

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

Dear Unitholders,

We have pleasure in presenting the 9th (Ninth) Annual Report of the Schemes of IL&FS Mutual Fund (IDF) for the year ended March 31, 2022, 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 and having raised and managed over \$3.5 billion.

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.

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-A** - with minimum tenure of 5 years. The scheme closed on January 31, 2018 for aggregate amount of ₹ 140 crore.

(d) **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.

(e) **The performance of these schemes since inception is given below as on March 31, 2022:**

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	7.99%	4.48%	-2.30%	8.21%	3.04%	7.29%	5.93%	8.88%
IIDF Series 3A	-1.31%	4.48%	0.87%	8.21%	-	-	3.47%	8.08%
IIDF Series 3B	0.29%	4.48%	4.75%	8.21%	-	-	6.02%	8.19%

***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.

(f) **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, 2022 had a corpus of ` 1374.73 Crore on across 6 (six) 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 individually or alongwith its Holding Company, IIML & its subsidiary businesses.

(g) 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 2021 to March 2022 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, 2022:

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, 2022.

(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. Chandra Shekhar Rajan
Director
Place: Rajasthan

Sd/-
Mr. Prem Chand Dhiman
Director
Place: New Delhi

Date: July 28, 2022

Redressal of Complaints received during		2021-2022										
Name of the Mutual Fund		IL&FS Mutual Fund (IDF)										
Total Number of Folios		69										
Complaint code	Type of complaint#	(a) No. of complaints pending at the beginning of the year	(b) No of complaints received during the year	Action on (a) and (b)								
				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, 2022, the Revenue Account and the Cash Flow Statement for the period from April 01,2021 to April 29, 2021 for Series 1B, the Revenue Account and the Cash Flow Statement for the year ended on 31 March 2022 for Series 1C 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 1B
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”) :

- a) In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2022
- b) In the case of the Revenue Account, of the Deficit for the period 1st April 2021 to 29th April 2021 in respect of Series 1B and for the year ended 31st March 2022 in respect of Series 1C and
- c) In the case of the Cash Flow Statement, of the cash flows for the period 1st April 2021 to 29th April 2021 in respect of Series 1B and for the year ended 31st March 2022 in respect of Series 1C.

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>	
The investments held by the schemes as on March 31, 2022, 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 Trustees Report but does not include the financial statements and our auditor's report thereon. The Trustees 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, 2022 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

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

UDIN : 22111383ANWBGG9978

Place: Mumbai
Date : July 28, 2022

IL&FS Mutual Fund (IDF)

Balance Sheet as at March 31, 2022

Amount ₹

IL&FS Mutual Fund (IDF)	Notes	Series 1B		Series 1C	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Liabilities					
Unit capital	3	-	23591,00,000	27593,00,000	27593,00,000
Reserves and surplus	4	-	10775,35,199	16535,24,271	13270,01,949
Current liabilities and provisions	5	27,78,389	47,27,362	66,33,407	56,89,760
Total		27,78,389	34413,62,561	44194,57,678	40919,91,709
Assets					
Investments	6	-	33695,72,065	32938,12,246	37176,36,985
Other Current assets	7	27,78,389	717,90,496	11256,45,432	3743,54,724
Total		27,78,389	34413,62,561	44194,57,678	40919,91,709

Notes to accounts form an integral part of the Financial 1 to 31

Statements

As per our report attached

For **Mukund M. Chitale & Co.**

Chartered Accountants

Firm Regn. No. 106655W

Sd/-

S.M.Chitale

Partner

M.No. 111383

Date: July 28, 2022

Place: Mumbai

For **IL&FS Infra Asset Management Limited**

Sd/-

Nand Kishore

Chairman

DIN: 08267502

Place: Noida

Sd/-

Jignesh Shah

CEO and MD

DIN: 01587849

Place: Mumbai

For **IL&FS AMC Trustee Limited**

Sd/-

Chandra Shekhar Rajan

Director

DIN: 00126063

Place: Rajasthan

Sd/-

Prem Chand Dhiman

Director

DIN: 00329886

Place: New Delhi

Sd/-

Neelesh Vernekar

Fund Manager

Place: Mumbai

IL&FS Mutual Fund (IDF)					
Revenue Account					
IL&FS Mutual Fund (IDF)	Notes	Series 1B		Series 1C	
Particulars		For the Period ended April 29, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Amount ₹					
Income and gains					
Interest income	8	97,01,936	1610,27,205	3024,57,227	2593,47,756
Other income	9	-	10,34,002	880,27,184	56,02,849
Profit on sale/redemption of Investments (other than inter-scheme transfers)		-	1,54,136	11,45,787	-
Profit on sale/redemption on inter-scheme transfers		-	-	-	-
Reversal of NPA Provision	24	-	100,82,717	3638,53,768	160,26,506
Increase/(Decrease) in unrealised gain in the value of investments		-	(1,54,136)	(11,45,787)	-
Total		97,01,936	1721,43,924	7543,38,179	2809,77,111
Expenses and losses					
Investment Management fees	10	25,24,322	360,54,994	403,25,544	423,09,102
GST on Investment Management fees		4,54,378	64,89,899	72,58,598	76,15,638
Trusteeship fees		26,296	3,75,869	4,20,071	4,41,072
Investor Education and Awareness Expenses (Refer Note 2(h))		52,590	7,51,721	8,40,116	8,82,124
Custody Charges		-	81,082	-	95,141
Other Operating expenses		21,553	3,27,371	3,07,389	3,84,701
Audit Fees		4,740	-	1,12,669	-
Provision for NPA	24	2532,11,686	7215,49,816	3785,51,470	9073,56,294
Total		2562,95,565	7656,30,752	4278,15,857	9590,84,072
Surplus/(Deficit) for the year		(2465,93,629)	(5934,86,828)	3265,22,322	(6781,06,961)
Revenue Reserve brought forward		10775,35,199	16708,67,891	13258,56,162	20039,63,123
		8309,41,570	10773,81,063	16523,78,484	13258,56,162
Unrealised Appreciation Reserve at the beginning of the year		-	1,54,136	11,45,787	11,45,787
Unrealised Appreciation Reserve at the end of the year		-	-	-	11,45,787
		-	(1,54,136)	(11,45,787)	-
Net Surplus transferred to Revenue Reserve		8309,41,570	10775,35,199	16535,24,271	13258,56,162
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 31				
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 28, 2022 Place: Mumbai	Sd/- Nand Kishore Chairman DIN: 08267502 Place: Noida	Sd/- Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai	Sd/- Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	Sd/- Prem Chand Dhiman Director DIN: 00329886 Place: New Delhi	
	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai				

