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

Dear Unitholders,

We have pleasure in presenting the 13th (Thirteenth) Annual Report of the Schemes of IL&FS Mutual Fund (IDF) for the year ended March 31, 2026, 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.

(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, 8th 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,

The IL&FS Financial Centre, 7th Floor, Plot C-22, G-Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051, INDIA
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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, 8th 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.

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 June 26, 2024. Post conversion, all units have been listed on the National Stock Exchange (NSE).

Now the scheme tenure has commenced and the maturity date of the schemes will be June 26, 2029- Scheme 2A, June 26, 2032- Scheme 2B and June 26, 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.

Series 3B completed 7 (Seven) years of its tenure on May 6, 2025. IL&FS Infrastructure Debt Fund Series 3B was successfully redeemed on its maturity date.

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 appointed by the Board of Directors of the AMC Company and other three members of the Committee are the CEO of AMC, Chief Investment Officer cum Fund Manager (CIO) of the AMC and Independent Director of the Company 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.

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:

At the beginning of the financial year 2025-26, **IL&FS Infrastructure Debt Fund had 4 schemes, Series 2-A, 2-B and 2-C and Series 3-B.** Series 3B was successfully redeemed on its maturity date on May 6, 2025. Presently, the Schemes of IL&FS IDF are as mentioned below:

IL&FS Infrastructure Debt Fund – Series 2-A, 2-B and 2-C - with minimum tenure of 5, 8 and 12 years respectively.

(a) **Series 3-B** was with minimum tenure of 7 years has been since redeemed.

(b) **Series 2-A, 2-B and 2-C** – has a 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 March 31, 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 June 26, 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.

The performance of these schemes since inception is given below as on March 31, 2026:

Scheme Name	Last 1 year		Last 3 year		Last 5 year		Since inception	
	Scheme return	**Bench mark ***	**cheme retur**	**Bench mark ***	**Scheme return**	**Bench mark ***	**Scheme return**	**Bench mark ***
IDF Series 2A	7.84%	3.58%	19.23%	6.84%	12.40%	5.75%	6.27%	7.28%
IDF Series 2B	7.76%	3.58%	12.13%	6.84%	10.10%	5.75%	8.87%	7.28%
IDF Series 2C	8.20%	3.58%	9.17%	6.84%	8.75%	5.75%	8.73%	7.28%

***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.

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.

(c) **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 2 years, 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.

At the beginning of the year under review the fund had 4 schemes, Scheme 2A, 2B, 2C and 3B. Scheme 3B was redeemed in May 2025 and Rs. 261.85 crores were returned to the investors. The Fund as on March 31, 2026 had AUM of Rs. 919.61 crore on across 3 (three) schemes namely Scheme 2A, 2 B, 2C. The AUM of the fund as on June 30, 2026 was Rs. 942.84 crores.

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.

(d) **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 2025 to March 2026 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, 2026:

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, 2026.

(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) 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

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))

Mr. Shekhar Prabhudesai	**Mr. Aroop Sircar**
Director	**Director**
DIN: 08766338	**DIN: 05309663**
Place: Mumbai	Place: Mumbai

IL&FS Mutual Fund (IDF)

Date: July 28, 2026

Annexure 1

Redressal of Complaints received during		2025-2026										
Name of the Mutual Fund		IL&FS Mutual Fund (IDF)										
Total Number of Folios		19										
Complaint code	Type of complaint#	(a) No. of complaints pending at the beginning of the year	Action on (a) and (b)									
			(b) No of complaints received during the year	Resolved				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
I B	Interest on delayed payment of Dividend	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
I D	Interest on delayed payment of Redemption	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
II B	Discrepancy in Statement of Account	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
II D	Non receipt of Annual Report/Abridged Summary	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
III B	Unauthorized switch between Schemes	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
III D	Wrong or excess charges/load	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
IV	Others **	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

IL&FS Mutual Fund (IDF)

MUKUND
M. CHITALE
& CO.
CHARTERED
ACCOUNTANTS

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Paranjape B Scheme
Road No.1, Vile Parle (E),
Mumbai 400057
T: 91 22 4663 3500
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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, 2026, 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") :

a) In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2026
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. 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
Existence and Valuation of investments	
The investments held by the schemes as on March 31, 2026, mainly comprised of Debt instruments. There is a risk of existence of investments and that the fair value of investments is not determined appropriately. Accordingly, the existence and valuation of investments is considered as a key audit matter.	We performed the following audit procedures: ▪ Assessed the design and implementation of controls over existence and valuation of investments. ▪ Tested the controls set up by Management on sample basis on existence and valuation of Investments. ▪ Traced, the quantity held as per books with the confirmation provided by Custodian as of year end. ▪ Tested the valuation of investments on sample basis as per the investment valuation policy approved by the Trustees and with the SEBI Regulations.

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, 2026 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

Chitale

S. M. Chitale
Partner
M. No. 111383

UDIN: 26111383DMZQUN6332
Place: Mumbai
Date: July 28, 2026

IL&FS Mutual Fund (IDF)

Balance sheet as at March 31, 2026

Amount ₹

IL&FS Mutual Fund (IDF)	Notes	Series 2A		Series 2B		Series 2C	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Liabilities							
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	1,26,87,50,000
Reserves and surplus	4	1,06,70,98,925	90,35,94,885	2,29,65,79,680	2,01,76,40,925	1,80,74,74,948	1,57,43,25,970
Current liabilities and provisions	5	40,27,186	32,76,348	62,22,552	56,27,346	49,85,596	45,00,325
Total		2,25,23,76,111	2,08,81,21,233	3,87,78,02,232	3,59,82,68,271	3,08,12,10,544	2,84,75,76,295
Assets							
Investments	6	2,18,57,89,222	1,33,08,16,774	3,68,96,13,880	3,27,64,62,047	2,88,02,86,105	2,80,02,30,654
Other Current assets	7	6,65,86,889	75,73,04,459	18,81,88,352	32,18,06,224	20,09,24,439	4,73,45,641
Total		2,25,23,76,111	2,08,81,21,233	3,87,78,02,232	3,59,82,68,271	3,08,12,10,544	2,84,75,76,295

Notes to accounts form an integral part of the Financial Statements 1 to 29

As per our report of even date

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

S.M.Chitale
Partner
M.No. 111383

Date: 28th July 2026
Place: Mumbai

MUKUND M CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

For IL&FS Infra Asset Management Limited

Manish Pathak
Director
DIN: 08431492
Place: Mumbai

Viswanath Giriraj
Director
DIN: 01182899
Place: Mumbai

Neelesh Vernekar
CEO
Place: Mumbai

Sachin Borkar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Vishwanathan Krishnan
Director
DIN: 02376931
Place: Mumbai

