-	-
Addition during the period	-	-
Provision write back on account of NPA write off	-	-
Closing Balance	-	-
Provision against Restructured Assets		
Opening Balance	1,520.71	6,819.57
Addition/Adjustment during the period	(800.35)	(5,298.86)
Provision write back on account of NPA write off	-	-
Closing Balance	720.35	1,520.71
Provision against Doubtful Assets		
Opening Balance	1,24,073.92	1,73,324.79
Addition/Adjustment during the period	(29,187.62)	(41,370.19)
Provision write back on account of NPA write off	-	7,880.68
Closing Balance	94,886.30	1,24,073.92
Provision for diminution in investments		
Opening Balance	22,059.91	23,654.75
Addition during the period	-	-
Provision adjusted on account being sale of investments	1,794.59	1,594.83
Closing Balance	20,265.32	22,059.91

(B) Other Disclosures:

(₹ in lac)

Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Income Tax (Net)		
Opening Balance	25,777.95	21,303.14
Addition during the period	47,604.87	59,988.14
Amount paid/ adjusted during the period	58,481.93	55,513.33
Closing Balance	14,900.89	25,777.95



(vii) Demand for GST for Financial Year 2017-18	0.90	0.90
(viii) Demand for GST for Financial Year 2018-19	270.76	270.76
(ix) Demand for GST for Financial Year 2019-20	872.45	872.45
(x) Demand for GST for Financial Year 2020-21	104.35	104.35
(b) Guarantees	Nil	Nil
(c) Other money for which the company is contingently liable:		
(i) Letter of Comfort for issue of Letter of Credit (LC) (The company has issued letters of comfort to respective lead banks/member bank in the consortium of lenders for issuing LC on behalf of respective borrowers for subsequently releasing the amount of LC towards disbursement of sanctioned loan assistance)	1,06,854.67*	80,225.98
(ii) Guarantee given under credit enhancement scheme	21,782.30	22,413.10
(B)		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for: Estimated amount of contracts remaining to be executed on capital account (net of advances)	2,462.78	2,932.44
(b) Other commitments: Estimated amount of contracts under Corporate Social Responsibility (CSR) as per provision of The Companies Act 2013 remaining to be executed (net of advances)	4,827.90	2,396.11

* includes an amount of Rs. 34,701.00 lacs being amount of letter of credit issued by Indian Bank out of limit of 3,00,000 lacs

12. Investment in Venture Capital Units

During the Period Ended 31st March 2026, the company has invested NIL (₹ Nil as at 31st March 2025) in Venture Capital Units of IDFC Project Equity Domestic Investors Trust II promoted by the company along-with IDFC, Citi bank (cumulative amount of investment by the company as on 31st March 2026, is ₹ 9,247.56 lac). Out of total commitment of ₹ 10,000 lac, the company have contributed as investor in the venture and does not have joint control. Since there is no distributable profit in the fund, no income is accounted for, in the books of accounts in relation to such investments. However, the company has received during the year ended 31st March 2026, a sum of ₹ 35.50 lac (₹ Nil during year ended 31st March 2025) including tax paid NIL (₹ Nil lac during year ended 31st March 2025) in respect of redemption of venture capital units.

13. The company has reversed net deferred tax asset of ₹ 1,746.43 lac during year ended 31st March 2026 (decrease in deferred tax asset of ₹ 1,831.55 lac & decrease in deferred tax Liability by ₹ 85.12 lac), Previous year ended 31st March 2025 the company reversed net deferred tax asset of ₹ ₹ 6,329.14 lac during year ended 31st March 2025 (decrease in deferred tax asset of ₹ 6,329.95 lac & decrease in deferred tax Liability by ₹ 0.82 lac).



14. Based on information available with the company, there are no suppliers/service providers who are registered as Micro, Small and Medium undertakings under "The Micro, Small and Medium Enterprises Development Act 2006" as on 31st March 2026.

The details are as under:

(₹ in lac)

Particulars	As at 31 st March 2026	As at 31 March 2025
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	89.09	2.10
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

15. Derivative Transactions

The company has undertaken composite contracts i.e. Cross currency swaps (Principal and Interest) to hedge risks relating to floating interest rates as well as foreign exchange fluctuations on foreign currency borrowings from multilateral institutions as under:

(₹ in Lac)

Institution	Amount of Cross currency swaps	
	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Asian Development Bank (ADB):-		
USD	3,045.38	4,947.00
INR	288,257.91	423,371.39
IBRD World Bank:-		
USD	-	1,078.99
INR	-	92,341.65

All hedges are 100% effective i.e. there is no ineffectiveness.



Hedge Ratio: There is an economic relationship between the hedged item and the hedging instrument as the terms of the forward contracts, interest rate swaps and cross currency swaps contract match that of the foreign currency borrowings. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the forward contracts, interest rate swaps and cross currency swaps are identical to the hedged risk components. The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

As per the Mark-to-Market (M2M) valuations furnished by the counter party banks and other value on the above contracts, the net M2M gain as on 31st March 2026 amounts to ₹ 174,673.79 lac (Gross gain of ₹ 174,673.79 lac less Gross loss ₹ NIL lac) and M2M gain as on 31st March 2025 amounts to ₹ 1,35,382.74 lac (Gross gain of ₹ 136,327.97 lac less Gross loss ₹ 945.23 lac)

During the financial year ended 31st March 2012, the company sought the opinion of Expert Advisory Committee of the Institute of Chartered Accountant of India to advice on the correct accounting treatment to be followed by the company for accounting treatments in respect of foreign currency loan to the extent hedged. In this regard, ICAI vide letter dated 22nd September 2015 provided opinion in the matter. ICAI also issued guidance note on "Accounting for Derivative Contracts" in June 2015 which is applicable from 1st April 2016 and the same is applied by the company from financial year ended 31st March 2017. Any change in exchange rate, on amount of foreign currency borrowing as on reporting date since previous reporting date and from the date of drawdown borrowing during the period, is set off against Fair Value of Derivative Contracts and any gain or loss is recognized as Cash Flow Hedge Reserve. Fair Value of Derivative Contracts are provided by the respective Counter parties.

In this regard, IIFCL vide letter dated 26th December 2016 informed Institute of Chartered Accountants of India (ICAI), the issues faced by IIFCL pertaining to market to market/ Fair Value on hedge contracts while applying Guidance Note on Derivatives, with a copy to Reserve Bank of India. The matter has been referred to the Research Committee of ICAI as per their letter dated 3rd May 2017.

The details of hedged portion of loan restated at closing rate in line with Ind AS-21 are as follows:

(₹ in Lac)

Institution	Amount of Hedged Portion of Loans	
	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Asian Development Bank (ADB):-		
USD	10,815.82	11,514.56
INR	1,023,763.52	985,432.21
IBRD World Bank:-		
USD	1,059.82	1,187.99
INR	100,316.52	101,670.02
European Investment Bank (EIB)		
EURO	100.00	256.67
INR	10,900.64	23,696.65



Japan International Cooperation Agency (JICA)	YEN	71,036.40	-
	INR	42,089.07	-
Sumitomo Mitsui Banking Corporation (SMBC)	YEN	147,948.38	-
	INR	87,659.42	-

Disclosure of financial currency exposure as per Guidance Note on Accounting for Derivative Contracts:-
(₹ in Lac)

I. Assets	Foreign Curren cy	Current Year			Previous Year		
		Exchang e Rate	Amount in Foreign Currency	Amount in (₹ in Lac)	Exchang e Rate	Amount in Foreign Currency	Amount in (₹ in Lac)
Receivables (Trade & Other)	-	-	-	-	-	-	-
Other Monetary assets (e.g. ICDs/Loans given in FC)	-	-	-	-	-	-	-
Total Receivables (A)	-	-	-	-	-	-	-
Hedges by derivative contracts (B)	-	-	-	-	-	-	-
Unhedged Receivables (C=A - B)	-	-	-	-	-	-	-

II. Liabilities	Foreig n Curre ncy	Year Ended 31 st March 2026			Year Ended 31 st March 2025		
		Exchang e Rate	Amount in Foreign Currency	Amount in (₹ in Lac)	Exchang e Rate	Amount in Foreign Currency	Amount in (₹ in Lac)
Payables (Trade & Other)	-	-	-	-	-	-	-



