

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

Dear Unitholders,

We have pleasure in presenting the 10th (Tenth) Annual Report of the Schemes of IL&FS Mutual Fund (IDF) for the year ended March 31, 2023, 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, 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.

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 corpus of ₹ 575 crores.

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

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

IL&FS Infrastructure Debt Fund - Series 3-B having specified maturity of 7 years was launched through Private Placement Offer and the scheme was closed in May 2018 with a corpus of ₹ 153 crore.

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

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

Pursuant to SEBI Circular No. MSD/ Cir-6/73/2000 dated July 27, 2000, the Board of Asset Management Company has set up an Investment Committee. The investment committee consists of the Chairman and other three members of the Committee are the Managing Director & CEO of AMC, Chief Investment Officer (CIO) of the AMC and member of the Core Operating Committee of IL&FS. The Investment Committee consider, review and approve 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:

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

- (a) **IL&FS Infrastructure Debt Fund – Series 1C** - with minimum tenure of 10 years.
- (b) **IL&FS Infrastructure Debt Fund – Series 2-A, 2-B and 2-C** - with minimum tenure of 5, 8 and 12 years respectively. These schemes were closed on April 17, 2015 for aggregate amount of ₹ 575 crore and has called 70% of the commitment amount as of March 31, 2019.

(c) **IL&FS Infrastructure Debt Fund – Series 3-B** - with minimum tenure of 7 years. The scheme closed on May 7, 2018 for aggregate amount of ₹ 153 crore.

(d) **The performance of these schemes since inception is given below as on March 31, 2023:**

Scheme Name	Last 1 year		Last 3 year		Last 5 year		Since inception	
	Scheme return	Bench mark *	Scheme return	Bench mark *	Scheme return	Bench mark *	Scheme return	Bench mark *
IIDF Series - 1C	16.52%	8.46%	4.93%	4.75%	3.83%	7.73%	7.18%	8.37%
IIDF Series 3B	8.95%	8.46%	5.06%	4.75%	6.48%	7.73%	6.52%	7.41%

***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)

For the Scheme, IL&FS Infrastructure Debt Fund-Series 2, the drawdowns are yet to be completed. Hence, the NAV will be available after the completion of the drawdown.

With respect to the performance of the schemes, Trustee Board has taken cognizance that the same is on account of provisioning for NPAs in the ongoing legal cases.

(e) **Outlook:**

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

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

The Fund as on March 31, 2023 had a corpus of ₹ 1,348.78 Crore on across 5 (five) schemes.

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. While the sale process is underway, 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.

(f) 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 2022 to March 2023 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, 2023:

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, 2023.

(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))

Sd/-
Mr. Shekhar Prabhudesai
Director
DIN: 08766338
Place: Mumbai

Sd/-
Mr. Aroop Sircar
Director
DIN : 05309663
Place: Mumbai

Date: July 25, 2023

Redressal of Complaints received during		2022-2023										
Name of the Mutual Fund		IL&FS Mutual Fund (IDF)										
Total Number of Folios		41										
Complaint code	Type of complaint#	(a) No. of complaints pending at the beginning of the year	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

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, 2023, 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 1C

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

- In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2023
- In the case of the Revenue Account, of the surplus for the year ended on that date and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Schemes in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

3. Key Audit Matters

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

Key Audit Matters	Auditors Response
<u>Existence and Valuation of investments</u>	
<p>The investments held by the schemes as on March 31, 2023, mainly comprised of Debt instruments.</p> <p>There is a risk of existence of investments and that the fair value of investments is not determined appropriately.</p> <p>Accordingly the existence and valuation of investments is considered as a key audit matter.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none">▪ 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, 2023 are in accordance with the SEBI Regulations and other guidelines approved by the Board of Directors of the Trustee and the AMC, and are fair and reasonable.

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



S. M. Chitale
Partner
M. No. 111383
UDIN: 23111383BGTWJS6831
Place: Mumbai
Date: July 25, 2023

IL&FS Mutual Fund (IDF)			
Balance Sheet as at March 31, 2023			
			Amount ₹
IL&FS Mutual Fund (IDF)	Notes	As at March 31, 2023	Series 1C As at March 31, 2022
Liabilities			
Unit capital	3	27593,00,000	27593,00,000
Reserves and surplus	4	22132,91,187	16535,24,271
Current liabilities and provisions	5	164,50,807	66,33,407
Total		49890,41,994	44194,57,678
Assets			
Investments	6	46825,60,576	32938,12,246
Other Current assets	7	3064,81,418	11256,45,432
Total		49890,41,994	44194,57,678
Notes to accounts form an integral part of the Financial Statements	1 to 30		
As per our report attached			
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W	For IL&FS Infra Asset Management Limited		For IL&FS AMC Trustee Limited
Sd/- S.M.Chitale Partner M.No. 111383 Date: July 25, 2023 Place: Mumbai	Sd/- Nand Kishore Chairman DIN: 08267502 Place: Mumbai	Sd/- Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai	Sd/- Shekhar Prabhudesai Director DIN: 08766338 Place: Mumbai
	Sd/- Neelesh Vernelar Fund Manager Place: Mumbai		Sd/- Aroop Sircar Director DIN:05309663 Place: Mumbai

IL&FS Mutual Fund (IDF)			
Revenue Account			
			Amount ₹
IL&FS Mutual Fund (IDF)	Notes	Series 1C	
Particulars		For the Year ended March 31, 2023	For the Year ended March 31, 2022
Income and gains			
Interest income	8	4344,50,077	3024,57,227
Other income	9	404,33,280	880,27,184
Profit on sale/redemption of Investments (other than inter-scheme transfers)		-	11,45,787
Profit on sale/redemption on inter-scheme transfers		-	-
Reversal of NPA Provision	23	1396,28,637	3638,53,768
Increase/(Decrease) in unrealised gain in the value of investments		-	(11,45,787)
Total		6145,11,994	7543,38,179
Expenses and losses			
Investment Management fees	10	448,11,785	403,25,544
GST on Investment Management fees		80,66,121	72,58,598
Trusteeship fees		4,66,804	4,20,071
Investor Education and Awareness Expenses (Refer Note 2(h))		9,33,579	8,40,116
Custody Charges		-	-
Other Operating expenses		3,84,067	3,07,389
Audit Fees		82,722	1,12,669
Provision for NPA	22	-	3785,51,470
Total		547,45,078	4278,15,857
Surplus/(Deficit) for the year		5597,66,916	3265,22,322
Revenue Reserve brought forward		16535,24,271	13258,56,162
		22132,91,187	16523,78,484
Unrealised Appreciation Reserve at the beginning of the year		-	11,45,787
Unrealised Appreciation Reserve at the end of the year		-	-
		-	(11,45,787)
Net Surplus transferred to Revenue Reserve		22132,91,187	16535,24,271
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 Statement 1 to 30 As per our report attached			
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W	For IL&FS Infra Asset Management Limited		For IL&FS AMC Trustee Limited
Sd/- S.M.Chitale Partner M.No. 111383	Sd/- Nand Kishore Chairman DIN: 08267502 Place: Mumbai	Sd/- Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai	Sd/- Shekhar Prabhudesai Director DIN: 08766338 Place: Mumbai
Date: July 25, 2023 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai		Sd/- Aroop Sircar Director DIN:05309663 Place: Mumbai

IL&FS Mutual Fund (IDF)

Cash flow statement

Amount ₹

IL&FS Mutual Fund (IDF)		Series 1C	
Particulars		For the Year ended March 31, 2023	For the Year ended March 31, 2022
A. Cash flow from Operating Activities			
Surplus for the year		5597,66,916	3265,22,322
Adjustment for:-			
Provision for NPA		-	3785,51,470
Reversal of accrued interest		-	-
(Decrease) in unrealised gain in the value of investments		-	(11,45,787)
Change in assets and liabilities:			
Increase in current liabilities and provisions		93,55,599	41,17,594
(Increase) in investments		(13887,48,330)	464,19,056
(Increase)/Decrease in other current assets		7174,65,984	(6463,91,312)
Cash used in Operations	(A)	(1021,59,831)	1080,73,343
B. Cash flow from Investing Activities	(B)	-	-
C. Cash flow from Financing Activities	(C)	-	-
Rdemption repayment on Scheme Maturity			
Net increase/(Decrease) in cash and cash equivalents	(A + B+C)	(1021,59,831)	1080,73,343
Cash and cash equivalents at the beginning of the year		1203,49,355	122,76,012
Cash and cash equivalents at the end of the year		181,89,524	1203,49,355
Note			
Cash and bank balance as per Note No 7		206,83,448	1223,81,478
Less:- Cash and bank balance earmarked for Investor Education and Awareness		24,93,924	20,32,123
Less:- Cash and bank balance earmarked for Triparty Repo		-	-
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		181,89,524	1203,49,355
Notes to accounts form an integral part of the Financial Statements 1 to 30 As per our report attached			
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W	For IL&FS Infra Asset Management Limited	For IL&FS AMC Trustee Limited	
Sd/- S.M.Chitale Partner M.No. 111383 Date: July 25, 2023 Place: Mumbai	Sd/- Nand Kishore Chairman DIN: 08267502 Place: Mumbai	Sd/- Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai	Sd/- Shekhar Prabhudesai Director DIN: 08766338 Place: Mumbai
	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai	Sd/- Aroop Sircar Director DIN:05309663 Place: Mumbai	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(1) Background

