

**ELEVENTH ANNUAL TRUSTEE REPORT TO THE UNIT HOLDERS OF  
IL&FS MUTUAL FUND (IDF)**

Dear Unitholders,

We have pleasure in presenting the 11<sup>th</sup> (Eleventh) Annual Report of the Schemes of IL&FS Mutual Fund (IDF) for the year ended March 31, 2024, along with the Audited Financial Statements of the Schemes.

The Mutual Fund received registration from Securities & Exchange Board of India (SEBI) on February 1, 2013, with IL&FS Infra Asset Management Limited ("the AMC") as the Investment Manager and commenced its operations.

**(1) BRIEF BACKGROUND OF TRUST, SPONSOR, TRUSTEE COMPANY AND ASSET MANAGEMENT COMPANY**

**(a) IL&FS INFRASTRUCTURE DEBT FUND (IDF):**

IL&FS Mutual Fund (IDF) ("the Mutual Fund" or "the Infrastructure Debt Fund") has been constituted as a Trust on January 21, 2013 in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) with IL&FS Investment Managers Limited as the Sponsor and IL&FS AMC Trustee Limited as the Trustee. The Trust Deed was amended and restated on September 5, 2013 and further amended on January 16, 2017. The Trust Deed has been registered under the Indian Registration Act, 1908. SEBI on February 1, 2013 registered IL&FS Mutual Fund (IDF) under Registration No. MF/072/13/02. IL&FS AMC Trustee Limited has entered into an Investment Management Agreement with IL&FS Infra Asset Management Limited which was amended and restated on September 5, 2013 and further amended on January 16, 2017 to function as the Investment Manager for all the Schemes of IL&FS Infrastructure Debt Fund (IDF).

**(b) SPONSOR:**

IL&FS Investment Managers Limited (IIML) is the Sponsor of IL&FS Mutual Fund (IDF)

IL&FS Investment Managers Limited (IIML), a subsidiary of Infrastructure Leasing & Financial Services Limited (IL&FS), is one of the oldest private equity fund managers in India.

IIML has been an early and in many instances, the first investor across various sectors such as Telecom, City Gas Distribution, Shipyards, Retail, and Media.

IIML is listed on the National Stock Exchange and The Bombay Stock Exchange.



9 1

**(c) THE TRUSTEE:**

IL&FS AMC Trustee Limited, the Trustee Company is a Public Limited Company incorporated under the Companies Act, 1956 on December 4, 2012 and at present having its registered office at The IL&FS Financial Centre, 8<sup>th</sup> Floor, Plot C-22, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400051, India. The Original Trust Deed between the parties was registered on January 21, 2013 and was amended and restated on September 5, 2013 and further amended on January 16, 2017. The Trustee, through its Board of Directors, shall discharge its obligations as Trustee of the IL&FS Mutual Fund (IDF). The Trustee ensures that the transactions entered into by the AMC are in accordance with the SEBI Regulations and will also review the activities carried on by the AMC. IL&FS AMC Trustee Limited is a wholly owned subsidiary of IL&FS Investment Managers Limited. IL&FS Investment Managers Limited holds 100% of the share capital of IL&FS AMC Trustee Limited along with 6 nominee shareholders

IL&FS AMC Trustee Limited, the Trustee Company is the exclusive owner of the Fund and holds the same in trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Trustee seeks to ensure that the Fund and the Schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies.

**(d) ASSET MANAGEMENT COMPANY (AMC):**

IL&FS Infra Asset Management Limited (IIAML) is a Public Limited Company incorporated under the Companies Act, 1956 on January 8, 2013 and at present having its Registered Office at "The IL&FS Financial Centre, 8<sup>th</sup> Floor, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051".

IIAML is a subsidiary of IL&FS Investment Managers Limited. IL&FS Investment Managers Limited along with 2 nominee shareholders holds 86.61% and LIC of India holds 7.72% of IIAML's share capital. Whereas, General Insurance Corporation of India, United India Insurance Company Limited and National Insurance Co Ltd holds 1.89% each of IIAML's share capital.

**(2) Investment Objectives of the Schemes:**

In June 2013, the First Scheme, IL&FS Infrastructure Debt Fund - Series 1-A, 1-B and 1-C, having specified maturity of 5, 7 and 10 years was launched and the Private Placement Offer was closed in December 2013 with a total corpus of ₹ 750 crore.

Series 1A completed 5 (five) years of its tenure on April 29, 2019. IL&FS Infrastructure Debt Fund Series 1A was successfully redeemed on its maturity date.



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Series 1B completed 7 (seven) years of its tenure on April 29, 2021. IL&FS Infrastructure Debt Fund Series 1B was successfully redeemed on its maturity date.

Series 1C completed 10 (Ten) years of its tenure on April 29, 2024. IL&FS Infrastructure Debt Fund Series 1C was successfully redeemed on its maturity date.

In March 2014, the Second Scheme, IL&FS Infrastructure Debt Fund - Series 2-A, 2-B and 2-C having specified maturity of 5, 8 and 12 years was launched and the Private Placement Offer was closed in April 2015 with a total commitment amount of ₹ 575 crores. The Schemes were partly paid with 70% of the funds were called up and Rs. 402.50 crores was received.

In July 2024, post receipt of 100% consent from all investors units of scheme 2 – Series 2A, 2B & 2C were converted from partly paid to fully paid on 26 June 2024. Post conversion, all units have been listed on the Nation Stock Exchange (NSE).

Now the scheme tenure has commenced and the maturity date of the schemes will be 26<sup>th</sup> June 2029- Scheme 2A, 26<sup>th</sup> June 2032- Scheme 2B and 26<sup>th</sup> June 2036 –Scheme 2C respectively.

IL&FS Infrastructure Debt Fund - Series 3-A having specified maturity of 5 years was launched through Private Placement Offer and the scheme was closed in January 2018 with a corpus of ₹ 140 crore.

Series 3A completed 5 (five) years of its tenure on January 31, 2023. IL&FS Infrastructure Debt Fund Series 3A was successfully redeemed on its maturity date.

IL&FS Infrastructure Debt Fund - Series 3-B having specified maturity of 7 years was launched through Private Placement Offer and the scheme was closed in May 2018 with a corpus of ₹ 153 crore. The maturity date of scheme Series 3B is 6<sup>th</sup> May 2025.

The investment objective of the above Scheme/s is to generate income and capital appreciation by investing primarily in infrastructure debt instruments as permitted by SEBI from time to time. There is no assurance or guarantee that the objective of the Scheme will be realised.

### (3) **Basis and Policy of Investment Underlying the Scheme:**

Pursuant to SEBI Circular No. MSD/ Cir-6/73/2000 dated July 27, 2000, the Board of Asset Management Company has set up an Investment Committee. The investment committee consists of the Chairman and other three members of the Committee are the CEO of AMC, Chief Investment Officer cum Fund Manager (CIO) of the AMC and member of the Core Operating Committee of IL&FS. The Investment Committee considers, reviews and approves the Investment proposals and related matters. A comprehensive investment policy to identify, select and invest in infrastructure has been laid down by the AMC.



88

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The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments in securities or fair value.

#### (4) Scheme Performance, Outlook, Operations of the Schemes and Investor Services:

Presently, the Schemes of IL&FS IDF are as mentioned below:

- (a) **IL&FS Infrastructure Debt Fund – Series 2-A, 2-B and 2-C** - with minimum tenure of 5, 8 and 12 years respectively. These schemes were closed on April 17, 2015 for aggregate amount of ₹ 575 crore and has called 70% of the commitment amount as of March 31, 2019. Since as of 31<sup>st</sup> March 2024 the scheme was not closed as the fund had not made any subsequent draw downs, the scheme performance has not been reported. However on 26<sup>th</sup> June 2024 the scheme 2 series (2A, 2B and 2C) was converted from partly paid up in to fully paid up and the schemes are now listed. As the schemes were closed post 31<sup>st</sup> March 2024, the scheme performance of scheme 2 series will be reported going forward in the ensuing financials years.
- (b) **IL&FS Infrastructure Debt Fund – Series 3-B** - with minimum tenure of 7 years. The scheme closed on May 7, 2018 for aggregate amount of ₹ 153 crore.
- (c) **The performance of these schemes since inception is given below as on March 31, 2024:**

Scheme Name	Last 1 year		Last 3 year		Last 5 year		Since inception	
	Scheme return	Bench mark *	Scheme return	Bench mark *	Scheme return	Bench mark *	Scheme return	Bench mark *
IIDF Series - 1C	21.23 %	8.23%	13.85%	5.49%	4.97%	7.32%	8.01%	8.31%
IIDF Series 3B	16.69%	8.23%	8.16%	5.49%	7.72%	7.32%	8.12%	7.44%

\***Benchmark** – Crisil Composite Bond Fund Index

Schemes of IL&FS IDF does not have a suitable benchmark and hence the performance had to be compared with Crisil Composite Bond Fund Index. The said benchmark follows mark to market valuation of securities (gross return) while IDF follows valuation of securities on actual yield accrual basis (net return) for the benefit of investors and to give a true picture of investments.

Due to change in maturity bucket, underlying investments composition and valuation methodologies of IDF portfolio as compared to Index portfolio, performance comparisons of IDF scheme's with the above benchmark is not suitable, however in absence of the availability of suitable benchmark, the benchmark return has been disclosed.



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**Past performance may or may not be sustained in future.** Returns greater than 1 year period are compounded annualized (CAGR)

The above return is net of applicable expenses and benchmark return is on a gross basis (IIDF - IL&FS Infrastructure Debt Fund)

With respect to the past performance of the schemes, Trustee Board has taken cognizance that the same was on account of provisioning for NPAs in the ongoing legal cases. However the fund has made substantial recovery from its NPA accounts during the financial year through resolution of these past NPA accounts.

**(d) Outlook:**

Due to unprecedented action, pursuant to the orders of the National Company Law Tribunal (Mumbai) ("NCLT") dated October 1, 2018, the Government of India superseded the Board of our ultimate parent company Infrastructure Leasing and Financial Services Limited ("IL&FS") and nominated new Board Members.

The New Board is engaged in evolving a transparent resolution process, while keeping public interest, financial stability, legality, various stakeholder interests (including interests of our joint venture partners) and commercial feasibility in view. The unprecedented action which led to significant uncertainty in the business with associated employee retention challenges. In the last 18 months, focus has been on business consolidation, business maintenance, cost rationalisation and employee engagement. Investors to note that talent retention and attraction is a big challenge for the IDF given growth and business challenges in the rapidly evolving IL&FS Group scenario. The Directors realise the need to bring stability to the platform and believe that a change in sponsor would pave the path for stability, employee retention and business growth and would be in the best interest of investors.

The Fund as on March 31, 2024 had AUM of ₹ 1632.30 Crore on across 5 (five) schemes. Scheme 1C has been redeemed on the due date in April 2024 and Rs. 606.48 crores were returned to the investors. The AUM of the fund has now reduced to 1049.70 as on 30<sup>th</sup> June 2024.

As per the Asset Divestment Plan of Infrastructure Leasing & Financial Services Limited (IL&FS) (Ultimate Holding Company), the IL&FS Mutual Fund (IDF) business is up for sale as part of the sale process initiated by the group with respect to its holding company IL&FS Investment Managers Ltd (IIML). While the sale process is underway with respect to its holding company which will result in the potential indirect change in sponsor of the IL&FS Mutual Fund (IDF), there is no certainty that the sale will be successfully consummated. No new funds have been raised under the IL&FS umbrella and there will be a significant reduction in the Assets Under Management in the short term from maturity of schemes. Falling Assets Under Management would have significant impact on profitability going forward.





**(e) Investor Services:**

As stipulated under SEBI circular no. Cir/IMD/DF/2/2010 dated May 13, 2010, the investor complaint report for the period April 2023 to March 2024 is provided under Annexure 1.

**(5) Significant Accounting Policies:**

The Significant Accounting Policies form part of the Notes to the Accounts annexed to the Balance Sheet of the Schemes. The Accounting policies are in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996.

**(6) Unclaimed Dividends & Redemptions as on March 31, 2024:**

The Scheme/s launched are close ended Scheme with investors having a minimum investment horizon of 5 years and has not yet declared any dividend till date. Hence, there are no instances of unclaimed Dividends and Redemptions as on March 31, 2024.

**(7) Statutory Information:**

- a. The erstwhile Sponsor has made an initial contribution of Rs.5,00,000/- for setting up the Fund. The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution.
- b. The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- c. Full Annual Report shall be hosted on the website ([www.ilfsinfrafund.com](http://www.ilfsinfrafund.com)) and shall be available for inspection at the Head Office of the Fund. On written request, present and prospective unitholder/investors can obtain copy of the trust deed, the full annual report of the Fund / AMC and the text of the relevant scheme.

**(8) Acknowledgements:**

We wish to thank the unit holders of the Fund for their overwhelming response and support throughout the year and extend gratitude to the Government of India, the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), the Association of Mutual Funds in India (AMFI) and the Financial Intelligence Unit (FIU) for the guidance provided by them. Further, we would also like to take this opportunity to express our appreciation towards the Registrar and Transfer Agent, Fund Accountant, Custodian, Banker/s, Auditors, Distributor/s and all Service Provider/s for their support.

Further we wish to express our gratitude towards Sponsor to the Fund for their continued trust and support. Lastly, we would like to place on record our appreciation of the contribution made by the dedicated and committed team of employees of IL&FS Infra Asset Management Limited as well as directions received from Nominee appointed by Ultimate Holding Company (IL&FS) on the Board of Asset Management and Trustee Company



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We look forward to your continued support and assure you of our commitment to quality products and services from the Mutual Fund


For and on behalf of the Board of  
**IL&FS AMC Trustee Limited**  
(Trustee to IL&FS Mutual Fund (IDF))

Sd/-

  
**Mr. Shekhar Prabhudesai**  
**Director**  
**DIN: 08766338**  
Place: Mumbai

Date: July 24, 2024

Sd/-

  
**Mr. Aroop Sircar**  
**Director**  
**DIN: 05309663**  
Place: Mumbai



## Annexure 1

Redressal of Complaints received during		2023-2024														
Name of the Mutual Fund		IL&FS Mutual Fund (IDF)														
Total Number of Folios		41														
Complaint code	Type of complaint#	(a) No. of complaints pending at the beginning of the year	(b) No of complaints received during the year	Resolved				Action on (a) and (b)				Non Actionable*	Pending			
				Within 30 days	30-60 days	60-180 days	Beyond 180 days	0-3 months	3-6 months	6-9 months	9-12 months					
I A	Non receipt of Dividend on Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
I B	Interest on delayed payment of Dividend	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
I C	Non receipt of Redemption Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
I D	Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
II A	Non receipt of Statement of Account/Unit Certificate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
II B	Discrepancy in Statement of Account	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
II C	Data corrections in Investor details	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
II D	Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
III A	Wrong switch between Schemes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
III D	Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
IV	Others **	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

# including against its authorized persons/ distributors/ employees. etc.

\* Non actionable means the complaint that are incomplete / outside the scope of the mutual fund

\*\* If others include a type of complaint which is more than 10% of overall complaint, provide that reason separately

Example : Complaint number from I A to III E is 1000 and Others alone is 500 and transmission linked complaints (within others) are 200 then provide Transmission as separate reason (V) along with all other parameters







**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of IL&FS AMC Trustee Limited

**Report on the Financial Statements**

**1. Opinion**

We have audited the accompanying financial statements of the following Schemes of **IL&FS Mutual Fund (IDF) – closed ended Debt Schemes** (the "Schemes") which comprise the Balance Sheet as at March 31, 2024, the Revenue Account and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Name of Schemes
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IL&FS Infrastructure Debt Fund Series 1C
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In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the Schemes mentioned above give a true and fair view in conformity with the accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended ( the "SEBI Regulations") :

- a) In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2024
- b) In the case of the Revenue Account, of the surplus for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**2. Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Schemes in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the financial statements, 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 audit opinion on the financial statements.

**3. Emphasis of Matter**

We draw attention to Note No. 1 of notes to accounts forming part of Financial Statements regarding maturity of Series 1C on 29<sup>th</sup> April 2024 resulting in Series 1 being completely matured and closed as of that date. Our opinion is not modified with respect to above.