IL&FS Mutual Fund (IDF)						
Cash flow statement						
IL&FS Mutual Fund (IDF)		Series 1B		Series 1C		
		For the Period ended April 29,, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	
Particulars		Amount ₹				
A. Cash flow from Operating Activities						
Surplus for the year		(2465,93,629)	(5934,86,828)	3265,22,322	(6781,06,961)	
Adjustment for:-						
Provision for NPA		2532,11,686	7215,49,816	3785,51,470	9073,56,294	
Reversal of accrued interest		-	68,42,815	-	77,43,515	
(Decrease) in unrealised gain in the value of investments		-	(1,54,136)	(11,45,787)	-	
Change in assets and liabilities:						
Increase in current liabilities and provisions		(13,34,328)	(10,33,000)	41,17,594	(37,86,201)	
(Increase) in investments		31163,60,379	(8970,17,530)	464,19,056	(4954,81,053)	
(Increase)/Decrease in other current assets		662,17,900	7376,09,516	(6463,91,312)	2672,38,079	
Cash used in Operations		(A)	31878,62,008	(256,89,347)	1080,73,343	
B. Cash flow from Investing Activities		(B)	-	-	-	
C. Cash flow from Financing Activities		-	-	-	-	
Rdemption repayment on Scheme Maturity		(C)	(31900,41,570)			
Net increase/(Decrease) in cash and cash equivalents		(A + B+C)	(21,79,562)	1080,73,343	49,63,673	
Cash and cash equivalents at the beginning of the year		35,32,794	292,22,141	122,76,012	73,12,339	
Cash and cash equivalents at the end of the year		13,53,232	35,32,794	1203,49,355	122,76,012	
(Refer Note below)						
Note						
Cash and bank balance as per Note No 7		27,78,389	55,72,596	1223,81,478	174,82,082	
Less:- Cash and bank balance earmarked for Investor Education and Awareness		14,25,157	13,69,751	20,32,123	16,14,550	
Less:- Cash and bank balance earmarked for Triparty Repo		-	6,70,051	-	35,91,520	
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		13,53,232	35,32,794	1203,49,355	122,76,012	
Notes to accounts form an integral part of the Financial Statements As per our report attached		1 to 31				
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 28, 2022 Place: Mumbai		Sd/- Nand Kishore Chairman DIN: 08267502 Place: Noida	Sd/- Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai	Sd/- Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	Sd/- Prem Chand Dhiman Director DIN: 00329886 Place: New Delhi	
		Sd/- Neellesh Vernekar Fund Manager 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. Scheme 1B is matured on 29th April 2021 and redemption value is paid in full to the investors. Amount reflecting in Custody Bank Account of Scheme 1B is pertaining to recovery proceeds made upto 31 March 2022

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) 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 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								
	Series 1B				Series 1C			
H.&FS Mutual Fund (IDF)	As at March 31, 2022		As at March 31, 2021		As at March 31, 2022		As at March 31, 2021	
Particulars	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	-	-	2,171.60	2,17,16,00,000	2,571.80	2,57,18,00,000	2,571.80	2,57,18,00,000
Direct Plan - Dividend	-	-	187.50	18,75,00,000	187.50	18,75,00,000	187.50	18,75,00,000
Paid-Up:								
Direct Plan - Growth Face Value ₹ 10,00,000								
Units at beginning and end of the year	-	-	2,171.60	2,17,16,00,000	2,571.80	2,57,18,00,000	2,571.80	2,57,18,00,000
Direct Plan - Dividend Face Value ₹ 10,00,000								
Units at beginning and end of the year	-	-	187.50	18,75,00,000	187.50	18,75,00,000	187.50	18,75,00,000
Unit Capital at the end of the year	-	-	2,359.10	2,35,91,00,000	2,759.30	2,75,93,00,000	2,759.30	2,75,93,00,000

4	Reserves and surplus				
					Amount ₹
	IL&FS Mutual Fund (IDF)	Series 1B		Series 1C	
	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Unrealised Appreciation Reserve				
	At the beginning of the year	-	1,54,136	11,45,787	11,45,787
	Increase/(Decrease) in gain in the value of investments	-	(1,54,136)	(11,45,787)	-
	At the end of the year	-	-	-	11,45,787
	Revenue Reserve				
	At the beginning of the year	1,07,75,35,199	1,67,08,67,890	1,32,58,56,162	2,00,39,63,123
	Transferred to Revenue account	(1,07,75,35,199)	(1,67,08,67,890)	(1,32,58,56,162)	(2,00,39,63,123)
	Unit Premium on Redemption of Units	(83,09,41,570)	-	-	-
	Surplus transferred from Revenue account	83,09,41,570	1,07,75,35,199	1,65,35,24,271	1,32,58,56,162
	At the end of the year	-	1,07,75,35,199	1,65,35,24,271	1,32,58,56,162
	Redemption on Scheme Matutity				
	Total	-	1,07,75,35,199	1,65,35,24,271	1,32,70,01,949
	Reserves and surplus for each option:-				
	Direct Plan - Growth	-	99,18,93,281	1,54,11,63,962	1,23,68,29,490
	Direct Plan - Dividend Option	-	8,56,41,918	11,23,60,309	9,01,72,459
	Total	-	1,07,75,35,199	1,65,35,24,271	1,32,70,01,949

5	Current liabilities and provisions				
					Amount ₹
	IL&FS Mutual Fund (IDF)	Series 1B		Series 1C	
	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Creditors for				
	-Investment Management fee payable	-	30,57,508	38,41,618	36,30,663
	-Trustee fee payable	-	32,167	40,026	38,200
	-Other payable *	13,52,830	-	1,82,856	-
	Income received in advance	-	-	77,375	74,696
	Provision for Investor Education and Awareness	14,25,157	14,27,977	21,06,228	16,83,733
	Statutory dues	402	2,09,710	3,85,304	2,62,468
	Total	27,78,389	47,27,362	66,33,407	56,89,760
	* Other payable includes audit fees, internal audit fees, etc.				

7	Other Current assets				
		Amount ₹			
	IL&FS Mutual Fund (IDF)	Series 1B		Series 1C	
	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Balances with a bank in current account* (Refer Note 2(h))				
	- Current Accounts	13,53,232	35,32,794	12,03,49,355	1,22,76,012
	- IEAP Accounts	14,25,157	13,69,751	20,32,123	16,14,550
	- Triparty Repo Accounts	-	6,70,051	-	35,91,520
	Interscheme Receivable	-	-	2,12,394	-
	Triparty Repo**	-	6,60,41,250	99,69,07,157	35,39,85,966
	Triparty Repo margin	-	1,76,650	61,44,377	28,86,646
	Misc Receivable	-	-	26	30
	Total	27,78,389	7,17,90,496	1,12,56,45,432	37,43,54,724
	* 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 1B		Series 1C	
	Particulars	For the Period ended April 29, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	On Investment in Non Convertible Debentures	-	9,83,62,487	19,87,69,671	23,35,14,256
	On Certificate of Deposits / Commercial Papers	86,39,621	4,71,58,383	8,68,01,736	1,44,60,314
	On Triparty Repo Margin	1,103	49,318	52,687	42,687
	Reversal of accrued interest (Refer note 23)	-	(68,42,815)	-	(77,43,515)
	On Reverse Repo/Triparty Repo	10,61,212	2,22,99,832	1,68,33,133	1,90,74,014
	Total	97,01,936	16,10,27,205	30,24,57,227	25,93,47,756
9	Other Income				
		Amount ₹			
	IL&FS Mutual Fund (IDF)	Series 1B		Series 1C	
	Particulars	For the Period ended April 29, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	Misc Income	-	10,34,002	8,80,27,184	56,02,849
	Total	-	10,34,002	8,80,27,184	56,02,849