Borrowings (ECB and Other)	USD	94.6543	13,558.83	1,283,401.37	85.5814	13,621.80	1,165,772.55
	EURO	109.006	1,404.00	153,045.00	92.3246	1,550.63	143,161.35
	JPY	0.5925	604,392.60	358,102.62	0.5675	378,831.86	214,970.21
Total Payables (D)	USD	94.6543	13,558.83	1,283,401.37	85.5814	13,621.80	1,165,772.55
	EURO	109.006	1,404.00	153,045.00	92.3246	1,550.63	143,161.35
	JPY	0.5925	604,392.60	358,102.62	0.5675	378,831.86	214,970.21
Hedges by derivative contracts (E)	USD	94.6543	11,875.64	1,124,080.04	85.5814	12,702.55	1,087,102.23
	EURO	109.006	100.00	10,900.64	92.3246	256.67	23,696.65
	JPY	0.5925	218,984.78	129,748.48	0.5675	-	-
Unhedged Payables (F= D - E)	USD	94.6543	1,683.19	159,321.33	85.5814	919.25	78,670.32
	EURO	109.006	1,304.00	142,144.36	92.3246	1,293.96	119,464.70
	JPY	0.5925	385,407.82	228,354.13	0.5675	378,831.86	214,970.21
III.	Foreign	Current Year			Previous Year		
Contingent Liabilities and Commitments	n Curren	Exchang	Amount in	Amount in	Exchang	Amount in	Amount in ₹
	cy	e Rate	Foreign	₹	e Rate	Foreign	
			Currency			Currency	
Contingent Liabilities	-	-	-	-	-	-	-
Commitments	-	-	-	-	-	-	-
Total (G)	-	-	-	-	-	-	-
Hedges by derivative contracts (H)	-	-	-	-	-	-	-
Unhedged Payables (I= G-H)	-	-	-	-	-	-	-
Total unhedged FC Exposures (J= C+F+I)	-	-	-	-	-	-	-

Unhedged position of foreign currency loans is as under:

(₹ in Lac)

Institution	Amount of Unhedged Position	
	Year Ended	Year Ended



As per Rule 18(7)(b)(ii) of Companies (Share Capital and Debentures) Rules 2014, The Company shall create Debenture Redemption Reserve(DRR) for NBFCs registered with the RBI under Section 45-IA of the RBI(Amendment) Act,1997, 'the adequacy' of DRR will be 25% of the value of debentures issued through public issue as per present SEBI (Issue and Listing of Debt Securities) Regulations,2008, and no DRR is

Required in the case of Privately Placed Debentures. Accordingly, the company has created bond redemption reserve of ₹ 54,462.29 lac up to 31st March 2026 (₹ 54,568.28 lac up to 31st March 2025).

The Ministry of Corporate Affairs, vide notification dated 19-August-2019 has amended the Companies (Share Capital & Debentures) Rules and accordingly the Company is no longer required to create Debenture Redemption Reserve on issuance of redeemable non-convertible debentures.

As per the disclosure requirements contained in the listing agreement with Stock exchange, it is stated that the company has not given any loans and advances in the nature of loans to Individuals, associates and to firms/ companies in whom directors are interested. Further, no loan (borrower) has made any investment in the shares of the company or its subsidiary.

(a) RBI issued Certificate of registration dated 9th September 2013 to IIFCL to carry on the business of Non-Banking Financial Institution without accepting public deposits.

(b) Prudential norms issued by RBI for NBFC-IFC are applicable to the Company.

(c) The company has restructured/ rescheduled Nil loan account during 31st March 2026 having Nil outstanding balance during 31st March 2026 (₹ Nil as on 31st March 2025) and there is no shortfall in value of security in these accounts as on 31st March 2026 refer note 1(A)(5.7)(v).

17. The status of pending assessment of Income Tax for the various Assessment Year(s) is as under:

Assessment Year	Status
2016-17	Assessment order u/s 143(3) dated 28.12.2018 received on 28.12.2018. Appeal filed before CIT(A) on 25.01.2019 against disallowances made in assessment order and deposited 20% tax demand of Rs. 137 lacs under protest and Rs. 46.71 lac has been adjusted from refund of AY 2011-12. Appeal was filed with CIT(A) against the said order. Order u/s 250 r.w.s 143(3) dated 26.03.2025 was issued allowing the appeal partially. Appeal filed with ITAT against the order of CIT(A).
	Notice u/s 154 proposing an addition of Rs. 519.18 lac was received on excess claim on deduction u/s 36(1)(viii), against which reply was submitted on 20.01.2023. IIFCL received similar notice u/s 154 adding taxable Income of Rs 1500.18 lac. IIFCL filed an appeal with CIT(A) against the order on 27th April 2023. Order received u/s 250 dated 26/09/2024, dismissing the appeal filed. Appeal filed with ITAT as on 29/11/2024 against CIT(A) order passed u/s 250, which is pending as on date.
	ITAT has issued common order on 11.02.2026 in respect of both the above appeals dismissing the order for Rs. 1556 lacs and remanded back to AO for disallowance of Rs. 1772 lacs.



2017-18	IIFCL received the assessment Order u/s 143(3) passed by Income Tax Department dated 17.12.2019 disallowing item of expense of Rs. 50.67 lac. IIFCL filed appeal with CIT(A) dated 15.03.2023 with condonation of delay. Appeal filed with CIT(A), dismissed on the grounds condonation of delay not approved. Notice u/s 154 proposing an addition of Rs. 421.12 lac was received on excess claim on deduction u/s 36(1)(viii), against which reply was submitted on 12.12.2022. IIFCL received similar notice u/s 154. The reply was submitted on 7th September 2023. IIFCL received another order u/s 154 dated 31.05.2023 without taking the cognizance of the reply and adding taxable Income of Rs 1216.83 lac. Appeal pending before CIT(A) and Order u/s 250 issued as on 05/12/2024 allowing the appeal in favour of IIFCL. The order was appealed by department before ITAT which again allowed the appeal in favour of IIFCL. Notice u/s 148A dated 01.03.2024 was issued. Order u/s 250 issued as on 05/12/2024 allowing the appeal in favour of IIFCL. ITR filed in response to notice issued u/s 148 on 25.06.2024. Reassessment proceedings u/s 147 opened vide letter no ITBA/AST/S/61/2024-25/1066229074(1) dated 28/06/2024. Several notices dated 04/12/2024, 14/12/2024, 22/12/2024, 24/12/2024 and 09/01/2025, were issued and replies to the same are uploaded on IT Portal. Order u/s 147 issued on 13/02/2025 disallowing Rs. 14923530/-. Appeal filed with CIT(A) on 13.03.2025. Order dated 25.11.2025 issued by CIT (A) dismissing the appeal of IIFCL. Appeal filed to ITAT against the order of CIT (A) on 22.01.2026. The order is heard by ITAT as on 18.05.2026.
2018-19	Notice u/s 148A dated 17.08.2024 was issued. Reply to Show cause notice dated 17.08.2024 submitted on due date 26.08.2024. Order u/s 148A(d) passed dt 31.08.2024 and proceedings u/s 148 has been initiated vide Notice dt 31.08.2024 with due date of submission being 30.11.2024. ITR filed in response to notice issued u/s 148 on 29.11.2024. Reassessment proceedings u/s 147 opened vide letter no ITBA/AST/S/61/2025-26/1075729795(1) dated 22/04/2025. Several Notices dated 15/05/2025, 16/05/2025, 29/05/2025, 17/09/2025 and 25.09.2025 were issued and duly replied on IT portal. Order issued u/s 147 r.w.s. 144B of the Act on 19.02.2026 assessing income at Rs. 294,82,85,410/-, making NIL Addition.
2020-21	A demand notice dated 27/03/2025 has been issued creating a demand of Rs. 26,65,81,260/- due to disallowance of contingent liabilities as reported by Tax Auditor in TAR. Another demand notice dated 04/08/2025 was issued increasing the demand to Rs. 51,31,20,590 on the same issues. Rectification application filed u/s 154 against demand notice on 18.04.2026. The CPC intimation order issued decreasing the demand to Rs. 42000 as on 19.05.2026.
2024-25	Faceless assessment Proceedings initiated vide notice dated 24.06.2025 and replies have been submitted to the department against the notices issued in this regard. Order passed u/s 143(3) on 13.03.2026 assessing income at Rs 17,54,66,45,529/- after making disallowance of Rs 2,23,28,64,899/- . Appeal filed with CIT(A) against the said order on 10.04.2026.



18. Other Disclosures:

18.1. During the Period Ended 31st March 2026, the Company had written off 3 accounts amounting ₹ 16,615.50 lacs (₹ 13,939.51 lac in 7 loan accounts as on 31st March 2025) refer note 1(A)(5.3).