**4. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 Matters	Auditors Response
<b><u>Existence and Valuation of investments</u></b>	
<p>The investments held by the schemes as on March 31, 2024, mainly comprised of Debt instruments.</p> <p>There is a risk of existence of investments and that the fair value of investments is not determined appropriately.</p> <p>Accordingly, the existence and valuation of investments is considered as a key audit matter.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"><li>▪ Assessed the design and implementation of controls over existence and valuation of investments.</li><li>▪ Tested the controls set up by Management on sample basis on existence and valuation of Investments.</li><li>▪ Traced, the quantity held as per books with the confirmation provided by Custodian as of year end.</li><li>▪ Tested the valuation of investments on sample basis as per the investment valuation policy approved by the Trustees and with the SEBI Regulations.</li></ul>

**5. Information other than financial statements and Auditor's report thereon**

The Board of Directors and Management of IL&FS AMC Trustee Limited (the Trustees) and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the other information. The other information comprises the information included in the Trustee's Report but does not include the financial statements and our auditor's report thereon. The Trustee's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

**6. Management's Responsibility for the Financial Statements**

The Board of Directors and Management of IL&FS AMC Trustee Limited (the "Trustee") and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Schemes in accordance with accounting principles generally accepted in India, including the accounting policies standards specified in the Ninth Schedule to the SEBI Regulations. This responsibility includes maintenance of adequate accounting records in accordance with the SEBI Regulations, the design, implementation and maintenance of adequate internal controls relevant to the preparation and presentation of the financial



statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Scheme'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 management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Scheme's financial reporting process.

#### **7. Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 financial statements.

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

- i) Identify and assess the risks of material misstatement of the 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.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's 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 Schemes 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 financial statements 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 Schemes to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management, 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 to the Management 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 financial statements of the current year 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.

**8. Report on Other Legal and Regulatory Requirements**

- i) As required by Regulation 55(4) and clause 5(ii)(2) of the Eleventh Schedule of the SEBI Regulations, 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 purpose of our audit;
  - b) The financial statements have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations;
  - c) the Balance Sheet, the Revenue Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account of the Schemes.
- ii) As required by the Eight Schedule of the SEBI Regulations, we report that:
  - a) In our opinion, and on the basis of information and explanations given to us, the methods used to value non-traded securities as at March 31, 2024 are in accordance with the SEBI Regulations and other guidelines approved by the Board of Directors of the Trustee and the AMC, and are fair and reasonable.

For Mukund M. Chitale & Co.  
Chartered Accountants  
Firm Regn. No. 106655W



S. M. Chitale  
Partner  
M. No. 111383  
UDIN: 24111383BKBGRS4398  
Place: Mumbai  
Date: July 24, 2024



IL&FS Mutual Fund (IDF)			
Balance Sheet as at March 31, 2024			
			Amount ₹
IL&FS Mutual Fund (IDF)		Series 1C	
Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>Liabilities</b>			
Unit capital	3	2,75,93,00,000	2,75,93,00,000
Reserves and surplus	4	3,27,23,76,325	2,21,32,91,187
Current liabilities and provisions	5	92,87,185	1,64,50,807
<b>Total</b>		<b>6,04,09,63,510</b>	<b>4,98,90,41,994</b>
<b>Assets</b>			
Investments	6	5,45,62,63,454	4,68,25,60,576
Other Current assets	7	58,47,00,056	30,64,81,418
<b>Total</b>		<b>6,04,09,63,510</b>	<b>4,98,90,41,994</b>

Notes to accounts form an integral part of the Financial Statements 1 to 29  
As per our report attached

For Mukund M. Chitale & Co.  
Chartered Accountants  
Firm Regn. No. 106655W

**Chitale**  
S. M. Chitale  
Partner  
M.No. 111383

Date: 24th July, 2024  
Place: Mumbai



For IL&FS Infra Asset Management Limited

Nand Kishore  
Chairman  
DIN: 08267502  
Date: 24th July, 2024  
Place: Mumbai

**Sachin Borkar**  
Fund Manager  
Date: 24th July, 2024  
Place: Mumbai

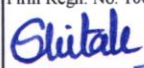




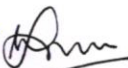
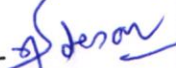
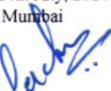
Manoj Borkar  
Director  
DIN: 00060698

For IL&FS AMC Trustee Limited.

Neelesh Vernekar  
CEO

Aroop Sircar  
Director  
DIN: 05309663  
Date: 24th July, 2024  
Place: Mumbai

Shekhar Prabhudesai  
Director  
DIN: 08766338


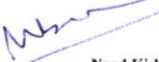

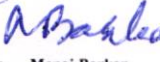
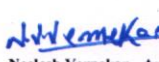
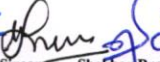


IL&FS Mutual Fund (IDF)			
Revenue Account for the year ended March 31, 2024			
			Amount ₹
IL&FS Mutual Fund (IDF)		Series 1C	
Particulars	Notes	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Income and gains</b>			
Interest income	8	50,32,97,160	43,44,50,077
Other income	9	74,93,778	4,04,33,280
Profit on sale/redemption of Investments (other than inter-scheme transfers)		1,47,77,250	-
Reversal of NPA Provision	21 & 22	59,24,45,216	13,96,28,637
Increase/(Decrease) in unrealised gain in the value of investments		73,26,298	-
<b>Total</b>		<b>1,12,53,39,702</b>	<b>61,45,11,994</b>
<b>Expenses and losses</b>			
Investment Management fees	10	5,42,32,917	4,48,11,785
GST on Investment Management fees		97,61,925	80,66,121
Trusteeship fees		5,64,944	4,66,804
Investor Education and Awareness Expenses (Refer Note 2(h))		11,29,852	9,33,579
Other Operating expenses		2,59,100	3,84,067
Audit Fees		3,05,826	82,722
Provision for NPA	21 & 22	-	-
<b>Total</b>		<b>6,62,54,564</b>	<b>5,47,45,078</b>
<b>Surplus/(Deficit) for the year</b>		<b>1,05,90,85,138</b>	<b>55,97,66,916</b>
Revenue Reserve brought forward		2,21,32,91,187	1,65,35,24,271
<b>Net Surplus transferred to Revenue Reserve</b>		<b>3,27,23,76,325</b>	<b>2,21,32,91,187</b>
<b>Refer Note 14 for the total income and expenditure expressed as a percentage of the Average daily net assets</b>			
Notes to accounts form an integral part of the Financial Statements 1 to 29 As per our report attached			
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W		For IL&FS Infra Asset Management Limited	For IL&FS AMC Trustee Limited
 <b>S. M. Chitale</b> Partner M.No. 111383 Date: 24th July, 2024 Place: Mumbai		 <b>Nand Kishore</b> Chairman DIN: 08267502 Date: 24th July, 2024 Place: Mumbai	 <b>Manoj Borkar</b> Director DIN: 00060698 Date: 24th July, 2024 Place: Mumbai
		 <b>Neelesh Vernekar</b> CEO	 <b>Aroop Sircar</b> Director DIN: 05309663 Date: 24th July, 2024 Place: Mumbai
			 <b>Shekhar Prabhudesai</b> Director DIN: 08766338
		 <b>Sachin Borkar</b> Fund Manager Date: 24th July, 2024 Place: Mumbai	



IL&FS Mutual Fund (IDF)

Cash flow statement for the year ended March 31, 2024

Amount ₹

IL&FS Mutual Fund (IDF)		Series 1C	
Particulars		For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>A. Cash flow from Operating Activities</b>			
Surplus for the year		1,05,90,85,138	55,97,66,916
<b>Adjustment for:-</b>			
Provision for NPA		-	-
Reversal for NPA Provision		-	-
Reversal of accrued interest		-	-
(Increase) / Decrease in unrealised gain in the value of investments		(73,26,298)	-
<b>Change in assets and liabilities:</b>			
Increase in current liabilities and provisions		(77,19,659)	93,55,599
(Increase) in investments		(76,63,76,580)	(1,38,87,48,330)
(Increase)/Decrease in other current assets		(29,19,23,102)	71,74,65,984
<b>Cash used in Operations</b>	(A)	<b>(1,42,60,501)</b>	<b>(10,21,59,831)</b>
<b>B. Cash flow from Investing Activities</b>	(B)	-	-
<b>C. Cash flow from Financing Activities</b>			
Redemption repayment on Scheme Maturity	(C)	-	-
<b>Net increase/(Decrease) in cash and cash equivalents</b>	(A + B + C)	<b>(1,42,60,501)</b>	<b>(10,21,59,831)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		1,81,89,524	12,03,49,355
<b>Cash and cash equivalents at the end of the year</b>		<b>39,29,023</b>	<b>1,81,89,524</b>
<b>Note</b>			
Cash and bank balance as per Note No 7		69,78,984	2,06,83,448
Less:- Cash and bank balance earmarked for Investor Education and Awareness		30,49,961	24,93,924
Less:- Cash and bank balance earmarked for Triparty Repo		-	-
<b>Cash &amp; Cash Equivalent as per AS 3 Cash Flow Statements</b>		<b>39,29,023</b>	<b>1,81,89,524</b>
Notes to accounts form an integral part of the Financial Statements As per our report attached			
1 to 29			
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W		For IL&FS Infra Asset Management Limited	
For IL&FS AMC Trustee Limited			
 <b>S. M. Chitale</b> Partner M.No. 111383 Date: 24th July, 2024 Place: Mumbai		 <b>Nand Kishore</b> Chairman DIN: 08267502 Date: 24th July, 2024 Place: Mumbai	
		 <b>Manoj Borkar</b> Director DIN: 00060698 Date: 24th July, 2024 Place: Mumbai	
		 <b>Neelesh Vernekar</b> CEO Date: 24th July, 2024 Place: Mumbai	
		 <b>Aroop Sircar</b> Director DIN: 05309663 Date: 24th July, 2024 Place: Mumbai	
		 <b>Shekhar Prabhudesai</b> Director DIN: 08766338 Date: 24th July, 2024 Place: Mumbai	
		 <b>Sachin Borkar</b> Fund Manager Date: 24th July, 2024 Place: Mumbai	

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (1) Background

IL&FS Mutual Fund (IDF) ('the Fund') has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 with IL&FS Financial Services Limited ("IFIN") as the Sponsor, IL&FS Infra Asset Management Limited as the Investment Manager and IL&FS AMC Trustee Limited as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908 on January 21, 2013 and amended through Deed of amendment on September 5, 2013. The Investment Management Agreement between IL&FS Infra Asset Management Limited (the AMC), IL&FS AMC Trustee Limited (the Trustee) and the trust was executed on January 21, 2013 and amended on September 5, 2013. The Fund has been registered with SEBI on February 1, 2013 under Registration Code MF/072/13/02. With effect from January 1, 2017, sponsor of the Fund was changed from IFIN to IL&FS Investment Managers Limited ("IIML"), consequently Trust Deed and Investment Management Agreement were amended on January 16, 2017.

IL&FS Infrastructure Debt Fund Series 1B and 1C is a closed ended Scheme for 7 Years and 10 Years respectively. The scheme was launched on June 18, 2013 and units were fully paid up on April 30, 2014 and consequently the maturity period is counted from April 30, 2014. Series 1B is matured on 29<sup>th</sup> April 2021 and redemption value is paid in full to the investors. Series 1C is matured on 29<sup>th</sup> April 2024 and redemption value is paid in full to the investors.

Units are having face value of ₹ 1,000,000 and are fully paid-up. The units are listed on the National Stock Exchange of India on May 07, 2014.

The Investment objective of the scheme is to generate income and capital appreciation by investing primarily in infrastructure debt instruments as permitted by SEBI from time to time.

With Series 1C maturing on 29<sup>th</sup> April 2024 and redemption value paid in full to the investors, Series 1 is completely matured and closed as of that date.

### (2) Significant accounting policies

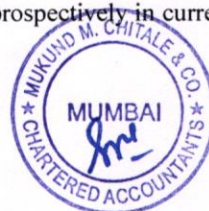
#### a) Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention, as modified for investments which are stated at fair value at the balance sheet date, on accrual basis of accounting and in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended (the "SEBI Regulations").

#### b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP), which requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Any revision to accounting estimates is recognized prospectively in current and future periods.





c) **Investments**

(i) Basis of accounting

- Transactions for purchase and sale of investments are recorded on trade date. The cost of investments includes all costs incurred in acquiring the investments and incidental to acquisition of investments. Any front end-discount on privately placed investments is reduced from the cost of such investments.
- Broken period interest paid/received is not included in the cost of purchase of investments.

(ii) Valuation

- The valuation of investment is based on the guiding principles of fair valuation.
- Where it is observed that Valuation methodology mentioned below, does not lead to fair valuation of securities, Valuation Committee may on a prospective basis deviate from the defined methodology and adopt such alternate procedures / methods in conformance with the guiding principles of fair valuation in good faith to arrive at the true and fair estimation of the realizable value of the security. The rationale for any such deviations would be recorded in writing and placed before the Board of Directors of the AMC and the Trustee.
- Valuation of the securities; arrived as per the policy; is applied consistently across the portfolios. In other words; any particular security is valued on the same basis across all the portfolios and it cannot have different base for valuation on a particular day.

**VALUATION METHODOLOGIES**

- Debt, Money Market and related securities - All debt, money market and related securities. Infrastructure Debt Fund (IDF) is a close ended fund, it does not do marked-to-market valuation of securities and all its investments are held to maturity. It also does not trade its investments. There is no risk matrix available for the kind of investment that IDF invests in.

In view of above and the illiquid nature of infrastructure debt securities, having minimal or no secondary market, the valuation of infrastructure debt securities is done on a current effective yield basis (face value of security plus interest accrued).

Considering that IDF does not trade its investments, all money market instruments and other debt securities are valued on a current effective yield basis (face value of security plus interest accrued).

- **Valuation of money market and debt securities which are rated below investment grade:**

IDF accounts for actual return received on investments across its schemes in calculating the NAV, as long as the investments are standard and continue to service their debt obligations.

There is no mark-down as long as servicing in respect of the investments is being done on time.

In case of mark-down of investments, the same is undertaken in accordance with regulations and specific details of the investment.



- **Investment in Reverse Repo, Collateralized Borrowings and Lending Obligations (CBLO), Tri-Party Repo (TREPS) and Bills Rediscounting (BRDS):**

Investment in Reverse Repo's, CBLO's, TREPS and BRDS are valued at cost plus accrued interest.

**d) Revenue recognition**

Interest income is recorded on a period proportionate basis.

Profit or loss on sale / redemption of investments represents sale proceeds less weighted average cost and is recognised on a trade date basis.

Transfer of Investments from one scheme to another scheme is made as per the valuation policy in conformity with the investment objective of the scheme to which such transfer has been made.

**e) Expenses**

The total expense ratio charged to scheme are within the limits prescribed under Regulation 52 of the SEBI Regulations.

All expenses identifiable with any particular scheme are accounted on an accrual basis. Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to the number of folios in the schemes or Average Assets under management (AAUM), whichever is more appropriate.

**f) Computation of Net Asset Value (NAV)**

The NAV of a scheme is computed separately for units issued under the various options of the relevant plans of the IL&FS Infrastructure Debt Fund Series 1C, although the corresponding scheme's investments and other net assets are managed as a single portfolio. For computing the NAV for various plans/options, daily income earned, including realized and unrealized gains or losses in the value of investments and expenses incurred by the corresponding scheme are allocated to the plans/options in proportion to the net assets of each plan/option.

**g) Investor Education and Awareness Expenses**

In compliance with SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012; the scheme has charged 0.02 % of daily net assets within the maximum limit of total expense ratio as per the SEBI Regulations for investor education and awareness initiatives. Pursuant to the letter dated January 8, 2016, issued by SEBI to AMFI mandating all members to transfer 50% of the Investor Education and Awareness fund balance as at March 31, 2016 and from April 1, 2016 onwards, 50% of the 0.02% of daily net assets aside by the Mutual fund, accordingly the fund has transferred 50% of opening balance and additions for current year to AMFI. The balance amounts are utilized towards investor education and awareness initiative taken by the Mutual Fund/AMC. Allocation for utilization is done in different schemes based on the available balance in each scheme.

**h) Load**

Pursuant to SEBI circular no SEBI/IMD/CIR NO .4/168230/09 dated June 30, 2009, no entry load is charged.