Shekhar Prabhudesai
Director
DIN: 08766338
Place: Mumbai

IL&FS Mutual Fund (IDF)

Statement of Income and Expenditure for the year ended 31st March 2026

Amount ₹

IL&FS Mutual Fund (IDF)	Notes	Series 2A		Series 2B		Series 2C	
		For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Income and gains							
Interest Income	8	15,88,49,465	14,52,00,411	38,79,97,178	31,46,59,559	25,95,14,780	25,92,65,948
Profit on sale/redemption of Investments (other than inter-scheme transfers)		-	-	-	3,67,200	-	-
Other income	9	97,50,000	-	87,75,600	-	50,25,000	9
Reversal of NPA Provision	22	2,06,02,314	2,46,38,070	78,07,334	92,89,166	48,23,107	58,01,229
Increase/(Decrease) in unrealised gain in the value of investments		12,82,328	(6,47,506)	28,19,303	(18,52,540)	(1,00,815)	(2,88,365)
Total		19,04,84,107	16,92,80,975	32,73,98,815	32,24,63,385	26,92,62,072	26,47,78,821
Expenses and losses							
Investment Management fees	10	2,08,02,032	1,93,64,709	3,58,48,051	3,31,74,790	2,84,33,701	2,61,96,646
GST on Investment Management fees		37,44,366	34,85,648	64,52,649	59,71,462	51,18,066	47,15,396
Loss on sale/redemption of Investments (other than inter-scheme transfers)		15,66,910	25,64,900	46,65,680	-	13,76,580	3,85,450
Trusteeship fees		2,16,695	2,01,722	3,73,429	3,45,582	2,96,194	2,72,890
Investor Education and Awareness Expenses (Refer Note 2(h))		4,33,376	4,03,431	7,46,834	6,91,141	5,92,369	5,45,764
Custody Charges		-	-	-	-	-	-
Other Operating expenses		1,42,181	96,982	2,44,107	1,63,757	1,92,560	1,28,834
Audit Fees		74,507	1,04,734	1,29,310	1,81,815	1,03,624	1,44,047
Total		2,69,80,067	2,62,22,126	4,84,60,060	4,05,28,547	3,61,13,094	3,23,89,027
Expenses recoverable from the Asset Management Company		-	-	-	-		
Total		2,69,80,067	2,62,22,126	4,84,60,060	4,05,28,547	3,61,13,094	3,20,03,577
Surplus / (Deficit) for the year		16,35,04,040	14,29,78,849	27,89,38,755	28,19,34,838	23,31,48,978	23,23,89,794
Revenue Reserve brought forward		90,35,94,885	76,06,16,036	2,01,76,40,925	1,73,57,06,087	1,57,43,25,970	1,34,19,36,176
Net Surplus / (Deficit) transferred to Revenue Reserve		1,06,70,98,925	90,35,94,885	2,29,65,79,680	2,01,76,40,925	1,80,74,74,948	1,57,43,25,970
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 1 to 29

As per our report of even date

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

S.M.Chitale
Partner
M.No. 111383

Date: 28th July 2026
Place: Mumbai

MUKUND M CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

For IL&FS Infra Asset Management Limited

Manish Pandey
Director
DIN: 08431492
Place: Mumbai

Viswanath Giriraj
Director
DIN: 01182999
Place: Mumbai

Neelesh Vernekar
CEO
Place: Mumbai

Sachin Dugar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Vishwanathan Krishnan
Director
DIN: 02376931
Place: Mumbai

Shekhar Prabhudesai
Director
DIN: 08766338
Place: Mumbai

		IL03		IL04		IL05	

IL&FS Mutual Fund (IDF)

Cash flow statement

Amount ₹

IL&FS Mutual Fund (IDF) Particulars		Series 2A For the Year ended March 31, 2026	Series 2A For the Year ended March 31, 2025	Series 2B For the Year ended March 31, 2026	Series 2B For the Year ended March 31, 2025	Series 2C For the Year ended March 31, 2026	Series 2C For the Year ended March 31, 2025
A. Cash flow from Operating Activities							
Surplus / (Deficit) for the year		16,35,04,040	14,29,78,849	27,89,38,755	28,19,34,838	23,31,48,978	23,23,89,794
Adjustment for:-							
Reversal of NPA Provision		-	-	-	-	-	-
Reversal of accrued interest		-	-	-	-	-	-
Provision for NPA		-	-	-	-	-	-
Change in assets and liabilities:							
Increase in current liabilities and provisions		7,50,839	3,55,339	5,95,205	6,39,423	4,85,271	5,10,580
Decrease/(Increase) in investments		(85,49,72,449)	45,09,56,897	(41,31,51,833)	(21,53,24,168)	(8,00,55,451)	(40,08,80,885)
(Increase)/Decrease in other current assets		69,30,70,523	(59,42,88,027)	13,35,61,805	(6,71,58,225)	(15,34,07,406)	16,78,45,914
Cash used in Operations	(A)	23,52,953	3,058	(56,067)	91,868	1,71,392	(1,34,597)
B Cash flow from Investing Activities	(B)	-	-	-	-	-	-
C Cash flow from Financing activities	(C)	-	-	-	-	-	-
Ne Increase/(Decrease) in cash and cash equivalents	(A+B+C)	23,52,953	3,058	(56,067)	91,868	1,71,392	(1,34,597)
Cash and cash equivalents at the beginning of the year		3,258	200	2,22,576	1,30,708	6,928	1,41,525
Cash and cash equivalents at the end of the year		23,56,211	3,258	1,66,509	2,22,576	1,78,320	6,928
Note							
Cash and bank balance as per Note No 7		36,94,243	11,21,580	24,47,334	21,32,351	20,31,084	15,65,489
Less:- Cash and bank balance earmarked for Investor Education and Awareness		13,38,032	11,18,322	22,80,825	19,09,775	18,52,764	15,58,561
Less:- Cash and bank balance earmarked for Triparty repo		-	-	-	-	-	-
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		23,56,211	3,258	1,66,509	2,22,576	1,78,320	6,928

Notes to accounts form an integral part of the Financial Statements — 1 to 29

As per our report of even date

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

MUKUND M. CHITALE & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

S.M.Chitale
Partner
M.No. 111383

Date: 28th July 2026
Place: Mumbai

For IL&FS Infra Asset Management Limited

Manish Pandey
Director
DIN: 08431492
Place: Mumbai

Viswanath Giriraj
Director
DIN: 01182899
Place: Mumbai

Neelesh Vernekar
CEO
Place: Mumbai

Sachin Borkar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Vishwanathan Krishnan
Director
DIN: 02376931
Place: Mumbai

Shekhar Prabhudesai
Director
DIN: 08766338
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 2A, 2B and 2C is a closed ended Scheme for 5 Years, 8 Years and 12 Years respectively. The scheme was launched on March 3, 2014 and units were allotted on April 17, 2015 being the first draw down of the investor commitments. Units when allotted had a face value of Rs. 10, 00,000/-. As there was a partial draw down in the schemes pursuant to the launch, the units were partly paid @ Rs 700,000/- per unit. The units were converted from partly paid to fully paid by capping the unit holders commitment in the series 2 (2 A, 2B and 2C) at the drawn capital. This conversion to fully paid was effected by reducing the number of units on conversion date of 26th June 2024.