18.2. IIFCL had made Provision for diminution in investments of ₹ 20,265.32 Lac in for period ended 31st March 2025 as under :

- During 2017-18 outstanding loan principal of ₹ 52,000.00 lac and interest other overdues thereon of ₹ 2,545.99 lac from M/s Adhunik Power and Natural Resources Limited (APNRL) sold to Edelweiss Asset Reconstruction Company Ltd. (EARC), an Asset Reconstruction Company, at consideration of ₹ 38,884.95 lac, including upfront realization of ₹ 108.18 lac, equity share capital of APNRL of ₹ 9,710.71 lac (i.e. fully paid equity shares of ₹ 10 each) and Security Receipts of ₹ 38,884.95 lac. EARC simultaneously, bought equity shares of APNRL of ₹ 10 each aggregating 4945.70 lac @ ₹ 1.2045 per share aggregating ₹ 595.72 lac. Accordingly, IIFCL considered the price for sale of equity shares of APNRL paid to IIFCL by EARC as fair value. Accordingly, the remaining equity shares held by IIFCL in APNRL as on 31st March 2018 are valued at ₹ 1.2045 per share, net of Provision for Diminution in Investments of ₹ 4,191.05 lac. IIFCL has valued the equity share capital on the basis of latest available fair valuation.
- Consequent to substitution of Concessionaire in case of M/s Topworth Tollways Pvt. Ltd., out of outstanding loan amount of ₹ 8,000.00 Lac, an amount of ₹ 6,078.00 lac has been or discharged by issue of 0.01% coupon Optionally Convertible Redeemable Debentures carrying coupon rate @ 0.01% annually of incoming concessionaire i.e. Bansal Pathways Pvt. Ltd. The balance outstanding loan of Rs 1,922.00 lac would be carried over to Bansal Pathways (Mangawan- Chakghat) Pvt Ltd., the new concessionaire. Accordingly, provision for Diminution of ₹ 4,779.68 lac in Investments is booked by debentures issued by Bansal Pathways (Mangawan- Chakghat) Pvt Ltd. are repayable at par after 25 years from receipt of debentures.
- The total principal outstanding of IIFCL in MEP Nagpur Ring Road 1 Private Limited of Rs 10,087.84 lac as on 31.03.2021 has been taken over by Bansal Pathways Nagpur Ring Road 1 Private Limited in the form of term loan of Rs 2811.84 lac and debentures of Rs 7,276 lac carrying a coupon rate of 0.01%. Accordingly, provision for Diminution of ₹ 4,451.99 lac is created on the debentures.
- IIFCL principal outstanding amount in MEP Nagpur Ring Road 2 Private Limited of Rs 11,184.00 lac as on 31.03.2021 has been taken over by Bansal Pathways Nagpur Ring Road 2 Private Limited in the form of debentures of Rs 11,184.00 lac carrying a coupon rate of 0.01%. Accordingly, provision for Diminution of ₹ 5,072.96 lac is created on the debentures.
- IIFCL had a principal outstanding amount in Meenakshi Energy Limited of Rs 22,137.32 lac. The project was referred under the Corporate Insolvency Resolution Process in the year 2019. The Insolvency Resolution plan as submitted by Vendanta Limited was approved by NCLT on 10th August 2023. Accordingly, IIFCL has received an upfront fees amount of ₹14.93 crore and ₹79.32 crore as Debentures. For the same, provision for Diminution of ₹ 1,769.63 lac is created on the debentures.



19. Disclosures of Investment and Security Receipt as on 31st March 2026:

(₹ In Lac)

Particulars	SRs issued within past 5 years	SRs issued more than 5 years ago but within past 8 years	SRs issued more than 8 years ago
(i) Book value of SRs backed by NPAs sold by the bank as underlying	73,254.54	12,160.01	-
Provision held against (i)	-	-	-
(ii) Book value of SRs backed by NPAs sold by other banks / financial institutions / non-banking financial companies as underlying	-	-	-
Provision held against (ii)	-	-	-
Total (i) + (ii)	73,254.54	-	-

20. Disclosures pertaining to Expenditure on Corporate Social Responsibility Activities:

a) Breakup of various heads of expenses included in CSR expenditure:

(₹ In Lac)

S.No.	Name of the Organization	Project Details	Year Ended 31 st March 2026	Year Ended 31 st March 2025
01	District Administration Changlang, Government of Arunachal Pradesh	Construction of a School building at Government Primary School, Nayang Village at Changlang, Arunachal Pradesh	-	124.66
02	District Administration, Mayurbhanj, Odhisa	De-addiction & Women Empowerment Centre at Mayurbhanj, Odhisa	125.00	-
03	District Administration, Mayurbhanj, Odisha	Construction of 4 Health Sub-Centres in Changlang, Arunachal Pradesh	676.81	-
04	Zilla Parishad, Dholpur (Rajasthan)	50 Digital Samvidhan Ghars (DSGs) in Dholpur (Rajasthan)	292.71	-
05	Madhya Pradesh Council of Science and Technology	10 Smart Classrooms (E-Paathshala) at Government Schools of Guna (MP)	43.00	-
06	Samriddh Gramaya Abhiyan Society	Restoration of Hathodi Stepwell (Bawri) at Bharatpur (Rajasthan)	99.00	-
07	Transferred to UCSRA*		2,817.94	2,472.93
	Total		4,054.46	2,597.59



Since amount pertains to ongoing projects, it has been transferred to unspent CSR Account on 30.04.2026 (previous year on 30.04.2025).

b) Additional disclosure in respect of CSR expenditure:

i. Amount spent during the year ended 31st March 2026: ₹ 1,236.52 lac

(₹ In Lac)

Particulars	Year Ended 31 st March 2026			Year Ended 31 st March 2025		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i) Construction/ Acquisition of any Asset	1,236.52	2470.40	3706.92	124.66	2,165.42	2,290.08
(ii) On purpose other than (i) above#	0	347.54	347.54	-	307.51	307.51
Total	1,236.52	2,817.94	4,054.46	124.66	2,472.93	2,597.59

- ii. Shortfall at the end of the year – NIL (An amount of ₹ 2,817.94 lac has been transferred to the UCSRA)
- iii. Total of previous year shortfall – NIL
- iv. Reason for shortfall: CSR projects of IIFCL are identified through a transparent multi-stage appraisal and approval process, which requires adequate time for due diligence and evaluation. Further, most CSR initiatives are multi-year projects and are subject to fulfilment of implementation conditions, including requisite clearances/approvals from local authorities and statutory bodies prior to commencement. Accordingly, the entire sanctioned CSR amount may not be fully utilised within the same financial year and the unspent amount is transferred to the Unspent CSR Account (UCSRA) in compliance with the provisions of the Companies Act, 2013, for timely and proper implementation of approved projects.
- v. Nature of CSR Activity: During the FY, the Company undertook CSR initiatives in the areas of healthcare, education, women empowerment, environmental sustainability, heritage conservation, road safety, and community infrastructure development across various States/UTs.
- vi. Details of related party transaction eg. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standards: Not Applicable
- vii. Where a provision is made with respect to liability incurred by entering into a contractual obligation, the movement in the provision during the year shall be shown separately: ₹ 4,827.90 lacs

21. Statement of Additional information as required in terms of paragraph 13 of Non-banking Financial (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(₹ in lac)



Particulars	As on 31 st March 2026		As on 31 st March 2025	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side:				
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures: Secured	1,138,545.40	-	11,39,336.50	-
: Unsecured	2,600,617.20	-	2,208,325.60	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	1,794,548.99	-	1,523,874.70	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans (Long/short term bank loan)	3,032,750.10	-	2,044,826.98	-
(i) Interest Accrued	134,835.35		118,407.67	
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
Assets side:		Amount outstanding		
		As on 31st March 2026	As on 31st March 2025	
(3) Break-up of Loans and Advances including bills receivables [Other than those included in (5) below]:				
(a) Secured		4,149,108.98	45,27,933.37	
(b) Unsecured		4,519,767.06	28,97,960.00	
(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities				
(i) Lease assets including lease rentals under sundry debtors:				
(a) Financial lease		-	-	
(b) Operating lease		-	-	
(ii) Stock on hire including hire charges under sundry debtors:				
(a) Assets on hire		-	-	
(b) Repossessed Assets		-	-	
(iii) Other loans counting towards AFC activities				



(a) Loans where assets have been repossessed	-	-	
(b) Loans other than (a) above	-	-	
(5) Break-up of Investments:			
Current Investments:			
1. Quoted:			
(i) Shares: (a) Equity	-	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of mutual funds	-	-	
(iv) Government Securities	-	-	
(v) Others (please specify)	-	-	
2. Unquoted:			
(i) Shares: (a) Equity	-	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of mutual funds	-	-	
(iv) Government Securities	-	-	
(v) Others (please specify)	-	-	
Long Term investments:			
1. Quoted:			
(i) Shares: (a) Equity	-	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of mutual funds	-	-	
(iv) Government Securities	-	-	
(v) Others (please specify)	-	-	
2. Unquoted:			
(i) Shares: (a) Equity	5,176.02	5,176.02	
(b) Preference			
(ii) Debentures and Bonds	30,884.14	32,470.68	
(iii) Units of mutual funds	1,148.84	2,326.62	
(iii) Government Securities	727,710.89	6,29,880.00	
(iv) Others (advance against equity share capital)(Investment in venture capital units)	566.06	601.56	
(v)Investment in security receipts	73,254.54	88,591.97	
Total	95,07,616.53	81,84,940.27	
(6) Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	Amount net of provisions (As on 31 st March 2026)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-