### 3 Unit Capital

IL&FS Mutual Fund (IDF)	Series 1C			
	As at March 31, 2024		As at March 31, 2023	
	Units Nos.	Amount ₹	Units Nos.	Amount ₹
<b>Initial Capital Issued and subscribed:</b>				
Units of ₹ 10,00,000				
Direct Plan - Growth	2,571.80	2,57,18,00,000	2,571.80	2,57,18,00,000
Direct Plan - Dividend	187.50	18,75,00,000	187.50	18,75,00,000
	<b>2,759.30</b>	<b>2,75,93,00,000</b>	<b>2,759.30</b>	<b>2,75,93,00,000</b>
<b>Paid-Up:</b>				
Direct Plan - Growth Face Value ₹ 10,00,000				
Units at beginning and end of the year	2,571.80	2,57,18,00,000	2,571.80	2,57,18,00,000
Direct Plan - Dividend Face Value ₹ 10,00,000				
Units at beginning and end of the year	187.50	18,75,00,000	187.50	18,75,00,000
<b>Unit Capital at the end of the year</b>	<b>2,759.30</b>	<b>2,75,93,00,000</b>	<b>2,759.30</b>	<b>2,75,93,00,000</b>



#### 4 Reserves and surplus

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C	
	As at March 31, 2024	As at March 31, 2023
<b>Particulars</b>		
<b>Revenue Reserve</b>		
At the beginning of the year	2,21,32,91,187	1,65,35,24,271
Transferred to Revenue account	(2,21,32,91,187)	(1,65,35,24,271)
Unit Premium on Redemption of Units		
Surplus transferred from Revenue account	3,27,23,76,325	2,21,32,91,187
<b>At the end of the year</b>	<b>3,27,23,76,325</b>	<b>2,21,32,91,187</b>
<b>Redemption on Scheme Matutity</b>		
<b>Total</b>	<b>3,27,23,76,325</b>	<b>2,21,32,91,187</b>

<b>Reserves and surplus for each option:-</b>		
Direct Plan - Growth *	3,05,00,11,754	2,06,28,93,587
Direct Plan - Dividend Option *	22,23,64,571	15,03,97,600
<b>Total</b>	<b>3,27,23,76,325</b>	<b>2,21,32,91,187</b>

\* The reserves and surplus are allocated between growth and dividend option in proportion of the number of units outstanding against each option.





**5 Current liabilities and provisions**

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C	
	As at March 31, 2024	As at March 31, 2023
Particulars		
Creditors for		
-Investment Management fee payable	52,80,492	43,58,801
-Trustee fee payable	55,007	45,406
-Other payable *	2,79,910	12,52,726
Income received in advance	10	78,03,589
Provision for Investor Education and Awareness	31,51,822	25,78,006
Statutory dues	5,19,944	4,12,279
<b>Total</b>	<b>92,87,185</b>	<b>1,64,50,807</b>

\* Other payable includes audit fees, internal audit fees, custody fees etc.



## 6 Investments

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C			
	As at March 31, 2024		As at March 31, 2023	
Particulars	Cost	Market / Fair Value	Cost	Market / Fair Value
Non Convertible Debentures Listed On Recognised Stock Exchange	2,12,53,66,599	2,13,26,92,897	1,46,02,53,151	1,46,02,53,151
Non Convertible Debentures-Privately Placed	2,33,00,00,000	2,33,00,00,000	3,22,23,07,425	3,22,23,07,425
Money Market Instruments	99,35,70,557	99,35,70,557	-	-
<b>Total</b>	<b>5,44,89,37,156</b>	<b>5,45,62,63,454</b>	<b>4,68,25,60,576</b>	<b>4,68,25,60,576</b>

Note:

- 1) Investments are stated inclusive of interest accrued but not due
- 2) Refer Note 17 - For details of Investments





## 7 Other Current assets

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C	
	As at March 31, 2024	As at March 31, 2023
Balances with a bank in current account* (Refer Note 2(h))		
- Current Accounts	39,29,023	1,81,89,524
- IEAP Accounts	30,49,961	24,93,924
- Triparty Repo Accounts	-	-
Triparty Repo**	57,43,63,455	28,17,30,702
Triparty Repo margin	33,57,587	40,67,238
Misc Receivable	30	30
<b>Total</b>	<b>58,47,00,056</b>	<b>30,64,81,418</b>

\* Certain bank accounts of the Scheme are held in the name of the Fund.

\*\* Triparty Repo is registered in the name of the Fund.

## 8 Interest Income

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023
On Investment in Non Convertible Debentures	45,31,74,810	32,82,32,502
On Certificate of Deposits / Commercial Papers	75,77,557	1,68,08,988
On Triparty Repo Margin	2,19,457	3,91,347
On Reverse Repo/Triparty Repo	4,23,25,336	8,90,17,240
<b>Total</b>	<b>50,32,97,160</b>	<b>43,44,50,077</b>

## 9 Other Income

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Misc Income	74,93,778	4,04,33,280
<b>Total</b>	<b>74,93,778</b>	<b>4,04,33,280</b>



**(10) Investment Management fees**

The Scheme has paid or provided for investment management fees in accordance with the agreement with the AMC as amended from time to time and the Scheme Information Documents read with Statement Additional Information. For the current period, the Scheme has accrued Investment Management Fees at the rate of 0.96% (excluding GST) of average daily net assets (AAUM) as follows:

(Amount in ₹)				
Infrastructure Debt Fund Series	AAUM for the Year ended March 31, 2024	Management Fees	AAUM for the Year ended March 31, 2023	Management Fees
Series 1C	5,64,92,60,620	5,42,32,917	4,66,78,93,062	4,48,11,785

**(11) Trusteeship fees**

The schemes have paid or provided for trustee fees in accordance with the agreement with the Trustee as amended from time to time and the Scheme Information Documents read with Statement of Additional Information. The Trustee is entitled to receive such fee up to an annual rate of 0.01% of the scheme's average daily net assets.

**(12) Custodian fees**

HDFC Bank Limited provides custodian services to the schemes for which it receives custodian fees as per the terms of the custodian agreement.

**(13) Other Expenses**

Other expenses consist of internal audit fees, bank charges and CCIL charges, SEBI Charges, etc.

**(14) Income/Expenditure**

The total income and expenditure as a percentage of the Average daily net assets are as follows:

**For the Year ended March 31, 2024:**

Series	Income		Expense Ratio	
	(Amount ₹)	(% to AAUM)	(Amount ₹)	(% to AAUM)
Series 1C	1,12,53,39,702	19.92%	6,62,54,564	1.17%





For the Year ended March 31, 2023:

Series	Income		Expense Ratio	
	(Amount ₹)	(% to AAUM)	(Amount ₹)	(% to AAUM)
Series 1C	61,45,11,994	13.16%	5,47,45,078	1.17%

(15) Income tax

No income tax provision has been made as the schemes qualify as a recognized Mutual Fund under section 10 (23D) of the Income-tax Act, 1961 and the Direct Tax Laws (Amendment) Act, 1988.

(16) Net Asset Value per unit

(Amount ₹)

Infrastructure Debt Fund	Plan	Face Value	As at March 31, 2024	As at March 31, 2023
Series 1C-Direct Plan	Dividend	1,000,000	21,85,944.3803	18,02,120.5345
	Growth	1,000,000	21,85,944.3803	18,02,120.5346

(17) Portfolio holding as at year end are as follows:

As at March 31, 2024

Mar-24			
IL&FS Infrastructure Debt Fund Series 1C		Series 1C	
Particulars	Fair Value (Amount ₹)	% of Net Assets	% of Category
<b>Infrastructure Sector</b>			
<b>Non Convertible Debentures-Listed</b>			
NTPC Ltd	1,47,26,92,897	24.42%	69.05%
Inox Wind Limited	50,00,00,000	8.29%	23.44%
Emami Frank Ross Limited	16,00,00,000	2.65%	7.50%
<b>A</b>	<b>2,13,26,92,897</b>	<b>35.36%</b>	<b>100.00%</b>
<b>Infrastructure Sector Non Convertible Debentures Privately Placed</b>			
Shrem Enterprises Private Ltd	75,00,00,000	12.43%	32.19%
DBL Infratech Private Ltd	50,00,00,000	8.29%	21.46%
Utkarsh Trading & Holdings Ltd	8,00,00,000	1.33%	3.43%
The Bombay Burmah Trading Corporation Ltd	50,00,00,000	8.29%	21.46%
Resco Global Wind Services Pvt Ltd	50,00,00,000	8.29%	21.46%
<b>B</b>	<b>2,33,00,00,000</b>	<b>38.63%</b>	<b>100.00%</b>
<b>Commercial Papers</b>			
ICICI Securities Ltd CP 29-Apr-24	99,35,70,557	16.47%	100.00%
<b>C</b>	<b>99,35,70,557</b>	<b>16.47%</b>	<b>100.00%</b>
<b>Total Investments (A+B+C)</b>	<b>5,45,62,63,454</b>	<b>90.46%</b>	
Net Current Assets	57,54,12,871	9.54%	
<b>Net Assets</b>	<b>6,03,16,76,325</b>	<b>100.00%</b>	

Note 1. 100% provision has been made for Investment in Babcock Borsig Limited, Williamson Magor & Co. Ltd and IL&FS Wind Energy Limited. Refer note 22 and 23.



As at March 31, 2023

Mar-23			
IL&FS Infrastructure Debt Fund Series 1C	Series 1C		
Particulars	Fair Value (Amount ₹)	% of Net Assets	% of Category
<b>Infrastructure Sector</b>			
<b>Non Convertible Debentures-Listed</b>			
Bhilangana Hydro Power Ltd	4,00,00,000	0.80%	2.74%
Inox Wind Limited	74,00,00,000	14.88%	50.68%
Emami Frank Ross Limited	33,00,00,000	6.64%	22.60%
The Bombay Burmah Trading Corporation Ltd	35,02,53,151	7.04%	23.99%
<b>A</b>	<b>1,46,02,53,151</b>	<b>29.37%</b>	<b>100.00%</b>
<b>Infrastructure Sector</b>			
<b>Non Convertible Debentures Privately Placed</b>			
Shrem Enterprises Private Ltd	65,00,00,000	13.07%	20.17%
Shrem Infra Structure Private Ltd	26,18,52,696	5.27%	8.13%
AMRI Hospitals Ltd	3,99,47,880	0.80%	1.24%
Bhilangana Hydro Power Ltd	4,00,00,000	0.80%	1.24%
Kanchanjunga Power Company Private Ltd	5,00,00,000	1.01%	1.55%
Resco Global Wind Services Limited	50,00,00,000	10.06%	15.52%
Clean Max En Energy Solution Private Ltd	35,00,00,000	7.04%	10.86%
DBL Infratech Private Ltd	75,00,00,000	15.08%	23.28%
Utkarsh Trading & Holdings Ltd	8,00,00,000	1.61%	2.48%
The Bombay Burmah Trading Corporation Ltd	50,05,06,849	10.07%	15.53%
<b>B</b>	<b>3,22,23,07,425</b>	<b>64.80%</b>	<b>100.00%</b>
<b>Total Investments (A+B)</b>	<b>4,68,25,60,576</b>	<b>94.17%</b>	
Net Current Assets	29,00,30,611	5.83%	
<b>Net Assets</b>	<b>4,97,25,91,187</b>	<b>100.00%</b>	

Note 1. 100% provision has been made for Investment in Babcock Borsig Limited, Williamson Magor & Co. Ltd and IL&FS Wind Energy Limited. Refer note 22 and 23.

**(18) Aggregate value of purchases and Sales/Redemption/Repayment**

The aggregate value of investments purchased and sold (including redeemed) during the period and expressed as percentage of daily average net assets are as follows:

**For the Year ended March 31, 2024**

IL&FS Infrastructure Debt Fund	For the Year ended March 31, 2024			
	Aggregate value of Purchase (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales / Redemption / Repayment (Amount ₹)	Percentage of Average Net Assets
Series 1C	3,71,18,55,663	65.71%	3,03,99,47,880	53.81%





**For the Year ended March 31, 2023**

IL&FS Infrastructure Debt Fund	For the Year ended March 31, 2023			
	Aggregate value of Purchase (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales / Redemption / Repayment (Amount ₹)	Percentage of Average Net Assets
Series 1C	4,71,21,21,125	100.95%	3,23,28,07,507	69.26%

**(19) Aggregate Fair value of Non-Traded Investments**

- The aggregate fair value of non-traded investments, valued in 'good faith' by the Investment Manager on the basis of the valuation principles laid down by SEBI as on 31<sup>st</sup> March 2024: NIL (As on 31<sup>st</sup> March 2023: NIL)
- The aggregate fair value of debt securities which have been valued at the price other than the price given by the independent valuation agencies is as follows –

Infrastructure Debt Fund	As at March 31, 2024	Percentage of Net Assets	As at March 31, 2023	Percentage of Net Assets
Series 1C	5,45,62,63,454	90.46%	4,68,25,60,576	94.17%

**(20) Investment in the Securities of the Sponsors and Group Companies of the Sponsors**

The Company has following investment in the securities of group companies of the sponsors as at 31<sup>st</sup> March 2024: NIL as at 31<sup>st</sup> March 2023: NIL

**(21) IL&FS IDF invested in Zero Coupon NCDs amounting to Rs. 2,000 million issued by IWEL in September 2016.**

Pursuant to rating downgrade of IWEL, IL&FS IDF had sought pre-payment of the NCDs from IWEL.

The entire value of NCDs of IL&FS Wind Energy Ltd (IWEL) had been provided for, as a conservative valuation approach, as on 30 September 2021 as the NCDs had fallen due.

After series of legal actions, IDF has received Rs. 252.63 crores against admitted claim of Rs. 254.66 crores. IDF has received ~99% of its admitted claims in July 2023 as per interim distribution by IWEL from the proceeds received by IWEL from the sale of its wind SPVs to ORIX. Accordingly, IDF has filed for withdrawal of its case from Hon'ble Supreme Court given the substantial extent of recovery made in the account.

IDF has accounted the Income from amount recovered in its books of accounts to the extent of recovery amounting to Rs. 37,76,79,584/-.

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in IWEL. Summary of provisions made and recovery during the year ended March 31, 2024 & March 31, 2023 is as given below:



March 31, 2024

Series	Opening Provision(A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	37,85,51,470	-	37,76,79,584	8,71,886

March 31, 2023

Series	Opening Provision(A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	37,85,51,470	-	-	37,85,51,470

- (22) a) Investment in Babcock Borsig Limited has become NPA on November 01, 2019. IDF has stopped accruing Interest w.e.f. October 01, 2019 on conservative basis.

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in Babcock Borsig Limited. Summary of provisions made and recovery during the year ended March 31, 2024 & March 31, 2023 is as given below:

March 31, 2024

Series	Opening Provision(A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	40,63,55,526	-	14,30,79,902	26,32,75,624

March 31, 2023

Series	Opening Provision(A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	49,66,21,268	-	9,02,65,742	40,63,55,526

The facility to Babcock Borsig Limited is secured through a combination of listed shares, land and other securities.

- (b) Investment in Williamson Magor & Co. Limited has become NPA on December 01, 2019 on account of non-payment of dues. IL&FS IDF has stopped accruing interest on NCD facility w.e.f. October 01, 2019 on conservatively basis.

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in Williamson Magor & Co. Limited. Summary of provision made and recovery during the year ended March 31, 2024 & March 31, 2023 is as given below:





March 31, 2024

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	24,20,22,083	-	7,16,85,730	17,03,36,353

March 31, 2023

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	29,13,84,978	-	4,93,62,895	24,20,22,083

The facility to Williamson Magor & Co Limited is secured through combination of listed shares, land and other securities.

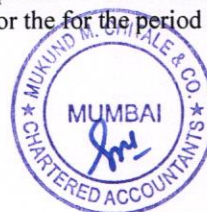
Summary of provisions (across investments) made during the year ended March 31, 2024 is given below:

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	1,02,69,29,079	-	59,24,45,216	43,44,83,863

Summary of provisions (across investments) made during the year ended March 31, 2023 is given below:

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	1,16,65,57,716	-	13,96,28,637	1,02,69,29,079

- (23) SEBI Regulations specify the percentage of expenses that can be charged to schemes of mutual fund. Accordingly, IDF has not charged full Audit fee (Booked only upto available limit rest borne by Asset Management Company) to the schemes. Also, certain other operating expenses are charged to the schemes up to the permissible limit, and any excess amounts have been borne by the Asset Management Company.
- (24) There are no unpaid redemption and unclaimed dividend as at March 31, 2024 (P.Y. Nil).
- (25) (a) There are no unit holders holding over 50% of the net assets in the Schemes as at the Balance Sheet dates.
- (b) There are no amounts to be disclosed as required under SEBI Regulation 25 (11) as the Schemes have not made any investments in the Companies or their Subsidiaries which have invested more than 5% of the Net Asset Value for the period April 1, 2023 to March 31, 2024.