The process was completed after receipt of 100% consent from all investors and SEBI. Pursuant to the conversion, the tenor of the schemes have started as 5, 8 and 12 years respectively from the conversion date which was 26th June 2024. The scheme units are listed on NSE.

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.

MUKUND M CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

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 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.

MUKUND M CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

- **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.

MUKUND M CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

3 Unit Capital

IL&FS Mutual Fund (IDF)	Series 2A				Series 2B				Series 2C			
Particulars	As at March 31, 2026		As at March 31, 2025		As at March 31, 2026		As at March 31, 2025		As at March 31, 2026		As at March 31, 2025	
	Units Nos.	Amount ₹	Units Nos.	Amount ₹	Units Nos.	Amount ₹	Units Nos.	Amount ₹	Units Nos.	Amount ₹	Units Nos.	Amount ₹
Initial Capital Issued and subscribed:												
Units of ₹ 10,00,000 Direct Plan - Growth	1,687.50	1,68,75,00,000	1,687.50	1,68,75,00,000	2,250.00	2,25,00,00,000	2,250.00	2,25,00,00,000	1,812.50	1,81,25,00,000	1,812.50	1,81,25,00,000
Paid-Up: Direct Plan - Growth Face Value ₹ 7,00,000												
Units at beginning of year	1,181.25	1,18,12,50,000	1,181.25	1,18,12,50,000	1,575.00	1,57,50,00,000	1,575.00	1,57,50,00,000	1,268.75	1,26,87,50,000	1,268.75	1,26,87,50,000
Units outstanding at end of the year	1,181.25	1,18,12,50,000	1,181.25	1,18,12,50,000	1,575.00	1,57,50,00,000	1,575.00	1,57,50,00,000	1,268.75	1,26,87,50,000	1,268.75	1,26,87,50,000
Unit Capital at the end of the Year	1,181.25	1,18,12,50,000	1,181.25	1,18,12,50,000	1,575.00	1,57,50,00,000	1,575.00	1,57,50,00,000	1,268.75	1,26,87,50,000	1,268.75	1,26,87,50,000

Note:The paid up value of units is Rs 700,000/- and with effect from June 26, 2024 these units are deemed to be fully paid up

MUKUND M CHITALE & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

4 **Reserves and surplus**

Amount ₹

IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
Revenue Reserve						
At the beginning of the year	90,35,94,885	76,06,16,036	2,01,76,40,925	1,73,57,06,087	1,57,43,25,970	1,34,19,36,176
Transferred to Revenue account	(90,35,94,885)	(76,06,16,036)	(2,01,76,40,925)	(1,73,57,06,087)	(1,57,43,25,970)	(1,34,19,36,176)
Surplus transferred from Revenue account	1,06,70,98,925	90,35,94,885	2,29,65,79,680	2,01,76,40,925	1,80,74,74,948	1,57,43,25,970
At the end of the year	**1,06,70,98,925**	**90,35,94,885**	**2,29,65,79,680**	**2,01,76,40,925**	**1,80,74,74,948**	**1,57,43,25,970**

5 **Current liabilities and provisions**

Amount ₹

IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
Creditors for						
-Investment Management fee payable	19,73,912	18,31,298	33,98,927	31,53,479	27,00,654	24,95,246
-Trustee fee payable	20,562	19,076	35,406	32,850	28,133	25,993
-Other payable *	4,70,014	92,166	1,12,877	1,60,056	90,510	1,26,816
Provision for Investor Education and Awareness	13,71,710	11,53,647	23,46,391	19,70,607	19,04,860	16,06,694
Statutory dues	1,90,988	1,80,161	3,28,951	3,10,354	2,61,439	2,45,576
Total	**40,27,186**	**32,76,348**	**62,22,552**	**56,27,346**	**49,85,596**	**45,00,325**

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

MUKUND M. CHITALE & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF) ★

6 Investments

Amount ₹

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, 2026		As at March 31, 2025		As at March 31, 2026		As at March 31, 2025		As at March 31, 2026		As at March 31, 2025	
	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value
Non Convertible Debentures Listed On Recognised Stock Exchange	1,23,15,03,915	1,23,26,85,010	1,08,09,53,558	1,08,08,16,774	2,85,29,28,674	2,85,42,83,969	2,41,60,36,443	2,51,64,62,046	2,27,04,46,256	2,27,02,17,612	2,19,03,58,483	2,19,02,30,654
Non Convertible Debentures-Privately Placed	95,31,41,817	95,31,04,212	25,00,00,000	25,00,00,000	83,53,47,460	83,53,29,911	86,19,06,200	76,00,00,000	61,00,68,493	61,00,68,493	61,00,00,000	61,00,00,000
Money Market Instruments	-	-	-	-	-	-	-	-	-	-	-	-
Total	2,18,46,45,733	2,18,57,89,222	1,33,09,53,558	1,33,08,16,774	3,68,82,76,134	3,68,96,13,880	3,27,79,42,643	3,27,64,62,046	2,88,05,14,750	2,88,02,86,105	2,80,03,58,483	2,80,02,30,654

Notes:-

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

MUKUND M CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI

IL&FS Mutual Fund (IDF) ★

7 Current assets

Amount ₹

IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Balances with a bank in current account* (Refer Note 2(h))						
- Current Accounts	23,56,211	3,258	1,66,509	2,22,576	1,78,320	6,928
- IEAP Accounts	13,38,032	11,18,322	22,80,825	19,09,775	18,52,764	15,58,561
- Triparty Repo Accounts	-	-	-	-	-	-
Recoverable from the AMC	-	-	-	-	-	-
Triparty Repo**	6,21,65,934	75,17,90,254	18,41,05,348	31,77,97,531	19,71,55,735	4,54,86,056
Triparty Repo margin	7,26,712	43,92,625	16,35,670	18,76,342	17,37,618	2,94,094
Contract for sale of securities	-	-	-	-	-	-
Misc Receivable	-	-	-	-	2	2
Total	6,65,86,889	75,73,04,459	18,81,88,352	32,18,06,224	20,09,24,439	4,73,45,641