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

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

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

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

(2) Significant accounting policies

a) Basis of preparation of financial statements

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

b) Use of estimates

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

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

c) **Investments**

(i) Basis of accounting

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

(ii) Valuation

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

VALUATION METHODOLOGIES

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

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

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

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

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

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

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

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

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

- d) Revenue recognition**
Interest income is recorded on a period proportionate basis.
- Profit or loss on sale / redemption of investments represents sale proceeds less weighted average cost and is recognised on a trade date basis.
- Transfer of Investments from one scheme to another scheme is made as per the valuation policy in conformity with the investment objective of the scheme to which such transfer has been made.
- e) Unrealized appreciation/depreciation on investments**
Net unrealized appreciation/depreciation in value of investments is determined for each investment, wherein the cost is compared with the fair value and the resultant appreciation/depreciation is transferred/charged to the revenue account.
- f) Expenses**
The total expense ratio charged to scheme are within the limits prescribed under Regulation 52 of the SEBI Regulations.
- All expenses identifiable with any particular scheme are accounted on an accrual basis. Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to the number of folios in the schemes or Average Assets under management (AAUM), whichever is more appropriate.
- g) 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 1B and 1C, although the corresponding scheme's investments and other net assets are managed as a single portfolio. For computing the NAV for various plans/options, daily income earned, including realized and unrealized gains or losses in the value of investments and expenses incurred by the corresponding scheme are allocated to the plans/options in proportion to the net assets of each plan/option.
- h) 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.
- i) Load**
Pursuant to SEBI circular no SEBI/IMD/CIR NO .4/168230/09 dated June 30, 2009, no entry load is charged.

3 Unit Capital

IL&FS Mutual Fund (IDF) Particulars	Series 1C			
	As at March 31, 2023		As at March 31, 2022	
	Units Nos.	Amount ₹	Units Nos.	Amount ₹
Initial Capital Issued and subscribed:				
Units of ₹ 10,00,000				
Direct Plan - Growth	2,571.80	25718,00,000	2,571.80	25718,00,000
Direct Plan - Dividend	187.50	1875,00,000	187.50	1875,00,000
	2,759.30	27593,00,000	2,759.30	27593,00,000
Paid-Up:				
Direct Plan - Growth Face Value ₹ 10,00,000				
Units at beginning and end of the year	2,571.80	25718,00,000	2,571.80	25718,00,000
Direct Plan - Dividend Face Value ₹ 10,00,000				
Units at beginning and end of the year	187.50	1875,00,000	187.50	1875,00,000
Unit Capital at the end of the year	2,759.30	27593,00,000	2,759.30	27593,00,000

4 Reserves and surplus

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C	
	As at March 31, 2023	As at March 31, 2022
Particulars		
Unrealised Appreciation Reserve		
At the beginning of the year	-	11,45,787
Increase/(Decrease) in gain in the value of investments	-	(11,45,787)
At the end of the year	-	-
Revenue Reserve		
At the beginning of the year	16535,24,271	13258,56,162
Transferred to Revenue account	(16535,24,271)	(13258,56,162)
Unit Premium on Redemption of Units		
Surplus transferred from Revenue account	22132,91,187	16535,24,271
At the end of the year	22132,91,187	16535,24,271
Redemption on Scheme Matutity		
Total	22132,91,187	16535,24,271

Reserves and surplus for each option:-		
Direct Plan - Growth	20628,93,587	15411,63,962
Direct Plan - Dividend Option	1503,97,600	1123,60,309
Total	22132,91,187	16535,24,271

5 Current liabilities and provisions

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C	
	As at March 31, 2023	As at March 31, 2022
Particulars		
Creditors for		
-Investment Management fee payable	43,58,801	38,41,618
-Trustee fee payable	45,406	40,026
-Other payable *	12,52,726	1,82,856
Income received in advance	78,03,589	77,375
Provision for Investor Education and Awareness	25,78,006	21,06,228
Statutory dues	4,12,279	3,85,304
Total	164,50,807	66,33,407

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

6 Investments

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1C			
	As at March 31, 2023		As at March 31, 2022	
Particulars	Cost	Market / Fair Value	Cost	Market / Fair Value
Non Convertible Debentures Listed On Recognised Stock Exchange	14602,53,151	14602,53,151	2000,00,000	2000,00,000
Non Convertible Debentures-Privately Placed	32223,07,425	32223,07,425	14727,42,358	14727,42,358
Money Market Instruments	-	-	16210,69,888	16210,69,888
Total	46825,60,576	46825,60,576	32938,12,246	32938,12,246

Note:

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

7 Other Current assets

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 1C	
	As at March 31, 2023	As at March 31, 2022
Balances with a bank in current account* (Refer Note 2(h))		
- Current Accounts	181,89,524	1203,49,355
- IEAP Accounts	24,93,924	20,32,123
- Triparty Repo Accounts	-	-
Interscheme Receivable	-	2,12,394
Triparty Repo**	2817,30,702	9969,07,157
Triparty Repo margin	40,67,238	61,44,377
Misc Receivable	30	26
Total	3064,81,418	11256,45,432

* 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) Particulars	Series 1C	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
On Investment in Non Convertible Debentures	3282,32,502	1987,69,671
On Certificate of Deposits / Commercial Papers	168,08,988	868,01,736
On Triparty Repo Margin	3,91,347	52,687
Reversal of accrued interest	-	-
On Reverse Repo/Triparty Repo	890,17,240	168,33,133
Total	4344,50,077	3024,57,227

9 Other Income

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 1C	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Misc Income	404,33,280	880,27,184
Total	404,33,280	880,27,184

(10) Investment Management fees

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

(Amount in ₹)

Infrastructure Debt Fund Series	AAUM for the Year ended March 31, 2023	Management Fees	AAUM for the Year ended March 31, 2022	Management Fees
Series 1C	4,66,78,93,062	4,48,11,785	4,20,05,76,342	4,03,25,544

(11) Trusteeship fees

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

(12) Custodian fees

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

(13) Other Expenses

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

(14) Income/Expenditure

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

For the Year ended March 31, 2023:

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

For the Year ended March 31, 2022: -

Series	Income		Expense Ratio	
	(Amount ₹)	(% to AAUM)	(Amount ₹)	(% to AAUM)
Series 1C	75,43,38,179	17.96%	4,92,64,387	1.17%

(15) Income tax

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

(16) Net Asset Value per unit

(Amount ₹)

Infrastructure Debt Fund	Plan	Face Value	As at March 31, 2023	As at March 31, 2022
Series 1C-Direct Plan	Dividend	1,000,000	18,02,120.5345	15,99,254.9825
	Growth	1,000,000	18,02,120.5346	15,99,254.9837

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

As at March 31, 2023

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

As at March 31, 2022

Mar-22			
IL&FS Infrastructure Debt Fund Series 1B	Series 1C		
Particulars	Fair Value (Amount ₹)	% of Net Assets	% of Category
Non Convertible Debentures-Listed			
Infrastructure Sector			
Shrem Infra Structure Private Limited	20,00,00,000	4.53%	100.00%
A	20,00,00,000	4.53%	100.00%
Infrastructure Sector			
Non Convertible Debentures Privately Placed			
Shrem Infra Structure Private Limited	52,00,00,000	11.78%	35.31%
AMRI Hospitals Ltd	7,98,95,764	1.81%	5.42%
Bhilangana Hydro Power Ltd	32,28,46,594	7.32%	21.92%
Kanchanjunga Power Company Private Ltd	55,00,00,000	12.46%	37.35%
B	1,47,27,42,358	33.37%	100.00%
Commercial Papers			
ICICI Securities Ltd CP 12Apr22	14,68,16,445	3.33%	9.06%
HDFC Securities Ltd CP 26Apr22	24,12,95,995	5.47%	14.88%
HDFC Securities Ltd CP 21Apr22	16,46,02,032	3.73%	10.15%
Pilani Inv & Ind Cor Ltd CP 25-Apr-22	34,88,99,090	7.91%	21.52%
Axis Securities Ltd 07-Jul-22	19,31,02,048	4.38%	11.91%
L&T Finance Limited CP 07-Jul-22	21,23,88,173	4.81%	13.10%
Axis Securites Ltd CP 29Aug22	31,39,66,105	7.11%	19.37%
C	1,62,10,69,888	36.74%	100.00%
Total Investments (A+B+C)	3,29,38,12,246	74.64%	
Net Current Assets	1,11,90,12,025	25.36%	
Net Assets	4,41,28,24,271	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 22 and 23.