(c) Other related parties	-	-	-
2. Other than related parties	4,002,281.09	4,421,881.79	8,424,162.89
Total	4,002,281.09	4,421,881.79	8,424,162.89
Category	Amount net of provisions (As on 31st March 2025)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	42,94,328.98	28,56,619.76	71,50,948.74
Total	42,94,328.98	28,56,619.76	71,50,948.74

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	Amount net of provisions (As on 31st March 2026)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	818,475.18	818,475.18

Category	Amount net of provisions (As on 31st March 2025)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	736,986.94	736,986.94

(8) Other information		
Particulars	As on 31st March 2026	As on 31st March 2025
(i) Gross Non-Performing Assets		
(a) Related parties		
(b) Other than related parties	112,490.13	209,941.52
(ii) Net Non-Performing Assets		
(a) Related parties		
(b) Other than related parties	17,603.84	57,293.35
(iii) Assets acquired in satisfaction of debt		



22. Disclosures pursuant to Reserve Bank of India(NBFC- Scale based regulation) Directions, 2023 dated 19.10.2023(as amended)

23.1 Capital (Holding Company)

Particulars	As at 31 st March 2026	As at 31 st March 2025
CRAR (%)	20.53%	23.44%
CRAR – Tier I capital (%)	19.28%	22.19%
CRAR – Tier II capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier- II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

23.2 Investments

(₹ in lac)

S.No.	Particulars	For Year Ended 31 st March 2026	For Year Ended 31 st March 2025
1	Value of investments		
(i)	Gross value of investments	838,740.50	759,046.85
(a)	In India	838,740.50	759,046.85
(b)	Outside India	-	-
(ii)	Provisions for depreciation		
(a)	In India	20,265.32	22,059.91
(b)	Outside India	-	-
(iii)	Net value of investments	818,475.18	736,986.94
(a)	In India	818,475.18	736,986.94
(b)	Outside India	-	-
2	Movements of provisions held towards depreciation of investments		
(i)	Opening balance	22,059.91	23,654.75
(ii)	Add: Provisions made during the year	-	-
(iii)	Less: Write off/Write back of excess provisions during the year	1,794.59	1,594.83
(iv)	Closing balance	20,265.32	22,059.91

23.3 Derivatives

Risk Exposure in Derivatives:

Qualitative Disclosure

NBFCs are required to describe their risk management policies pertaining to derivatives with particular reference to the extent to which derivatives are used, the associated risks and business purposes served. In compliance of RBI guidelines dated 19th October, 2023(as amended), same is being disclosed as under:

- a) IIFCL undertakes derivative transactions to mitigate currency and interest rate risk of foreign currency borrowings. The company has put in place the Hedging Policy which forms a part of Resource and



Treasury policy duly approved by Board of Directors. The company's derivative transactions are governed by this policy which outlines the instruments which would be used for hedging as per the underlying liabilities.

- b) IIFCL undertakes derivative transaction for purpose of hedging and mitigating interest rate and currency risks (Market risk) arising on foreign currency borrowings.
- c) IIFCL undertakes derivative transactions for the purpose of hedging exchange and interest rate risk of foreign currency borrowings and not for any other purpose. The terms of Derivative transactions match with the corresponding underlying (Liabilities) for continuous effectiveness. The said effectiveness is ascertained at the time of inception of hedge through matching term concept.
- d) IIFCL reports the status of derivative transaction and their MTM to Senior Management on monthly basis and to the Board of Directors on Half Yearly basis. Further the MTM is being independently monitored by R&T Advisors of IIFCL on Half Yearly basis.
- e) Exchange traded Interest Rate Derivatives on IIFCL Books are Nil.
- f) IIFCL undertakes Cross Currency Interest Rate Swap to hedge its Foreign Currency exposures. The figures shown in Quantitative disclosure cannot be segregated since the deals are booked on a consolidated basis for principal and Interest cash flows.
- g) The accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation is disclosed in Accounting Policy 1(A)(5.2)
- h) As per Resources & Treasury Policy, approved for each financial year by the Management & Investment Committee of the Board of Directors, IIFCL shall keep its position hedged between 65-70% of the total exposure. Further the exchange fluctuation difference of the open position net of with the saving of forward premium should not breach 10% of the net worth of the company at any point of time. Further if rupee depreciates 5% or more within the financial year on portfolio basis, IIFCL would keep its position hedged at approx. 75%.

Risk Management Structure

- a) IIFCL manages risk as per Integrated Risk Management Framework duly approved by the Board of Directors. Besides, Resources and Treasury policy of IIFCL is approved by Management and Investment committee of the Board annually. These framework policy, provide the guiding parameters based on which IIFCL takes decisions for managing the Currency Risk that it is exposed to on account of foreign currency loan.
- b) IIFCL has also constituted Board Level Risk Management Committee & Board level Asset Liability Management Committee (ALCO Committee) for strengthening the risk management in the business operations. ALCO monitors liquidity & interest rate risks which includes periodic analysis of short term and long term liquidity profile of asset receipts and debt service obligations. Derivative transactions include cross currency swaps and currency swaps to hedge liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

Type of Risks Involved:

A) Types of Risks:

- i. Credit Risk - Credit risk involves the risk of loss arising from the diminution in credit quality of a borrower along with the risk that the borrower may default on contractual repayments under a loan or



an advance. IIFCL has Integrated Risk Management Framework to manage credit risk in infrastructure lending.

- ii. **Market Risk** - Market risk is the risk of loss due to adverse changes in the market value (the price) of an instrument or portfolio of instruments. Market risk comprises of currency risk and Interest rate risk. Currency risk arises on account of any change/ fluctuation in exchange rate between rupee and foreign currencies. The interest rate risk exposure is mainly from changes in interest rates over the period of time. IIFCL faces market risks and interest rate risks as a part of its business activity.
- iii. **Liquidity Risk** - Liquidity risk is the risk of loss due to failure of the institution to meet funding requirements or execute a transaction utilizing funds borrowed at reasonable price. There may be market liquidity risk or funding liquidity risk. IIFCL manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of combined credit lines.
- iv. **Operational Risk** - Operational risk is the risk of loss occurring as a result of inadequate system and control, deficiencies in information system, human error or a management failure. The operational risk management policy of IIFCL seeks to manage the operational risks.

B) Stress Tests:

III. IIFCL undertakes comprehensive stress tests to manage the risk of financial loss on account of fluctuations in foreign exchange rates and interest rates.

The details of stress tests on foreign currency loan portfolio under the following scenarios and potential impact on income is as under:

Assumptions

The percentage depreciation is assumed on the reference rate (base case) as on 31.03.2026.

Accordingly, the depreciated exchange rates for shock scenarios are as below:

Exchange Rate i.e. INR per	Shock Scenarios			
	Base Case	Baseline	Medium	Severe
	RBI Reference Rate (31.03.2026)	5%	10%	20%
USD	94.6543	99.3870	104.1197	113.5852
EUR	109.0064	114.4567	119.9070	130.8077
JPY	0.5925	0.6221	0.6518	0.7110

The benchmark rates (SOFR/EURIBOR) along with rates under shock scenarios are as below:

Benchmark Interest Rate	Shock Scenarios			
	Base Case	Baseline	Medium	Severe
	Benchmark Interest Rates (31.03.2026)	0.5%	1.00%	2.00%
SOFR	3.86%	4.36%	4.86%	5.86%
EURIBOR	2.48%	2.98%	3.48%	4.48%



For the purpose of stress test, the portion of currencies hedged through seagull options have been assumed as unhedged as it has limited downside protection.

The portfolio hedged through full currency swaps are assumed to remain unaffected by depreciation of INR.

For stress test for interest rate risk on foreign currency borrowings, the shock scenarios denote the percentage by which the benchmark component of the interest rate is expected to increase. The spread component of the interest rate is assumed to remain fixed.

The impact of change in interest rate is assumed to impact only unhedged amount and the amount hedged through POS.

Impact of the scenarios is assessed as the additional expense or loss of income due to shock scenarios vis-à-vis the base scenario.

Impact due to Depreciation of INR

The impact of change in foreign exchange rates impacts both the interest payments and loan repayments. However, the borrowings hedged through full currency swaps are immune to variation in foreign exchange rates.