* 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 2A		Series 2B		Series 2C	
Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2026	For the Year ended March 31, 2025
On Investment in Non Convertible Debentures	11,16,95,474	8,96,54,605	25,76,78,796	26,83,37,815	24,53,49,477	24,35,60,162
On Investment in Money Market Instruments	-	-	-	-	-	-
Interest on Triparty Repo Margin	1,51,908	1,49,394	1,29,441	1,42,983	40,227	47,259
On Triparty Repo	4,70,02,083	5,53,96,412	5,01,88,941	4,61,78,761	1,41,25,076	1,56,58,527
Total	15,88,49,465	14,52,00,411	30,79,97,178	31,46,59,559	25,95,14,780	25,92,65,948

9 Other Income

Amount ₹

IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Misc Income	97,50,000	-	87,75,000	-	50,25,000	9
Total	97,50,000	-	87,75,000	-	50,25,000	9

MUKUND M. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI

IL&FS Mutual Fund (IDF) ★

(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, 2026	Management Fees	AAUM for the Year ended March 31, 2025	Management Fees
Series 2A	2,16,68,77,722	2,08,02,032	2,01,71,56,669	1,93,64,709
Series 2B	3,73,41,70,946	3,58,48,051	3,45,57,06,367	3,31,74,790
Series 2C	2,96,18,43,046	2,84,33,701	2,72,88,16,551	2,61,96,646

(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, 2026

Series	Income		Expense Ratio	
	(Amount ₹)	% to AAUM	(Amount ₹)	% to AAUM
Series 2A – Direct Plan	19,04,84,107	8.79%	2,69,80,067	1.25%
Series 2B – Direct Plan	32,73,98,815	8.77%	4,84,60,060	1.30%
Series 2C – Direct Plan	26,92,62,072	9.09%	3,61,13,094	1.22%

For the Year ended March 31, 2025

Series	Income		Expense Ratio	
	(Amount ₹)	% to AAUM	(Amount ₹)	% to AAUM
Series 2A – Direct Plan	16,92,00,975	8.39%	2,62,22,126	1.30%
Series 2B – Direct Plan	32,24,63,385	9.33%	4,05,28,547	1.17%
Series 2C – Direct Plan	26,47,78,821	9.70%	3,23,89,027	1.18%

(15) Income tax

MUKUND M CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

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* (Rs)	As at March 31, 2026	As at March 31, 2025
Series 2A – Direct Plan	Growth	10,00,000	19,03,364.1730	17,64,948.0527
Series 2B – Direct Plan	Growth	10,00,000	24,58,145.8233	22,81,041.8519
Series 2C – Direct Plan	Growth	10,00,000	24,24,610.7894	22,40,848.0414

*The paid up value per units was Rs. 700,000/- and with effect from June 26, 2024 these units are converted to fully paid up by reducing the number of units keeping overall AUM intact and pursuant to that partly paid units become fully paid at Face value of Rs 10,00,000 which is changed to Rs 7,00,000.

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

As at March 31, 2026

Mar-26												
IL&FS Infrastructure Debt Fund		**Series 2A**				**Series 2B**				**Series 2C**		
Particulars	**Quantity**	**Fair value (Amount ₹)**	**% to Net Assets**	**% to Category Total**	**Quantity**	**Fair value (Amount ₹)**	**% to Net Assets**	**% to Category Total**	**Quantity**	**Fair value (Amount ₹)**	**% to Net Assets**	**% to Category Total**
Infrastructure Sector												
Non Convertible Debentures Listed On Recognised Stock Exchange												
IL&FS Wind Energy Limited		-	-	-		-	-	-		-	-	-
L&T Metro Rail (Hyderabad) Limited	390	41,30,15,216	18.37%	33.51%	1,050	1,11,18,61,601	28.72%	38.95%	310	32,83,59,782	10.67%	14.46%
Kanchonjunga Power Company Pvt Ltd	-	-	-	-	360	30,00,00,000	7.75%	10.61%	610	61,00,00,000	19.83%	26.87%
Bhilangana Hydro Power Limited	-	-	-	-	400	32,00,00,000	8.27%	11.21%	478	47,80,00,000	15.54%	21.06%
Emami Frank Ross Limited	-	-	-	-	210	9,00,00,000	2.32%	3.15%	210	9,00,00,000	2.93%	3.96%
Clean Max Enviro Energy Solution Pvt Ltd	-	-	-	-	500	50,00,00,000	12.91%	17.52%	250	25,00,00,000	8.13%	11.01%
Sikka Ports & Terminals Ltd	620	65,90,89,223	29.31%	53.47%	380	40,39,57,911	10.43%	14.15%		-	-	-
NTPC Ltd	1,500	16,05,80,572	7.14%	13.03%	1,200	12,84,64,458	3.32%	4.50%	4800	51,38,57,830	16.70%	22.63%
A		**1,23,26,85,010**	**54.83%**	**100.00%**		**2,85,42,83,969**	**73.72%**	**100.00%**		**2,27,02,17,612**	**73.80%**	**100.00%**
Infrastructure Sector												
Non Convertible Debentures Privately Placed												
Emami Frank Ross Limited		-	-	-	60	6,00,00,000	1.55%	7.18%	60	6,00,00,000	1.95%	9.83%
Clean Max Enviro Energy Solution Pvt Ltd		-	-	-	200	20,00,00,000	5.17%	23.94%	300	30,00,00,000	9.75%	49.17%
Radiance Renewable Projects Private Ltd	1,50,00,000	15,17,34,349	6.75%	15.92%	70,00,000	7,08,09,363	1.83%	8.48%				
Hero Solar Energy Private Limited	500	50,01,36,986	22.24%	52.47%	500	50,45,20,548	13.03%	60.40%	250	25,00,68,493	8.13%	40.99%
Infrastructure Logistics Private Limited	300	30,12,32,877	13.40%	31.61%								
B		**95,31,04,212**	**42.39%**	**100.00%**		**83,53,29,911**	**21.58%**	**100.00%**		**61,00,68,493**	**19.83%**	**100.00%**
Total Investment (A+B)		**2,18,57,89,222**	**97.22%**			**3,68,96,13,880**	**95.30%**			**2,88,02,86,105**	**93.63%**	
Net Current Assets		6,25,59,703	2.78%			18,19,65,800	4.70%			19,59,38,843	6.37%	
Net Assets		**2,24,83,48,925**	**100.00%**			**3,87,15,79,680**	**100.00%**			**3,07,62,24,948**	**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.