(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	Period ended April 29, 2021		For the Year ended March 31, 2021	
	AAUM	Management Fees	AAUM	Management Fees
Series 1B	3,30,95,45,159	25,24,322	3,75,86,04,350	3,60,54,994
Series 1C	4,20,05,76,342	4,03,25,544	4,41,06,19,822	4,23,09,102

(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, 2022:

Series	Income		Expense Ratio	
	(Amount ₹)	(% to AAUM)	(Amount ₹)	(% to AAUM)
Series 1B	97,01,936	3.69%	30,83,879	1.17%
Series 1C	75,43,38,179	17.96%	4,92,64,387	1.17%

For the Year ended March 31, 2021: -

Series	Income		Expense Ratio	
	(Amount ₹)	(% to AAUM)	(Amount ₹)	(% to AAUM)
Series 1B	17,21,43,924	4.58%	4,40,80,936	1.17%
Series 1C	28,09,77,111	6.37%	5,17,27,778	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, 2022	As at March 31, 2021
Series 1B-Direct Plan*	Dividend	1,000,000	13,52,228.2071	14,56,756.8966
	Growth	1,000,000	13,52,228.2076	14,56,756.8971
Series 1C-Direct Plan	Dividend	1,000,000	15,99,254.9825	14,80,919.7827
	Growth	1,000,000	15,99,254.9837	14,80,919.7815

* NAV Per unit as on April 29, 2021

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

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 24 and 22

As at March 31, 2021

Mar-21						
IL&FS Infrastructure Debt Fund Series 1B	Series 1B			Series 1C		
Particulars	Fair Value (Amount ₹)	% of Net Assets	% of Category	Fair Value (Amount ₹)	% of Net Assets	% of Category
Non Convertible Debentures-Listed						
Infrastructure Sector						
IL & FS Wind Energy Limited	25,32,11,686	7.37%	100.00%	37,85,51,470	9.26%	36.50%
Bhilwara Green Energy Limited	-	-	-	45,84,96,000	11.22%	44.21%
Shrem Tollway Private Limited	-	-	-	20,00,00,000	4.89%	19.29%
A	25,32,11,686	7.37%	100.00%	1,03,70,47,470	25.38%	100.00%
Infrastructure Sector						
Non Convertible Debentures Privately Placed						
Abhitech Developers Pvt Ltd	-	-	-	32,70,00,000	8.00%	22.80%
AMRI Hospitals Ltd	-	-	-	11,98,43,648	2.93%	8.36%
Bhilangana Hydro Power Ltd	-	-	-	38,30,00,000	9.37%	26.71%
Kanchanjunga Power Company Private Ltd	-	-	-	58,00,00,000	14.19%	40.45%
Time Technoplast Ltd	-	-	-	2,41,51,000	0.59%	1.68%
B	-	-	-	1,43,39,94,648	35.09%	100.00%
Commercial Papers						
SBI Global Factors Ltd MD 15-Apr-21	19,46,69,295	5.66%	6.25%	10,63,19,384	2.60%	8.53%
Pilani Inv & Ind Cor Ltd MD 15-Apr-21	24,93,93,461	7.26%	8.00%	-	-	-
SBI Global Factors Ltd MD 26-Apr-21	49,85,84,965	14.51%	16.00%	-	-	-
L&T Finance Holdings Ltd MD 26-Apr-21	49,87,16,126	14.51%	16.00%	-	-	-
Tata Cleantech Capital MD 26-Apr-21	49,87,15,674	14.51%	16.00%	-	-	-
Axis Securites Ltd MD 26-Apr-21	49,86,31,707	14.51%	16.00%	-	-	-
Pilani Inv & Ind Co Ltd MD 26-Apr-21	24,89,57,683	7.24%	7.99%	-	-	-
Barclays Inv & Loans MD 27-Apr-21	24,93,18,977	7.25%	8.00%	-	-	-
Aditya Birla Money Ltd MD 27-Apr-21	17,93,72,490	5.22%	5.76%	2,24,21,561	0.55%	1.80%
HDFC Securities Ltd MD 27-Apr-2021	-	-	-	16,15,48,925	3.95%	12.96%
Barclays Inv & Loans MD 12-Jul-21	-	-	-	8,00,75,613	1.96%	6.42%
Aditya Birla Money Ltd MD 28-May-21	-	-	-	8,03,83,805	1.97%	6.45%
L&T Finance Limited MD 15-July-21	-	-	-	8,00,28,015	1.96%	6.42%
LIC Housing Finance Ltd MD 20-Jul-21	-	-	-	24,69,00,063	6.04%	19.81%
ICICI Securities Ltd MD 15-Jul-21	-	-	-	31,01,39,191	7.59%	24.88%
ICICI Securities Ltd MD 25-Aug-21	-	-	-	15,87,78,310	3.89%	12.74%
C	3,11,63,60,379	90.68%	100.00%	1,24,65,94,867	30.51%	100.00%
Total Investments (A+B+C)	3,36,95,72,065	98.05%		3,71,76,36,985	55.89%	
Net Current Assets	6,70,63,131	1.95%		36,86,64,968	44.11%	
Net Assets	3,43,66,35,196	100.00%		4,08,63,01,953	100.00%	

Note 1. 100% provision has been made for Investment in Babcock Borsig Limited, Williamson Magor & Co. Ltd and GHV Hospitality India Pvt. Ltd. Refer note 24.

Note 2. Shrem Tollway Private Limited is in process of listing.

(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, 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 1B	-	-	3,32,50,00,000	100.47%
Series 1C	4,78,66,84,250	113.95%	5,21,77,48,290	124.22%

For the Year ended March 31, 2021

(Amount ₹)

IL&FS Infrastructure Debt Fund	For the Year ended March 31, 2021			
	Aggregate value of Purchase (Amount ₹)	Percentage of Average Net Assets	Aggregate value of Sales/Redemption/Re payment (Amount ₹)	Percentage of Average Net Assets
Series 1B	3,41,04,66,031	90.74%	2,41,72,02,714	64.31%
Series 1C	1,84,20,94,501	41.76%	1,19,45,56,602	27.08%

(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, 2022		As at March 31, 2021	
	Appreciation	Depreciation	Appreciation	Depreciation
IL&FS Infrastructure Debt Fund Series 1B				
Non-Convertible Debentures	-	-	-	-
IL&FS Infrastructure Debt Fund Series 1C				
Non-Convertible Debentures	-	-	11,45,787	-

(20) Aggregate Fair value of Non-Traded Investments

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, 2022	Percentage of Net Assets	As at March 31, 2021	Percentage of Net Assets
Series 1B	-	-	3,36,95,72,065	98.05%
Series 1C	3,29,38,12,246	74.64%	3,71,76,36,985	55.89%

(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 2022: NIL

(Amount ₹)

The Company has following investment in the securities of group companies of the sponsors as at 31st March 2021.

(Amount ₹)

Infrastructure Debt Fund	Particulars	Face Value
Series 1B	IL&FS Wind Energy Limited	20,00,00,000
Series 1C	IL&FS Wind Energy Limited	29,90,00,000

- (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.37,85,51471/- in Scheme 1C.