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

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

For the Year ended March 31, 2023

(Amount ₹)

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

For the Year ended March 31, 2022

(Amount ₹)

IL&FS Infrastructure Debt Fund	For the Year ended March 31, 2022			
	Aggregate value of Purchase (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales/Redemption/Re payment (Amount ₹)	Percentage of Average Net Assets
Series 1C	4,78,66,84,250	113.95%	5,21,77,48,290	124.22%

(19) Appreciation / Depreciation on Investments

The aggregate appreciation and depreciation in the value of investments are as follows:

(Amount ₹)

Scheme Name	As at March 31, 2023		As at March 31, 2022	
	Appreciation	Depreciation	Appreciation	Depreciation
IL&FS Infrastructure Debt Fund Series 1C				
Non-Convertible Debentures	-	-	-	-

(20) 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 2023: NIL (As on 31st March 2022: 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 –

Infrastructure Debt Fund	As at March 31, 2023	Percentage of Net Assets	As at March 31, 2022	Percentage of Net Assets
Series 1C	4,68,25,60,576	94.17%	3,29,38,12,246	74.64%

(21) 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 31st March 2023: NIL as at 31st March 2022: NIL

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

The Committee of Creditors (COC) (including IDF) of IWEL granted an approval in April 2019 for sale of IWEL's stake in 7 Wind SPVs based on representation given by IL&FS that distribution framework will be governed by Section 53 of IBC. On receipt of approval from COC, IL&FS Group completed sale of majority stakes held by IWEL to ORIX Japan on basis of NCLT approval and realized proceeds of Rs 590 cr (approx.) in November 2019 which is currently deposited in an escrow account.

However, subsequent to receipt of sale proceeds, the IL&FS Board has changed the distribution framework for group resolution in January 2020 and is proposing to apply the revised distribution framework retrospectively for distribution of sale proceeds received by IWEL.

This revised distribution framework of IWEL is not acceptable to IDF as the same is not in the interest of the unitholders. In order to protect the interest of the unit holders, IDF has filed a civil appeal with Hon'ble Supreme Court on December 10, 2020 seeking distribution of proceeds received by IWEL as per Section 53 of IBC. The matter is currently sub-judice and case is yet to be heard by the Hon'ble Supreme Court. Based on the outcome of the case, distribution of proceeds will be decided

In respect of Scheme 1B, since the scheme has matured on 29th April 2021, the entire exposure as on that date amounting to Rs.25,32,11,686/- has been provided in the books of accounts.

Considering that the final tranche of facility to IWEL has fallen due on 30 September 2021, we have conservatively provided for the entire amount of exposure on 30 September 2021 amounting to Rs.37,85,51,470/- in Scheme 1C.

- (23) 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, 2023 & March 31, 2022 is as given below:

March 31, 2023

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

March 31, 2022

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	55,55,87,188	-	5,89,65,920	49,66,21,268

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

- (b) Investment in GHV Hospitality (India) Pvt Limited (GHV) has become NPA with effect from October 01, 2019. No interest has been accrued on this investment in the books post September 30, 2019.

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in GHV. Summary of provisions made and recovery during the year ended March 31, 2022 is as given below:

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	28,60,00,000	-	28,60,00,000	-

IDF had entered into consent terms with GHV in November 2021 which were filed with Hon'ble Supreme Court. As per the consent terms, GHV has repaid the entire amount which had been provided for and has also paid additional interest.

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

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in Williamson Magor & Co. Limited. Summary of provision made and recovery during the year ended March 31, 2023 & March 31, 2022 is as given below:

March 31, 2023

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

March 31, 2022

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year ©	Closing Provision (D) = (A+B-C)
1C	31,02,72,827	-	1,88,87,849	29,13,84,978

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

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

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	1,16,65,57,717	-	13,96,28,637	1,02,69,29,080

Summary of provisions (across investments) made during the year ended March 31, 2022 is given below:

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made on account of recoveries during the year (C)	Closing Provision (D) = (A+B-C)
1C	1,15,18,60,015	37,85,51,470	36,38,53,768	1,16,65,57,717

(24) 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.

(25) There are no unpaid redemption and unclaimed dividend as at March 31, 2023 (P.Y. Nil).

(26) (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 for the period April 1, 2022 to March 31, 2023.

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

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

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

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

b) Details of transactions during the year:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	1C	
	Particulars	For the Year ended March 31, 2023
Management fees	4,48,11,785	4,03,25,544
Trusteeship fees	4,66,804	4,20,071

c) Year-end payables/Receivables:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	1C	
	Particulars	As at March 31, 2023
Payable		
Management fees payable	43,58,801	38,41,618
Trusteeship fees payable	45,406	40,026

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

Details	March 31, 2023	March 31, 2022
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment*	Nil	Nil

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

(29) **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.

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

Signature to Notes to Accounts

For Mukund. M. Chitale & Co.

Chartered Accountants
Firm Reg. No. 106655W

Sd/-
(S. M. Chitale)
Partner
M. No.111383

For IL&FS Infra Asset Management Limited

Sd/- Sd/-
Nand Kishore **Jignesh Shah**
Chairman CEO & Managing Director
DIN: 08267502 DIN: 01587849

Sd/-
Neelesh Vernekar
Fund Manager

For IL&FS AMC Trustee Limited

Sd/- Sd/-
Shekhar Prabhudesai **Aroop Sircar**
Director Director
DIN: 08766338 DIN: 05309663

Date: July 25, 2023

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

1. Opinion

We have audited the accompanying financial statements of the following Schemes of **IL&FS Mutual Fund (IDF) – closed ended Debt Schemes** (the "Schemes") which comprise the Balance Sheet as at March 31, 2023, the Revenue Account and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

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

- In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2023
- In the case of the Revenue Account, of the surplus for the year ended on that date and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Schemes in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

3. Key Audit Matters

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

Key Audit Matters	Auditors Response
<u>Existence and Valuation of investments</u>	
<p>The investments held by the schemes as on March 31, 2023, mainly comprised of Debt instruments.</p> <p>There is a risk of existence of investments and that the fair value of investments is not determined appropriately.</p> <p>Accordingly, the existence and valuation of investments is considered as a key audit matter.</p>	<p>We performed the following audit procedures :</p> <ul style="list-style-type: none"> ▪ 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, 2023 are in accordance with the SEBI Regulations and other guidelines approved by the Board of Directors of the Trustee and the AMC, and are fair and reasonable.

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



S. M. Chitale
Partner
M. No. 111383
UDIN: 23111383BGTWJT5306
Place: Mumbai
Date: July 25, 2023

IL&FS Mutual Fund (IDF)							
Balance sheet as at March 31, 2023							
Amount ₹							
IL&FS Mutual Fund (IDF)	Notes	Series 2A		Series 2B		Series 2C	
		As at March 31, 2023	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Liabilities							
Unit capital	3	11812,50,000	11812,50,000	15750,00,000	15750,00,000	12687,50,000	12687,50,000
Reserves and surplus	4	1446,74,252	(218,31,888)	11704,02,134	8958,39,439	10953,29,064	8965,43,744
Current liabilities and provisions	5	20,79,703	21,47,239	43,06,580	39,34,390	35,67,236	31,32,446
Total		13280,03,955	11615,65,351	27497,08,714	24747,73,829	23676,46,300	21684,26,190
Assets							
Investments	6	13186,12,018	5251,21,288	26545,86,472	18157,10,924	22843,34,165	16333,94,407
Other Current assets	7	93,91,937	6364,44,063	951,22,242	6590,62,905	833,12,135	5350,31,783
Total		13280,03,955	11615,65,351	27497,08,714	24747,73,829	23676,46,300	21684,26,190
Notes to accounts form an integral part of the Financial Statements As per our report attached							
Notes to accounts form an integral part of the Financial Statements As per our report attached		1 to 29					
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W		For IL&FS Infra Asset Management Limited		For IL&FS AMC Trustee Limited			
Sd/- S.M.Chitale Partner M.No. 111383		Sd/- Nand Kishore Chairman DIN: 08267502		Sd/- Jignesh Shah CEO & Managing Director DIN: 01587849		Sd/- Shekhar Prabhudesai Director DIN: 08766338	
Date: July 25, 2023 Place: Mumbai		Sd/- Neelesh Vernekar Fund Manager					

IL&FS Mutual Fund (IDF)							
Revenue Account							
Amount ₹							
IL&FS Mutual Fund (IDF)	Notes	Series 2A		Series 2B		Series 2C	
		For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Income and gains							
Interest Income	8	1320,70,194	879,74,838	2683,73,799	2054,06,970	2043,95,999	1639,21,427
Other income	9	69,462	80,000	160,15,259	33,93,581	81,87,504	22,37,502
Reversal of NPA Provision	22	490,53,310	2597,98,593	207,64,279	1588,61,334	126,44,119	79,08,267
Total		1811,92,966	3478,53,431	3051,53,337	3676,61,885	2252,27,622	1740,67,196
Expenses and losses							
Investment Management fees	10	120,21,955	108,51,827	250,40,084	229,07,724	216,44,443	201,33,370
GST/ Service tax on Investment Management fees		21,63,952	19,53,329	45,07,215	41,23,390	38,96,000	36,24,007
Trusteeship fees		1,25,232	1,13,043	2,60,839	2,38,627	2,25,468	2,09,727
Investor Education and Awareness Expenses (Refer Note 2(h))		2,50,457	2,26,080	5,21,668	4,77,244	4,50,926	4,19,445
Custody Charges		-	0	-	-	-	-
Other Operating expenses		1,03,128	81,706	2,14,954	1,73,835	1,85,997	1,52,942
Provision for NPA	21	0	4279,27,749	0	2608,08,036	0	63,30,292
Audit Fees		22,102	31,335	45,882	64,789	39,468	56,783
Total		146,86,826	4411,85,069	305,90,642	2887,93,645	264,42,302	309,26,566
Surplus / (Deficit) for the year		1665,06,140	(933,31,638)	2745,62,695	788,68,240	1987,85,320	1431,40,630
Revenue Reserve brought forward		(218,31,888)	714,99,750	8958,39,439	8169,71,199	8965,43,744	7534,03,114
Net Surplus / (Deficit) transferred to Revenue Reserve		1446,74,252	(218,31,888)	11704,02,134	8958,39,439	10953,29,064	8965,43,744
Refer Note 14 for the total income and expenditure expressed as a percentage of the Average daily net assets							
Notes to accounts form an integral part of the Financial Statements As per our report attached	1 to 29						
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W		For IL&FS Infra Asset Management Limited		For IL&FS AMC Trustee Limited			
Sd/- S.M.Chitale Partner M.No. 111383	Sd/- Nand Kishore Chairman DIN: 08267502	Sd/- Jignesh Shah CEO & Managing Director DIN: 01587849	Sd/- Shekhar Prabhudesai Director DIN: 08766338	Sd/- Aroop Sircar Director DIN: 05309663			
Date: July 25, 2023 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager						