MUKUND M CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

As at March 31, 2025

IL&FS Infrastructure Debt Fund Particulars	Mar-25 Series 2A Quantity	Series 2A Fair value (Amount ₹)	Series 2A % to Net Assets	Series 2A % to Category Total	Series 2B Quantity	Series 2B Fair value (Amount ₹)	Series 2B % to Net Assets	Series 2B % to Category Total	Series 2C Quantity	Series 2C Fair value (Amount ₹)	Series 2C % to Net Assets	Series 2C % to Category Total
Infrastructure Sector												
Non Convertible Debentures Listed On Recognised Stock Exchange												
IL&FS Wind Energy Limited		-	-	-	-	-	-	-	-	-	-	-
Larsen & Toubro Limited	2080	29,94,95,186	14.37%	27.71%	1,200	12,82,81,027	3.57%	5.10%	-	-	-	-
Power Grid Corporation of India Limited	50	5,34,61,182	2.56%	4.95%	-	-	-	-	-	-	-	-
Bharti Telecom Limited	2250	46,35,57,062	22.23%	42.89%	2,250	46,35,33,233	12.90%	18.42%	500	51,53,40,485	18.13%	23.53%
L&T Metro Rail (Hyderabad) Limited	250	26,43,03,343	12.68%	24.45%	430	45,46,47,786	12.65%	18.07%	120	12,68,90,169	4.46%	5.79%
Kanchanjunga Power Company Pvt Ltd	-	-	-	-	360	36,00,00,000	10.02%	14.31%	610	61,00,00,000	21.46%	27.85%
Bhilangana Hydro Power Limited	-	-	-	-	400	40,00,00,000	11.13%	15.90%	478	47,80,00,000	16.81%	21.82%
Emami Frank Ross Limited	-	-	-	-	210	21,00,00,000	5.85%	8.35%	210	21,00,00,000	7.39%	9.59%
Clean Max Enviro Energy Solution Pvt Ltd	-	-	-	-	500	50,00,00,000	13.92%	19.87%	250	25,00,00,000	8.79%	11.41%
A		1,08,08,16,773	51.84%	100.00%		2,51,64,62,046	70.04%	100.00%		2,19,02,30,654	77.04%	100.00%
Infrastructure Sector												
Non Convertible Debentures Privately Placed												
Babcock Borsig Limited		-	-	-	-	-	-	-	-	-	-	-
Williamson Magor & Co. Limited		-	-	-	-	-	-	-	-	-	-	-
Emami Frank Ross Limited		-	-	-	60	6,00,00,000	1.67%	7.89%	60	6,00,00,000	2.11%	9.84%
Clean Max Enviro Energy Solution Pvt Ltd		-	-	-	200	20,00,00,000	5.57%	26.32%	300	30,00,00,000	10.55%	49.18%
Avana Renewable Power Private Limited	250	25,00,00,000	11.99%	100.00%	500	50,00,00,000	13.92%	65.79%	250	25,00,00,000	8.79%	40.98%
B		25,00,00,000	11.99%	100.00%		76,00,00,000	21.15%	100.00%		61,00,00,000	21.46%	100.00%
Total Investment (A+B)		1,33,08,16,773	63.83%			3,27,64,62,046	91.20%			2,80,02,30,654	98.49%	
Net Current Assets		75,40,28,112	36.17%			31,61,78,879	8.80%			4,28,45,316	1.51%	
Net Assets		2,08,48,44,885	100.00%			3,59,26,40,925	100.00%			2,84,30,75,970	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, 2026

IL&FS Infrastructure Debt Fund Series	For the Year ended March 31, 2026 Aggregate value of Purchases (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales/Redemption (Amount ₹)	Percentage of Average Net Assets
Series 2A	3,17,84,76,720	146.68%	2,35,00,00,000	108.45%
Series 2B	3,51,92,47,013	94.24%	3,23,00,00,000	86.50%
Series 2C	1,43,99,35,293	48.62%	1,36,00,00,000	45.92%

For the Year ended March 31, 2025

IL&FS Infrastructure Debt Fund Series	For the Year ended March 31, 2025 Aggregate value of Purchases (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales/Redemption (Amount ₹)	Percentage of Average Net Assets
Series 2A	2,93,12,54,536	145.32%	3,35,00,00,000	166.08%
Series 2B	2,84,19,22,298	82.24%	2,66,10,00,000	77.00%
Series 2C	1,77,17,65,014	64.93%	1,28,90,00,000	47.24%

(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 31st March 2026: NIL (As on 31st March 2025: NIL)

MUKUND M CHITALE & CO. CHARTERED ACCOUNTANTS MUMBAI

IL&FS Mutual Fund (IDF)

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, 2026	Percentage of Net Assets	As at March 31, 2025	Percentage of Net Assets
Series 2A	2,18,57,89,222	97.22%	1,33,08,16,773	63.83%
Series 2B	3,68,96,13,880	95.30%	3,27,64,62,046	91.20%
Series 2C	2,88,02,86,105	93.63%	2,80,02,30,654	98.49%

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

As on 31st March 2026 the Company has following investment in the securities of group companies of the Sponsors: NIL

As on 31st March 2025 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.

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, 2026 & March 31, 2025 is as given below:

March 31, 2026

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	9,85,610	-	1,44,043.43	8,41,566.80
2B	6,00,697	-	87,789.78	5,12,907.58
2C	14,579	-	2,130.82	12,449.21
Total	**16,00,886**	-	**2,33,964.03**	**13,66,923.58**

March 31, 2025

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	9,85,610	-	-	9,85,610
2B	6,00,697	-	-	6,00,697
2C	14,579	-	-	14,579
Total	**16,00,886**	-		**16,00,886**

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

(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, 2026 & March 31, 2025 is as given below:

March 31, 2026

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	11,58,41,238	-	2,04,58,270.93	9,53,82,967.60
2B	4,37,06,101	-	77,19,544.09	3,59,86,556.68
2C	2,72,91,913	-	48,20,975.91	2,24,70,937.00
Total	**18,68,39,252**	-	**3,29,98,790.93**	**15,38,40,461.28**