- (23) IL&FS IDF invested in Zero Coupon NCDs amounting to Rs.210 Crores issued by IL&FS Solar Power Limited (ISPL) in December 2017. ISPL operates a solar power plant on contractual basis in Karnataka to meet the captive power requirement of Embassy group's tech park. ISPL had received a voluntary prepayment proposal from Embassy Energy Pvt Ltd (EEPL) involving termination of the current contract based on option available in the contract and payment for the contract termination. IDF has accrued interest on ISPL Zero Coupon NCDs up till January 31, 2020 and stopped accrual of interest thereafter. Accrued interest outstanding till January 31, 2020 was Rs. 56.31 crores. However, per the legal order passed the final cut off date fixed was 31st December 2019 in the proposal and based on the proposal, IDF has received amount of Rs.263.70 Crores on December 11, 2020 from ISPL and excess interest accrual for the month of January' 2020 of Rs. 2.61 crores have been reversed. IDF has taken the impact of excess accrual as reversal of accrued interest of Rs. 68,42,815 and 77,43,515 in scheme 1B and 1C respectively in the year ended 31 March 2021.

- (24) (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, 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	55,55,87,188	-	5,89,65,920	49,66,21,268

The facility to Babcock Borsig Limited is secured through combination of listed shares, property, 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. There are further amounts payable by GHV as per the consent terms which are expected to be paid by end of May 2022

- (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, 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	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, property, land and other securities.

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)
1B	96,05,38,188	25,32,11,686	38,44,98,740	82,92,51,134
1C	115,18,60,015	37,85,51,470	36,38,53,768	116,65,57,717

Summary of provisions (across investments) made during the year ended March 31, 2021 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)
1B	24,90,71,089	72,15,49,816	1,00,82,717	96,05,38,188
1C	26,05,30,227	90,73,56,294	1,60,26,506	1,15,18,60,015

(25) 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 upto to the permissible limit, and any excess amounts have been borne by the Asset Management Company.

(26) There are no unpaid redemption and unclaimed dividend as at March 31, 2022 (P.Y. Nil).

(27) (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, 2022 and for the year ended March 31, 2021.

(28) **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	1B		1C	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Management fees	25,24,322	3,60,54,994	4,03,25,544	4,23,09,102
Trusteeship fees	26,296	3,75,869	4,20,071	4,41,072

c) Year-end payables/Receivables:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	1B		1C	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Payable				
Management fees payable	-	30,57,508	38,41,618	36,30,663
Trusteeship fees payable	-	32,167	40,026	38,200

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

Details	March 31, 2022	March 31, 2021
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

(30) **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.

(31) 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

For IL&FS Infra Asset Management Limited

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

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

Sd/-
Neelesh Vernekar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Sd/-	Sd/-
C S Rajan	Prem Chand Dhiman
Director	Director
DIN: 00126063	DIN: 00329886
Place: Rajasthan	Place: New Delhi

Date: July 28, 2022

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, 2022, the Revenue Account and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

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

- a) In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2022
- b) In the case of the Revenue Account, of the Deficit in case of Series 2A and surplus in case of Series 2B and 2C for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

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

Key Audit Matters	Auditors Response
<u>Existence and Valuation of investments</u>	
<p>The investments held by the schemes as on March 31, 2022, 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 Trustees Report but does not include the financial statements and our auditor's report thereon. The Trustees 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, 2022 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

Sd/-
(S. M. Chitale)
Partner
M. No. 111383
UDIN : 22111383ANWB TG8976
Place: Mumbai
Date: July 28, 2022

IL&FS Mutual Fund (IDF)							
Balance sheet as at March 31, 2022							
							Amount ₹
IL&FS Mutual Fund (IDF)	Notes	Series 2A		Series 2B		Series 2C	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
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	(218,31,888)	714,99,750	8958,39,439	8169,71,199	8965,43,744	7534,03,114
Current liabilities and provisions	5	21,47,239	17,34,682	39,34,390	33,59,353	31,32,446	26,67,137
Total		11615,65,351	12544,84,432	24747,73,829	23953,30,552	21684,26,190	20248,20,251
Assets							
Investments	6	5251,21,288	11493,18,306	18157,10,924	22390,34,775	16333,94,407	18662,15,101
Other Current assets	7	6364,44,063	1051,66,126	6590,62,905	1562,95,777	5350,31,783	1586,05,150
Total		11615,65,351	12544,84,432	24747,73,829	23953,30,552	21684,26,190	20248,20,251
Notes to accounts form an integral part of the Financial Statements As per our report attached		1 to 30					
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	Sd/- Nand Kishore	Sd/- Jignesh Shah	Sd/- Chandra Shekhar Rajan	Sd/- Prem Chand Dhiman			
Partner M.No. 111383	Chairman DIN: 08267502 Place: Noida	CEO & Managing Director DIN: 01587849 Place: Mumbai	Director DIN: 00126063 Place: Rajasthan	Director DIN: 00329886 Place: New Delhi			
Date: July 28, 2022 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai						

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, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Income and gains							
Interest Income	8	879,74,838	690,41,030	2054,06,970	2127,61,179	1639,21,427	1456,21,424
Other income	9	80,000	79,29,784	33,93,581	120,43,160	22,37,502	7,77,877
Reversal of NPA Provision	23	2597,98,593	61,67,755	1588,61,334	25,38,409	79,08,267	15,54,908
	Total	3478,53,431	831,38,569	3676,61,885	2273,42,748	1740,67,196	1479,54,209
Expenses and losses							
Investment Management fees	10	108,51,827	134,46,049	229,07,724	228,42,592	201,33,370	190,85,042
GST/ Service tax on Investment Management fees		19,53,329	24,20,288	41,23,390	41,11,666	36,24,007	34,35,307
Trusteeship fees		1,13,043	1,40,178	2,38,627	2,38,106	2,09,727	1,98,938
Investor Education and Awareness Expenses (Refer Note 2(h))		2,26,080	2,80,349	4,77,244	4,76,203	4,19,445	3,97,868
Custody Charges		-	30,791	-	49,053	-	40,732
Other Operating expenses		81,706	1,22,030	1,73,835	2,06,952	1,52,942	1,73,096
Provision for NPA	23	4279,27,749	3791,26,338	2608,08,036	1856,85,340	63,30,292	685,56,243
Audit Fees		31,335	-	64,789	-	56,783	-
	Total	4411,85,069	3955,66,023	2887,93,645	2136,09,912	309,26,566	918,87,226
Surplus / (Deficit) for the year		(933,31,638)	(3124,27,454)	788,68,240	137,32,836	1431,40,630	560,66,983
Revenue Reserve brought forward		714,99,750	3839,27,204	8169,71,199	8032,38,363	7534,03,114	6973,36,131
Net Surplus / (Deficit) transferred to Revenue Reserve		(218,31,888)	714,99,750	8958,39,439	8169,71,199	8965,43,744	7534,03,114
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							
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	Sd/- Nand Kishore	Sd/- Jignesh Shah	Sd/- Chandra Shekhar Rajan	Sd/- Prem Chand Dhiman			
Partner M.No. 111383	Chairman DIN: 08267502 Place: Noida	CEO & Managing Director DIN: 01587849 Place: Mumbai	Director DIN: 00126063 Place: Rajasthan	Director DIN: 00329886 Place: New Delhi			
Date: July 28, 2022 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai						