IL&FS Mutual Fund (IDF)							
Cash flow statement							
							Amount ₹
IL&FS Mutual Fund (IDF) Particulars		Series 2A		Series 2B		Series 2C	
		For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A. Cash flow from Operating Activities							
Surplus / (Deficit) for the year		1665,06,140	(933,31,638)	2745,62,695	788,68,240	1987,85,320	1431,40,630
Adjustment for:-							
Reversal of accrued interest		-	-	-	-	-	-
Provision for NPA		-	4279,27,749	-	2608,08,036	-	63,30,292
Change in assets and liabilities:							
Increase in current liabilities and provisions		(67,536)	12,19,322	3,72,190	14,46,486	4,34,790	17,78,720
Decrease/(Increase) in investments		(7934,90,730)	1962,69,269	(8388,75,548)	1625,15,815	(6509,39,758)	2264,90,403
(Increase)/Decrease in other current assets		6235,79,102	(5408,84,859)	5276,10,534	(5016,52,773)	1674,65,301	(976,36,113)
Cash used in Operations	(A)	(34,73,024)	(88,00,157)	(363,30,129)	19,85,804	(2842,54,347)	2801,03,932
B Cash flow from Investing Activities	(B)	-	-	-	-	-	-
C Cash flow from Financing activities	(C)	-	-	-	-	-	-
Net Increase/(Decrease) in cash and cash equivalents	(A+B+C)	(34,73,024)	(88,00,157)	(363,30,129)	19,85,804	(2842,54,347)	2801,03,932
Cash and cash equivalents at the beginning of the year		34,76,692	122,76,849	462,74,079	442,88,275	2853,29,303	52,25,371
Cash and cash equivalents at the end of the year		3,668	34,76,692	99,43,950	462,74,079	10,74,956	2853,29,303
Note							
Cash and bank balance as per Note No 7		7,53,527	41,02,994	112,07,201	472,78,965	21,15,251	2861,45,798
Less:- Cash and bank balance earmarked for Investor Education and Awareness		7,49,859	6,26,300	12,63,251	10,04,885	10,40,295	8,16,495
Less:- Cash and bank balance earmarked for Triparty repo		-	2	-	1	-	-
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		3,668	34,76,692	99,43,950	462,74,079	10,74,956	2853,29,303
Notes to accounts form an integral part of the Financial Statements As per our report attached	1 to 29						
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W	For IL&FS Infra Asset Management Limited			For IL&FS AMC Trustee Limited			
Sd/- S.M.Chitale Partner M.No. 111383	Sd/- Nand Kishore Chairman DIN: 08267502	Sd/- Jignesh Shah CEO & Managing Director DIN: 01587849	Sd/- Shekhar Prabhudesai Director DIN: 08766338	Sd/- Aroop Sircar Director DIN: 05309663			
Date: July 25, 2023 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager						

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(1) Background

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

IL&FS Infrastructure Debt Fund Series 2A, 2B and 2C is a closed ended Scheme for 5 Years, 8 Years and 12 Years respectively. Tenure to be calculated from the time the units become fully paid. The scheme was launched on March 3, 2014 and units were allotted on April 17, 2015 being first draw down of the commitments. Units are having face value of ₹ 1,000,000 and partly paid-up as on March 31, 2022 and as on March 31, 2023.

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

(2) Significant accounting policies

a) Basis of preparation of financial statements

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

b) Use of estimates

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

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

c) **Investments**

(i) Basis of accounting

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

(ii) Valuation

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

VALUATION METHODOLOGIES

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

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

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

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

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

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

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

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

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

d) **Revenue recognition**

Interest income is recorded on a period proportionate basis.

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

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

e) **Unrealised appreciation/depreciation on investments**

Net unrealized appreciation/depreciation in value of investments is determined for each investment, wherein the cost is compared with the fair value and the resultant appreciation/depreciation is transferred/charged to the revenue account.

f) **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.

g) **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.

h) **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.

i) **Load**

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

3 Unit Capital

IL&FS Mutual Fund (IDF) Particulars	Series 2A				Series 2B				Series 2C			
	As at March 31, 2023		As at March 31, 2022		As at March 31, 2023		As at March 31, 2022		As at March 31, 2023		As at March 31, 2022	
	Units Nos.	Amount ₹										
Initial Capital Issued and subscribed:												
Units of ₹ 10,00,000 Direct Plan - Growth	1,687.50	16875.00,000	1,687.50	16875.00,000	2,250.00	22500.00,000	2,250.00	22500.00,000	1,812.50	18125.00,000	1,812.50	18125.00,000
Paid-Up: Direct Plan - Growth Face Value ₹ 10,00,000												
Units at beginning of year (Paid-up ₹ 7,00,000)	1,687.50	11812,50,000	1,687.50	11812,50,000	2,250.00	15750,00,000	2,250.00	15750,00,000	1,812.50	12687,50,000	1,812.50	12687,50,000
Units outstanding at end of the year-paid up ₹ 7,00,000 each	1,687.50	11812,50,000	1,687.50	11812,50,000	2,250.00	15750,00,000	2,250.00	15750,00,000	1,812.50	12687,50,000	1,812.50	12687,50,000
Unit Capital at the end of the Year/	1,687.50	11812,50,000	1,687.50	11812,50,000	2,250.00	15750,00,000	2,250.00	15750,00,000	1,812.50	12687,50,000	1,812.50	12687,50,000

Units have been partly paid up to 70% of the committed amount as at March 31, 2023 and as at March 31, 2022.

4 Reserves and surplus

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Revenue Reserve						
At the beginning of the year	(218,31,888)	714,99,750	8958,39,439	8169,71,199	8965,43,744	7534,03,114
Transferred to Revenue account	218,31,888	(714,99,750)	(8958,39,439)	(8169,71,199)	(8965,43,744)	(7534,03,114)
Surplus transferred from Revenue account	1446,74,252	(218,31,888)	11704,02,134	8958,39,439	10953,29,064	8965,43,744
At the end of the year	1446,74,252	(218,31,888)	11704,02,134	8958,39,439	10953,29,064	8965,43,744

5 Current liabilities and provisions

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Creditors for						
-Investment Management fee payable	11,64,233	9,91,180	24,08,260	21,52,402	20,74,051	19,01,608
-Trustee fee payable	12,128	10,328	25,084	22,423	21,605	19,813
-Other payable *	22,103	3,96,575	45,886	2,69,802	39,468	91,096
Income received in advance	-	6,410	2,60,026	1,96,915	1,45,986	68,628
Provision for Investor Education and Awareness	7,72,317	6,45,419	13,09,707	10,46,406	10,80,303	8,53,177
Statutory dues	1,08,922	97,327	2,57,617	2,46,442	2,05,823	1,98,124
Total	20,79,703	21,47,239	43,06,580	39,34,390	35,67,236	31,32,446

* Other payable includes Interschemes dues

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, 2023		As at March 31, 2022		As at March 31, 2023		As at March 31, 2022		As at March 31, 2023		As at March 31, 2022	
	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	-	-	-	-	17100,00,000	17100,00,000	2400,00,000	2400,00,000	18080,00,000	18080,00,000	2600,00,000	2600,00,000
Non Convertible Debentures-Privately Placed	-	-	1077,80,576	1077,80,576	9445,86,472	9445,86,472	7655,32,992	7655,32,992	4763,34,165	4763,34,165	8517,51,414	8517,51,414
Money Market Instruments	13186,12,018	13186,12,018	4173,40,712	4173,40,712	-	-	8101,77,932	8101,77,932	-	-	5216,42,993	5216,42,993
Total	13186,12,018	13186,12,018	5251,21,288	5251,21,288	26545,86,472	26545,86,472	18157,10,924	18157,10,924	22843,34,165	22843,34,165	16333,94,407	16333,94,407

Notes:-

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

7 Current assets

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Balances with a bank in current account* (Refer Note 2(h))						
- Current Accounts	3,668	34,76,692	99,43,950	462,74,080	10,74,956	2853,29,303
- IEAP Accounts	7,49,859	6,26,300	12,63,251	10,04,885	10,40,295	8,16,495
- Triparty Repo Accounts	-	2	-	-	-	-
Recoverable from the AMC	-	-	-	-	-	-
Triparty Repo**	85,53,962	6289,75,497	835,65,167	6084,31,370	808,21,597	2470,69,875
Triparty Repo margin	84,448	33,65,572	3,49,874	33,52,570	3,75,285	14,12,553
Misc Receivable	-	-	-	-	2	4,03,557
Total	93,91,937	6364,44,063	951,22,242	6590,62,905	833,12,135	5350,31,783