March 31, 2025

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	14,04,59,308	-	2,46,18,070	11,58,41,238
2B	5,29,95,267	-	92,89,166	4,37,06,101
2C	3,30,93,142	-	58,01,229	2,72,91,913
Total	**22,65,47,717**	-	**3,97,08,465**	**18,68,39,252**

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 intereston 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, 2026 & March 31, 2025 is as given below:

March 31, 2026

Series	Opening Provision (A)	Provision made duringthe year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	31,37,775	-	-	31,37,775
2B	89,65,071	-	-	89,65,071
2C	44,82,536	-	-	44,82,536
Total	**1,65,85,382**	-	-	**1,65,85,382**

MUKUND M CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

March 31, 2025

Series	Opening Provision (A)	Provision made duringthe year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
2A	31,37,775	-	-	31,37,775
2B	89,65,071	-	-	89,65,071
2C	44,82,536	-	-	44,82,536
Total	**1,65,85,382**	-	-	**1,65,85,382**

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

Summary of provisions (across investments) made and reversal of provisions during the year ended March 31, 2026 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	119,964,623	-	2,06,02,314	9,93,62,309
2B	53,271,869	-	78,07,334	4,54,64,535
2C	31,789,029	-	48,23,107	2,69,65,922
Total	**20,50,25,521**	-	**3,32,32,755**	**17,17,92,766**

Summary of provisions (across investments) made and reversal of provisions during the year ended March 31, 2025 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	14,45,82,693	-	2,46,18,070	119,964,623
2B	6,25,61,035	-	92,89,166	53,271,869
2C	3,75,90,258	-	58,01,229	31,789,029
Total	**24,47,33,986**	-	**3,97,08,465**	**20,50,25,521**

(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, 2026.

(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, 2026 and March 31, 2025.

(26) **Segment reporting**

MUKUND M. CHITALE & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

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**	
Particulars	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**
Management Fees	2,08,02,032	1,93,64,709	3,58,48,051	3,31,74,790	2,84,33,701	2,61,96,646
Trusteeship Fees	2,16,695	2,01,722	3,73,429	3,45,582	2,96,194	2,72,890

c) Year-end Payables/Receivables:

IL&FS Infrastructure Debt Fund Series	**2A**		**2B**		**2C**	
Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2026**	**As at March 31, 2025**
Payable						
Management fees payable	19,73,912	18,31,298	33,98,927	31,53,479	27,00,654	24,95,246
Trusteeship fees payable	20,562	19,076	35,406	32,850	28,133	25,993

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

Details	**March 31, 2026**	**March 31, 2025**
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment	195 Cr	Nil

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

*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

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

(S. M. Chitale)
Partner
M. No.111383

28/07/
Date: ___, 2026
Place: Mumbai

For IL&FS Infra Asset Management Limited

Manish Panchal Director DIN: 08431492	Viswanath Giriraj Director DIN: 01182899
Neelesh Vernekar CEO	Sachin Borkar Fund Manager

For IL&FS AMC Trustee Limited

Vishwanathan Krishnan Director DIN: 02376931	Shekhar Prabhudesai Director DIN: 08766338

MUKUND
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& CO.

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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, 2026, 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") :

a) In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2026
b) In the case of the Revenue Account, of the surplus for the period April 01, 2025 to May 06, 2025 and
c) In the case of the Cash Flow Statement, of the cash flows for the year April 01, 2025 to March 31, 2026.

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
Existence and Valuation of investments	
The investments held by the schemes as on March 31, 2026, mainly comprised of Debt instruments. There is a risk of existence of investments and that the fair value of investments is not determined appropriately. Accordingly the existence and valuation of investments is considered as a key audit matter.	We performed the following audit procedures : ▪ Assessed the design and implementation of controls over existence and valuation of investments. ▪ Tested the controls set up by Management on sample basis on existence and valuation of Investments. ▪ Traced, the quantity held as per books with the confirmation provided by Custodian as of year end. ▪ Tested the valuation of investments on sample basis as per the investment valuation policy approved by the Trustees and with the SEBI Regulations.

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, 2026 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

Chitale

S. M. Chitale
Partner
M. No. 111383

UDIN: 26111383ERATED4392
Place: Mumbai
Date: July 28, 2026

IL&FS Mutual Fund (IDF)

Balance Sheet as at March 31, 2026

Amount ₹

IL&FS Mutual Fund (IDF)			Series 3B	
Particulars	Notes		As at March 31, 2026	As at March 31, 2025
Liabilities				
Unit capital	3		-	1,53,00,00,000
Reserves and surplus	4		-	1,07,46,59,591
Current liabilities and provisions	5		14,10,987	40,51,085
Total			14,10,987	2,60,87,10,676
Assets				
Investments	6		-	2,38,10,68,982
Other Current assets	7		14,10,987	22,76,41,694
Total			14,10,987	2,60,87,10,676

Notes to accounts form an integral part of the Financial Statements 1 to 28

As per our report of even date

For Mukund M. Chitale & Co.

Chartered Accountants
Firm Regn. No. 106655W

S.M.Chitale
Partner
M.No. 111383

Date: 28th July 2026
Place: Mumbai

For IL&FS Infra Asset Management Limited

Manish Panchal
Director
DIN: 08431492
Place: Mumbai

Viswanath Giriraj
Director
DIN: 01182899
Place: Mumbai

Neelesh Vernekar
CEO
Place: Mumbai

Sachin Borkar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Vishwanathan Krishnan
Director
DIN: 02376931
Place: Mumbai

Shekhar Prabhudesai
Director
DIN: 08766338
Place:

IL&FS Mutual Fund (IDF)

Statement of Income and Expenditure for the period April 01, 2025 to May 06, 2025

Amount ₹

IL&FS Mutual Fund (IDF)	Notes	Series 3B	
		For the Period April 01, 2025 to May 06, 2025	For the Year ended March 31, 2025
Income and gains			
Interest income	8	1,58,95,623	20,85,08,030
Other income	9	4,03,271	-
Profit on sale/redemption of Investments (other than inter-scheme transfers)		-	-
Reversal of NPA Provision	22	-	-
Increase/(Decrease) in unrealised gain in the value of investments		22,12,436	-22,07,234
Total		1,85,11,330	20,63,00,796
Expenses and losses			
Investment Management fees		24,74,036	2,41,71,274
GST on Investment Management fees		4,45,327	43,50,830
Loss on sale/redemption of Investments (other than inter-scheme transfers)		12,60,656	80,450
Trusteeship fees		25,772	2,51,792
Investor Education and Awareness Expenses (Refer Note 2(h))		51,542	5,03,568
Other Operating expenses		17,674	1,21,364
Audit Fees		12,503	1,30,420
Total		42,87,510	2,96,09,698
Surplus / (Deficit) for the period		1,42,23,820	17,66,91,098
Revenue Reserve brought forward		1,07,46,59,591	89,79,68,493
		1,08,88,83,411	1,07,46,59,591
Unrealised Appreciation Reserve at the beginning of theperiod		-	-
Unrealised Appreciation Reserve at the end of the period		-	-
Net Surplus for the period transferred to Revenue Reserve		1,08,88,83,411	1,07,46,59,591
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 — 1 to 28