IL&FS Mutual Fund (IDF)								
Cash flow statement								
								Amount ₹
IL&FS Mutual Fund (IDF)		Series 2A		Series 2B		Series 2C		
Particulars		For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	
A. Cash flow from Operating Activities								
Surplus / (Deficit) for the year		(933,31,638)	(3124,27,454)	788,68,240	137,32,836	1431,40,630	560,66,983	
Adjustment for:-								
Reversal of accrued interest		-	-	-	2,12,665	-	57,48,282	
Provision for NPA		4279,27,749	3791,26,338	2608,08,036	1856,85,340	63,30,292	685,56,243	
Change in assets and liabilities:								
Increase in current liabilities and provisions		12,19,322	7,47,980	14,46,487	10,80,333	17,78,721	(12,98,878)	
Decrease/(Increase) in investments		1962,69,269	(2157,46,236)	1625,15,815	(5225,38,266)	2264,90,403	(1125,13,544)	
(Increase)/Decrease in other current assets		(5408,84,859)	1543,14,895	(5016,52,773)	3272,97,006	(976,36,113)	(200,25,825)	
Cash used in Operations	(A)	(88,00,157)	60,15,523	19,85,805	54,69,914	2801,03,932	(34,66,739)	
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)	(88,00,157)	60,15,523	19,85,805	54,69,914	2801,03,932	(34,66,739)	
Cash and cash equivalents at the beginning of the year		122,76,849	62,61,326	442,88,275	388,18,361	52,25,371	86,92,110	
Cash and cash equivalents at the end of the year		34,76,692	122,76,849	462,74,080	442,88,275	2853,29,303	52,25,371	
Note								
Cash and bank balance as per Note No 7		41,02,994	137,09,916	472,78,965	461,64,610	2861,45,798	73,55,278	
Less:- Cash and bank balance earmarked for Investor Education and Awareness		6,26,300	5,12,214	10,04,885	7,66,783	8,16,495	6,07,995	
Less:- Cash and bank balance earmarked for Triparty repo		2	9,20,853	-	11,09,552	-	15,21,912	
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		34,76,692	122,76,849	462,74,080	442,88,275	2853,29,303	52,25,371	
Notes to accounts form an integral part of the Financial Statements As per our report attached	1 to 30							
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: Noida	Sd/- Jignesh Shah CEO & Managing Director DIN: 01587849 Place: Mumbai	Sd/- Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	Sd/- Prem Chand Dhiman Director DIN: 00329886 Place: New Delhi				
Date: July 28, 2022 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai							

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(1) Background

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

IL&FS Infrastructure Debt Fund Series 2A, 2B and 2C is a closed ended Scheme for 5 Years, 8 Years and 12 Years respectively. 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, 2021 and as on March 31, 2022.

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)												
Series 2A												
Series 2B												
Series 2C												
Particulars												
As at March 31, 2022												
As at March 31, 2021												
As at March 31, 2022												
As at March 31, 2021												
As at March 31, 2022												
As at March 31, 2021												
Units Nos. Amount ₹ Units Nos. Amount ₹ Units Nos. Amount ₹ Units Nos. Amount ₹ Units Nos. Amount ₹ Units Nos. Amount ₹												
Initial Capital Issued and subscribed:												
Units of ₹ 10,00,000												
Direct Plan - Growth												
1,687.50 1,68,75,00,000 1,687.50 1,68,75,00,000 2,250.00 2,25,00,00,000 2,250.00 2,25,00,00,000 1,812.50 1,81,25,00,000 1,812.50 1,81,25,00,000												
Paid-Up:												
Direct Plan - Growth Face Value ₹ 10,00,000												
Units at beginning of year (Paid-up ₹ 7,00,000)												
1,687.50 1,18,12,50,000 1,687.50 1,18,12,50,000 2,250.00 1,57,50,00,000 2,250.00 1,57,50,00,000 1,812.50 1,26,87,50,000 1,812.50 1,26,87,50,000												
Units outstanding at end of the year-paid up ₹ 7,00,000 each												
1,687.50 1,18,12,50,000 1,687.50 1,18,12,50,000 2,250.00 1,57,50,00,000 2,250.00 1,57,50,00,000 1,812.50 1,26,87,50,000 1,812.50 1,26,87,50,000												
Unit Capital at the end of the Year/												
1,687.50 1,18,12,50,000 1,687.50 1,18,12,50,000 2,250.00 1,57,50,00,000 2,250.00 1,57,50,00,000 1,812.50 1,26,87,50,000 1,812.50 1,26,87,50,000												
Units have been partly paid up to 70% of the committed amount as at March 31, 2022 and as at March 31, 2021.												

4	Reserves and surplus						
							Amount ₹
	IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Revenue Reserve						
	At the beginning of the year	7,14,99,750	38,39,27,204	81,69,71,199	80,32,38,363	75,34,03,114	69,73,36,131
	Transferred to Revenue account	(7,14,99,750)	(38,39,27,204)	(81,69,71,199)	(80,32,38,363)	(75,34,03,114)	(69,73,36,131)
	Surplus transferred from Revenue account	(2,18,31,888)	7,14,99,750	89,58,39,439	81,69,71,199	89,65,43,744	75,34,03,114
	At the end of the year	(2,18,31,888)	7,14,99,750	89,58,39,439	81,69,71,199	89,65,43,744	75,34,03,114
5	Current liabilities and provisions						
							Amount ₹
	IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Creditors for						
	-Investment Management fee payable	9,91,180	11,13,184	21,52,402	21,30,264	19,01,608	18,01,980
	-Trustee fee payable	10,328	11,720	22,423	22,366	19,813	18,917
	-Other payable *	3,96,575	-	2,69,802	-	91,096	-
	Income received in advance	6,410	-	1,96,915	2,14,343	68,628	68,638
	Provision for Investor Education and Awareness	6,45,419	5,33,428	10,46,406	8,07,690	8,53,177	6,42,231
	Statutory dues	97,327	76,350	2,46,442	1,84,690	1,98,124	1,35,371
	Total	21,47,239	17,34,682	39,34,390	33,59,353	31,32,446	26,67,137
	* Other payable includes audit fees, internal audit fees and Interschemes dues						