* 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) Particulars	Series 2A		Series 2B		Series 2C	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022
On Investment in Non Convertible Debentures	582,85,547	614,90,751	2334,86,495	1635,35,119	1858,27,501	1286,73,084
On Investment in Money Market Instruments	630,44,707	199,97,705	63,22,068	324,22,077	38,57,008	301,54,832
Interest on Triparty Repo Margin	32,999	17,362	1,02,798	27,907	41,685	21,004
Reversal of accrued interest	-	-	-	-	-	-
On Triparty Repo	107,06,941	64,69,020	284,62,438	94,21,867	146,69,805	50,72,507
Total	1320,70,194	879,74,838	2683,73,799	2054,06,970	2043,95,999	1639,21,427

9 Other Income

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Misc Income	69,462	80,000	160,15,259	33,93,581	81,87,504	22,37,502
Total	69,462	80,000	160,15,259	33,93,581	81,87,504	22,37,502

(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, 2023	Management Fees	AAUM for the Year ended March 31, 2022	Management Fees
Series 2A	1,25,22,86,673	1,20,21,955	1,13,03,98,343	1,08,51,827
Series 2B	2,60,83,41,358	2,50,40,084	2,38,62,20,620	2,29,07,724
Series 2C	2,25,46,28,906	2,16,44,443	2,09,72,25,427	2,01,33,370

(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, 2023

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

For the Year ended March 31, 2022

Series	Income		Expense Ratio	
	(Amount ₹)	% to AAUM	(Amount ₹)	% to AAUM
Series 2A – Direct Plan	34,78,53,431	30.77%	1,32,57,320	1.17%
Series 2B – Direct Plan	36,76,61,885	15.41%	2,79,85,609	1.17%
Series 2C – Direct Plan	17,40,67,196	8.30%	2,45,96,274	1.17%

(15) Income tax

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

(16) Net Asset Value per unit

(Amount ₹)

Series	Plan	Face Value	Paid-up amount	As at March 31, 2023	As at March 31, 2022
Series 2A – Direct Plan	Growth	10,00,000	7,00,000	7,85,732.8921	6,87,062.5865
Series 2B – Direct Plan	Growth	10,00,000	7,00,000	12,20,178.7209	10,98,150.8574
Series 2C – Direct Plan	Growth	10,00,000	7,00,000	13,04,319.4793	11,94,644.8200

**(17) Portfolio holding as at year end are as follows:
As at March 31, 2023**

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

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

As at March 31, 2022

IL&FS Infrastructure Debt Fund Particulars	Mar-22								
	Series 2A Fair value (Amount ₹)	% to Net Assets	% to Category Total	Series 2B Fair value (Amount ₹)	% to Net Assets	% to Category Total	Series 2C Fair value (Amount ₹)	% to Net Assets	% to Category Total
Infrastructure Sector									
Non Convertible Debentures Listed On Recognised Stock Exchange									
Shrem Infra Structure Private Limited	-	-	-	24,00,00,000	9.71%	100.00%	26,00,00,000	12.01%	100.00%
A	-	-	-	24,00,00,000	9.71%	100.00%	26,00,00,000	12.01%	100.00%
Infrastructure Sector									
Non Convertible Debentures Privately Placed									
AMRI Hospitals Ltd	-	-	-	31,59,27,037	12.79%	41.27%	10,50,00,000	4.85%	12.33%
Bhilangana Hydro Power Ltd	1,42,80,576	1.23%	13.25%	15,68,55,955	6.35%	20.49%	44,17,51,414	20.40%	51.86%
Shrem Infra Structure Private Limited	-	-	-	25,00,00,000	10.12%	32.66%	18,00,00,000	8.31%	21.13%
Kanchanjunga Power Company Private Ltd	9,00,00,000	7.76%	83.50%	2,00,00,000	0.81%	2.61%	12,50,00,000	5.77%	14.68%
Kaynes Technology India Private Ltd	35,00,000	0.30%	3.25%	2,27,50,000	0.92%	2.97%	-	-	-
B	10,77,80,576	9.30%	100.00%	76,55,32,992	30.98%	100.00%	85,17,51,414	39.34%	100.00%
Commercial Papers									
ICICI Securities Ltd CP 12-Apr-22	1,59,80,021	1.38%	3.83%	16,07,98,963	6.51%	19.85%	13,28,33,927	0.06	0.25
HDFC Securities Ltd CP 26-Apr-22	22,83,33,813	19.69%	54.71%	27,81,88,357	11.26%	34.34%	5,58,37,090	2.58%	10.70%
HDFC Securities Ltd CP 21-Apr-22	3,59,13,170	3.10%	8.61%	4,28,96,287	1.74%	5.29%	8,08,04,633	3.73%	15.49%
Pilani Inv & Ind Cor Ltd CP 25-Apr-22	1,79,43,382	1.55%	4.30%	2,99,05,636	1.21%	3.69%	3,98,74,182	1.84%	7.64%
Axis Securities Ltd 07-Jul-22	83,95,741	0.72%	2.01%	6,17,33,392	2.50%	7.62%	6,81,53,664	3.15%	13.07%
L&T Finance Limited CP 07-Jul-22	93,84,594	0.81%	2.25%	6,81,61,786	2.76%	8.41%	7,50,76,750	3.47%	14.39%
Axis Securities Ltd CP 29-Aug-22	10,13,89,990	8.74%	24.29%	16,84,93,510	6.82%	20.80%	6,90,62,747	3.19%	13.24%
C	41,73,40,712	36.00%	100.00%	81,01,77,932	32.79%	100.00%	52,16,42,993	24.09%	100.00%
Total Investment (A+B+C)	52,51,21,287	45.29%	100.00%	1,81,57,10,924	73.49%	100.00%	1,63,33,94,407	75.44%	100.00%
Net Current Assets	63,42,96,824	54.71%	-	65,51,28,515	26.51%	-	53,18,99,337	24.56%	-
Net Assets	1,15,94,18,112	100.00%	100.00%	2,47,08,39,439	100.00%	100.00%	2,16,52,93,744	100.00%	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, 2023

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

For the Year ended March 31, 2022

IL&FS Infrastructure Debt Fund Series	For the Year ended March 31, 2022			
	Aggregate value of Purchases	Percentage of Average Net Assets	Aggregate value of Sales/Redemption	Percentage of Average Net Assets
	(Amount ₹)		(Amount ₹)	
Series 2A	87,54,69,853	77.45%	1,42,97,19,424	126.48%
Series 2B	2,02,67,11,140	84.93%	2,42,76,44,562	101.74%
Series 2C	1,68,01,67,734	80.11%	1,94,18,10,586	92.59%

(19) Aggregate Fair value of Non-Traded Investments

- The aggregate fair value of non-traded investments, valued in 'good faith' by the Investment Manager on the basis of the valuation principles laid down by SEBI as on 31st March 2022: NIL (As on 31st March 2022: NIL)
- The aggregate fair value of debt securities which have been valued at the price other than the price given by the independent valuation agencies is as follows –
(Amount ₹)

Infrastructure Debt Fund	As at March 31, 2023	Percentage of Net Assets	As at March 31, 2022	Percentage of Net Assets
Series 2A	1,31,86,12,018	99.45%	52,51,21,287	45.29%
Series 2B	2,65,45,86,472	96.69%	1,81,57,10,924	73.49%
Series 2C	2,28,43,34,166	96.63%	1,63,33,94,406	75.44%

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

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

As on 31st March 2022 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.

The Committee of Creditors (COC) (including IDF) of IWEL granted an approval in April 2019 for sale of IWEL's stake in 7 Wind SPVs based on representation given by IL&FS that distribution framework will be governed by Section 53 of IBC. On receipt of approval from COC, IL&FS Group completed sale of majority stakes held by IWEL to ORIX Japan on basis of NCLT approval and realized proceeds of Rs 590 cr (approx.) in November 2019 which is currently deposited in an escrow account.

However, subsequent to receipt of sale proceeds, the IL&FS Board has changed the distribution framework for group resolution in January 2020 and is proposing to apply revised distribution framework retrospectively for distribution of sale proceeds received by IWEL.

This revised distribution framework of IWEL is not acceptable to IDF as the same is not in the interest of the unitholders. In order to protect the interest of the unit holders, IDF has filed a civil appeal with Hon'ble Supreme Court on December 10, 2020 seeking distribution of proceeds received by IWEL as per Section 53 of IBC. The matter is currently sub-judice and case is yet to be heard by the Hon'ble Supreme Court. Based on the outcome of the case, distribution of proceeds will be decided

Considering that the final tranche of facility to IWEL has fallen due on 30 September 2021, we have conservatively provided for the entire amount of exposure on 30 September 2021 amounting to Rs.42,79,27,749/- in Scheme 2A, Rs.26,08,08,036/- in Scheme 2B and Rs.63,30,292/- in Scheme 2C.