As per our report of even date

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

S.M.Chitale
Partner
M.No. 111383

Date: 28th July 2026
Place: Mumbai

For IL&FS Infra Asset Management Limited

Manish Panchal
Director
DIN: 08431492
Place: Mumbai

Viswanath Giriraj
Director
DIN: 01182899
Place: Mumbai

Neelesh Vernekar
CEO
Place: Mumbai

Sachin Borkar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Vishwanathan Krishnan
Director
DIN: 02376931
Place: Mumbai

Shekhar Prabhudesai
Director
DIN:08766338
Place: Mumbai

MUKUND M. CHITALE & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)
Cash flow statement

Amount ₹

IL&FS Mutual Fund (IDF)			Series 3B	
Particulars			For the Period ended May 06, 2025	For the Year ended March 31, 2025
A. Cashflow from Operating Activities				
Surplus / (Deficit) for the period			1,42,23,820	17,66,91,098
Adjustment for:-				
Reversal of NPA Provision			-	-
Reversal of accured interest			-	-
Provision for NPA			-	-
Interest Income			-	-
(Decrease) in unrealised gain in the value of investments			(22,12,436)	22,07,234
Change in assets and liabilities:				
Adjustments for:-				
Increase in current liabilities and provisions			(26,40,098)	4,34,392
Increase in investments			2,38,32,81,418	(16,65,74,348)
Increase in other current assets			22,19,88,482	(1,23,16,450)
Cash used in Operations	(A)	-	2,61,46,41,186	4,41,926
B Cashflow from Investing activities			-	-
Net cash generated from investing activities	(B)		-	-
C Cashflow from financing activities				
Units issued			-	-
Units Redeemed			-1,53,00,00,000	
Premium Paid on Redemption			-1,08,88,83,411	
Net cash generated from financing activities	(C)		(2,61,88,83,411)	-
Net increase in cash and cash equivalents	(A+B+C)	-	(42,42,225)	4,41,926
Cash and cash equivalents at the beginning of the year			42,53,656	38,11,730
Cash and cash equivalents at the end of the period		-	11,431	42,53,656
Note				
Cash and bank balance as per Note No 7			14,10,987	56,09,777
Less:- Cash and bank balance earmarked for Investor Education and Awareness			13,99,556	13,56,121
Less:- Cash and bank balance earmarked for Triparty Repo			-	-
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		-	11,431	42,53,656

Notes to accounts form an integral part of the Financial Statements — 1 to 28

As per our report of even date

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

Chitale

S.M.Chitale
Partner
M.No. 111383

Date: 28th July 2026
Place: Mumbai

For IL&FS Infra Asset Management Limited

Manish Panchal
Director
DIN: 08431492
Place: Mumbai

Viswanath Giriraj
Director
DIN: 01182909
Place: Mumbai

N.V.Vernekar

Neelesh Vernekar
CEO
Place: Mumbai

Sachin B[illegible]
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Vishwanathan Krishnan
Director
DIN: 02376931
Place: Mumbai

Shekhar Prabhudesai
Director
DIN: 08766338
Place: Mumbai

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MUKUND M. CHITALE & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

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 31st 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.

With Series 3B maturing on 06th May 2025 and redemption value paid in full to the investors, Series 3B 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) 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

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF)

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.

MUMBAI

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 3A & 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.

MUKUND M. CHITALE & CO. MUMBAI ★ CHARTERED ACCOUNTANTS ★

3 Unit Capital

IL&FS Mutual Fund (IDF)	Series 3B			
Particulars	As at May 06, 2025		As at March 31, 2025	
	Units Nos.	Amount ₹	Units Nos.	Amount ₹
Initial Capital Issued and subscribed:				
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
Paid-Up:				
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	(1,470)	(1,47,00,00,000)		
Units outstanding at end of the period	-	-	**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				
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 Redeemed during the period	(60)	(6,00,00,000)		
Units outstanding at end of the period	-	-	**60.00**	**6,00,00,000**
Unit Capital at the end of the period	-	-	**1,530.00**	**1,53,00,00,000**

MUKUND M. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI

IL&FS Mutual Fund (IDF) ★

4 **Reserves and surplus**

Amount ₹

IL&FS Mutual Fund (IDF)	Series 3B	
Particulars	**As at May 06, 2025**	**As at March 31, 2025**
Revenue Reserve		
At the beginning of the period	1,07,46,59,591	89,79,68,493
Transferred to Revenue account	(1,07,46,59,591)	(89,79,68,493)
Surplus transferred from Revenue account	1,08,88,83,411	1,07,46,59,591
Amount paid on redemption	(1,08,88,83,411)	
At the end of the year	-	**1,07,46,59,591**

Amount ₹

Reserves and surplus for each option:-		
Direct Plan - Growth	-	1,03,25,16,078
Direct Plan - Dividend	-	4,21,43,513
Regular Plan - Growth	-	-
Total	-	**1,07,46,59,591**

MUKUND M. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI

IL&FS Mutual Fund (IDF) ★

5 Current liabilities and provisions

IL&FS Mutual Fund (IDF)	Series 3B	
Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Creditors for		
-Investment Management fee payable	-	22,87,279
-Trustee fee payable	-	23,827
-Other payable*	14,10,987	15,14,999
Income received in advance	-	-
Statutory dues	-	2,24,980
Total	**14,10,987**	**40,51,085**

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

MUKUND M. CHITALE & CO. * CHARTERED ACCOUNTANTS * MUMBAI

IL&FS Mutual Fund (IDF)

6 Investments

Amount ₹

IL&FS Mutual Fund (IDF)	Series 3B			
	As at March 31, 2026		As at March 31, 2025	
Particulars	Cost	Market / Fair Value	Cost	Market / Fair Value
Non Convertible Debentures Listed On Recognised Stock Exchange	-	-	1,75,27,19,093	1,75,58,67,615
Non Convertible Debentures-Privately Placed	-	-	63,05,62,325	62,52,01,367
Money Market Instruments	-	-	-	-
Total	-	-	**2,38,32,81,418**	**2,38,10,68,982**