1) Impact of INR Depreciation on Interest Payments on Unhedged and POS Hedged Borrowings

(Rs. Crore)

Shock Scenarios	Baseline	Medium	Severe
	5%	10%	20%
USD	22.25	44.50	88.99
EUR	2.69	5.38	10.75
JPY	1.29	2.59	5.17
Total	26.23	52.46	104.92

2) Impact of INR Depreciation on Unhedged Exposure of Principal Outstanding:

(Rs. Crore)

Shock Scenarios	Baseline	Medium	Severe
	5%	10%	20%
USD	79.66	159.32	318.64
EUR	76.52	153.04	306.09
JPY	152.39	304.78	609.56
Total	308.57	617.14	1234.29

3) Total Impact of INR Depreciation (a+b)

(Rs. Crore)

Shock Scenarios	Baseline	Medium	Severe
	5%	10%	20%
USD	101.91	203.82	407.64
EUR	79.21	158.42	316.84



JPY	153.68	307.36	614.73
Total	334.80	669.60	1339.21

Impact of Change in Benchmark Interest Rates (SOFR/EURIBOR) on Unhedged and POS Hedged Exposure

(Rs. Crore)

Shock Scenario	Baseline	Medium	Severe
Change in RoI by	0.50%	1.00%	2.00%
USD	49.76	99.51	199.03
EUR	9.31	18.61	37.22
JPY	17.91	35.81	71.62
Total	76.97	153.94	307.87

The total impact arising from depreciation on foreign currency borrowings as of 31.03.2026 is estimated at Rs.334.80 crore under the baseline scenario, Rs.669.60 crore under the medium scenario, and Rs.1,339.21 crore under the severe scenario.

Further, under scenarios assuming an increase in interest rates on foreign currency loans by 0.5% (baseline), 1.0% (medium), and 2.0% (severe), the estimated impact amounts to Rs.76.97 crore, Rs.153.94 crore, and Rs.307.87 crore under the baseline, medium, and severe scenarios, respectively.

Forward Rate Agreement/Interest Rate Swap

(₹ in Lac)

S.No.	Particulars	Year Ended 31 st March 2026	Year Ended 31 st March 2025
(i)	The notional principal of swap agreements	994,817.02	956,768.00
(ii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iii)	Concentration of credit risk arising from the swaps *	Refer *	Refer *
(iv)	The fair value of the swap book	174,673.79	135,382.74

* The Company enters into swap agreements in accordance with RBI Guidelines. All the swap agreements entered into with the banks are well within the credit risk limit defined in the Board approved policy.

Quantitative Disclosures

(₹ in Lac)

S.No.	Particulars	Year Ended 31 st March 2026		Year Ended 31 st March 2025	
		Currency derivatives	Interest Rate derivative	Currency derivatives	Interest Rate derivative
(i)	Derivatives (Notional Principal)	994,817.02	994,817.02	956,768.00	956,768.00



	Amount)				
	For hedging	994,817.02	994,817.02	956,768.00	956,768.00
(ii)	Marked to Market positions	174,673.79	174,673.79	135,382.74	135,382.74
	a. Asset (+)	174,673.79	174,673.79	136,327.97	136,327.97
	b. Liability (-)	-	-	945.23	945.23
(iii)	Credit Exposures	-	-	-	-
(iv)	Unhedged Exposures	5,29,819.82	5,29,819.82	413,122.10	413,122.10

23.4 Disclosures relating to Securitization

Details of Financial Assets sold to Securitization/ Reconstruction Company for Asset reconstruction:

(₹ in Lac)

S.No.	Particulars	For the year ended 31 st March 2026	For the year ended 31 st March 2025
(i)	No. of Accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC/ RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate (gain)/loss over net book value	-	-

23.5 Details of Non- performing Financial Assets sold:

(₹ in Lac)

S.No.	Particulars	For year ended 31 st March 2026	For year ended 31 st March 2025
(i)	No. of accounts sold	2	-
(ii)	Aggregate outstanding	10,759.00	-
(iii)	Aggregate consideration received	3,973.00*	-

* Includes Principal Outstanding and excludes interest & other charges

23.6 Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at 31st March 2026:

(₹ in lac)

Particulars	1 Day to 7 Days	8 to 14 Days	15 to 30/31 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
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Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	-	56.00	8,379.19	51,500.96	91,237.63	139,630.24	439,092.68	1,841,511.02	1,591,122.37	4,540,863.39	8,703,393.47
Investments	-	-	-	-	10,411.97	10,411.97	352,477.54	-	88,760.00	638,950.89	1,101,012.37
Borrowings	-	-	-	-	-	-	-	917,879.56	156,000.00	2,286,665.84	3,360,545.40
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	4,503.96	7,158.87	34,659.03	22,652.20	70,229.01	294,660.67	485,374.42	875,310.84	1,794,548.99
Borrowings from banks	33,137.84	382,495.39	-	326,826.88	538,351.64	167,319.00	10,411.97	1,797,110.19	107,327.15	-	3,362,980.06

Maturity pattern of certain items of assets and liabilities as at 31st March 2025:

(₹ in lac)

Particulars	1 Day to 7 Days	8 to 14 Days	15 to 30/31 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 Months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	2.54	922.54	6,003.60	27,276.37	20,431.83	62,774.96	511,689.34	1,105,638.62	1,345,357.00	4,347,874.79	7,427,971.59
Investments	-	-	-	-	-	-	-	-	-	629,880.00	629,880.00
Borrowings	-	-	-	-	-	-	791.10	348,251.71	569,627.85	2,086,665.84	3,005,336.50



	shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;		
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	566.06	601.56

23.8 Additional Disclosures: Provisions and Contingencies

(₹ in Lac)

S.No.	Breakup of Provisions and Contingencies reflected in Statement of Profit & Loss	For the year ended 31 st March 2026	For the year ended 31 st March 2025
(i)	Provision towards NPA	94,886.30	152,648.17
(ii)	Provision for income tax (including deferred tax)	60,438.94	66,437.45
(iii)	Provision for Standard Assets (including restructured accounts & SDR accounts)	150,970.48	122,296.51

23.9 Concentration of Advances, Exposure and NPAs:

(i) Concentration of Advances

(₹ in lac)

Particular	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Total Advances to twenty largest borrowers	4,518,615.12	4,146,444.08
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	52.12%	55.84%

(ii) Concentration of Exposure

(₹ in lac)



Particular	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Total Exposure to twenty largest borrowers	4,518,615.12	4,146,444.08
Percentage of Exposure to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	52.12%	55.84%

(iii) **Concentration of NPAs**

(₹ in Lac)

Particular	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Total Exposure to top four NPA accounts	105,204.98	131,066.91

(iv) **Sector- wise NPAs**

S.No.	Sector	% of NPAs to Total Advances in that sector	
		For the year ended 31 st March 2026	For the year ended 31 st March 2025
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	1.30%	2.83%
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	-	-

(v) **Movement of NPAs:**

(₹ in Lac)

S.No.	Particular	For the year ended 31 st March 2026	For the year ended 31 st March 2025
(i)	Net NPAs to Net Advances (%)	0.21%	0.79%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	223,950.93	3,06,997.59
	(b) Additions during the year	-	23,678.72
	(c) Reductions/write off during the year	111,460.80	120,734.79
	(d) Closing balance	112,490.13	209,941.52
(iii)	Movement of Net NPAs		
	(a) Opening balance	88,831.06	1,12,395.00
	(b) Additions during the year	-	11,666.75
	(c) Reductions during the year	42,422.69	66,768.40
	(d) Closing balance	46,408.37	57,293.35
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	135,119.86	1,94,603.28



	(b)	Provisions made during the year	(20,900.60)	9,123.17
	(c)	Write off/ write- back of excess provisions	48,137.51	51,078.28
	(d)	Closing balance	66,081.76	152,648.17

23.10 Customer Complaints

S.No.	Particular	For the year ended 31st March 2026	For the year ended 31st March 2025
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	149	223
(c)	No. of complaints redressed during the year	149	223
(d)	No. of complaints pending at the end of the year	-	-

23.11 Additional Disclosures

S.No.	Disclosure	Comment
(i)	Registration/ license/authorization obtained from other financial regulator	Corporate Identification No. U67190DL2006GOI144520 obtained from Ministry of Corporate Affairs
(ii)	Ratings assigned by credit rating agencies and migration of ratings during the year	AAA stable assigned by various Rating agencies for domestic bonds issued by company. There is no migration of rating during current year 2025-26.
(iii)	Penalties, if any, levied by any regulator	Nil
(iv)	Information viz., area, country and joint venture partners	
	(a) Joint Ventures	None
	(b) Overseas Subsidiary	IIFC (UK) Ltd. wholly owned subsidiary of company operates from London, United Kingdom and undertakes financing infrastructure projects in India,

23.12 Disclosure of Restructured Accounts

S. No.	Type of Restructuring	Under CDR Mechanism	Under SME Debt Restructuring Mechanism	Others (₹ in lac)	Total (₹ in lac)
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	next year ended 31.03.2026												
5	Down gradations of restructured accounts during the year ended 31.03.2026	No. of borrowers			-	-	-	-	-	-	-	-	-
		Amount outstanding			-	-	-	-	-	-	-	-	-
6	Write offs/Prepayment of restructured accounts during the year ended 31.03.2026	Provision thereon			-	-	-	-	-	-	-	-	-
		No. of borrowers			1.00	-	-	1.00	1.00	-	-	-	1.00
7	Restructured Accounts as on 31.03.2026 (closing figures)	Amount outstanding			14,017. 13	-	-	14,017. 13	14,017. 13	-	-	-	14,017. 13
		Provision thereon			800.35	-	-	800.35	800.35	-	-	-	800.35
		No. of borrowers			1.00	-	-	1.00	1.00	-	-	-	1.00

23.13 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

Name of Joint Venture/Subsidiary	Other Partner in the JV	Country	Total Assets (Amount in \$)
IIFC (UK) Ltd.	None	United Kingdom	Nil. IIFCL does not hold any overseas assets with IIFC (UK) Ltd.