(26) **Related party disclosure and disclosure under regulation 25(8) of SEBI Regulations**

Related party disclosures pursuant to Accounting Standard 18 "Related Party disclosure" issued by the ICAI and disclosure under regulation 25(8) of SEBI Regulations are made as under:

a) The following are the related parties by control with whom transaction have been entered during the year:

- Investment Manager: IL&FS Infra Asset Management Limited
- Trustee: IL&FS AMC Trustee Limited
- Sponsor: IL&FS Investment Managers Limited. (IL&FS Financial Services Limited, till December 31, 2016)

b) Details of transactions during the year:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	IC	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Management fees	5,42,32,917	4,48,11,785
Trusteeship fees	5,64,944	4,66,804

c) Year-end payables/Receivables:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	IC	
	As at March 31, 2024	As at March 31, 2023
<b><u>Payable</u></b>		
Management fees payable	52,80,492	43,58,801
Trusteeship fees payable	55,007	45,406

(27) Contingent Liabilities/ Investment Commitment details are as under

Details	March 31, 2024	March 31, 2023
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment*	Nil	Nil

\*The allocation between different schemes of the mutual fund will be done by the fund manager





**(28) Segment reporting**

The Mutual fund is engaged in business of investing amounts received from investors as unit capital, in accordance with their investment objectives to generate returns. The Investment objective of the scheme is to generate income and capital appreciation by investing primarily in infrastructure debt. Since there is only one business segment and no geographical segments, the segmental reporting disclosures as required by Accounting Standard - 17 "Segment Reporting" have not been made.

**(29) Previous year figures have been regrouped and / or rearranged wherever necessary, to correspond to figures of the current year**

Signature to Notes to Accounts

For Mukund. M. Chitale & Co.  
Chartered Accountants  
Firm Reg. No. 106655W

*Glitale*

S. M. Chitale  
Partner  
M. No.111383



For IL&FS Infra Asset Management Limited

*Nand Kishore*

Nand Kishore  
Chairman  
DIN: 08267502

*Manoj Borkar*

Manoj Borkar  
Director  
DIN: 00060698

*Sachin Borkar*

Sachin Borkar  
Fund Manager

*Neelesh Vernekar*

Neelesh Vernekar  
CEO

For IL&FS AMC Trustee Limited

*Shekhar Prabhudesai*

Shekhar Prabhudesai  
Director  
DIN: 08766338

*Aroop Sircar*

Aroop Sircar  
Director  
DIN: 05309663

Date: 24<sup>th</sup> July 2024  
Place: Mumbai

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of IL&FS AMC Trustee Limited

**Report on the Financial Statements**

**1. Opinion**

We have audited the accompanying financial statements of the following Schemes of **IL&FS Mutual Fund (IDF) – closed ended Debt Schemes** (the "Schemes") which comprise the Balance Sheet as at March 31, 2024, the Revenue Account and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Name of Schemes
IL&FS Infrastructure Debt Fund Series 2A
IL&FS Infrastructure Debt Fund Series 2B
IL&FS Infrastructure Debt Fund Series 2C

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the Schemes mentioned above give a true and fair view in conformity with the accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended ( the "SEBI Regulations") :

- In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2024
- In the case of the Revenue Account, of the surplus for the year ended on that date and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**2. Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Schemes in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the financial statements, 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 audit opinion on the financial statements.

**3. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 Matters	Auditors Response
<b><u>Existence and Valuation of investments</u></b>	
<p>The investments held by the schemes as on March 31, 2024, mainly comprised of Debt instruments.</p> <p>There is a risk of existence of investments and that the fair value of investments is not determined appropriately.</p> <p>Accordingly, the existence and valuation of investments is considered as a key audit matter.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>▪ Assessed the design and implementation of controls over existence and valuation of investments.</li> <li>▪ Tested the controls set up by Management on sample basis on existence and valuation of Investments.</li> <li>▪ Traced, the quantity held as per books with the confirmation provided by Custodian as of year end.</li> <li>▪ Tested the valuation of investments on sample basis as per the investment valuation policy approved by the Trustees and with the SEBI Regulations.</li> </ul>

#### **4. Information other than financial statements and Auditor's report thereon**

The Board of Directors and Management of IL&FS AMC Trustee Limited (the Trustees) and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the other information. The other information comprises the information included in the Trustee's Report but does not include the financial statements and our auditor's report thereon. The Trustee's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **5. Management's Responsibility for the Financial Statements**

The Board of Directors and Management of IL&FS AMC Trustee Limited (the "Trustee") and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Schemes in accordance with accounting principles generally accepted in India, including the accounting policies standards specified in the Ninth Schedule to the SEBI Regulations. This responsibility includes maintenance of adequate accounting records in accordance with the SEBI Regulations, the design, implementation and maintenance of adequate internal controls relevant to the preparation and presentation of the financial



statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Scheme'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 management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Scheme's financial reporting process.

#### **6. Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 financial statements.

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

- i) Identify and assess the risks of material misstatement of the 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.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's 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 Schemes 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 financial statements 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 Schemes to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





We communicate with the Management, 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 to the Management 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 financial statements of the current year 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.

**7. Report on Other Legal and Regulatory Requirements**

- i) As required by Regulation 55(4) and clause 5(ii)(2) of the Eleventh Schedule of the SEBI Regulations, 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 purpose of our audit;
  - b) The financial statements have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations;
  - c) the Balance Sheet, the Revenue Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account of the Schemes.
- ii) As required by the Eight Schedule of the SEBI Regulations, we report that:
  - a) In our opinion, and on the basis of information and explanations given to us, the methods used to value non-traded securities as at March 31, 2024 are in accordance with the SEBI Regulations and other guidelines approved by the Board of Directors of the Trustee and the AMC, and are fair and reasonable.

For Mukund M. Chitale & Co.  
Chartered Accountants  
Firm Regn. No. 106655W



S. M. Chitale  
Partner

M. No. 111383

UDIN: 24111383BKBGRT2437

Place: Mumbai

Date: July 24, 2024

IL&FS Mutual Fund (IDF)						
Balance sheet as at March 31, 2024						
Particulars	Notes	Series 2A		Series 2B		Series 2C
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
<b>Liabilities</b>						
Unit capital	3	1,18,12,50,000	1,18,12,50,000	1,57,50,00,000	1,57,50,00,000	1,26,87,50,000
Reserves and surplus	4	76,06,16,036	14,46,74,252	1,73,57,06,087	1,34,19,36,176	1,09,53,29,064
Current liabilities and provisions	5	29,21,008	20,79,703	49,87,922	43,06,580	39,89,745
<b>Total</b>		<b>1,94,47,87,044</b>	<b>1,32,80,03,955</b>	<b>3,31,56,94,009</b>	<b>2,74,97,08,714</b>	<b>2,36,76,46,300</b>
<b>Assets</b>						
Investments	6	1,78,17,73,670	1,31,86,12,018	3,06,11,37,878	2,65,45,86,472	2,39,93,49,769
Other Current assets	7	16,30,13,374	93,91,937	25,45,56,131	9,51,22,242	21,53,26,152
<b>Total</b>		<b>1,94,47,87,044</b>	<b>1,32,80,03,955</b>	<b>3,31,56,94,009</b>	<b>2,74,97,08,714</b>	<b>2,36,76,46,300</b>
Notes to accounts form an integral part of the Financial Statements						
As per our report attached						
1 to 29						
<div> <div> <p>For Mukund M. Chitale &amp; Co. Chartered Accountants Firm Regn. No. 106655W</p> <p><i>Mukund M. Chitale</i></p> <p>S. M. Chitale Partner M.No. 111383</p> <p>Date: 24th July, 2024 Place: Mumbai</p> </div> <div> <p>For IL&amp;FS Infra Asset Management Limited</p> <p><i>Manoj Burkar</i></p> <p>Nand Kishore Chairman DIN: 08267502</p> <p>Manoj Burkar Director DIN: 00066698</p> <p>Date: 24th July, 2024 Place: Mumbai</p> </div> <div> <p>For IL&amp;FS AMC Trustee Limited</p> <p><i>Arvind Sircar</i></p> <p>Arvind Sircar Director DIN: 05309663</p> <p>Shekhar Prabhudesai Director DIN: 08766338</p> <p>Date: 24th July, 2024 Place: Mumbai</p> </div> </div>						





IL&FS Mutual Fund (IDF)					
Revenue Account for the year ended March 31, 2024					
IL&FS Mutual Fund (IDF)	Series 2A	Series 2B	Series 2C	Amount ₹	
Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Income and gains</b>					
Interest Income	13,11,96,139	30,72,63,750	26,83,73,799	24,87,09,846	20,43,95,999
Other income	-	10,31,535	1,60,15,259	8,06,610	81,87,504
Reversal of NPA Provision	50,45,75,538	29,27,75,500	2,07,64,279	2,61,85,249	1,26,44,119
Increase/(Decrease) in unrealised gain in the value of investments	4,80,722	3,71,943	-	1,60,536	-
<b>Total</b>	<b>63,62,52,399</b>	<b>60,14,42,728</b>	<b>30,51,53,337</b>	<b>27,58,62,241</b>	<b>22,52,27,622</b>
<b>Expenses and losses</b>					
Investment Management fees	1,66,25,328	2,95,81,525	2,50,40,084	2,39,46,892	2,16,44,443
GST on Investment Management fees	29,92,559	53,24,675	45,07,215	43,10,441	38,96,000
Trusteeship fees	1,73,186	3,08,151	2,60,839	2,49,455	2,25,468
Investor Education and Awareness Expenses (Refer Note 2(b))	3,46,361	6,16,282	5,21,668	4,98,894	4,50,926
Custody Charges	-	-	-	3,193	-
Other Operating expenses	80,618	1,03,128	2,14,954	1,13,200	1,85,997
Provision for NPA	-	-	-	-	-
Audit Fees	92,563	1,07,485	45,882	1,33,054	39,468
<b>Total</b>	<b>2,03,10,615</b>	<b>3,61,38,775</b>	<b>3,05,90,642</b>	<b>2,92,55,129</b>	<b>2,64,42,302</b>
Surplus / (Deficit) for the year	61,59,41,784	56,53,03,953	27,45,62,695	24,66,07,112	19,87,85,320
Revenue Reserve brought forward	14,46,74,252	1,17,04,02,134	89,58,39,439	1,09,53,29,064	89,65,43,744
<b>Net Surplus transferred to Revenue Reserve</b>	<b>76,06,16,036</b>	<b>1,46,74,252</b>	<b>1,17,04,02,134</b>	<b>1,34,19,36,176</b>	<b>1,09,53,29,064</b>
Refer Note 14 for the total income and expenditure expressed as a percentage of the Average daily net assets					

Notes to accounts form an integral part of the Financial Statements  
As per our report attached

1 to 29

For Mulsand M. Chitale & Co.

Chartered Accountants

Firm Regn. No. 106655W

S. M. Chitale

Partner

M.No. 111383

Date: 24th July, 2024

Place: Mumbai

For IL&FS Infra Asset Management Limited

Nand Kishore

Chairman

DIN: 08367502

Date: 24th July, 2024

Place: Mumbai

For IL&FS AMC Trustee Limited

Aroop Sircar

Director

DIN: 05309663

Date: 24th July, 2024

Place: Mumbai

For IL&FS AMC Trustee Limited

Shekhar Pabhadrasai

Director

DIN: 08766338

Date: 24th July, 2024

Place: Mumbai

IL&FS Mutual Fund (IDF)						
Cash flow statement for the year ended March 31, 2024						
Particulars	Series 2A		Series 2B		Series 2C	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Amount ₹						
<b>A. Cash flow from Operating Activities</b>						
Surplus / (Deficit) for the year	61,59,41,784	16,65,06,140	56,53,03,953	27,45,62,695	24,66,07,112	19,87,85,320
Adjustment for:-						
Reversal of accrued interest	-	-	-	-	-	-
Provision for NPA	-	-	-	-	-	-
Change in assets and liabilities:						
Increase in current liabilities and provisions	8,41,305	(67,536)	6,81,342	3,72,190	4,22,509	4,34,790
Decrease/(increase) in investments	(46,31,61,652)	(79,34,90,730)	(40,65,51,406)	(83,88,75,548)	(11,50,15,604)	(65,09,39,758)
(Increase)/Decrease in other current assets	(13,36,24,905)	62,35,79,102	(16,92,47,131)	52,76,10,534	(13,29,47,448)	16,74,65,301
<b>Cash used in Operations</b>	<b>(3,468)</b>	<b>(34,73,024)</b>	<b>(98,13,242)</b>	<b>(3,63,30,129)</b>	<b>(9,33,431)</b>	<b>(28,42,54,347)</b>
<b>B. Cash flow from Investing Activities</b>						
<b>C. Cash flow from Financing activities</b>						
<b>Net Increase/(Decrease) in cash and cash equivalents</b>						
<b>Cash and cash equivalents at the beginning of the year</b>	<b>(3,468)</b>	<b>(34,73,024)</b>	<b>(98,13,242)</b>	<b>(3,63,30,129)</b>	<b>(9,33,431)</b>	<b>(28,42,54,347)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>200</b>	<b>3,668</b>	<b>1,30,708</b>	<b>99,43,950</b>	<b>1,41,525</b>	<b>10,74,956</b>
<b>Note</b>						
Cash and bank balance as per Note No 7	9,18,064	7,53,527	16,97,389	1,12,07,201	14,29,240	21,15,251
Less:- Cash and bank balance earmarked for Investor Education and Awareness	9,17,864	7,49,859	15,66,681	12,63,251	12,87,715	10,40,295
Less:- Cash and bank balance earmarked for Triparty repo	-	-	-	-	-	-
<b>Cash &amp; Cash Equivalent as per AS 3 Cash Flow Statements</b>	<b>200</b>	<b>3,668</b>	<b>1,30,708</b>	<b>99,43,950</b>	<b>1,41,525</b>	<b>10,74,956</b>

Notes to accounts form an integral part of the Financial Statements

As per our report attached

For Mukund M. Chitale & Co.  
Chartered Accountants  
Firm Regn. No. 106655W

**Slitale**  
S. M. Chitale  
Partner  
M.No. 111383

Date: 24th July, 2024  
Place: Mumbai



For IL&FS Infra Asset Management Limited

Nand Kishore  
Chairman  
DIN: 08267502

Manoj Borkar  
Director  
DIN: 00066698

Date: 24th July, 2024  
Place: Mumbai

Sachin Berkar  
Fund Manager

Date: 24th July, 2024  
Place: Mumbai

For IL&FS AMC Trustee Limited

Arup Sircar  
Director  
DIN: 05309663

Date: 24th July, 2024  
Place: Mumbai

Shekhar Prabhudesai  
Director  
DIN: 08766338



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (1) Background

IL&FS Mutual Fund (IDF) ('the Fund') has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 with IL&FS Financial Services Limited ("IFIN") as the Sponsor, IL&FS Infra Asset Management Limited as the Investment Manager and IL&FS AMC Trustee Limited as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908 on January 21, 2013 and amended through Deed of amendment on September 5, 2013. The Investment Management Agreement between IL&FS Infra Asset Management Limited (the AMC), IL&FS AMC Trustee Limited (the Trustee) and the trust was executed on January 21, 2013 and amended on September 5, 2013. The Fund has been registered with SEBI on February 1, 2013 under Registration Code MF/072/13/02. With effect from January 1, 2017, sponsor of the Fund was changed from IFIN to IL&FS Investment Managers Limited ("IIML"), consequently Trust Deed and Investment Management Agreement were amended on January 16, 2017.

IL&FS Infrastructure Debt Fund Series 2A, 2B and 2C is a closed ended Scheme for 5 Years, 8 Years and 12 Years respectively. Tenure to be calculated from the time the units become fully paid. The scheme was launched on March 3, 2014 and units were allotted on April 17, 2015 being first draw down of the commitments. Units are having face value of ₹ 1,000,000 and partly paid-up as on March 31, 2023 and as on March 31, 2024.

The Investment objective of the scheme is to generate income and capital appreciation by investing primarily in infrastructure debt instruments as permitted by SEBI from time to time.

### (2) Significant accounting policies

#### a) Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention, as modified for investments which are stated at fair value at the balance sheet date, on accrual basis of accounting and in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) SEBI Regulations, 1996 as amended (the "SEBI Regulations").

#### b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP), which requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Any revision to accounting estimates is recognized prospectively in current and future periods.

#### c) Investments

##### (i) Basis of accounting

- Transactions for purchase and sale of investments are recorded on trade date. The cost of investments includes all costs incurred in acquiring the investments and incidental to acquisition of investments.



discount on privately placed investments is reduced from the cost of such investments.