7	Current assets						
							Amount ₹
	IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Balances with a bank in current account* (Refer Note 2(h))						
	- Current Accounts	34,76,692	1,22,76,849	4,62,74,080	4,42,88,275	28,53,29,303	52,25,371
	- IEAP Accounts	6,26,300	5,12,214	10,04,885	7,66,783	8,16,495	6,07,995
	- Triparty Repo Accounts	2	9,20,853	-	11,09,552	-	15,21,912
	Triparty Repo**	62,89,75,497	9,07,60,698	60,84,31,370	10,93,59,555	24,70,69,875	15,00,02,087
	Triparty Repo margin	33,65,572	6,95,512	33,52,570	7,71,612	14,12,553	12,47,785
	Misc Receivable	-	-	-	-	4,03,557	-
	Total	63,64,44,063	10,51,66,126	65,90,62,905	15,62,95,777	53,50,31,783	15,86,05,150
	* Certain bank accounts of the Scheme are held in the name of the Fund.						
	** Triparty Repo is registered in the name of the Fund.						
8	Interest Income						
							Amount ₹
	IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
	Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	On Investment in Non Convertible Debentures	6,14,90,751	5,77,62,374	16,35,35,119	19,53,06,511	12,86,73,084	14,10,58,231
	On Investment in Money Market Instruments	1,99,97,705	44,22,661	3,24,22,077	74,56,592	3,01,54,832	39,82,027
	Interest on Triparty Repo Margin	17,362	45,667	27,907	53,992	21,004	20,521
	Reversal of accrued interest (Refer note 22)	-	-	-	(2,12,665)	-	(57,48,282)
	On Triparty Repo	64,69,020	68,10,328	94,21,867	1,01,56,749	50,72,507	63,08,927
	Total	8,79,74,838	6,90,41,030	20,54,06,970	21,27,61,179	16,39,21,427	14,56,21,424
9	Other Income						
							Amount ₹
	IL&FS Mutual Fund (IDF)	Series 2A		Series 2B		Series 2C	
	Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	Misc Income	80,000	79,29,784	33,93,581	1,20,43,160	22,37,502	7,77,877
	Total	80,000	79,29,784	33,93,581	1,20,43,160	22,37,502	7,77,877

(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	Year ended March 31, 2022		Year ended March 31, 2021	
	AAUM	Management Fees	AAUM	Management Fees
Series 2A	1,13,03,98,343	1,08,51,827	1,40,17,45,832	1,34,46,049
Series 2B	2,38,62,20,620	2,29,07,724	2,38,10,16,270	2,28,42,592
Series 2C	2,09,72,25,427	2,01,33,370	1,98,93,39,301	1,90,85,042

(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, 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%

For the Year ended March 31, 2021

Series	Income		Expense Ratio	
	(Amount ₹)	% to AAUM	(Amount ₹)	% to AAUM
Series 2A – Direct Plan	8,31,38,569	5.93%	1,64,39,686	1.17%
Series 2B – Direct Plan	22,73,42,748	9.55%	2,79,24,572	1.17%
Series 2C – Direct Plan	14,79,54,209	7.44%	2,33,30,984	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, 2022	As at March 31, 2021
Series 2A – Direct Plan	Growth	10,00,000	7,00,000	6,87,062.5865	7,42,370.2230
Series 2B – Direct Plan	Growth	10,00,000	7,00,000	10,98,150.8574	10,63,098.3071
Series 2C – Direct Plan	Growth	10,00,000	7,00,000	11,94,644.8200	11,15,670.6797

(17) Portfolio holding as at year end are as follows:**As at March 31, 2022**

Mar-22									
IL&FS Infrastructure Debt Fund	Series 2A			Series 2B			Series 2C		
Particulars	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total
Infrastructure Sector									
Non Convertible Debentures Listed On Recognised Stock Exchange									
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)	52,51,21,288	45.29%		1,81,57,10,924	73.49%		1,63,33,94,407	75.44%	
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%		2,47,08,39,439	100.00%		2,16,52,93,744	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 23.

As at March 31, 2021

Mar-21									
IL&FS Infrastructure Debt Fund	Series 2A			Series 2B			Series 2C		
Particulars	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total	Fair value (Amount ₹)	% to Net Assets	% to Category Total
Infrastructure Sector									
Non Convertible Debentures Listed On Recognised Stock Exchange									
IL & FS Wind Energy Limited	42,79,27,749	34.16%	63.12%	26,08,08,036	10.90%	51.06%	63,30,292	0.31%	100.00%
Shrem Tollway Private Limited	25,00,00,000	19.96%	36.88%	25,00,00,000	10.45%	48.94%	-	-	-
A	67,79,27,749	54.12%	100.00%	51,08,08,036	21.36%	100.00%	63,30,292	0.31%	100.00%
Infrastructure Sector									
Non Convertible Debentures Privately Placed									
Abhitech Developers Pvt Ltd	1,60,00,000	1.28%	10.06%	51,20,00,000	21.40%	37.64%	39,50,00,000	19.53%	29.31%
AMRI Hospitals Ltd	-	-	-	34,38,90,554	14.38%	25.28%	10,50,00,000	5.19%	7.79%
Bhilangana Hydro Power Ltd	2,70,00,000	2.16%	16.98%	19,20,00,000	8.03%	14.12%	56,60,00,000	27.99%	42.00%
Janaadhar Private Ltd	1,70,00,000	1.36%	10.69%	1,20,00,000	0.50%	0.88%	-	-	-
Kanchanjunga Power Company Private Ltd	9,00,00,000	7.18%	56.60%	2,00,00,000	0.84%	1.47%	28,00,00,000	13.85%	20.78%
Kaynes Technology India Private Ltd	90,00,000	0.72%	5.66%	5,85,00,000	2.45%	4.30%	-	-	-
Time Technoplast Ltd	-	-	-	22,17,87,000	9.27%	16.31%	15,62,000	0.08%	0.12%
B	15,90,00,000	12.69%	100.00%	1,36,01,77,554	56.86%	100.00%	1,34,75,62,000	66.64%	100.00%
Commercial Papers									
SBI Global Factors Ltd MD 15-APR-21	3,94,33,011	3.15%	12.62%	7,98,64,326	3.34%	21.70%	-	-	-
HDFC Securities Ltd MD 27-Apr-2021	3,78,94,192	3.02%	12.13%	3,34,06,722	1.40%	9.08%	7,67,85,600	3.80%	14.99%
Barclays Inv & Loans MD 12-Jul-21	1,92,77,462	1.54%	6.17%	1,82,88,875	0.76%	4.97%	3,65,77,749	1.81%	7.14%
Aditya Birla Money Ltd MD 28-May-21	1,93,51,657	1.54%	6.19%	1,83,59,264	0.77%	4.99%	3,67,18,528	1.82%	7.17%
L&T Finance Limited MD 15-July-21	1,92,66,004	1.54%	6.17%	2,07,48,004	0.87%	5.64%	3,50,74,007	1.73%	6.85%
Aditya Birla Money Ltd MD 27-Apr-21	54,80,826	0.44%	1.75%	54,80,826	0.23%	1.49%	1,04,63,395	0.52%	2.04%
ICICI Securities Ltd MD 15-Jul-21	13,43,27,802	10.72%	43.00%	14,71,67,960	6.15%	39.99%	-	-	-
ICICI Securities Ltd MD 25-Aug21	3,73,59,602	2.98%	11.96%	4,47,33,208	1.87%	12.15%	6,98,03,467	3.45%	13.62%
LIC Housing Finance Ltd MD 20-Jul-21	-	-	-	-	-	-	24,69,00,063	12.21%	48.19%
C	31,23,90,557	24.94%	100.00%	36,80,49,185	15.39%	100.00%	51,23,22,809	25.34%	100.00%
Total Investment (A+B+C)	1,14,93,18,306	91.74%		2,23,90,34,775	93.61%		1,86,62,15,101	92.29%	
Net Current Assets	10,34,31,443	8.26%		15,29,36,423	6.39%		15,59,38,012	7.71%	
Net Assets	1,25,27,49,749	100.00%		2,39,19,71,198	100.00%		2,02,21,53,113	100.00%	

Note 1. 100% provision has been made for Investment in Babcock Borsig Limited, Williamson Magor & Co. Ltd and GHV Hospitality India Pvt. Ltd. Refer note 23.