Notes:-

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

MUKUND M CHITALE & CO. ★ MUMBAI ★ CHARTERED ACCOUNTANTS

IL&FS Mutual Fund (IDF) ★

7 Other Current assets

Amount ₹

IL&FS Mutual Fund (IDF)	Series 3B	
Particulars	As at March 31, 2026	As at March 31, 2025
Balances with a bank in current account* (Refer Note 2(h))		
- Current Accounts	11,431	42,53,656
- IEAP Accounts	13,99,556	13,56,121
- Triparty Repo Accounts	-	-
Triparty Repo**	-	22,06,94,978
Triparty REPO margin	-	13,36,939
Contract for sale of Investments	-	-
Recoverable from the AMC	-	-
Misc Receivable	-	-
Total	**14,10,987**	**22,76,41,694**

* 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 Period April 01, 2025 to May 06, 2025	For the Year ended March 31, 2025
On Investment in Non Convertible Debentures	1,46,79,885	19,49,47,763
On Certificate of Deposits	-	-
Interest on Triparty Repo Margin	17,761	49,452
On Reverse Repo/Triparty Repo	11,97,977	1,35,10,815
Total	**1,58,95,623**	**20,85,08,030**

9 Other Income

Amount ₹

IL&FS Mutual Fund (IDF)	Series 3B	
Particulars	For the Period April 01, 2025 to May 06, 2025	For the Year ended March 31, 2025
Misc Income	3,50,000	-
Reversal of Provision	53,271	-
Total	**4,03,271**	-

MUKUND M. CHITALE & CO. ★ CHARTERED ACCOUNTANTS ★ MUMBAI

IL&FS Mutual Fund (IDF) ★

(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 as follows:

(Amount in ₹)

Infrastructure Debt Fund Series	Average Net Assets for the Period ended May 06, 2025	Management Fees for the Period ended May 06, 2025	Average Net Assets for the Year ended March 31, 2025	Management Fees for the Year ended March 31, 2025
Series 3B	2,54,22,93,703	24,74,036	2,51,78,40,391	2,41,71,274

(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 period April 1, 2025 to May 06, 2025

Infrastructure Debt Fund	Income		Expense Ratio	
	Amount ₹	% to AAUM	Amount ₹	% to AAUM
Series 3B	1,85,11,330	0.73%	42,87,510	0.17%

For the period April 1, 2024 to March 31, 2025

Infrastructure Debt Fund	Income		Expense Ratio	
	Amount ₹	% to AAUM	Amount ₹	% to AAUM
Series 3B	20,63,00,796	8.19%	2,96,09,698	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 May 06, 2025	As at March 31, 2025
Series 3B- Direct	Growth	10,00,000	17,11,462.6283	17,02,391.8823
	Payout	10,00,000	17,11,462.6155	17,02,391.8944

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

As at March 31, 2026: Nil

As at March 31, 2025

Mar-25				
IL&FS Infrastructure Debt Fund	Series 3B			
Particulars		Fair value (Amount ₹)	% to Net Assets	% to Category Total
Non Convertible Debentures Listed On Recognised Stock Exchange				
Infrastructure Sector				
Larsen & Toubro Limited	6,970	90,90,93,650	34.90%	51.77%
L&T Metro Rail (Hyderabad) Limited	700	74,02,16,675	28.42%	42.16%
Power Grid Corporation of India Limited	100	10,65,57,290	4.09%	6.07%
A		**1,75,58,67,615**	**67.41%**	**100.00%**
Non Convertible Debentures Privately Placed				
Infrastructure Sector				
DBL Infratech Private Ltd	500	50,00,00,000	19.20%	79.97%
Resco Global Wind Services Pvt Ltd	5,000	12,52,01,367	4.81%	20.03%
B		**62,52,01,367**	**24.00%**	**100.00%**
Total Investments (A+B)		**2,38,10,68,982**	**91.42%**	
Net Current Assets		22,35,90,609	8.58%	
Net Assets		**2,60,46,59,591**	**100.00%**	

Note 1. 100% provision has been made for Investment in IL&FS Wind Energy Limited in Scheme 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 Period ended May 06, 2025

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	17,99,01,911	7.08%	2,66,70,00,000	104.91%

For the Year ended March 31, 2025

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	3,65,83,45,099	145.30%	3,58,50,00,000	142.38%

(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 06th May 2025: NIL (As on 31st March 2025: 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 ₹)

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IL&FS Mutual Fund (IDF)

Infrastructure Debt Fund	As at May 06, 2025	Percentage of Net Assets	As at March 31, 2025	Percentage of Net Assets
Series 3B	Nil	-	2,38,10,68,982	91.42%

(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 6th May 2025.: NIL

The Company has following investment in the securities of group companies of the sponsors as at 31st March 2025: 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.

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, 2026 & year ended March 31, 2025 is as given below:

March 31, 2026

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	3,64,501	-	53,271	3,11,230

March 31, 2025

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	3,64,501	-	-	3,64,501

Summary of provisions (across investments) made during the period ended May 31, 2026 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)

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IL&FS Mutual Fund (IDF) ★

3B	3,64,501	-	-	3,64,501

Summary of provisions (across investments) made during the year ended March 31, 2025 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	3,64,501	-	53,271	3,11,230

(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 May 06, 2025.

(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, 2025 to May 06, 2025.

(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**	**Series 3B**
Particulars	**For the Period April 1, 2025 to May 06, 2025**	**For the Period April 1, 2024 to March 31, 2025**
Management fees	24,74,036	2,41,71,274
Trusteeship fees	25,772	2,51,792

b) Period-end payables/Receivables:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	**Series 3B**	**Series 3B**
Particulars	**As at May 06, 2025**	**As at March 31, 2025**
Management Fees Payable	-	22,87,279
Trusteeship Fees Payable	-	23,827

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IL&FS Mutual Fund (IDF)

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

(Amount ₹)

Details	May 06, 2025	March 31, 2025
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

MUKUND M. CHITALE & CO. MUMBAI CHARTERED ACCOUNTANTS

(S. M. Chitale)
Partner
M. No.111383

28/07/
Date: ___, 2026
Place: Mumbai

For IL&FS Infra Asset Management Limited

Manish Panchal
Director
DIN: 08431492

Viswanath Giriraj
Director
DIN: 01182899

Neelesh Vernekar
CEO

Sachin Barkar
Fund Manager

For IL&FS AMC Trustee Limited

Vishwanathan Krishnan
Director
DIN: 02376931

Shekhar Prabhudesai
Director
DIN: 08766338