- Broken period interest paid/received is not included in the cost of purchase of investments.

(ii) Valuation

- The valuation of investment is based on the guiding principles of fair valuation.
- Where it is observed that Valuation methodology mentioned below, does not lead to fair valuation of securities, Valuation Committee may on a prospective basis deviate from the defined methodology and adopt such alternate procedures / methods in conformance with the guiding principles of fair valuation in good faith to arrive at the true and fair estimation of the realizable value of the security. The rationale for any such deviations is recorded in writing and placed before the Board of Directors of the AMC and the Trustee.
- Valuation of Security; is arrived as per the policy; are applied consistently across the portfolios. In other words; any particular security is valued on the same basis across all the portfolios and it cannot have different basis for valuation on a particular day.

**VALUATION METHODOLOGIES**

- Debt, Money Market and related securities - All debt, money market and related securities. Infrastructure Debt Fund (IDF) is a close ended fund, it does not do marked-to-market valuation of securities and all its investments are held to maturity. It also does not trade its investments. There is no risk matrix available for the kind of investment that IDF invests in.

In view of above and the illiquid nature of infrastructure debt securities, having minimal or no secondary market, the valuation of infrastructure debt securities is done on a current effective yield basis (face value of security plus interest accrued).

Considering that IDF does not trade its investments, all money market instruments and other debt securities are valued on a current effective yield basis (face value of security plus interest accrued).

- **Valuation of money market and debt securities which are rated below investment grade:**

IDF accounts for actual return received on investments across its schemes in calculating the NAV, as long as the investments are standard and continue to service their debt obligations.

There is no mark-down as long as servicing in respect of the investments is being done on time.

In case of mark-down of investments, the same is undertaken in accordance with regulations and specific details of the investment.

- **Investment in Reverse Repo, Collateralized Borrowings and Lending Obligations (CBLO), Tri-Party Repo (TREPS) and Bills Rediscounting (BRDS):**

Investment in Reverse Repo's, CBLO's, TREPS and BRDS are valued at cost plus accrued interest.





d) **Revenue recognition**

Interest income is recorded on a period proportionate basis.

Profit or loss on sale / redemption of investments represents sale proceeds less weighted average cost and is recognised on a trade date basis.

Transfer of Investments from one scheme to another scheme is made as per the valuation policy in conformity with the investment objective of the scheme to which such transfer has been made.

e) **Expenses**

The total expense ratio charged to scheme are within the limits prescribed under Regulation 52 of the SEBI (Mutual Funds) SEBI Regulations, 1996.

All expenses identifiable with any particular scheme are accounted on an accrual basis. Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to the number of folios in the schemes or Average Assets under management (AAUM), whichever is more appropriate.

f) **Computation of Net Asset Value (NAV)**

The NAV of a scheme is computed separately for units issued under the various options of the relevant plans of the IL&FS Infrastructure Debt Fund - Series 2A, 2B and 2C, although the corresponding scheme's investments and other net assets are managed as a single portfolio. For computing the NAV for various plans/options, daily income earned, including realized and unrealized gains or losses in the value of investments and expenses incurred by the corresponding scheme are allocated to the plans/options in proportion to the net assets of each plan/option.

g) **Investor Education and Awareness Expenses**

In compliance with SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012; the scheme has charged 0.02 % of daily net assets within the maximum limit of total expense ratio as per the SEBI Regulations for investor education and awareness initiatives. Pursuant to the letter dated January 8, 2016, issued by SEBI to AMFI mandating all members to transfer 50% of the Investor Education and Awareness fund balance as at March 31, 2016 and from April 1, 2016 onwards, 50% of the 0.02% of daily net assets aside by the Mutual fund, accordingly the fund has transferred 50% of opening balance and additions for current year to AMFI. The balance amounts are utilized towards investor education and awareness initiative taken by the Mutual Fund/AMC. Allocation for utilization is done in different schemes based on the available balance in each scheme.

h) **Load**

Pursuant to SEBI circular no SEBI/IMD/CIR NO .4/168230/09 dated June 30, 2009, no entry load is charged.



3 Unit Capital

Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2024		As at March 31, 2024		As at March 31, 2024	
	Units Nos.	Amount ₹	Units Nos.	Amount ₹	Units Nos.	Amount ₹
<b>Initial Capital Issued and subscribed:</b>						
Units of ₹ 10,00,000						
Direct Plan - Growth	1,687.50	1,68,75,00,000	2,250.00	2,25,00,00,000	1,812.50	1,81,25,00,000
<b>Paid-Up:</b>						
Direct Plan - Growth Face Value ₹ 10,00,000						
Units at beginning of year (Paid-up ₹ 7,00,000)	1,687.50	1,18,12,50,000	2,250.00	1,57,50,00,000	1,812.50	1,26,87,50,000
Units outstanding at end of the year-paid up ₹ 7,00,000 each	1,687.50	1,18,12,50,000	2,250.00	1,57,50,00,000	1,812.50	1,26,87,50,000
<b>Unit Capital at the end of the Year</b>	1,687.50	1,18,12,50,000	2,250.00	1,57,50,00,000	1,812.50	1,26,87,50,000

Units have been partly paid up to 70% of the committed amount as at March 31, 2024 and as at March 31, 2023.





#### 4 Reserves and surplus

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Amount ₹					
<b>Revenue Reserve</b>						
At the beginning of the year	14,46,74,252	(2,18,31,888)	1,17,04,02,134	89,58,39,439	1,09,53,29,064	89,65,43,744
Transferred to Revenue account	(14,46,74,252)	2,18,31,888	(1,17,04,02,134)	(89,58,39,439)	(1,09,53,29,064)	(89,65,43,744)
Surplus transferred from Revenue account	76,06,16,036	14,46,74,252	1,73,57,06,087	1,17,04,02,134	1,34,19,36,176	1,09,53,29,064
<b>At the end of the year</b>	<b>76,06,16,036</b>	<b>14,46,74,252</b>	<b>1,73,57,06,087</b>	<b>1,17,04,02,134</b>	<b>1,34,19,36,176</b>	<b>1,09,53,29,064</b>

#### 5 Current liabilities and provisions

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	Amount ₹					
<b>Creditors for</b>						
-Investment Management fee payable	17,00,918	11,64,233	28,96,700	24,08,260	22,84,228	20,74,051
-Trustee fee payable	17,718	12,128	30,175	25,084	23,795	21,605
-Other payable *	84,721	22,103	1,53,287	45,886	1,21,769	39,468
-Custody Fees Payable	-	-	-	-	2,922	-
Income received in advance	-	-	-	2,60,026	-	1,45,986
Provision for Investor Education and Awareness	9,50,675	7,72,317	16,22,559	13,09,707	13,31,778	10,80,303
Statutory dues	1,66,976	1,08,922	2,85,201	2,57,617	2,25,253	2,05,823
<b>Total</b>	<b>29,21,008</b>	<b>20,79,703</b>	<b>49,87,922</b>	<b>43,06,580</b>	<b>39,89,745</b>	<b>35,67,236</b>

\* Other payable includes Interschemes dues



6 Investments

Particulars	IL&FS Infrastructure Debt Fund Series 2A			IL&FS Infrastructure Debt Fund Series 2B			IL&FS Infrastructure Debt Fund Series 2C		
	As at March 31, 2024			As at March 31, 2023			As at March 31, 2024		
	Cost	Market / Fair Value		Cost	Market / Fair Value		Cost	Market / Fair Value	
Non Convertible Debentures Listed On Recognised Stock Exchange	1,78,12,92,948	1,78,17,73,670	-	-	-	-	-	-	-
Non Convertible Debentures- Privately Placed	-	-	-	-	-	-	-	-	-
Money Market Instruments	-	-	1,31,86,12,018	1,31,86,12,018	1,31,86,12,018	1,31,86,12,018	-	-	-
Total	1,78,12,92,948	1,78,17,73,670	1,31,86,12,018	1,31,86,12,018	1,31,86,12,018	1,31,86,12,018	2,39,93,49,769	2,39,93,49,769	2,39,93,49,769

Notes:-

- Investments are stated inclusive of interest accrued but not due
- Refer Note 17 for details of the Investments





7 Current assets

IL&FS Mutual Fund (IDF)		Series 2A		Series 2B		Series 2C		Amount ₹
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023	
Balances with a bank in current account* (Refer Note 2(h))								
- Current Accounts	200	3,668	1,30,708	99,43,950	1,41,525	10,74,956		
- IEAP Accounts	9,17,864	7,49,859	15,66,681	12,63,251	12,87,715	10,40,295		
- Triparty Repo Accounts	-	-	-	-	-	-		
Triparty Repo**	16,11,38,906	85,53,962	25,13,80,440	8,35,65,167	21,26,42,664	8,08,21,597		
Triparty Repo margin	9,56,404	84,448	14,78,302	3,49,874	12,54,247	3,75,285		
Misc Receivable	-	-	-	-	-	-		
<b>Total</b>	<b>16,30,13,374</b>	<b>93,91,937</b>	<b>25,45,56,131</b>	<b>9,51,22,242</b>	<b>21,53,26,152</b>	<b>8,33,12,135</b>		

\* Certain bank accounts of the Scheme are held in the name of the Fund.

\*\* Triparty Repo is registered in the name of the Fund.

8 Interest Income

IL&FS Mutual Fund (IDF)		Series 2A		Series 2B		Series 2C		Amount ₹
Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2023	
On Investment in Non Convertible Debentures	4,85,84,994	5,82,85,547	27,99,80,289	23,34,86,495	23,48,93,168	18,58,27,501		
On Investment in Money Market Instruments	6,13,87,982	6,30,44,707	-	63,22,068	-	38,57,008		
On Triparty Repo Margin	48,706	32,999	1,33,381	1,02,798	55,849	41,685		
On Triparty Repo	2,11,74,457	1,07,06,941	2,71,50,080	2,84,62,438	1,37,60,829	1,46,69,805		
<b>Total</b>	<b>13,11,96,139</b>	<b>13,20,70,194</b>	<b>30,72,63,750</b>	<b>26,83,73,799</b>	<b>24,87,09,846</b>	<b>20,43,95,999</b>		

9 Other Income

IL&FS Mutual Fund (IDF)		Series 2A		Series 2B		Series 2C		Amount ₹
Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2023	
Misc Income	-	69,462	10,31,535	1,60,15,259	8,06,610	81,87,504		
<b>Total</b>	<b>-</b>	<b>69,462</b>	<b>10,31,535</b>	<b>1,60,15,259</b>	<b>8,06,610</b>	<b>81,87,504</b>		



**(10) Investment Management fees**

The Scheme has paid or provided for investment management fees in accordance with the agreement with the AMC as amended from time to time and the Scheme Information Documents read with Statement Additional Information. For the current period, the Scheme has accrued Investment Management Fees at the rate of 0.96% (excluding Service Tax/GST) of average daily net assets (AAUM) as follows:

(Amount in ₹)

Infrastructure Debt Fund Series	AAUM for the Year ended March 31, 2024	Management Fees	AAUM for the Year ended March 31, 2023	Management Fees
Series 2A	1,73,18,04,534	1,66,25,328	1,25,22,86,673	1,20,21,955
Series 2B	3,08,14,08,033	2,95,81,525	2,60,83,41,358	2,50,40,084
Series 2C	2,49,44,67,253	2,39,46,892	2,25,46,28,906	2,16,44,443

**(11) Trustee fees**

The Schemes have paid or provided for trustee fees in accordance with the agreement with the Trustee as amended from time to time and the Scheme Information Documents read with Statement of Additional Information. The Trustee is entitled to receive such fee up to an annual rate of 0.01% of the scheme's average daily net assets.

**(12) Custodian fees**

HDFC Bank Limited provides custodian services to the schemes for which it receives custodian fees as per the terms of the custodian Agreement.

**(13) Other Expenses**

Other expenses consist of internal audit fees, bank charges and CCIL charges, etc.

**(14) Income/Expenditure**

The total income and expenditure as a percentage of the Average daily net assets:

**For the Year ended March 31, 2024**

Series	Income		Expense Ratio	
	(Amount ₹)	% to AAUM	(Amount ₹)	% to AAUM
Series 2A – Direct Plan	63,62,52,399	36.74%	2,03,10,615	1.17%
Series 2B – Direct Plan	60,14,42,728	19.52%	3,61,38,775	1.17%
Series 2C – Direct Plan	27,58,62,241	11.06%	2,92,55,129	1.17%

**For the Year ended March 31, 2023**

Series	Income		Expense Ratio	
	(Amount ₹)	% to AAUM	(Amount ₹)	% to AAUM
Series 2A – Direct Plan	18,11,92,966	14.47%	1,46,86,826	1.17%
Series 2B – Direct Plan	30,51,53,337	11.70%	3,05,90,642	1.17%
Series 2C – Direct Plan	22,52,27,622	9.99%	2,64,42,302	1.17%

**(15) Income tax**

No income tax provision has been made as the schemes qualify as a recognized Mutual Fund under section 10 (23D) of the Income-tax Act, 1961 and the Direct Tax Laws (Amendment) Act, 1988.





(16) Net Asset Value per unit

(Amount ₹)

Series	Plan	Face Value	Paid-up amount	As at March 31, 2024	As at March 31, 2023
Series 2A – Direct Plan	Growth	10,00,000	7,00,000	11,50,735.4305	7,85,732.8921
Series 2B – Direct Plan	Growth	10,00,000	7,00,000	14,71,424.9236	12,20,178.7209
Series 2C – Direct Plan	Growth	10,00,000	7,00,000	14,40,378.5756	13,04,319.4793

(17) Portfolio holding as at year end are as follows:

As at March 31, 2024

IL&FS Infrastructure Debt Fund	Mar-24								
	Series 2A			Series 2B			Series 2C		
Particulars	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total
Infrastructure Sector									
Non Convertible Debentures Listed On Recognised Stock Exchange									
Jainnagar Utilities & Power Pvt Ltd	53,91,21,983	27.56%	30.03%	-	-	-	-	-	-
Bharti Hexacom Ltd	52,64,01,668	27.17%	29.54%	-	-	-	-	-	-
Tata Realty And Infra Ltd	50,90,10,122	26.21%	28.57%	-	-	-	-	-	-
NTPC Ltd	15,82,44,455	8.15%	8.88%	-	-	-	-	-	-
Power Grid Corp of India Ltd	5,29,95,442	2.73%	2.97%	-	-	-	-	-	-
Shree Infra Invest Pvt Ltd	-	-	-	12,00,00,000	3.62%	5.86%	13,00,00,000	4.98%	7.30%
Kanchanjunga Power Company Pvt Ltd	-	-	-	36,00,00,000	10.87%	17.58%	61,00,00,000	23.37%	34.28%
Emami Frank Ross Limited	-	-	-	21,00,00,000	6.34%	10.26%	21,00,00,000	8.04%	11.80%
Bhilangana Hydro Power Limited	-	-	-	40,00,00,000	12.08%	19.54%	47,80,00,000	18.31%	26.86%
Tata Realty and Infrastructure Limited	-	-	-	45,75,04,046	13.82%	22.34%	10,16,67,566	3.89%	5.71%
Clean Mat Enviro Energy Solution Pvt Ltd	-	-	-	50,00,00,000	15.10%	24.42%	26,00,00,000	9.58%	14.05%
A	1,78,17,73,670	91.76%	100.00%	2,04,75,04,046	61.84%	100.00%	1,77,96,67,566	68.17%	100.00%
Infrastructure Sector									
Non Convertible Debentures Privately Placed									
Emami Frank Ross Limited	-	-	-	6,00,00,000	1.81%	5.92%	6,00,00,000	2.30%	9.68%
Resco Global Wind Services Pvt Ltd	-	-	-	20,16,10,527	6.09%	19.89%	-	-	-
Utkarsh Trading & Holdings Ltd	-	-	-	40,70,00,000	12.23%	40.15%	16,30,00,000	6.24%	26.30%
Shree Infra Invest Pvt Ltd	-	-	-	14,50,23,305	4.38%	14.31%	9,66,82,203	3.70%	15.60%
Clean Mat Enviro Energy Solution Pvt Ltd	-	-	-	20,00,00,000	6.04%	19.73%	30,00,00,000	11.43%	48.41%
B	-	-	-	1,01,36,33,832	30.62%	100.00%	61,96,82,203	23.74%	100.00%
Total Investment (A+B)	1,78,17,73,670	91.76%		3,06,11,37,878	92.46%		2,39,93,49,769	91.90%	
Net Current Assets	16,00,52,367	8.24%		24,95,68,209	7.54%		21,13,36,407	8.10%	
Net Assets	1,94,18,66,037	100.00%		3,31,07,06,087	100.00%		2,61,06,86,176	100.00%	

Note 1. 100% provision has been made for Investment in Babcock Borsig Limited, Williamson Magor & Co. Ltd and IL&FS Wind Energy Limited. Refer note 21 and 22.



