

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS

RAJYA SABHA
UNSTARRED QUESTION NO.3292
ANSWERED ON 28.03.2025

IRFC's DIVERSIFICATION STRATEGY

3292 SHRI MOKARIYA RAMBHAI:

SMT. REKHA SHARMA:

SHRI NARAYANA KORAGAPPA:

Will the Minister of RAILWAYS be pleased to state:

- (a) the manner in which Indian Railway Finance Corporation (IRFC's) diversification into lending beyond Indian Railways will contribute to its long-term financial sustainability;
- (b) new business opportunities is IRFC exploring to maintain its revenue growth and leverage its strong financial standing;
- (c) the manner in which IRFC's ability to finance projects for other ministries and organizations will benefit national infrastructure development; and
- (d) the impact that IRFC's foreign currency borrowing strategy is expected to have on its financial performance and lending capabilities?

ANSWER

MINISTER OF RAILWAYS, INFORMATION & BROADCASTING AND
ELECTRONICS & INFORMATION TECHNOLOGY

(SHRI ASHWINI VAISHNAW)

(a) to (d): Indian Railway Finance Corporation (IRFC) is a financial service company for the development of Rail transport sector. It diversifies its borrowing portfolio by raising funds from the capital market at competitive rates for augmenting railway plan finances.

IRFC's high credit rating in domestic and international markets enables the company to swiftly raise funds efficiently at competitive rates for longer durations. Consequently, IRFC is well-positioned to support long-term infrastructure financing, which typically involves extended gestation periods.

IRFC is actively exploring new business opportunities to sustain revenue growth and leverage its strong financial standing within the ambit of its Memorandum of Association (MoA).