Note 2. Shrem Tollway Private Limited is in process of listing.

As on March 31, 2021 and as on March 31, 2021, 70% of commitment amount has been called. Since units are partly-paid-up, the requirement to comply for 90% of the net assets of the scheme in the infrastructure debt investment is not applicable.

(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, 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%

For the Year ended March 31, 2021

IL&FS Infrastructure Debt Fund Series	For the Year ended March 31, 2021			
	Aggregate value of Purchases	Percentage of Average Net Assets	Aggregate value of Sales/Redemption	Percentage of Average Net Assets
	(Amount ₹)		(Amount ₹)	
Series 2A	37,59,67,876	26.82%	16,04,00,932	11.44%
Series 2B	97,05,92,554	40.76%	44,95,61,282	18.88%
Series 2C	1,03,93,56,770	52.25%	81,03,70,334	40.74%

(19) Aggregate Fair value of Non-Traded Investments

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, 2022	Percentage of Net Assets	As at March 31, 2021	Percentage of Net Assets
Series 2A	52,51,21,287	45.29%	1,14,93,18,306	91.74%
Series 2B	1,81,57,10,924	73.49%	2,23,90,34,775	93.61%
Series 2C	1,63,33,94,406	75.44%	1,86,62,15,101	92.29%

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

As on 31st March 2022 the Company has following investment in the securities of group companies of the Sponsors: NIL

As on 31st March 2021 the Company has following investment in the securities of group companies of the Sponsors

(Amount ₹)

Infrastructure Debt Fund	Particulars	Face Value
Series 2A	Non-Convertible Debentures of IL&FS Wind Energy Limited	33,80,00,000
Series 2B		20,60,00,000
Series 2C		50,00,000

(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.42,79,29,749/- in Scheme 2A, Rs.26,08,08,036/- in Scheme 2B and Rs.63,30,292/- in Scheme 2C.

- (22) IL&FS IDF invested in Zero Coupon NCDs amounting to Rs.210 Crores issued by IL&FS Solar Power Limited (ISPL) in December 2017. ISPL operates a solar power plant on contractual basis in Karnataka to meet the captive power requirement of Embassy group's tech park. ISPL had received a voluntary prepayment proposal from Embassy Energy Pvt Ltd (EEPL) involving termination of the current contract based on option available in the contract and payment for the contract termination. IDF has accrued interest on ISPL Zero Coupon NCDs up till January 31, 2020 and stopped accrual of interest thereafter. Accrued interest outstanding till January 31, 2020 was Rs. 56.31 crores. However, per the legal order passed the final cutoff date fixed was December 31, 2019 in the proposal and based on the proposal, IDF has received amount of Rs. 263.70 Crores on December 11, 2020 from ISPL and excess interest accrual for the month of January' 2020 of Rs. 2.61 crores have been reversed.

IDF has taken the impact of excess accrual as reversal of accrued interest of Rs. 2,12,665 and 57,48,282 in scheme 2B and 2C respectively in the year ended 31 March 2021.

- (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, 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	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, property, 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. There are further amounts payable by GHV as per the consent terms which are expected to be paid by end of May 2022

- (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, 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	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, property, land and other securities

Summary of provisions (across investments) made during the year ended March 31, 2022 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	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	15,88,61,335	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

Summary of provisions (across investments) made during the year ended March 31, 2021 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	15,71,23,802	37,91,26,338	61,67,755	53,00,82,385
2B	9,10,07,182	18,56,85,340	25,38,409	27,41,54,113
2C	1,09,96,265	6,85,56,243	15,54,908	7,79,97,600
Total	25,91,27,249	63,33,67,921	1,02,61,072	88,22,34,098

(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, 2022.

(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 year ended March 31, 2022 and for the year ended March 31, 2021.

(27) Segment reporting

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

(28) 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

Particulars	2A		2B		2C	
	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Management Fees	1,08,51,827	1,34,46,049	2,29,07,724	2,28,42,592	2,01,33,370	1,90,85,042
Trusteeship Fees	1,13,043	1,40,178	2,38,627	2,38,106	2,09,727	1,98,938

c) Year-end Payables/Receivables:

IL&FS Infrastructure Debt Fund Series	2A		2B		2C	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Payable						
Management fees payable	9,91,180	11,13,184	21,52,402	21,30,264	19,01,608	18,01,980
Trusteeship fees payable	10,328	11,720	22,423	22,366	19,813	18,917

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

Details	March 31, 2022	March 31, 2021
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

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

Signature to Notes to Accounts

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

For IL&FS Infra Asset Management Limited

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

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

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

Sd/-
Neelesh Vernekar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Sd/-
C S Rajan
Director
DIN: 00126063
Place: Rajasthan

Sd/-
Prem Chand Dhiman
Director
DIN: 00329886
Place: New Delhi

Date: July 28, 2022

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, 2022, 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 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”):

- a) In the case of the Balance Sheet, of the state of affairs of the schemes as at March 31, 2022
- b) In the case of the Revenue Account, of the Deficit in case of Series 3A and Surplus in case of Series 3B for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

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

Key Audit Matters	Auditors Response
<p>Existence and Valuation of investments</p> <p>The investments held by the schemes as on March 31, 2022, 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 Trustees Report but does not include the financial statements and our auditor's report thereon. The Trustees 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, 2022 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

Sd/-
(S. M. Chitale)
Partner
M. No. 111383
UDIN : 22111383ANWCGC7495
Place: Mumbai
Date: July 28, 2022

IL&FS Mutual Fund (IDF)						
Balance Sheet as at March 31, 2022						
					Amount ₹	
IL&FS Mutual Fund (IDF)		Series 3A		Series 3B		
Particulars	Notes	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	
Liabilities						
Unit capital	3	14000,00,000	14000,00,000	15300,00,000	15300,00,000	
Reserves and surplus	4	2147,48,710	2361,01,375	3941,34,752	3885,12,511	
Current liabilities and provisions	5	24,27,462	20,88,166	28,75,011	26,68,685	
Total		16171,76,172	16381,89,541	19270,09,763	19211,81,196	
Assets						
Investments	6	11048,97,227	13482,18,626	17403,14,548	17677,03,558	
Other Current assets	7	5122,78,945	2899,70,915	1866,95,215	1534,77,638	
Total		16171,76,172	16381,89,541	19270,09,763	19211,81,196	
Notes to accounts form an integral part of the Financial Statements As per our report attached 1 to 30						
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: Noida	Sd/- Jignesh Shah CEO & Managing Director DIN: 01587849 Place: Mumbai	Sd/- Chandra Shekhar Rajan Director DIN: 00126063 Place Rajasthan	Sd/- Prem Chand Dhiman Director DIN: 00329886 Place: New Delhi		
Date: July 28, 2022 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai					