- (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, 2023 & March 31, 2022 is as given below:

March 31, 2023

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

March 31, 2022

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	29,63,66,833	-	3,14,50,659	26,49,16,174
2B	11,18,23,964	-	1,18,67,237	9,99,56,726
2C	6,98,32,526	-	74,11,218	6,24,21,308
Total	47,80,23,323	-	5,07,29,115	42,72,94,208

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

(b) Investment in GHV Hospitality (India) Pvt Limited (GHV) has become NPA with effect from October 01, 2019. No interest has been accrued on this investment in the books post September 30, 2019.

As per SEBI Regulations, IDF has made provision for the outstanding exposure in GHV. Summary of provisions made and recovery during the year ended March 31, 2022 is as 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	22,80,00,000	-	22,80,00,000	-
2B	14,60,00,000	-	14,60,00,000	-
Total	37,40,00,000	-	37,40,00,000	-

IDF had entered into consent terms with GHV in November 2021 which were filed with Hon'ble Supreme Court. As per the consent terms, GHV has repaid the entire amount which had been provided for and has also paid additional interest.

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

As per SEBI Regulations, IDF has made provision for the entire outstanding exposure in Williamson Magor & Co. Limited. Summary of provision made and recovery during the year ended March 31, 2023 & March 31, 2022 is as given below:

March 31, 2023

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

March 31, 2022

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	57,15,552	-	3,47,934	53,67,618
2B	1,63,30,149	-	9,94,097	1,53,36,052
2C	81,65,074	-	4,97,049	76,68,026
Total	3,02,10,775	-	18,39,080	2,83,71,695

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

Summary of provisions (across investments) made during the year ended March 31, 2023 as explained in a, b, and c above is given below:

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

Summary of provisions (across investments) made during the year ended March 31, 2022 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	53,00,82,385	42,79,27,749	25,97,98,593	69,82,11,541
2B	27,41,54,113	26,08,08,036	15,88,61,334	37,61,00,814
2C	7,79,97,600	63,30,292	79,08,267	7,64,19,626
Total	88,22,34,098	69,50,66,077	42,65,68,195	115,07,31,981

- (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, 2023.
- (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, 2023 and March 31, 2022.

(26) Segment reporting

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

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

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

- a) The following are the related parties by control with whom transaction have been entered during the period:
- Investment Manager: IL&FS Infra Asset Management Limited
 - Trustee: IL&FS AMC Trustee Limited
 - Sponsor: IL&FS Investment Managers Limited (IL&FS Financial Services Limited till December 31, 2017)

b) Details of transactions during the year:

IL&FS Infrastructure Debt Fund Series	2A		2B		2C	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Management Fees	1,20,21,955	1,08,51,827	2,50,40,084	2,29,07,724	2,16,44,443	2,01,33,370
Trusteeship Fees	1,25,232	1,13,043	2,60,839	2,38,627	2,25,468	2,09,727

c) Year-end Payables/Receivables:

IL&FS Infrastructure Debt Fund Series	2A		2B		2C	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Payable						
Management fees payable	11,64,233	9,91,180	24,08,260	21,52,402	20,74,051	19,01,608
Trusteeship fees payable	12,128	10,328	25,084	22,423	21,605	19,813

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

Details	March 31, 2023	March 31, 2022
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment	Nil	Nil

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

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

Signature to Notes to Accounts

For Mukund. M. Chitale & Co.

Chartered Accountants

Firm R eg. No. 106655W

Sd/-

(S. M. Chitale)

Partner

M. No.111383

For IL&FS Infra Asset Management Limited

Sd/-

Nand Kishore

Chairman

DIN: 08267502

Sd/-

Jignesh Shah

CEO & Managing Director

DIN: 01587849

Sd/-

Neelesh Vernekar

Fund Manager

For IL&FS AMC Trustee Limited

Sd/-

Shekhar Prabhudesai

Director

DIN: 08766338

Sd/-

Aroop Sircar

Director

DIN: 05309663

Date: July 25, 2023

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

1. Opinion

We have audited the accompanying financial statements of the following Schemes of **IL&FS Mutual Fund (IDF) – closed ended Debt Schemes** (the "Schemes") which comprise the Balance Sheet as at March 31, 2023, the Revenue Account and the Cash Flow Statement for the period from April 01, 2022 to January 31, 2023 for Series 3A, the Revenue Account and the Cash Flow Statement for the year ended on 31 March 2023 for Series 3B 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 3A
IL&FS Infrastructure Debt Fund Series 3B

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

- In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2023
- In the case of the Revenue Account, of the surplus for the period 1st April 2022 to 31st January 2023 in respect of Series 3A and for the year ended 31st March 2023 in respect of Series 3B and
- In the case of the Cash Flow Statement, of the cash flows for the period 1st April 2022 to 31st January 2023 in respect of Series 3A and for the year ended 31st March 2023 in respect of Series 3B.

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, 2023, 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 : <ul style="list-style-type: none">▪ 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, 2023 are in accordance with the SEBI Regulations and other guidelines approved by the Board of Directors of the Trustee and the AMC, and are fair and reasonable.

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



S. M. Chitale
Partner
M. No. 111383
UDIN : 23111383BGTWJU4426
Place: Mumbai
Date: July 25, 2023

IL&FS Mutual Fund (IDF)

Balance Sheet as at March 31, 2023

Amount ₹

IL&FS Mutual Fund (IDF)		Series 3A		Series 3B	
Particulars	Notes	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Liabilities					
Unit capital	3	-	14000,00,000	15300,00,000	15300,00,000
Reserves and surplus	4	-	2147,48,710	5498,32,747	3941,34,752
Current liabilities and provisions	5	8,12,334	24,27,462	63,50,953	28,75,011
Total		8,12,334	16171,76,172	20861,83,700	19270,09,763
Assets					
Investments	6	-	11048,97,227	19042,69,252	17403,14,548
Other Current assets	7	8,12,334	5122,78,945	1819,14,448	1866,95,215
Total		8,12,334	16171,76,172	20861,83,700	19270,09,763

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

1 to 29

For Mukund M. Chitale & Co.**For IL&FS Infra Asset Management Limited****For IL&FS AMC Trustee Limited**

Chartered Accountants
Firm Regn. No. 106655W

Sd/-
S.M.Chitale
Partner
M.No. 111383

Sd/-
Nand Kishore
Chairman
DIN: 08267502
Place: Mumbai

Sd/-
Jignesh Shah
CEO & Managing Director
DIN: 01587849
Place: Mumbai

Sd/-
Shekhar Prabhudesai
Director
DIN: 08766338
Place Mumbai

Sd/-
Aroop Sircar
Director
DIN: 05309663
Place: Mumbai

Date: July 25, 2023
Place: Mumbai

Sd/-
Neelesh Vernekar
Fund Manager
Place: Mumbai

IL&FS Mutual Fund (IDF) Revenue Account						Amount ₹
IL&FS Mutual Fund (IDF)	Notes	Series 3A		Series 3B		
		For the Period ended January 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022	
Income and gains						
Interest income	8	865,43,529	817,16,221	1656,63,841	1219,82,116	
Other income	9	34,753	-	134,07,969	647,66,133	
Reversal of NPA Provision	22	207,35,027	135,45,416	-	-	
Total		1073,13,309	952,61,637	1790,71,810	1867,48,249	
Expenses and losses						
Investment Management fees	10	132,91,192	156,57,134	191,32,722	187,19,261	
GST on Investment Management fees		23,92,415	28,18,284	34,43,889	33,69,467	
Trusteeship fees		1,38,454	1,63,100	1,99,304	1,94,996	
Investor Education and Awareness Expenses (Refer Note 2(h))		2,76,900	3,26,190	3,98,598	3,89,985	
Custody Charges		-	-	-	-	
Other Operating expenses		1,27,915	1,17,322	1,64,673	1,40,057	
Audit Fees		10,535	45,773	34,629	54,938	
Provision for NPA	21	-	974,86,499	-	1582,57,304	
Total		162,37,411	1166,14,302	233,73,815	1811,26,008	
Surplus / (Deficit) for the period		910,75,898	(213,52,665)	1556,97,995	56,22,241	
Revenue Reserve brought forward		2147,48,710	2361,01,375	3941,34,752	3885,12,511	
Net Surplus for the period transferred to Revenue Reserve		3058,24,608	2147,48,710	5498,32,747	3941,34,752	
Refer Note 14 for the total income and expenditure expressed as a percentage of the Average daily net assets						
Notes to accounts form an integral part of the Financial Statements As per our report attached	1 to 29					
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W		For IL&FS Infra Asset Management Limited		For IL&FS AMC Trustee Limited		
Sd/- S.M.Chitale Partner M.No. 111383 Date: July 25, 2023 Place: Mumbai	Sd/- Nand Kishore Chairman DIN: 08267502 Place: Mumbai Sd/- Neelesh Vernekar Fund Manager Place: Mumbai	Sd/- Jignesh Shah CEO & Managing Director DIN: 01587849 Place: Mumbai	Sd/- Shekhar Prabhudesai Director DIN: 08766338 Place Mumbai	Sd/- Aroop Sircar Director DIN: 05309663 Place: Mumbai		