As at March 31, 2023

IL&FS Infrastructure Debt Fund	Mar-23								
	Series 2A			Series 2B			Series 2C		
Particulars	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total
<b>Infrastructure Sector</b>									
<b>Non Convertible Debentures Listed On Recognised Stock Exchange</b>									
Shrem Infra Structure Private Limited	-	-	-	24,00,00,000	8.74%	14.04%	26,00,00,000	11.00%	14.38%
Bhilangana Hydro Power Ltd	-	-	-	40,00,00,000	14.57%	23.39%	47,80,00,000	20.22%	26.44%
Kanchanjunga Power Company Private Ltd	-	-	-	36,00,00,000	13.11%	21.05%	61,00,00,000	25.80%	33.74%
Emami Frank Ross Limited	-	-	-	21,00,00,000	7.65%	12.28%	21,00,00,000	8.88%	11.62%
Clean Max En Energy Solution Private Ltd	-	-	-	50,00,00,000	18.21%	29.24%	25,00,00,000	10.57%	13.83%
<b>A</b>	-	-	-	1,71,00,00,000	62.29%	100.00%	1,80,80,00,000	76.48%	100.00%
<b>Infrastructure Sector</b>									
<b>Non Convertible Debentures Privately Placed</b>									
AMRI Hospitals Ltd	-	-	-	28,79,63,519	10.49%	30.49%	10,50,00,000	4.44%	22.04%
Shrem Infra Structure Private Limited	-	-	-	24,67,45,810	8.99%	26.12%	17,12,11,379	7.24%	35.94%
Emami Frank Ross Limited	-	-	-	6,00,00,000	2.19%	6.35%	6,00,00,000	2.54%	12.60%
Utkarsh Trading & Holdings Ltd	-	-	-	34,98,77,143	12.74%	37.04%	14,01,22,786	5.93%	29.42%
<b>B</b>	-	-	-	94,45,86,472	34.41%	100.00%	47,63,34,165	20.15%	100.00%
<b>Commercial Papers</b>									
Pilani Inv & Ind Corporation Ltd CP 08-Nov-23	61,85,05,679	46.65%	46.91%	-	-	-	-	-	-
ICICI Securities Ltd CP 09-Oct-23	70,01,06,339	52.80%	53.09%	-	-	-	-	-	-
<b>C</b>	1,31,86,12,018	99.45%	100.00%	-	-	-	-	-	-
<b>Total Investment (A+B+C)</b>	1,31,86,12,018	99.45%		2,65,45,86,472	96.69%		2,28,43,34,165	96.63%	
Net Current Assets	73,12,234	0.55%		9,08,15,662	3.31%		7,97,44,899	3.37%	
<b>Net Assets</b>	1,32,59,24,252	100.00%		2,74,54,02,134	100.00%		2,36,40,79,064	100.00%	

Note 1. 100% provision has been made for Investment in Babcock Borsig Limited, Williamson Magor & Co. Ltd and IL&FS Wind Energy Limited. Refer note 21 and 22.

**(18) Aggregate value of purchases and sales/ Redemption/Repayment**

The aggregate value of investments purchased and sold (including redeemed) during the year and expressed as percentage of daily average net assets are as follows:

**For the Year ended March 31, 2024**

IL&FS Infrastructure Debt Fund Series	For the Year ended March 31, 2024			
	Aggregate value of Purchases	Percentage of Average Net Assets	Aggregate value of Sales/Redemption	Percentage of Average Net Assets
	(Amount ₹)		(Amount ₹)	
Series 2A	1,70,23,65,318	98.30%	1,38,00,00,000	79.69%
Series 2B	1,45,68,49,512	47.28%	1,05,88,05,967	34.36%
Series 2C	60,25,85,846	24.16%	48,91,58,032	19.61%

**For the Year ended March 31, 2023**

IL&FS Infrastructure Debt Fund Series	For the Year ended March 31, 2023			
	Aggregate value of Purchases	Percentage of Average Net Assets	Aggregate value of Sales/Redemption	Percentage of Average Net Assets
	(Amount ₹)		(Amount ₹)	
Series 2A	3,64,02,26,599	290.69%	2,90,97,80,576	232.36%
Series 2B	1,89,27,19,643	72.56%	1,05,49,21,093	40.44%
Series 2C	1,75,45,44,037	77.82%	1,10,86,72,664	49.17%





(19) **Aggregate Fair value of Non-Traded Investments**

- i. The aggregate fair value of non-traded investments, valued in 'good faith' by the Investment Manager on the basis of the valuation principles laid down by SEBI as on 31<sup>st</sup> March 2024: NIL (As on 31<sup>st</sup> March 2023: NIL)
- ii. The aggregate fair value of debt securities which have been valued at the price other than the price given by the independent valuation agencies is as follows –

(Amount ₹)

Infrastructure Debt Fund	As at March 31, 2024	Percentage of Net Assets	As at March 31, 2023	Percentage of Net Assets
Series 2A	1,78,17,73,670	91.76%	1,31,86,12,018	99.45%
Series 2B	3,06,11,37,878	92.46%	2,65,45,86,472	96.69%
Series 2C	2,39,93,49,769	91.90%	2,28,43,34,166	96.63%

(20) **Investment in the Securities of the Sponsors and Group Companies of the Sponsors**

As on 31<sup>st</sup> March 2024 the Company has following investment in the securities of group companies of the Sponsors: NIL

As on 31<sup>st</sup> March 2023 the Company has following investment in the securities of group companies of the Sponsors: NIL

(21) **IL&FS IDF invested in Zero Coupon NCDs amounting to Rs. 2,000 million issued by IWEL in September 2016.**

Pursuant to rating downgrade of IWEL, IL&FS IDF had sought pre-payment of the NCDs from IWEL.

The entire value of NCDs of IL&FS Wind Energy Ltd (IWEL) had been provided for, as a conservative valuation approach, as on 30 September 2021 as the NCDs had fallen due.

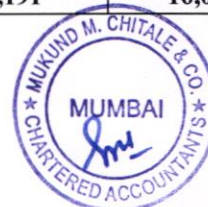
After series of legal actions, IDF has received Rs. 252.63 crores against admitted claim of Rs. 254.66 crores. IDF has received ~99% of its admitted claims in July 2023 as per interim distribution by IWEL from the proceeds received by IWEL from the sale of its wind SPVs to ORIX. Accordingly, IDF has filed for withdrawal of its case from Hon'ble Supreme Court given the substantial extent of recovery made in the account.

IDF has accounted the Income from amount recovered in its books of accounts to the extent of recovery amounting to Rs. 69,34,65,190/-.

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in IWEL. Summary of provisions made and recovery during the year ended March 31, 2024 & March 31, 2023 is as given below:

March 31, 2024

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	42,79,27,749	-	42,69,42,139	9,85,610
2B	26,08,08,036	-	26,02,07,339	6,00,697
2C	63,30,292	-	63,15,713	14,579
<b>Total</b>	<b>69,50,66,077</b>	<b>-</b>	<b>69,34,65,191</b>	<b>16,00,886</b>



March 31, 2023

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	42,79,27,749	-	-	42,79,27,749
2B	26,08,08,036	-	-	26,08,08,036
2C	63,30,292	-	-	63,30,292
<b>Total</b>	<b>69,50,66,077</b>	-	-	<b>69,50,66,077</b>

- (22) (a) Investment in Babcock Borsig Limited has become NPA on November 01, 2019. IDF has stopped accruing Interest w.e.f. October 01, 2019 on conservative basis.

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in Babcock Borsig Limited. Summary of provisions made and recovery during the year ended March 31, 2024 & March 31, 2023 is as given below:

March 31, 2024

Series	Opening Provision(A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	21,67,72,180	-	7,63,12,872	14,04,59,308
2B	8,17,90,495	-	2,87,95,228	5,29,95,267
2C	5,10,76,212	-	1,79,83,070	3,30,93,142
<b>Total</b>	<b>34,96,38,887</b>	-	<b>12,30,91,170</b>	<b>22,65,47,717</b>

March 31, 2023

Series	Opening Provision(A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	26,49,16,174	-	4,81,43,994	21,67,72,180
2B	9,99,56,726	-	1,81,66,232	8,17,90,495
2C	6,24,21,308	-	1,13,45,096	5,10,76,212
<b>Total</b>	<b>42,72,94,208</b>	-	<b>7,76,55,322</b>	<b>34,96,38,887</b>

The facility to Babcock Borsig Limited is secured through combination of listed shares, land and other securities.

- (b) Investment in Williamson Magor & Co. Limited has become NPA on December 01, 2019 on account of non-payment of dues. IL&FS IDF has stopped accruing interest on NCD facility w.e.f. October 01, 2019 on conservatively basis.

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in Williamson Magor & Co. Limited. Summary of provision made and recovery during the year ended March 31, 2024 & March 31, 2023 is as given below:





March 31, 2024

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	44,58,302	-	13,20,527	31,37,775
2B	1,27,38,005	-	37,72,933	89,65,071
2C	63,69,002	-	18,86,466	44,82,536
<b>Total</b>	<b>2,35,65,309</b>	<b>-</b>	<b>69,79,926</b>	<b>1,65,85,382</b>

March 31, 2023

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	53,67,618	-	9,09,316	44,58,302
2B	1,53,36,052	-	25,98,047	1,27,38,005
2C	76,68,026	-	12,99,024	63,69,002
<b>Total</b>	<b>2,83,71,695</b>	<b>-</b>	<b>48,06,387</b>	<b>2,35,65,309</b>

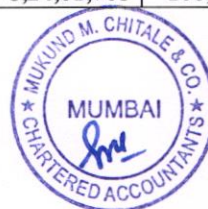
The facility to Williamson Magor & Co Limited is secured through combination of listed shares, land and other securities

Summary of provisions (across investments) made during the year ended March 31, 2024 is given below:

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	64,91,58,231	-	50,45,75,538	14,45,82,693
2B	35,53,36,535	-	29,27,75,500	6,25,61,035
2C	6,37,75,507	-	2,61,85,249	3,75,90,258
<b>Total</b>	<b>1,06,82,70,273</b>	<b>-</b>	<b>82,35,36,287</b>	<b>24,47,33,986</b>

Summary of provisions (across investments) made during the year ended March 31, 2023 is given below:

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	69,82,11,541	-	4,90,53,310	64,91,58,231
2B	37,61,00,814	-	2,07,64,279	35,53,36,535
2C	7,64,19,626	-	1,26,44,119	6,37,75,507
<b>Total</b>	<b>115,07,31,981</b>	<b>-</b>	<b>8,24,61,708</b>	<b>106,82,70,273</b>



(23) SEBI Regulations specify the percentage of expenses that can be charged to schemes of mutual fund. Accordingly, IDF has not charged full Audit fee (Booked only upto available limit rest borne by Asset Management Company) to the schemes. Also, certain other operating expenses are charged to the schemes up to the permissible limit, and any excess amounts have been borne by the Asset Management Company.

(24) There are no unpaid redemption and unclaimed dividend as at March 31, 2024.

(25) (a) There are no unit holders holding over 50% of the net assets in the Schemes as at the Balance Sheet dates.

(b) There are no amounts to be disclosed as required under SEBI Regulation 25 (11) as the Schemes have not made any investments in the Companies or their Subsidiaries which have invested more than 5% of the Net Asset Value for the year ended March 31, 2024 and March 31, 2023.

(26) **Segment reporting**

The Mutual fund is engaged in business of investing amounts received from investors as unit capital, in accordance with their investment objectives to generate returns. The Investment objective of the scheme is to generate income and capital appreciation by investing primarily in infrastructure debt. Since there is only one business segment and no geographical segments, the segmental reporting disclosures as required by Accounting Standard - 17 "Segment Reporting" have not been made.

(27) **Related party disclosure and disclosure under regulation 25(8) of SEBI SEBI Regulations**

Related party disclosures pursuant to Accounting Standard 18 "Related Party disclosure" issued by the ICAI and disclosure under regulation 25(8) of SEBI SEBI Regulations are made as under:

a) The following are the related parties by control with whom transaction have been entered during the period:

- Investment Manager: IL&FS Infra Asset Management Limited
- Trustee: IL&FS AMC Trustee Limited
- Sponsor: IL&FS Investment Managers Limited (IL&FS Financial Services Limited till December 31, 2017)

b) Details of transactions during the year:

IL&FS Infrastructure Debt Fund Series	2A		2B		2C	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Management Fees	1,66,25,328	1,20,21,955	2,95,81,525	2,50,40,084	2,39,46,892	2,16,44,443
Trusteeship Fees	1,73,186	1,25,232	3,08,151	2,60,839	2,49,455	2,25,468





c) Year-end Payables/Receivables:

IL&FS Infrastructure Debt Fund Series	2A		2B		2C	
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Payable</b>						
Management fees payable	17,00,918	11,64,233	28,96,700	24,08,260	22,84,228	20,74,051
Trusteeship fees payable	17,718	12,128	30,175	25,084	23,795	21,605

(28) Details of Contingent Liabilities/ Investment Commitment are as follows:

Details	March 31, 2024	March 31, 2023
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment	Nil	Nil

\*The allocation between different schemes of the mutual fund will be done by the fund manager

(29) Previous year's figures have been regrouped and /or rearranged wherever necessary, to correspond to figures of current year.

Signature to Notes to Accounts

For Mukund. M. Chitale & Co.  
Chartered Accountants  
Firm Reg. No. 106655W

*Chitale*

S. M. Chitale  
Partner  
M. No.111383



For IL&FS Infra Asset Management Limited

*Nand Kishore*  
Nand Kishore  
Chairman  
DIN: 08267502

*Manoj Borkar*  
Manoj Borkar  
Director  
DIN: 00060698

*Sachin Borkar*  
Sachin Borkar  
Fund Manager

*Neelesh Vernekar*  
Neelesh Vernekar  
CEO

For IL&FS AMC Trustee Limited

*Shekhar Prabhudesai*  
Shekhar Prabhudesai  
Director  
DIN: 08766338

*Aroop Sircar*  
Aroop Sircar  
Director  
DIN: 05309663

Date: 24<sup>th</sup> July 2024  
Place: Mumbai

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of IL&FS AMC Trustee Limited

**Report on the Financial Statements**

**1. Opinion**

We have audited the accompanying financial statements of the following Schemes of **IL&FS Mutual Fund (IDF) – closed ended Debt Schemes** (the "Schemes") which comprise the Balance Sheet as at March 31, 2024, the Revenue Account and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Name of Schemes
IL&FS Infrastructure Debt Fund Series 3B

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the Schemes mentioned above give a true and fair view in conformity with the accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended ( the "SEBI Regulations") :

- In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2024
- In the case of the Revenue Account, of the surplus for the year ended on that date and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**2. Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Schemes in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the financial statements, 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 audit opinion on the financial statements.

**3. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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.



<b>Key Audit Matters</b>	<b>Auditors Response</b>
<b><u>Existence and Valuation of investments</u></b>	
<p>The investments held by the schemes as on March 31, 2024, mainly comprised of Debt instruments.</p> <p>There is a risk of existence of investments and that the fair value of investments is not determined appropriately.</p> <p>Accordingly the existence and valuation of investments is considered as a key audit matter.</p>	<p>We performed the following audit procedures :</p> <ul style="list-style-type: none"> <li>▪ Assessed the design and implementation of controls over existence and valuation of investments.</li> <li>▪ Tested the controls set up by Management on sample basis on existence and valuation of Investments.</li> <li>▪ Traced, the quantity held as per books with the confirmation provided by Custodian as of year end.</li> <li>▪ Tested the valuation of investments on sample basis as per the investment valuation policy approved by the Trustees and with the SEBI Regulations.</li> </ul>

**4. Information other than financial statements and Auditor's report thereon**

The Board of Directors and Management of IL&FS AMC Trustee Limited (the Trustees) and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the other information. The other information comprises the information included in the Trustee's Report but does not include the financial statements and our auditor's report thereon. The Trustee's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

**5. Management's Responsibility for the Financial Statements**

The Board of Directors and Management of IL&FS AMC Trustee Limited (the "Trustee") and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Schemes in accordance with accounting principles generally accepted in India, including the accounting policies standards specified in the Ninth Schedule to the SEBI Regulations. This responsibility includes maintenance of adequate accounting records in accordance with the SEBI Regulations, the design, implementation and maintenance of adequate internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Scheme'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 management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Scheme's financial reporting process.