23. Disclosures pursuant to Reserve Bank of India's Scale based regulation on NBFC's:

- a) **Exposure to real estate sector:** IIFCL's exposure of Real Estate sector has been disclosed in note 1
(B) 23.7.1.



b) **Exposure to capital market:** IIFCL's exposure to Capital Market has been disclosed in Note 1(B) 23.7.2.

c) **Sectoral exposure:**

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)*	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)*	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
Corporate Sector	8,775,730.71	112,490.13	1.29%	7,528,532.50	209,941.52	2.79%

*Includes Balance Outstanding and Letter of Credit Outstanding

d) **Intra-group exposures:** The Intra group exposure of IIFCL is disclosed in Note 1 (B) 6(C).

e) **Unhedged foreign currency exposure:** The Unhedged foreign currency exposure of IIFCL is disclosed in Note 1(B)15(b).

f) **Details of Single Borrower Limit(SGL)/Group Borrower Limit(GBL) exceeded by the applicable NBFC.**

- List of Single Exposures exceeding Limits as at 31.03.2026- Nil
- List of Single Exposures exceeding Limits as at 31.03.2026- Nil
- List of Group Exposures exceeding Limits as at 31.03.2026- Nil
- List of Group Exposures exceeding Limits as at 31.03.2026- Nil

g) **Related Party Disclosure:** The Related Party Disclosure of IIFCL is disclosed in Note 1(B)6.

h) **Disclosure of complaints:** The Disclosure complaints of IIFCL is disclosed in Note 1(B) 23.10. Further, the number of grounds of complaints is classified as Others.

i) **Breach of covenant :** Nil

j) **Divergence in Asset Classification and Provisioning :** Nil

24. Capital management:

In reference to the disclosure regarding Capital Management as per requirement of Para 134-136 of Ind AS 1, presentation of Financial Statement, it is mentioned that IIFCL being a Non-Banking Financial



Company-Infrastructure Finance Company (NBFC-IFC), IIFCL is required to maintain capital, referred to as owned funds, as per RBI Regulations.

As per RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Owned Fund means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Government of India has infused capital in IIFCL from time to time. This has enabled IIFCL to comply with capital requirements stipulated by RBI. Moreover, IIFCL considers distribution of dividend taking into account impact on capital i.e. net owned funds subject to the directions of Government of India. No changes were made in the objectives, policies or processes w.r.t. capital management during the reporting years.

25. Guidelines on Capital Restructuring of Central Public Sector Enterprises on 18th November 2024 of Department of Investment & Public Asset Management, Ministry of Finance, CPSEs are required to pay a minimum annual dividend of 30% of PAT or 4% of the net-worth, whichever is higher subject to the limit, if any, under any extant legal provision. In this regard, IIFCL vide letter dated 21st September 2016 had requested Government for exemption from payment of dividend for at least 3 years from FY 2015-16 to FY 2017-18. Subsequently, IIFCL vide letter dated 19th September 2019 had requested Government for exemption from payment of dividend atleast upto FY 2021-22. The reply of IIFCL's Letter is awaited.

Moreover, as per RBI circular RBI/2021-22/59, DOR.ACC.REC.No.23/21.02.067/2021-22 dated 24th June 2021 provides a minimum requirement that a NBFC has to declare dividend if its NNPA is less than 6% in each of the last three years, including as at the close of the financial year for which dividend is proposed to be declared. As per the aforementioned eligibility criteria, IIFCL was ineligible to declare dividend and, accordingly, IIFCL did not declare dividend for FY 2022-23.

With respect to FY 2023-24 & FY 2024-25, IIFCL's Board of Directors in their meetings held on 28th March 2024 & 18th December 2024 respectively have approved the proposal to request Government of India to provide exemption from payment of dividend. The same has been sent to the Government of India. The reply of IIFCL's Letter is awaited.

With respect to FY 2025-26, IIFCL's Board of Directors in their meeting held on 27th March 2026 have approved the proposal to request Government of India to provide exemption from payment of dividend. The same has been sent to the Government of India. The reply of IIFCL's Letter is awaited.

26. In accordance with the Guidelines relating to COVID-19 Regulatory Package dated 27th March 2020 and 17th April 2020, the RBI allowed Commercial banks, Co-operative banks, Financial institutions and NBFCs to grant a 3-month moratorium on payment of instalments of all term loans which were standard assets as on 29th February 2020. The objective was to help alleviate the hardship of borrowers which was brought on by the national lockdown. The moratorium was initially granted for three months on payment of all instalments, including principal/ or interest components etc. falling due between 1st March 2020 and 31st May 2020. On 22nd May 2020, RBI extended this moratorium period



by 3 months i.e. up to August 31, 2020. Interest continued to accrue on the outstanding portion of the loan during the moratorium period. For all accounts where the moratorium was granted, the ageing of accounts remained stand still during the moratorium period. Lenders were required to put in place Board approved policy prior to offering their customers the moratorium. Lenders have adopted different methods in offering the moratorium either an 'opt-in' or 'opt-out' structure.

IIFCL has extended Moratorium for payment of Interest and Principal in eligible cases of Term Loans granted, for the period March 2020 to August 2020 in accordance with RBI Circular The repayment of the facility created, in such cases have been stipulated within the repayment period of the Original Term Loan. During Year Ended 30th September 2020, IIFCL recognized deferred interest income in moratorium loan cases without treating the same as restructuring in terms of direction no DCB.BPD (PCB) MC No. 12/09.14.000/2015-16 dated July 1, 2015. IIFCL vide letter dated 12th November 2020 requested RBI to guide that the recognition of interest income by IIFCL is in line with regulatory conformity. RBI reply in this regard is still awaited. Consequently, as on 31st March 2021, IIFCL has conservatively deferred recognition of unrealized interest income of ₹ 45,914.50 lac for moratorium period on moratorium loan cases till realization subsequently. During the year ended 31st March 2026, IIFCL has received repayments amounting ₹ 5,747.07 lac.

Further, In accordance with the instructions of RBI Circular dated 07.04.2021 on "Asset Classification and Income Recognition following the expiry of Covid 19 regulatory package", the Bank shall refund/adjust 'interest on interest' charged to all borrowers including those who had availed of working capital facilities during moratorium period i.e. 01.03.2020 to 31.08.2020, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount to be refunded/adjusted for different facilities has been finalized by the Indian Bank Association (IBA) in consultation with other industry participants/bodies, for adopting by all the lending institutions. Accordingly, IBA vide its letter dated 19.04.2021 has informed methodology finalised for refund/adjustment as per Supreme Court judgement. Accordingly, IIFCL has not recognised the estimated amount of interest on interest income of ₹2,500 lac during the year ended on 31st March 2021. The credit of the interest income is yet to be given to the borrowers.

27. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate (Ind AS 12) :

Reconciliation of tax expenses and product of profit before tax and corporate tax rate is as under:

(₹ in lac)

Particulars	31 st March 2026	31st March 2025
Profit before Tax	207,421.15	329,580.97
Statutory Income Tax Rate	25.17%	25.17%
Expected Income Tax Expense	52,203.75	82,948.94
Tax Effect of Income Tax Adjustment:		
Benefit of Deduction u/s 36(1) of Income Tax Act	-	-
Net Provisions Disallowed	(1,960.65)	(14,330.24)
Non- allowability of Income Tax	20,930.16	(7,094.76)
Income tax Earlier Years	(1,889.50)	14.94



Others	(6,887.80)	11,362.82
Deferred Tax	(1,957.01)	(6,464.25)
Tax Expense	60,438.94	66,437.45

28. Fair value measurement hierarchy of financial assets and liabilities measured at amortized cost/Fair Value:

29.1. Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived form prices)

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

(₹ in lac)

Particulars	31.03.2026		
	Level 1	Level 2	Level 3
Financial Asset:			
Amortised Cost	-	-	10,249,470.77
FVTPL	-	73,254.54	192,183.53
Financial Liability:			
Amortised Cost	-	-	8,706,480.82

Particulars	31.03.2025		
	Level 1	Level 2	Level 3
Financial Asset:			
Amortised Cost	-	-	84,41,741.65
FVTPL	-	223,974.71	18,514.97
Financial Liability:			
Amortised Cost	-	-	7,042,746.00

29.2. Fair value of financial assets and liabilities that are measured at amortized cost:

(₹ in lac)

Particular	31.03.2026		31.03.2025	
	Carrying Value	Carrying Value	Carrying Value	Fair Value
Financial Assets	10,514,908.85	10,514,908.85	8,684,231.08	8,684,231.08



Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		141,294.66	94,886.30	46,408.37	100,220.92	(5,334.63)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1					
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
	Stage 1	8,521,004.92	128,067.32	8,392,937.60	36,314.65	91,752.66
	FITL	1,143.62	1,143.62	-	1,143.62	-
	Stage 2	35,091.66	21,759.55	13,332.12	483.10	21,276.44
	Stage 3	141,294.66	94,886.30	46,408.37	100,220.92	(5,334.63)
	Total	8,698,534.87	245,856.78	8,452,678.09	138,162.30	107,694.48

As on 31st March 2025

(in lac)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	7,169,670.23	99,355.76	7,070,314.47	28,776.22	70,579.54
	Stage 2	46,560.99	22,941.08	23,619.91	1,520.71	21,420.37
	FITL	1,753.55	1,753.55	-	1,753.55	-
Subtotal		7,217,984.77	124,050.39	7,093,934.38	32,050.48	91,999.91
Non-Performing						



Assets (NPA)						
Substandard	Stage 3	23,678.72	11,666.75	12,011.97	2,367.87	9,298.88
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	33195.5849 7	20375.2348 6	12820.3501 2	9958.67549 2	10416.5593 6
More than 3 years	Stage 3	178422.992 1	120605.861 6	57817.1304 8	114115.240 5	6490.62115 8
Subtotal for doubtful		211,618.58	140,981.10	70,637.48	124,073.92	16,907.18
Loss	Stage 3	0	0	0	0	0
Subtotal for NPA		235,297.30	152,647.85	82,649.45	126,441.79	26,206.06
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1			0		0
	Stage 2			0		0
	Stage 3			0		0
Subtotal		0	0	0	0	0
	Stage 1	7,169,670.2 3	99,355.76	7,070,314.4 7	28,776.22	70,579.54
	FITL	1,753.55	1,753.55	1,753.55	1,753.55	1,753.55
	Stage 2	46,560.99	22,941.08	23,619.91	1,520.71	21,420.37
	Stage 3	235,297.30	152,647.85	82,649.45	126,441.79	26,206.06
	Total	7,453,282.0 6	276,698.24	7,178,337.3 8	158,492.27	119,959.52

31. It is further stated that:

- a. The Company has, at all times maintained sufficient security cover for the secured NCDs as stated in the respective information memorandum towards the principal amount and interest accrued. Further, IIFCL



has not defaulted in the repayment of debt securities and interest thereon for the year ended 31st March 2026 and 31st March 2025.

- b. There is no Benami Property held by the Company and there is no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- c. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

- d. IIFCL Projects Limited and IIFCL Asset management Company Limited are not registered as NBFC and Audited Financial Statements have been prepared for consolidation as per Division II of Schedule III whereas IIFCL is registered as NBFC and has prepared financial statement as per Division III of Schedule III.
- e. There are no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- f. Pursuant to policy no. 1(A)(5.2)(A)(a)) Upfront Fee, professing fee or any other fee directly attributable to loan assets not exceeding 0.5% of total income are initially recognized on accrual basis in Statement of Profit & Loss.
- g. Government of India vide letter dated 9th February 2012 informed IIFCL that it has been decided that the equity of National Industrial Corridor Development Corporation Limited (NICDC) to the extent of 41% will be acquired by IIFCL, notwithstanding that IIFCL was not mandated to acquire equity share as per SIFTI, Scheme for Financing Viable Infrastructure Projects, under which IIFCL carries out its activities.
- h. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- i. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- j. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



- k. In response to IIFCL's letter dated 21st July 2021, RBI clarified that investments including refinancing by way of subscription to bonds/debentures for infrastructure projects, whether in projects under implementation or in completed projects, shall be considered as 'infrastructure lending' for the purpose of deployment of minimum 75% of total assets by IIFCL towards 'infrastructure loans'. Accordingly, IIFCL reckoned amount of subscription to Bonds of Infrastructure Projects for determining the Gross NPA and Net NPA ratios. However, RBI in its Preliminary Inspection and Risk Assessment Report w.r.t. Financial Position as on 31st March 2023, had observed the Company had included its investment in Bonds as part of its Loans & Advances while calculating NPA ratios (therefore, understating the ratios). In this regard, IIFCL has made submission to RBI that subscription to the Bonds of Infrastructure Projects are classified as Loans & Advance. Accordingly, amount of Loans & Advances including amount of subscription to Bonds of Infrastructure Projects is considered for determining the Gross NPA and Net NPA.
- l. IIFCL does not expect any financial impact of the pending litigation cases comprising recovery suits in loan cases except 2 cases filed in HR matters.
32. The previous year figures have been regrouped wherever considered necessary.

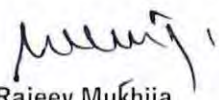
For and on behalf of the Board of Directors of
India Infrastructure Finance Company Ltd.




Rohit Rishi
(Managing Director)
(DIN No:- 11524681)


Palash Srivastava
(Deputy Managing Director)
(DIN No:- 2007911)


Ruchi Singhal
(GM & Company Secretary)
Membership No:- 17837


Rajeev Mukhija
(CGM- CFO)



In terms of our Audit Report of even date

For ABP & Associates
Chartered Accountants
FRN: 315104E


CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 005593C


CA Amit Tiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026

Form AOC-I

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures for the Year Ended 31st March 2026

Part "A": Subsidiaries

(₹ in Lac/ USD in million)

S.No.	Particulars	I	II	III	
1	Name of the subsidiary	IIFCL Projects Ltd.	IIFCL Asset Management Company Ltd.	India Infrastructure Finance Company (UK) Ltd.	
				INR	USD
2	The date since when subsidiary was acquired	14-Feb-2012	28-Mar-2012	07-Feb-2008	
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Not Applicable	Not Applicable	USD (Exchange rate as on 31 st March 2026: USD 1= ₹ 94.6543)	
5	Share capital	475.00	1,250.00	103,076.15	150.00
6	Reserves & surplus	2,179.69	1,350.01	39,274.85	0.04
7	Total assets	3,336.99	2,896.84	826,104.56	871.29
8	Total Liabilities	682.30	116.83	683,753.56	720.89
9	Investments	Nil	Nil	Nil	
10	Turnover	1,834.87	121.58	52,219.86	57.69
11	Profit before taxation	5.45	90.68	8,942.50	9.43
12	Provision for taxation	(10.15)	(96.49)	(108.11)	(0.12)
13	Profit after taxation (including OCI)	52.32	203.13	9,050.61	9.55
14	Proposed Dividend	Nil	Nil	Nil	
15	% of shareholding	100%	100%	100%	

Notes:

- Subsidiaries which are yet to commence operations- Nil
- Subsidiaries which have been liquidated or sold during the year. Nil
- Adjustments for disclosing the Provision on Loan Assets in Non-Financial Liabilities in Financial of IIFC(UK) Ltd has been done before conversion to INR.



Part "B": Associates and Joint Ventures

Not Applicable

For and on behalf of the Board of Directors of
India Infrastructure Finance Company Ltd.



Rohit Rishi
(Managing Director)
(DIN No:- 11524681)

Palash Srivastava
(Deputy Managing Director)
(DIN No:- 2007911)

Ruchi Singhal
(GM & Company Secretary)
Membership No:- 17837

Rajeev Mukhija
(CGM- CFO)



In terms of our Audit Report of even date

For ABP & Associates
Chartered Accountants
FRN: 315104E

CA Kamal Kumar Chanduka
Partner
Membership Number: 058790

For ADB & Company
Chartered Accountants
FRN: 005593C

CA Amit Tiwari
Partner
Membership Number: 408603

Place: New Delhi
Date: 29.05.2026

कार्यालय प्रधान निदेशक लेखापरीक्षा
उद्योग एवं कॉर्पोरेट कार्य
ऑडिट भवन, आई.पी.एस्टेट
नई दिल्ली-110002



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT
INDUSTRY AND CORPORATE AFFAIRS
AUDIT BHAWAN, I.P. ESTATE
NEW DELHI-110002

दिनांक / Date: 05/08/2026

संख्या: एएमजी-II/28(4)/वार्षिक लेखापरीक्षा/II/FCL (CFS) (2025-26)/2026-27/ 235-236

सेवा में,

प्रबन्ध निदेशक,
इंडिया इन्फ्रास्ट्रक्चर फाइनेंस कंपनी लिमिटेड,
5 वां तल, ब्लॉक-2, प्लेट ए एवं बी, एनबीसीसी टॉवर
ईस्ट किडवई नगर, नई दिल्ली- 110 023

विषय : कंपनी अधिनियम 2013 की धारा 143 (6) (b) के साथ धारा 129 (4) के अन्तर्गत 31 मार्च 2026 को समाप्त वर्ष के लिए इंडिया इन्फ्रास्ट्रक्चर फाइनेंस कंपनी लिमिटेड के समेकित वार्षिक वित्तीय लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143 (6) (b) के साथ धारा 129 (4) के अन्तर्गत 31 मार्च 2026 को समाप्त हुए वर्ष के लिए इंडिया इन्फ्रास्ट्रक्चर फाइनेंस कंपनी लिमिटेड के समेकित वार्षिक वित्तीय लेखों पर उपरोक्त विषय संबंधित संलग्न पत्र अग्रेषित है।

भवदीय,

पवन
5/8/26

(डॉ पवन कुमार कोंडा)
प्रधान निदेशक लेखा परीक्षा
(उद्योग एवं कारपोरेट कार्य)
नई दिल्ली

संलग्नक:- यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2026.