IL&FS Mutual Fund (IDF) Cash flow statement					
					Amount ₹
IL&FS Mutual Fund (IDF)		Series 3A		Series 3B	
Particulars		For the Period ended January 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A. Cashflow from Operating Activities					
Surplus / (Deficit) for the period		910,75,898	(213,52,665)	1556,97,995	56,22,241
Adjustment for:-					
Reversal of NPA Provision		-	-	-	-
Reversal of accrued interest		-	-	-	-
Provision for NPA		-	974,86,499	-	1582,57,304
Interest Income		-	-	-	-
Interest received		-	-	-	-
Change in assets and liabilities:					
Adjustments for:-					
Increase in current liabilities and provisions		(17,67,272)	25,89,186	34,75,942	14,47,864
Increase in investments		11048,97,227	1458,34,900	(1639,54,704)	(1308,68,294)
Increase in other current assets		5087,52,808	(2688,22,286)	399,15,737	(392,27,625)
Cash used in Operations	(A)	17029,58,661	(442,64,366)	351,34,970	(47,68,510)
B Cashflow from Investing activities		-	-	-	-
Net cash generated from investing activities	(B)	-	-	-	-
C Cashflow from financing activities					
Units issued		-	-	-	-
Units Redeemed		(17058,24,608)	-	-	-
Net cash generated from financing activities	(C)	(17058,24,608)	-	-	-
Net increase in cash and cash equivalents	(A+B+C)	(28,65,947)	(442,64,366)	351,34,970	(47,68,510)
Cash and cash equivalents at the beginning of the year		28,76,482	471,40,848	39,67,718	87,36,228
Cash and cash equivalents at the end of the period		10,535	28,76,482	391,02,688	39,67,718
Note					
Cash and bank balance as per Note No 7		8,12,334	35,26,137	399,83,358	46,50,386
Less:- Cash and bank balance earmarked for Investor Education and Awareness		8,01,799	6,49,655	8,80,670	6,82,668
Less:- Cash and bank balance earmarked for Triparty Repo		-	-	-	-
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		10,535	28,76,482	391,02,688	39,67,718
Notes to accounts form an integral part of the Financial Statements As per our report attached	1 to 29				
For Mukund M. Chitale & Co. Chartered Accountants Firm Regn. No. 106655W	For IL&FS Infra Asset Management Limited	For IL&FS AMC Trustee Limited			
Sd- S.M.Chitale Partner M.No. 111383	Sd/- Nand Kishore Chairman DIN: 08267502	Sd/- Jignesh Shah CEO & Managing Director DIN: 01587849	Sd/- Shekhar Prabhudesai Director DIN: 08766338	Sd/- Aroop Sircar Director DIN: 05309663	
Date: July 25, 2023 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager				

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.

(2) Significant accounting policies

a) Basis of preparation of financial statements

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

b) Use of estimates

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

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

c) **Investments**

(i) Basis of accounting

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

(ii) Valuation

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

VALUATION METHODOLOGIES

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

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

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

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

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

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

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

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

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

d) Revenue recognition

Interest income is recorded on a period proportionate basis.

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

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

e) Unrealised appreciation/depreciation on investments

Net unrealized appreciation/depreciation in value of investments is determined for each investment, wherein the cost is compared with the fair value and the resultant appreciation/depreciation is transferred/charged to the revenue account.

f) 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.

g) 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.

h) 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.

i) Load

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

3 Unit Capital

IL&FS Mutual Fund (IDF) Particulars	Series 3A				Series 3B			
	As at March 31, 2023		As at March 31, 2022		As at March 31, 2023		As at March 31, 2022	
	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	980.00	9800,00,000	980.00	9800,00,000	1,470.00	14700,00,000	1,470.00	14700,00,000
Regular Plan - Growth	400.00	4000,00,000	400.00	4000,00,000	-	-	-	-
Direct Plan - Dividend	20.00	200,00,000	20.00	200,00,000	60.00	600,00,000	60.00	600,00,000
Paid-Up:								
Direct Plan - Growth Face Value ₹ 10,00,000								
Units at beginning of the period	980.00	9800,00,000	980.00	9800,00,000	1,470.00	14700,00,000	1,470.00	14700,00,000
Money called during the period								
Units Redeemed during the period	-980.00	-9800,00,000						
Units outstanding at end of the period	-	-	980.00	9800,00,000	1,470.00	14700,00,000	1,470.00	14700,00,000
Regular Plan - Growth Face Value ₹ 10,00,000								
Units at beginning of the period	400.00	4000,00,000	400.00	4000,00,000	-	-	-	-
Money called during the period								
Units outstanding at end of the period	-400.00	-4000,00,000						
Units outstanding at end of the period	-	-	400.00	4000,00,000	-	-	-	-
Direct Plan - Dividend Face Value ₹ 10,00,000								
Units at beginning of the period	20.00	200,00,000	20.00	200,00,000	60.00	600,00,000	60.00	600,00,000
Money called during the period								
Units outstanding at end of the period	-20.00	-200,00,000						
Units outstanding at end of the period	-	-	20.00	200,00,000	60.00	600,00,000	60.00	600,00,000
Unit Capital at the end of the period	-	-	1,400.00	14000,00,000	1,530.00	15300,00,000	1,530.00	15300,00,000

4 Reserves and surplus

Amount ₹				
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Revenue Reserve				
At the beginning of the period	2147,48,710	2361,01,375	3941,34,752	3885,12,511
Transferred to Revenue account	(2147,48,710)	(2361,01,375)	(3941,34,752)	(3885,12,511)
Surplus transferred from Revenue account	3058,24,608	2147,48,710	5498,32,747	3941,34,752
Premium paid on redemption	-3058,24,608			
At the end of the year	-	2147,48,710	5498,32,747	3941,34,752

Amount ₹				
Reserves and surplus for each option:-				
Direct Plan - Growth	-	1506,99,142	5282,70,678	3786,78,487
Direct Plan - Dividend	-	30,75,491	215,62,069	154,56,265
Regular Plan - Growth	-	609,74,077	-	-
Total	-	2147,48,710	5498,32,747	3941,34,752

5 Current liabilities and provisions

				Amount ₹	
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B		
Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	
Creditors for					
-Investment Management fee payable	-	14,19,869	18,24,851	16,90,292	
-Trustee fee payable	-	14,793	19,009	17,611	
-Other payable*	8,12,334	1,76,337	9,50,500	85,052	
Income received in advance	-	-	33,70,552	1,70,143	
Provision for Investor Education and Awareness	-	6,77,043	-	7,15,274	
Statutory dues	-	1,39,420	1,86,041	1,96,639	
Total	8,12,334	24,27,462	63,50,953	28,75,011	

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

6 Investments

IL&FS Mutual Fund (IDF)	Amount ₹							
	Series 3A				Series 3B			
	As at March 31, 2023		As at March 31, 2022		As at March 31, 2023		As at March 31, 2022	
Particulars	Cost	Market / Fair Value						
Non Convertible Debentures Listed On Recognised Stock Exchange	-	-	-	-	5851,08,493	5851,08,493	-	-
Non Convertible Debentures-Privately Placed	-	-	4431,73,736	4431,73,736	13191,60,759	13191,60,759	10125,68,926	10125,68,926
Money Market Instruments	-	-	6617,23,492	6617,23,492	-	-	7277,45,622	7277,45,622
Total	-	-	11048,97,227	11048,97,227	19042,69,252	19042,69,252	17403,14,548	17403,14,548

Notes:-

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

7 Other Current assets

Amount ₹				
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Balances with a bank in current account* (Refer Note 2(h))				
- Current Accounts	10,535	28,76,482	391,02,688	39,67,718
- IEAP Accounts	8,01,799	6,49,655	8,80,670	6,82,668
- Triparty Repo Accounts	-	-	-	-
Triparty Repo**	-	5047,39,059	1411,07,935	1809,03,961
Triparty REPO margin	-	39,86,176	8,23,155	11,38,751
Recoverable from the AMC	-	-	-	-
Misc Receivable	-	27,573	-	2,117
Total	8,12,334	5122,78,945	1819,14,448	1866,95,215

* 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 3A		Series 3B	
Particulars	For the Period ended January 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022
On Investment in Non Convertible Debentures	213,59,694	266,68,268	1361,33,382	740,28,243
On Certificate of Deposits	592,40,372	460,02,806	67,54,378	423,20,428
Interest on Triparty Repo Margin	23,164	28,972	1,07,333	17,195
Reversal of accrued interest	-	-	-	-
On Reverse Repo/Triparty Repo	59,20,299	90,16,175	226,68,748	56,16,250
Total	865,43,529	817,16,221	1656,63,841	1219,82,116

9 Other Income

Amount ₹				
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	For the Period ended January 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Misc Income	34,753	-	134,07,969	647,66,133
Total	34,753	-	134,07,969	647,66,133

(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 Year ended March 31, 2023	Management Fees for the Year ended March 31, 2023	Average Net Assets for the Year ended March 31, 2022	Management Fees for the Year ended March 31, 2022
Series 3A	1,38,44,98,814	1,32,91,192	1,63,09,50,953	1,56,57,134
Series 3B	1,99,29,91,285	1,91,32,722	1,94,99,22,486	1,87,19,261