## **6. Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 financial statements.

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

- i) Identify and assess the risks of material misstatement of the 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.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's 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 Schemes 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 financial statements 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 Schemes to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management, 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 to the Management 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 financial statements of the current year 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.

**7. Report on Other Legal and Regulatory Requirements**

- i) As required by Regulation 55(4) and clause 5(ii)(2) of the Eleventh Schedule of the SEBI Regulations, 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 purpose of our audit;
  - b) The financial statements have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations;
  - c) the Balance Sheet, the Revenue Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account of the Schemes.
- ii) As required by the Eight Schedule of the SEBI Regulations, we report that:
  - a) In our opinion, and on the basis of information and explanations given to us, the methods used to value non-traded securities as at March 31, 2024 are in accordance with the SEBI Regulations and other guidelines approved by the Board of Directors of the Trustee and the AMC, and are fair and reasonable.

For Mukund M. Chitale & Co.  
Chartered Accountants  
Firm Regn. No. 106655W



S. M. Chitale  
Partner  
M. No. 111383




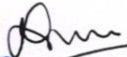
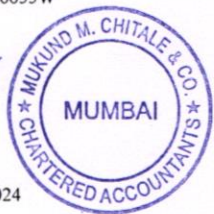
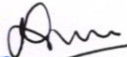

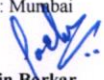
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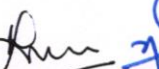

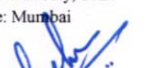
Place: Mumbai

Date: July 24, 2024

IL&FS Mutual Fund (IDF)			
Balance Sheet as at March 31, 2024			
			Amount ₹
IL&FS Mutual Fund (IDF)		Series 3B	
Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>Liabilities</b>			
Unit capital	3	1,53,00,00,000	1,53,00,00,000
Reserves and surplus	4	89,79,68,493	54,98,32,747
Current liabilities and provisions	5	36,16,693	63,50,953
<b>Total</b>		<b>2,43,15,85,186</b>	<b>2,08,61,83,700</b>
<b>Assets</b>			
Investments	6	2,21,67,01,868	1,90,42,69,252
Other Current assets	7	21,48,83,318	18,19,14,448
<b>Total</b>		<b>2,43,15,85,186</b>	<b>2,08,61,83,700</b>
Notes to accounts form an integral part of the Financial Statements 1 to 28			
As per our report attached			
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W		For IL&FS Infra Asset Management Limited	
For IL&FS AMC Trustee Limited			
S. M. Chitale Partner M.No. 111383 Date: 24th July, 2024 Place: Mumbai		Nand Kishore Chairman DIN: 08267502 Date: 24th July, 2024 Place: Mumbai	
		Manoj Borkar Director DIN: 00060698 Date: 24th July, 2024 Place: Mumbai	
		Neelesh Vernekar CEO Date: 24th July, 2024 Place: Mumbai	
		Aroop Sircar Director DIN: 05309663 Date: 24th July, 2024 Place: Mumbai	
		Shekhar Prabhudesai Director DIN: 08766338 Date: 24th July, 2024 Place: Mumbai	
Sachin Borkar Fund Manager Date: 24th July, 2024 Place: Mumbai			



IL&FS Mutual Fund (IDF)			
Revenue Account for the year ended March 31, 2024			
			Amount ₹
IL&FS Mutual Fund (IDF)	Series 3B		
Particulars	Notes	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Income and gains</b>			
Interest income	8	21,37,78,365	16,56,63,841
Other income	9	32,24,577	1,34,07,969
Reversal of NPA Provision	21	15,78,92,803	-
Increase/(Decrease) in unrealised gain in the value of investments		(5,202)	-
<b>Total</b>		<b>37,48,90,543</b>	<b>17,90,71,810</b>
<b>Expenses and losses</b>			
Investment Management fees	10	2,19,00,236	1,91,32,722
GST on Investment Management fees		39,42,043	34,43,889
Trusteeship fees		2,28,135	1,99,304
Investor Education and Awareness Expenses (Refer Note 2(h))		4,56,255	3,98,598
Other Operating expenses		1,04,617	1,64,673
Audit Fees		1,23,511	34,629
Provision for NPA	21	-	-
<b>Total</b>		<b>2,67,54,797</b>	<b>2,33,73,815</b>
<b>Surplus / (Deficit) for the period</b>		<b>34,81,35,746</b>	<b>15,56,97,995</b>
Revenue Reserve brought forward		54,98,32,747	39,41,34,752
<b>Net Surplus transferred to Revenue Reserve</b>		<b>89,79,68,493</b>	<b>54,98,32,747</b>
<b>Refer Note 14 for the total income and expenditure expressed as a percentage of the Average daily net assets</b>			
Notes to accounts form an integral part of the Financial Statements 1 to 28			
As per our report attached			
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W	For IL&FS Infra Asset Management Limited		For IL&FS AMC Trustee Limited
 S. M. Chitale Partner M.No. 111383	 Nand Kishore Chairman DIN: 08267502	 Manoj Borkar Director DIN: 00060698	 Neelesh Vernekar CEO DIN: 05309663
	 Aroop Sircar Director DIN: 08766338	 Shekhar Prabhudesai Director DIN: 08766338	
Date: 24th July, 2024 Place: Mumbai	Date: 24th July, 2024 Place: Mumbai	Date: 24th July, 2024 Place: Mumbai	Date: 24th July, 2024 Place: Mumbai
	 Sachin Borkar Fund Manager Date: 24th July, 2024 Place: Mumbai		

IL&FS Mutual Fund (IDF)			
Cash flow statement for the year ended March 31, 2024			
IL&FS Mutual Fund (IDF)		Series 3B	
Particulars		For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>A. Cashflow from Operating Activities</b>			
Surplus / (Deficit) for the period		34,81,35,746	15,56,97,995
Adjustment for:-			
Reversal of NPA Provision		-	-
Reversal of accrued interest		-	-
Provision for NPA		-	-
Interest Income		-	-
(Increase) / Decrease in unrealised gain in the value of investments		5,202	-
<b>Change in assets and liabilities:</b>			
Adjustments for:-			
Increase in current liabilities and provisions		(29,59,489)	34,75,942
Increase in investments		(31,24,37,818)	(16,39,54,704)
Increase in other current assets		(6,80,34,599)	3,99,15,737
<b>Cash used in Operations</b>	<b>( A )</b>	<b>(3,52,90,958)</b>	<b>3,51,34,970</b>
<b>B Cashflow from Investing activities</b>			
Net cash generated from investing activities	<b>( B )</b>	-	-
<b>C Cashflow from financing activities</b>			
Units issued		-	-
Units Redeemed		-	-
<b>Net cash generated from financing activities</b>	<b>( C )</b>	-	-
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>(3,52,90,958)</b>	<b>3,51,34,970</b>
Cash and cash equivalents at the beginning of the year		3,91,02,688	39,67,718
Cash and cash equivalents at the end of the period		<b>38,11,730</b>	<b>3,91,02,688</b>
<b>Note</b>			
Cash and bank balance as per Note No 7		49,17,629	3,99,83,358
Less:- Cash and bank balance earmarked for Investor Education and Awareness		11,05,899	8,80,670
Less:- Cash and bank balance earmarked for Triparty Repo		-	-
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		<b>38,11,730</b>	<b>3,91,02,688</b>
Notes to accounts form an integral part of the Financial Statements 1 to 28 As per our report attached			
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W		For IL&FS Infra Asset Management Limited	
For IL&FS AMC Trustee Limited			
 <b>S.M.Chitale</b> Partner M.No. 111383 Date: 24th July, 2024 Place: Mumbai		 <b>Nand Kishore</b> Chairman DIN: 08267502 Date: 24th July, 2024 Place: Mumbai	
		 <b>Manoj Borkar</b> Director DIN: 00060698 Date: 24th July, 2024 Place: Mumbai	
		 <b>Neelesh Vernekar</b> CEO Date: 24th July, 2024 Place: Mumbai	
		 <b>Aroop Sircar</b> Director DIN: 05309663 Date: 24th July, 2024 Place: Mumbai	
		 <b>Shekhar Prabhudesai</b> Director DIN: 08766338 Date: 24th July, 2024 Place: Mumbai	
		 <b>Sachin Borkar</b> Fund Manager Date: 24th July, 2024 Place: Mumbai	



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### (1) Background

IL&FS Mutual Fund (IDF) ('the Fund') has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 with IL&FS Financial Services Limited ("IFIN") as the Sponsor, IL&FS Infra Asset Management Limited as the Investment Manager and IL&FS AMC Trustee Limited as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908 on January 21, 2013 and amended through Deed of amendment on September 5, 2013. The Investment Management Agreement between IL&FS Infra Asset Management Limited (the AMC), IL&FS AMC Trustee Limited (the Trustee) and the trust was executed on January 21, 2013 and amended on September 5, 2013. The Fund has been registered with SEBI on February 1, 2013 under Registration Code MF/072/13/02. With effect from January 1, 2017, sponsor of the Fund was changed from IFIN to IL&FS Investment Managers Limited ("IIML"), consequently Trust Deed and Investment Management Agreement were amended on January 16, 2017.

IL&FS Infrastructure Debt Fund Series 3A is a closed ended Scheme for 5 Years. The scheme was launched in January, 2018 and units were allotted on February 01, 2018. Series 3A is matured on 31<sup>st</sup> January 2023 and redemption value is paid in full to the investors

IL&FS Infrastructure Debt Fund Series 3B is a closed ended Scheme for 7 Years. The scheme was launched in April, 2018 and units were allotted on May 07, 2018. Units are having face value of ₹ 10,00,000 and are fully paid-up. The units are listed on the National Stock Exchange of India on May 11, 2018.

The Investment objective of the scheme is to generate income and capital appreciation by investing primarily in infrastructure debt instruments as permitted by SEBI from time to time.

### (2) Significant accounting policies

#### a) Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention, as modified for investments which are stated at fair value at the balance sheet date, on accrual basis of accounting and in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) SEBI Regulations, 1996 as amended (the "SEBI Regulations").

#### b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP), which requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Any revision to accounting estimates is recognized prospectively in current and future periods.

#### c) Investments

##### (i) Basis of accounting

- Transactions for purchase and sale of investments are recorded on trade date. The cost of investments includes all costs incurred in acquiring the investments and incidental to acquisition of investments. Any front end-discount on privately placed investments is reduced from the cost of such investments.



- Broken period interest paid/received is not included in the cost of purchase of investments.

(ii) Valuation

- The valuation of investment is based on the guiding principles of fair valuation.
- Where it is observed that Valuation methodology mentioned below, does not lead to fair valuation of securities, Valuation Committee may on a prospective basis deviate from the defined methodology and adopt such alternate procedures / methods in conformance with the guiding principles of fair valuation in good faith to arrive at the true and fair estimation of the realizable value of the security. The rationale for any such deviations is recorded in writing and placed before the Board of Directors of the AMC and the Trustee.
- Valuation of the Security; arrived as per the policy; shall be applied consistently across the portfolios. In other words; any particular security is valued at same basis across all the portfolios and it cannot have different base for valuation on a particular day.

**VALUATION METHODOLOGIES**

- Debt, Money Market and related securities - All debt, money market and related securities. Infrastructure Debt Fund (IDF) is a close ended fund, it does not do marked-to-market valuation of securities and all its investments are held to maturity. It also does not trade its investments. There is no risk matrix available for the kind of investment that IDF invests in.

In view of above and the illiquid nature of infrastructure debt securities, having minimal or no secondary market, the valuation of infrastructure debt securities is done on a current effective yield basis (face value of security plus interest accrued).

Considering that IDF does not trade its investments, all money market instruments and other debt securities are valued on a current effective yield basis (face value of security plus interest accrued).

- **Valuation of money market and debt securities which are rated below investment grade:**

IDF accounts for actual return received on investments across its schemes in calculating the NAV, as long as the investments are standard and continue to service their debt obligations.

There is no mark-down as long as servicing in respect of the investments is being done on time.

In case of mark-down of investments, the same is undertaken in accordance with regulations and specific details of the investment.

- **Investment in Reverse Repo, Collateralized Borrowings and Lending Obligations (CBLO), Tri-Party Repo (TREPS) and Bills Rediscounting (BRDS):**

Investment in Reverse Repo's, CBLO's, TREPS and BRDS are valued at cost plus accrued interest.

**d) Revenue recognition**

Interest income is recorded on a period proportionate basis.

Profit or loss on sale / redemption of investments represents sale proceeds less weighted average cost and is recognised on a trade date basis.





Transfer of Investments from one scheme to another scheme is made as per the valuation policy in conformity with the investment objective of the scheme to which such transfer has been made.

**e) Expenses**

The total expense ratio charged to scheme are within the limits prescribed under Regulation 52 of the SEBI (Mutual Funds) SEBI Regulations, 1996.

All expenses identifiable with any particular scheme are accounted on an accrual basis. Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to the number of folios in the schemes or Average Assets under management (AAUM), whichever is more appropriate.

**f) Computation of Net Asset Value (NAV)**

The NAV of a scheme is computed separately for units issued under the various options of the relevant plans of the IL&FS Infrastructure Debt Fund Series 3B, although the corresponding scheme's investments and other net assets are managed as a single portfolio. For computing the NAV for various plans/options, daily income earned, including realized and unrealized gains or losses in the value of investments and expenses incurred by the corresponding scheme are allocated to the plans/options in proportion to the net assets of each plan/option.

**g) Investor Education and Awareness Expenses**

In compliance with SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012; the scheme has charged 0.02 % of daily net assets within the maximum limit of total expense ratio as per the SEBI Regulations for investor education and awareness initiatives. Pursuant to the letter dated January 8, 2016, issued by SEBI to AMFI mandating all members to transfer 50% of the Investor Education and Awareness fund balance as at March 31, 2016 and from April 1, 2016 onwards, 50% of the 0.02% of daily net assets aside by the Mutual fund, accordingly the fund has transferred 50% of opening balance and additions for current year to AMFI. The balance amounts are utilized towards investor education and awareness initiative taken by the Mutual Fund/AMC. Allocation for utilization is done in different schemes based on the available balance in each scheme.

**h) Load**

Pursuant to SEBI circular no SEBI/IMD/CIR NO .4/168230/09 dated June 30, 2009, no entry load is charged.



### 3 Unit Capital

IL&FS Mutual Fund (IDF)	Series 3B			
	As at March 31, 2024		As at March 31, 2023	
	Units Nos.	Amount ₹	Units Nos.	Amount ₹
<b>Initial Capital Issued and subscribed:</b>				
Units of ₹ 10,00,000				
Direct Plan - Growth	1,470.00	1,47,00,00,000	1,470.00	1,47,00,00,000
Regular Plan - Growth	-	-	-	-
Direct Plan - Dividend	60.00	6,00,00,000	60.00	6,00,00,000
<b>Paid-Up:</b>				
Direct Plan - Growth Face Value ₹ 10,00,000				
Units at beginning of the period	1,470.00	1,47,00,00,000	1,470.00	1,47,00,00,000
Money called during the period				
Units Redeemed during the period				
Units outstanding at end of the period	1,470.00	1,47,00,00,000	1,470.00	1,47,00,00,000
Regular Plan - Growth Face Value ₹ 10,00,000				
Units at beginning of the period	-	-	-	-
Money called during the period	-	-	-	-
Units outstanding at end of the period	-	-	-	-
Direct Plan - Dividend Face Value ₹ 10,00,000				
Units at beginning of the period	60.00	6,00,00,000	60.00	6,00,00,000
Money called during the period				
Units outstanding at end of the period	60.00	6,00,00,000	60.00	6,00,00,000
<b>Unit Capital at the end of the period</b>	<b>1,530.00</b>	<b>1,53,00,00,000</b>	<b>1,530.00</b>	<b>1,53,00,00,000</b>





#### 4 Reserves and surplus

Amount ₹

IL&FS Mutual Fund (IDF)		Series 3B	
Particulars	As at March 31, 2023	As at March 31, 2023	
<b>Revenue Reserve</b>			
At the beginning of the period	54,98,32,747		39,41,34,752
Transferred to Revenue account	(54,98,32,747)		(39,41,34,752)
Surplus transferred from Revenue account	89,79,68,493		54,98,32,747
Premium paid on redemption			
<b>At the end of the year</b>	<b>89,79,68,493</b>		<b>54,98,32,747</b>

Amount ₹

<b>Reserves and surplus for each option:-</b>		
Direct Plan - Growth	86,27,54,042	52,82,70,678
Direct Plan - Dividend	3,52,14,451	2,15,62,069
Regular Plan - Growth	-	-
<b>Total</b>	<b>89,79,68,493</b>	<b>54,98,32,747</b>

\* The reserves and surplus are allocated between growth and dividend option in proportion of the number of units outstanding against each option.