The preparation of consolidated financial statements of India Infrastructure Finance Company Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 23 July 2026 which supersedes their earlier Audit Report dated 29 May 2026

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of India Infrastructure Finance Company Limited for the year ended 31 March 2026 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of India Infrastructure Finance Company Limited (the Company), but did not conduct supplementary audit of IIFCL Asset Management Company and IIFCL Projects Limited (the subsidiaries) for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to India Infrastructure Finance Company (UK) limited (the subsidiary) being an entity incorporated in a foreign country under the respective laws for appointment of their Statutory Auditors and for conduct of supplementary audit. Accordingly, the Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this company. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report:

A Comment on Financial Position

A.1 Assets: ₹1,05,75,613.96 lakh

Non-Financial Assets: ₹60,705.11 lakh

Capital Works-in-Progress: ₹2,217.96 lakh (Note 10A)

The Company had entered into a Memorandum of Understanding (MoU) with NBCC (India) Limited for execution of interior and fit-out works at its office premises at World Trade Centre, New Delhi. The total approved project cost was ₹2,149.72 lakh and payments aggregating ₹1,666.19 lakh had been made to NBCC upto 20 March 2026. Further, NBCC had submitted (20 March 2026) a further demand letter/ RA Bill amounting to ₹311.55 lakh towards subsequent

milestones of the project, which had been examined and considered eligible for release by the Company in terms of the MoU provisions. The said amount was subsequently paid on 2 April 2026.

However, while preparing the financial statements for the year 2025-26, the Company did not recognise the demand of ₹311.55 lakh and booked only ₹1,666.19 lakh under Capital Work-in-Progress (CWIP), which resulted in understatement of CWIP and corresponding understatement of Liability to the extent of ₹311.55 lakh.

Further, in respect of Project 'SUPER' (SAP Upgrade, Enhancement and Retrofit), invoices amounting to ₹746.65 lakh had been raised by M/s Accenture against three milestones achieved up to 31 March 2026. The amount of ₹149.33 lakh on achievement of the first milestone which was invoiced during FY 2024-25, had been charged to revenue instead of being booked in CWIP. Further, only ₹551.76 lakh (net of GST Input Tax Credit of ₹45.56 lakh) has been booked in CWIP during FY 2025-26. Accordingly, the amount of ₹149.33 lakh relating to the first milestone was required to be corrected during the current year in accordance with the Accounting Policy 4.7.

Thus, the above have resulted in understatement of CWIP by ₹460.88 lakh (₹311.55 lakh + ₹149.33 lakh), an understatement of liabilities by ₹311.55 lakh and understatement of Profit for the year by ₹149.33 lakh.

**For and on behalf of the
Comptroller & Auditor General of India**

पवन
5/8/26

**(Dr. Pawan Kumar Konda)
Principal Director of Audit
(Industry & Corporate Affairs)
New Delhi**

Place: New Delhi

Date: 05/08/2026

1. Comments of Comptroller and Auditor General of India Under Section 143(6)(b) read with section 129 (4) of the Companies Act, 2013 on the consolidated financial statement of IIFCL for Year ended 31st March 2026.

Assets: ₹1,05,75,613.96 lakh

Non-Financial Assets: ₹ 60,705.11 lakh

Capital Works-in-Progress : ₹2,217 .96 lakh (Note 10A)

The Company had entered into a Memorandum of Understanding (MoU) with NBCC (India) Limited for execution of interior and fit-out works at its office premises at World Trade Centre, New Delhi. The total approved project cost was ₹2,149.72 lakh and payments aggregating ₹1,666.19 lakh had been made to NBCC upto 20 March 2026. Further, NBCC had submitted (20 March 2026) a further demand letter/ RA Bill amounting to ₹311.55 lakh towards subsequent milestones of the project, which had been examined and considered eligible for release by the Company in terms of the MoU provisions. The said amount was subsequently paid on 2 April 2026.

However, while preparing the financial statements for the year 2025-26, the Company did not recognise the demand of ₹311.55 lakh and booked only ₹1,666.19 lakh under Capital Work-in-Progress (CWIP), which resulted in understatement of CWIP and corresponding understatement of Liability to the extent of ₹311.55 lakh.

Further, in respect of Project 'SUPER' (SAP Upgrade. Enhancement and Retrofit), invoices amounting to ₹746.65 lakh had been raised by M/s Accenture against three milestones achieved up to 31 March 2026. The amount of ₹149.33 lakh on achievement of the first milestone which was invoiced during FY 2024-25, had been charged to revenue instead of being booked in CWIP. Further, only ₹551.76 lakh (net of GST Input Tax Credit of ₹45.56 lakh) has been booked in CWIP during FY 2025-26. Accordingly, the amount of ₹149.33 lakh relating to the first milestone was required to be corrected during the current year in accordance with the Accounting Policy 4.7.

Thus, the above have resulted in understatement of CWIP by ₹460.88 lakh (₹311.55 lakh + ₹149.33 lakh), an understatement of liabilities by ₹311.55 lakh and understatement of Profit for the year by ₹149.33 lakh.

IIFCL Action Plan:

It is submitted that, pursuant to the observation of C&AG, necessary corrective accounting adjustments have been carried out in the books of accounts.

In respect of the interior and fit-out works at IIFCL's office premises at World Trade Centre, New Delhi, an amount of ₹311.55 lakh, pertaining to the amount payable to NBCC (India)

Limited, has been transferred to Capital Work-in-Progress (CWIP) in SAP vide Journal Voucher dated 07.08.2026. The relevant voucher is enclosed for reference.

Further, in respect of Project SUPER (SAP Upgrade, Enhancement and Retrofit), an amount of ₹126.55 lakh (excluding GST), has been transferred to Capital Work-in-Progress (CWIP) in SAP vide Journal Voucher dated 13.08.2026. The GST component had already been expensed off during FY 2024-25 and, accordingly, the aforesaid amount of ₹126.55 lakh, excluding GST, has been transferred to CWIP. The relevant voucher is enclosed for reference.

Thus, the necessary accounting adjustments have been made to appropriately reflect the expenditure relating to the aforesaid projects under CWIP.



India Infrastructure Finance Company Limited
(A Government of India Enterprise)

CIN: U67190DL2006G01144520

Regd. Office: 5th Floor, Block -2, Plate A & B, NBCC Tower,
East Kidwai Nagar, New Delhi-110023

Phone : +91-11- 24662777 ; **Fax :** +91-11-20815125

CIN: U67190DL2006G01144520

Email: info@iifcl.in ; Website : www.iifcl.in

ATTENDANCE SLIP

Name of the Attending Member (In block letters)	
Folio	
Number of shares held	
Name of proxy (In block letters, to be filled if the proxy attends instead of the members)	

I, hereby record my presence at the 21st Annual General Meeting of the Company held on Monday, 28th September, 2026 at 12:30 P.M. at Conference Hall, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001.

Member's / Proxy's Signature

Notes:

1. The attendance slip should be signed as per the specimen signature registered with the company. Such duly completed and signed Attendance Slip(s) should be handed over to the Company Secretary at the venue.
2. Members are please requested to carry photo-1D card for identification/verification.
3. Shareholders present in person or through registered proxy only shall be entertained.
4. No gifts will be distributed at the Annual General Meeting.



Form No. MGT 11

Proxy Form

[Pursuant to section 105(6) of the Companies Act 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U67190DL2006GOI144520

Name of the Company: India Infrastructure Finance Company Limited

Registered Office: 5th Floor, Block -2, Plate A & B, NBCC Tower, East Kidwai Nagar, New Delhi-110023

Name of the Member(s):	
Registered Address:	
Email Id:	
Folio No. / Client Id:	
DP ID:	

I/we being the member(s) of _____ shares of the above named company hereby appoint

1. Name : _____
Address : _____
Email ID : _____
Signature : _____, or failing him
2. Name : _____
Address : _____
Email ID : _____
Signature : _____, or failing him
3. Name : _____
Address : _____
Email ID : _____
Signature : _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company to be held on a.m. at Conference Hall, Department of Financial Services, Ministry of Finance, Government of India, Jeevan Deep Building, Sansad Marg, New Delhi-110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No,

1. _____
2. _____
3. _____

Signed this _____ day of _____ 2026

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue
Stamp of ₹ 1

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.