(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, 2022 to March 31, 2023

Infrastructure Debt Fund	Income			Expense Ratio		
	Amount ₹	Avg AUM	% to AAUM	Amount ₹	Avg AUM	% to AAUM
Series 3A	10,73,13,309	1,38,44,98,814	7.75%	1,62,37,411	1,38,44,98,814	1.17%
Series 3B	17,90,71,810	1,99,29,91,285	8.99%	2,33,73,815	1,99,29,91,285	1.17%

For the period April 1, 2021 to March 31, 2022

Infrastructure Debt Fund	Income			Expense Ratio		
	Amount ₹	Avg AUM	% to AAUM	Amount ₹	Avg AUM	% to AAUM
Series 3A	9,52,61,637	1,63,09,50,953	5.84%	1,91,27,803	1,63,09,50,953	1.17%
Series 3B	18,67,48,249	1,94,99,22,486	9.58%	2,28,68,704	1,94,99,22,486	1.17%

(15) **Income tax**

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

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

(Amount ₹)

Infrastructure Debt Fund	Plan	Face Value	As at March 31, 2023	As at March 31, 2022
Series 3A- Direct*	Growth	10,00,000	11,53,774.6349	11,53,774.6349
	Payout	10,00,000	11,53,774.6110	11,53,774.6110
Series 3A- Regular*	Growth	10,00,000	11,52,435.1939	11,52,435.1939
Series 3B- Direct	Growth	10,00,000	13,59,367.8125	12,57,604.4171
	Payout	10,00,000	13,59,367.8007	12,57,604.4047

* NAV per unit as on 31st January 2023

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

As at March 31, 2023

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

As at March 31, 2022

Mar-22						
IL&FS Infrastructure Debt Fund	Series 3A			Series 3B		
Particulars	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total
Non Convertible Debentures Privately Placed						
Infrastructure Sector						
AMRI Hospitals Ltd	-	-	-	27,29,77,199	14.19%	26.96%
Bhilangana Hydro Power Ltd	21,14,23,736	13.09%	47.71%	5,28,41,727	2.75%	5.22%
Shrem Infra Structure Private Limited	15,00,00,000	9.29%	33.85%	40,00,00,000	20.79%	39.50%
Kaynes Technology India Private Ltd	17,50,000	0.11%	0.39%	17,50,000	0.09%	0.17%
Kanchanjunga Power Company Private Ltd	8,00,00,000	0.05	0.18	28,50,00,000	14.81%	28.15%
A	44,31,73,736	27.45%	100.00%	1,01,25,68,926	52.62%	100.00%
Commercial Papers						
ICICI Securities Ltd CP 12-Apr-22	2,69,66,286	1.67%	4.08%	1,59,80,021	0.83%	2.20%
HDFC Securities Ltd CP 26-Apr-22	15,35,51,997	9.51%	23.20%	3,98,83,635	2.07%	5.48%
HDFC Securities Ltd CP 21-Apr-22	8,18,02,221	5.07%	12.36%	9,27,75,690	4.82%	12.75%
Pilani Inv & Ind Cor Ltd CP 25-Apr-22	8,87,20,054	5.49%	13.41%	22,22,98,563	11.55%	30.55%
Axis Securities Ltd 07-Jul-22	6,46,96,594	4.01%	9.78%	9,77,85,692	5.08%	13.44%
L&T Finance Limited CP 07-Jul-22	7,11,25,342	4.40%	10.75%	10,71,81,939	5.57%	14.73%
Axis Securites Ltd CP 29-Aug-22	17,48,60,998	10.83%	26.43%	15,18,40,082	7.89%	20.86%
B	66,17,23,492	40.98%	100.00%	72,77,45,622	37.82%	100.00%
Total Investments (A+B)	1,10,48,97,227	68.43%		1,74,03,14,548	90.45%	
Net Current Assets	50,98,51,483	31.57%		18,38,20,204	9.55%	
Net Assets	1,61,47,48,710	100.00%		1,92,41,34,752	100.00%	

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

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

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

For the Year ended March 31, 2023

IL&FS Infrastructure Debt Fund	Aggregate value of Purchase (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales/Redemptions (Amount ₹)	Percentage of Average Net Assets
Series 3A	2,40,05,36,136	173.39%	3,56,46,73,736	257.47%
Series 3B	1,36,50,00,000	68.49%	1,17,64,58,175	59.03%

For the Year ended March 31, 2022

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 3A	2,30,20,11,744	141.15%	2,61,58,13,765	160.39%
Series 3B	2,32,79,45,931	119.39%	2,36,50,84,372	121.29%

(19) Aggregate Fair value of Non-Traded Investments

- The aggregate fair value of non-traded investments, valued in 'good faith' by the Investment Manager on the basis of the valuation principles laid down by SEBI as on 31st March 2022: NIL (As on 31st March 2021: Nil)
- The aggregate fair value of debt securities which have been valued at the price other than the price given by the independent valuation agencies is as follows –

(Amount ₹)

Infrastructure Debt Fund	As at March 31, 2023	Percentage of Net Assets	As at March 31, 2022	Percentage of Net Assets
Series 3A	-	-	1,10,48,97,227	68.43%
Series 3B	1,90,14,88,601	91.43%	1,74,03,14,548	90.45%

(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 31st March 2023.: NIL

The Company has following investment in the securities of group companies of the sponsors as at 31st March 2022: NIL

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

The Committee of Creditors (COC) (including IDF) of IWEL granted an approval in April 2019 for sale of IWEL's stake in 7 Wind SPVs based on representation given by IL&FS that distribution framework will be governed by Section 53 of IBC. On receipt of approval from COC, IL&FS Group completed sale of majority stakes held by IWEL to ORIX Japan on basis of NCLT approval and realized proceeds of Rs 590 cr (approx.) in November 2019 which is currently deposited in an escrow account.

However, subsequent to receipt of sale proceeds, the IL&FS Board has changed the distribution framework for group resolution in January 2020 and is proposing to apply revised distribution framework retrospectively for distribution of sale proceeds received by IWEL.

This revised distribution framework of IWEL is not acceptable to IDF as the same is not in the interest of the unitholders. In order to protect the interest of the unit holders, IDF has filed a civil appeal with Hon'ble Supreme Court on December 10, 2020 seeking distribution of proceeds received by IWEL as per Section 53 of IBC. The matter is currently sub-judice and case is yet to be heard by the Hon'ble Supreme Court. Based on the outcome of the case, distribution of proceeds will be decided

Considering that the final tranche of facility to IWEL has fallen due on 30 September 2021, we have conservatively provided for the entire amount of exposure on 30 September 2021 amounting to Rs.9,74,86,499/- in Scheme 3A and Rs.15,82,57,304/- in Scheme 3B.

(22) 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, 2023 & March 31, 2022 is as given below:

March 31, 2023

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
3A	11,40,96,308	-	2,07,35,027	9,33,61,281

March 31, 2022

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
3A	12,76,41,724	-	1,35,45,416	11,40,96,308

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

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

Series	Opening Provision (A)	Provision made during the year (B)	Reversal of Provision made during the year (C)	Closing Provision (D) = (A+B-C)
3A	21,15,82,807	-	2,07,35,027	19,08,47,780
3B	15,82,57,304	-	-	15,82,57,304
Total	36,98,40,111	-	2,07,35,027	34,91,05,084

Summary of provisions (across investments) made during the year ended March 31, 2022 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)
3A	12,76,41,724	9,74,86,499	1,35,45,416	21,15,82,807
3B	-	15,82,57,304	-	15,82,57,304
Total	12,76,41,724	25,57,43,803	1,35,45,416	36,98,40,111

- (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, 2023.
- (25) (a) There are no unit holders holding over 50% of the net assets in the Schemes as at the Balance Sheet dates.

(b) There are no amounts to be disclosed as required under SEBI Regulation 25 (11) as the Schemes have not made any investments in the Companies or their Subsidiaries which have invested more than 5% of the Net Asset Value for the period April 1, 2022 to March 31, 2023.

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

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

a) The following are the related parties by control with whom transaction have been entered during the 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 3A	Series 3A	Series 3B	Series 3B
Particulars	For the Period April 1, 2022 to March 31, 2023	For the Period April 1, 2021 to March 31, 2022	For the Period April 1, 2022 to March 31, 2023	For the Period April 1, 2021 to March 31, 2022
Management fees	1,32,91,192	1,56,57,134	1,91,32,722	1,87,19,261
Trusteeship fees	1,38,454	1,63,100	1,99,304	1,94,996

b) Period-end payables/Receivables:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	Series 3A	Series 3A	Series 3B	Series 3B
Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Payable				
Management Fees Payable	-	14,19,869	18,24,851	16,90,292
Trusteeship Fees Payable	-	14,793	19,009	17,611

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

(Amount ₹)

Details	March 31, 2023	March 31, 2022
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment	Nil	Nil

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

(28) Segment reporting

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

(29) Previous year'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 R eg. No. 106655W

Sd/-

(S. M. Chitale)

Partner

M. No.111383

For IL&FS Infra Asset Management Limited

Sd/-

Nand Kishore

Chairman

DIN: 08267502

Sd/-

Jignesh Shah

CEO & Managing Director

DIN: 01587849

Sd/-

Neelesh Vernekar

Fund Manager

For IL&FS AMC Trustee Limited

Sd/-

Shekhar Prabhudesai

Director

DIN: 08766338

Sd/-

Aroop Sircar

Director

DIN: 05309663

Date: July 25, 2023

Place: Mumbai