5 Current liabilities and provisions

		Amount ₹
IL&FS Mutual Fund (IDF)	Series 3B	
Particulars	As at March 31, 2024	As at March 31, 2023
Creditors for		
-Investment Management fee payable	21,25,309	18,24,851
-Trustee fee payable	22,139	19,009
-Other payable*	12,59,940	9,50,500
Income received in advance	-	33,70,552
Statutory dues	2,09,305	1,86,041
<b>Total</b>	<b>36,16,693</b>	<b>63,50,953</b>

\* Other payable includes audit fees, internal audit fees, custody fees etc for previous year.





## 6 Investments

IL&FS Mutual Fund (IDF)	Amount ₹			
	Series 3B			
	As at March 31, 2024		As at March 31, 2023	
Particulars	Cost	Market / Fair Value	Cost	Market / Fair Value
Non Convertible Debentures Listed On Recognised Stock Exchange	79,51,48,531	79,62,50,452	58,51,08,493	58,51,08,493
Non Convertible Debentures-Privately Placed	1,42,15,58,539	1,42,04,51,416	1,31,91,60,759	1,31,91,60,759
Money Market Instruments	-	-	-	-
<b>Total</b>	<b>2,21,67,07,070</b>	<b>2,21,67,01,868</b>	<b>1,90,42,69,252</b>	<b>1,90,42,69,252</b>

### Notes:-

- Investments are stated inclusive of interest accrued but not due
- Refer Note 17 - For details of Investments



7 Other Current assets

Amount ₹		
IL&FS Mutual Fund (IDF)	Series 3B	
Particulars	As at March 31, 2024	As at March 31, 2023
Balances with a bank in current account* (Refer Note 2(h))		
- Current Accounts	38,11,730	3,91,02,688
- IEAP Accounts	11,05,899	8,80,670
- Triparty Repo Accounts	-	-
Triparty Repo**	20,87,12,229	14,11,07,935
Triparty REPO margin	12,53,460	8,23,155
<b>Total</b>	<b>21,48,83,318</b>	<b>18,19,14,448</b>

\* Certain bank accounts of the Scheme are held in the name of the Fund.

\*\* Triparty repo is registered in the name of the Fund.

8 Interest Income

Amount ₹		
IL&FS Mutual Fund (IDF)	Series 3B	
Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
On Investment in Non Convertible Debentures	18,60,16,741	13,61,33,382
On Certificate of Deposits	-	67,54,378
On Triparty Repo Margin	98,141	1,07,333
On Reverse Repo/Triparty Repo	2,76,63,483	2,26,68,748
<b>Total</b>	<b>21,37,78,365</b>	<b>16,56,63,841</b>

9 Other Income

Amount ₹		
IL&FS Mutual Fund (IDF)	Series 3B	
Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Misc Income	32,24,577	1,34,07,969
<b>Total</b>	<b>32,24,577</b>	<b>1,34,07,969</b>





(10) **Investment Management fees**

The Schemes have paid or provided for investment management fees in accordance with the agreement with the AMC as amended from time to time and the Scheme Information Documents read with Statement Additional Information. For the current period, the Schemes have accrued Investment Management Fees at the rate of 0.96% (excluding GST) for Direct Plan (Growth & Dividend Payout) and 0.96% (excluding GST) for Regular Plan (Growth) of average daily net assets (AAUM) as follows:

(Amount in ₹)

Infrastructure Debt Fund Series	AAUM for the Year ended March 31, 2024	Management Fees for the Year ended March 31, 2024	AAUM for the Year ended March 31, 2023	Management Fees for the Year ended March 31, 2023
Series 3B	2,28,12,73,812	2,19,00,236	1,99,29,91,285	1,91,32,722

(11) **Trusteeship fees**

The schemes have paid or provided for trustee fees in accordance with the agreement with the Trustee as amended from time to time and the Scheme Information Documents read with Statement of Additional Information. The Trustee is entitled to receive such fee up to an annual rate of 0.01% of the scheme's average daily net assets.

(12) **Custodian fees**

HDFC Bank Limited provides custodian services to the schemes for which it receives custodian fees as per the terms of the custodian agreement.

(13) **Other Expenses**

Other expenses consist of internal audit fees, bank charges and CCIL charges, SEBI charges, etc.

(14) **Income/Expenditure**

The total income and expenditure as a percentage of the Average daily net assets are as follows:

**For the year ended March 31, 2024**

Infrastructure Debt Fund	Income		Expense Ratio	
	Amount ₹	% to AAUM	Amount ₹	% to AAUM
Series 3B	37,48,90,543	16.43%	2,67,54,797	1.17%

**For the year ended March 31, 2023**

Infrastructure Debt Fund	Income		Expense Ratio	
	Amount ₹	% to AAUM	Amount ₹	% to AAUM
Series 3B	17,90,71,810	8.99%	2,33,73,815	1.17%

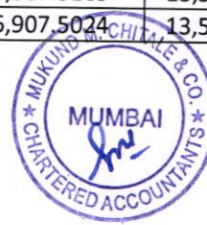
(15) **Income tax**

No income tax provision has been made as the schemes qualify as a recognized Mutual Fund under section 10 (23D) of the Income-tax Act, 1961 and the Direct Tax Laws (Amendment) Act, 1988.

(16) **Net Asset Value per unit**

(Amount ₹)

Infrastructure Debt Fund	Plan	Face Value	As at March 31, 2024	As at March 31, 2023
Series 3B- Direct	Growth	10,00,000	15,86,907.5169	13,59,367.8125
	Dividend	10,00,000	15,86,907.5024	13,59,367.8007



(17) Portfolio holding as at year end are as follows:

As at March 31, 2024

Mar-24			
IL&FS Infrastructure Debt Fund	Series 3B		
Particulars	Fair value (Amount ₹)	% to Net Assets	% to Category Total
<b>Non Convertible Debentures Listed On Recognized Stock Infrastructure Sector</b>			
Kanchanjunga Power Company Pvt Ltd	2,50,00,000	1.03%	3.14%
Inox Wind Limited	25,00,00,000	10.30%	31.40%
Emami Frank Ross Limited	8,00,00,000	3.29%	10.05%
Bhilangana Hydro Power Limited	8,00,00,000	3.29%	10.05%
Bharti Hexacom Limited	15,79,15,320	6.50%	19.83%
Tata Realty and Infrastructure Limited	20,33,35,132	8.37%	25.54%
<b>A</b>	<b>79,62,50,452</b>	<b>32.79%</b>	<b>100.00%</b>
<b>Non Convertible Debentures Privately Placed Infrastructure Sector</b>			
Resco Global Wind Services Pvt Ltd	57,89,59,096	23.85%	40.76%
DBL Infratech Private Ltd	50,00,00,000	20.59%	35.20%
Utkarsh Trading & Holdings Ltd	3,00,00,000	1.24%	2.11%
Shrem Infra Invest Pvt Ltd	21,14,92,320	8.71%	14.89%
Emami Frank Ross Limited	10,00,00,000	4.12%	7.04%
<b>B</b>	<b>1,42,04,51,416</b>	<b>58.50%</b>	<b>100.00%</b>
<b>Total Investments (A+B)</b>	<b>2,21,67,01,868</b>	<b>91.30%</b>	
<b>Net Current Assets</b>	<b>21,12,66,625</b>	<b>8.70%</b>	
<b>Net Assets</b>	<b>2,42,79,68,493</b>	<b>100.00%</b>	

Note 1. 100% provision has been made for Investment in IL&FS Wind Energy Limited in Scheme 3B. Refer note no. 21 and 22.





As at March 31, 2023

Mar-23			
IL&FS Infrastructure Debt Fund	Series 3B		
Particulars	Fair value (Amount ₹)	% to Net Assets	% to Category Total
<b>Non Convertible Debentures Listed On Recognised Stock Exchange</b>			
<b>Infrastructure Sector</b>			
Kanchanjunga Power Company Private Ltd	2,50,00,000	1.20%	4.27%
Inox Wind Limited	25,00,00,000	12.02%	42.73%
Bhilangana Hydro Power Ltd	8,00,00,000	3.85%	13.67%
Emami Frank Ross Limited	8,00,00,000	3.85%	13.67%
The Bombay Burmah Trading Corporation Ltd	15,01,08,493	7.22%	25.65%
<b>A</b>	<b>58,51,08,493</b>	<b>28.13%</b>	<b>100.00%</b>
<b>Non Convertible Debentures Privately Placed</b>			
<b>Infrastructure Sector</b>			
AMRI Hospitals Ltd	13,64,88,601	6.56%	10.35%
Shrem Infra Structure Private Limited	37,76,72,158	18.16%	28.63%
Kanchanjunga Power Company Private Ltd	2,50,00,000	1.20%	1.90%
Emami Frank Ross Limited	10,00,00,000	4.81%	7.58%
Clean Max En Energy Solution Private Ltd	15,00,00,000	7.21%	11.37%
Utkarsh Trading & Holdings Ltd	3,00,00,000	1.44%	2.27%
DBL Infratech Private Ltd	50,00,00,000	24.04%	37.90%
<b>B</b>	<b>1,31,91,60,759</b>	<b>63.43%</b>	<b>100.00%</b>
<b>Total Investments (A+B)</b>	<b>1,90,42,69,252</b>	<b>91.56%</b>	
Net Current Assets	17,55,63,495	8.44%	
<b>Net Assets</b>	<b>2,07,98,32,747</b>	<b>100.00%</b>	

Note 1. 100% provision has been made for Investment in Babcock Borsig Limited in Scheme 3A and IL&FS Wind Energy Limited in Scheme 3A and 3B. Refer note no. 21 and 22.

**(18) Aggregate value of purchases and sales/ Redemption/Repayment**

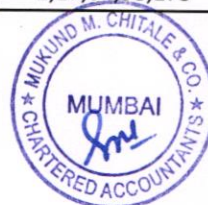
The aggregate value of investments purchased and sold (including redeemed) during the period and expressed as percentage of daily average net assets are as follows:

**For the Year ended March 31, 2024**

IL&FS Infrastructure Debt Fund	Aggregate value of Purchase (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales/Redemptions (Amount ₹)	Percentage of Average Net Assets
Series 3B	1,02,80,99,177	45.07%	72,64,88,601	31.85%

**For the Year ended March 31, 2023**

IL&FS Infrastructure Debt Fund	Aggregate value of Purchase (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales/Redemptions (Amount ₹)	Percentage of Average Net Assets
Series 3B	1,36,50,00,000	68.49%	1,17,64,58,175	59.03%





**(19) Aggregate Fair value of Non-Traded Investments**

- i. The aggregate fair value of non-traded investments, valued in 'good faith' by the Investment Manager on the basis of the valuation principles laid down by SEBI as on 31<sup>st</sup> March 2024: NIL (As on 31<sup>st</sup> March 2023: Nil)
- ii. The aggregate fair value of debt securities which have been valued at the price other than the price given by the independent valuation agencies is as follows –  
(Amount ₹)

Infrastructure Debt Fund	As at March 31, 2024	Percentage of Net Assets	As at March 31, 2023	Percentage of Net Assets
Series 3B	2,21,67,01,868	91.30%	1,90,42,69,252	91.56%

**(20) Investment in the Securities of the Sponsors and Group Companies of the Sponsors**

The Company has following investment in the securities of group companies of the sponsors as at 31<sup>st</sup> March 2024.: NIL

The Company has following investment in the securities of group companies of the sponsors as at 31<sup>st</sup> March 2023: NIL

**(21) IL&FS IDF invested in Zero Coupon NCDs amounting to Rs. 2,000 million issued by IWEL in September 2016.**

Pursuant to rating downgrade of IWEL, IL&FS IDF had sought pre-payment of the NCDs from IWEL.

The entire value of NCDs of IL&FS Wind Energy Ltd (IWEL) had been provided for, as a conservative valuation approach, as on 30 September 2021 as the NCDs had fallen due.

After series of legal actions, IDF has received Rs. 252.63 crores against admitted claim of Rs. 254.66 crores. IDF has received ~99% of its admitted claims in July 2023 as per interim distribution by IWEL from the proceeds received by IWEL from the sale of its wind SPVs to ORIX. Accordingly, IDF has filed for withdrawal of its case from Hon'ble Supreme Court given the substantial extent of recovery made in the account.

IDF has accounted the Income from amount recovered in its books of accounts to the extent of recovery amounting to Rs. 15,78,92,803/-.

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in IWEL. Summary of provisions made and recovery during the year ended March 31, 2024 & March 31, 2023 is as given below:

March 31, 2024

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
3B	15,82,57,304	-	15,78,92,803	3,64,501





March 31, 2023

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
3B	15,82,57,304	-	-	15,82,57,304

Summary of provisions (across investments) made during the year ended March 31, 2024 is given below:

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
3B	15,82,57,304	-	15,78,92,803	3,64,501

Summary of provisions (across investments) made during the year ended March 31, 2023 is given below:

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
3B	15,82,57,304	-	-	15,82,57,304

- (22) SEBI Regulations specify the percentage of expenses that can be charged to schemes of mutual fund. Accordingly, IDF has not charged full Audit fee (Booked only upto available limit rest borne by Asset Management Company) to the schemes. Also, certain other operating expenses are charged to the schemes up to the permissible limit, and any excess amounts have been borne by the Asset Management Company.
- (23) There are no unpaid redemption and unclaimed dividend as at March 31, 2024 (P.Y. Nil).
- (24) (a) There are no unit holders holding over 50% of the net assets in the Schemes as at the Balance Sheet dates.
- (b) There are no amounts to be disclosed as required under SEBI Regulation 25 (11) as the Schemes have not made any investments in the Companies or their Subsidiaries which have invested more than 5% of the Net Asset Value for the period April 1, 2023 to March 31, 2024.
- (25) **Related party disclosure and disclosure under regulation 25(8) of SEBI Regulations**  
 Related party disclosures pursuant to Accounting Standard 18 "Related Party disclosure" issued by the ICAI and disclosure under regulation 25(8) of SEBI Regulations are made as under:
- a) The following are the related parties by control with whom transaction have been entered during the period:
- Investment Manager: - IL&FS Infra Asset Management Limited
  - Trustee: - IL&FS AMC Trustee Limited
  - Sponsor: - IL&FS Investment Managers Limited



(Amount ₹)

IL&FS Infrastructure Debt Fund Series	Series 3B	
Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Management fees	2,19,00,236	1,91,32,722
Trusteeship fees	2,28,135	1,99,304

b) Period-end payables/Receivables:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	Series 3B	Series 3B
Particulars	As at March 31, 2024	As at March 31, 2023
Management Fees Payable	21,25,309	18,24,851
Trusteeship Fees Payable	22,139	19,009

(26) Contingent Liabilities/ Investment Commitment details are as under

(Amount ₹)

Details	March 31, 2024	March 31, 2023
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment	Nil	Nil

\*The allocation between different schemes of the mutual fund will be done by the fund manager.

(27) Segment reporting

The Mutual fund is engaged in business of investing amounts received from investors as unit capital, in accordance with their investment objectives to generate returns. The Investment objective of the scheme is to generate income and capital appreciation by investing primarily in infrastructure debt. Since there is only one business segment and no geographical segments, the segmental reporting disclosures as required by Accounting Standard - 17 "Segment Reporting" have not been made.






(28) Previous year's figures have been regrouped and /or rearranged wherever to correspond to figures of current year.

Signature to Notes to Accounts


For Mukund. M. Chitale & Co.  
Chartered Accountants  
Firm Reg. No. 106655W

  
S. M. Chitale  
Partner  
M. No.111383




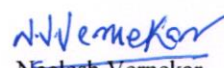
For IL&FS Infra Asset Management Limited

  
Nand Kishore  
Chairman  
DIN: 08267502

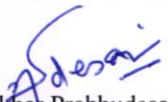
  
Manoj Borkar  
Director  
DIN: 00060698

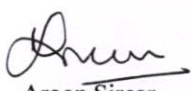
S.

  
Sachin Borkar  
Fund Manager

  
Neelish Vernekar  
CEO

For IL&FS AMC Trustee Limited

  
Shekhar Prabhudesai  
Director  
DIN: 08766338

  
Aroop Sircar  
Director  
DIN: 05309663

Date: 24<sup>th</sup> July 2024  
Place: Mumbai