IL&FS Mutual Fund (IDF)						
Revenue Account						
Amount ₹	Notes	Series 3A		Series 3B		
IL&FS Mutual Fund (IDF)		For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021	
Income and gains						
Interest income	8	817,16,221	914,20,993	1219,82,116	1327,36,743	
Other income	9	-	37,89,479	647,66,133	10,32,341	
Reversal of NPA Provision	23	135,45,416	26,19,696	-	-	
Total		952,61,637	978,30,168	1867,48,249	1337,69,084	
Expenses and losses						
Investment Management fees	10	156,57,134	158,14,215	187,19,261	178,70,993	
GST on Investment Management fees		28,18,284	28,46,558	33,69,467	32,16,779	
Trusteeship fees		1,63,100	1,64,847	1,94,996	1,86,274	
Investor Education and Awareness Expenses (Refer Note 2(h))		3,26,190	3,29,687	3,89,985	3,72,540	
Custody Charges		-	34,203	-	37,748	
Other Operating expenses		1,17,322	1,43,317	1,40,057	1,61,447	
Audit Fees		45,773	-	54,938	-	
Provision for NPA	23	974,86,499	1119,89,985	1582,57,304	-	
Total		1166,14,302	1313,22,812	1811,26,008	218,45,781	
Surplus for the period		(213,52,665)	(334,92,644)	56,22,241	1119,23,303	
Revenue Reserve brought forward		2361,01,375	2695,94,019	3885,12,511	2765,89,208	
Net Surplus for the year transferred to Revenue Reserve		2147,48,710	2361,01,375	3941,34,752	3885,12,511	
Refer Note 14 for the total income and expenditure expressed as a percentage of the Average daily net assets						
Notes to accounts form an integral part of the Financial Statements 1 to 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 28, 2022 Place: Mumbai	Sd/- Nand Kishore Chairman DIN: 08267502 Place: Noida	Sd/- Jignesh Shah CEO & Managing Director DIN: 01587849 Place: Mumbai	Sd/- Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	Sd/- Prem Chand Dhiman Director DIN: 00329886 Place: New Delhi		
	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai					

IL&FS Mutual Fund (IDF)					
Cash flow statement					
					Amount ₹
IL&FS Mutual Fund (IDF)		Series 3A		Series 3B	
Particulars		For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
A. Cashflow from Operating Activities					
Surplus for the period		(213,52,665)	(334,92,644)	56,22,241	1119,23,303
Adjustment for:-					
Reversal of NPA Provision		-	-	-	-
Reversal of accrued interest		-	28,77,235	-	26,89,589
Provision for NPA		974,86,499	1119,89,985	1582,57,304	-
Interest Income		-	-	-	-
Interest received		-	-	-	-
Change in assets and liabilities:					
Adjustments for:-					
Increase in current liabilities and provisions		25,88,186	(2,19,974)	14,47,864	55,376
Increase in investments		1458,34,900	(2174,29,815)	(1308,68,294)	(2062,14,816)
Increase in other current assets		(2688,22,286)	1690,85,166	(392,27,625)	936,40,053
Cash used in Operations	(A)	(442,65,366)	328,09,953	(47,68,510)	20,93,505
B Cashflow from Investing activities		-	-	-	-
Net cash generated from investing activities	(B)	-	-	-	-
C Cashflow from financing activities					
Units issued		-	-	-	-
Net cash generated from financing activities	(C)	-	-	-	-
Net increase in cash and cash equivalents	(A+B+C)	(442,65,366)	328,09,953	(47,68,510)	20,93,505
Cash and cash equivalents at the beginning of the year		471,40,848	143,30,895.23	87,36,228	66,42,723.00
Cash and cash equivalents at the end of the period		28,75,482	471,40,848	39,67,718	87,36,228
Note					
Cash and bank balance as per Note No 7		35,26,137	500,40,393	46,50,386	106,60,434
Less:- Cash and bank balance earmarked for Investor Education and Awareness		6,49,655	4,86,392	6,82,668	4,87,727
Less:- Cash and bank balance earmarked for Triparty Repo		-	24,13,153	-	14,36,479
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		28,76,482	471,40,848	39,67,718	87,36,228
Notes to accounts form an integral part of the Financial Statements As per our report attached	1 to 30				
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	Sd/- Nand Kishore	Sd/- Jignesh Shah	Sd/- Chandra Shekhar Rajan	Sd/- Prem Chand Dhiman	
Partner M.No. 111383 Date: July 28, 2022 Place: Mumbai	Chairman DIN: 08267502 Place: Noida	CEO & Managing Director DIN: 01587849 Place: Mumbai	Director DIN: 00126063 Place: Rajasthan	Director DIN: 00329886 Place: New Delhi	
	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai				

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(1) Background

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

IL&FS Infrastructure Debt Fund Series 3A is a closed ended Scheme for 5 Years. The scheme was launched in January, 2018 and units were allotted on February 01, 2018. 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 February 07, 2018.

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; is 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.

4 Reserves and surplus				
	Amount ₹			
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Revenue Reserve				
At the beginning of the period	23,61,01,375	26,95,94,019	38,85,12,511	27,65,89,208.00
Transferred to Revenue account	(23,61,01,375)	(26,95,94,019)	(38,85,12,511)	-27,65,89,208.00
Surplus transferred from Revenue account	21,47,48,710	23,61,01,375	39,41,34,752	38,85,12,511
At the end of the year	21,47,48,710	23,61,01,375	39,41,34,752	38,85,12,511
	Amount ₹			
Reserves and surplus for each option:-				
Direct Plan - Growth	15,06,99,142	16,56,50,966	37,86,78,487	37,32,76,726
Direct Plan - Dividend	30,75,491	33,80,631	1,54,56,265	1,52,35,785
Regular Plan - Growth	6,09,74,077	6,70,69,778	-	-
Total	21,47,48,710	23,61,01,375	39,41,34,752	38,85,12,511

5	Current liabilities and provisions				
					Amount ₹
	IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Créditors for				
	-Investment Management fee payable	14,19,869	14,58,680	16,90,292	17,11,922
	-Trustee fee payable	14,793	15,319	17,611	17,959
	-Other payable*	1,76,337	-	85,052	-
	Income received in advance	-	-	1,70,143	2,55,215
	Provision for Investor Education and Awareness	6,77,043	5,14,120	7,15,274	5,20,235
	Statutory dues	1,39,420	1,00,047	1,96,639	1,63,354
	Total	24,27,462	20,88,166	28,75,011	26,68,685
	* Other payable includes audit fees, internal audit fees and Interschemes dues.				

7 Other Current assets				
	Amount ₹			
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Balances with a bank in current account* (Refer Note 2(h))				
- Current Accounts	28,76,482	4,71,40,848	39,67,718	87,36,228
- IEAP Accounts	6,49,655	4,86,392	6,82,668	4,87,727
- Triparty Repo Accounts	-	24,13,153	-	14,36,479
Triparty Repo**	50,47,39,059	23,78,44,212	18,09,03,961	14,15,81,716
Triparty REPO margin	39,86,176	20,86,310	11,38,751	12,35,488
Recoverable from the AMC	-	-	-	-
Misc Receivable	27,573	-	2,117	-
Total	51,22,78,945	28,99,70,915	18,66,95,215	15,34,77,638
* 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 Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
On Investment in Non Convertible Debentures	2,66,68,268	6,92,42,873	7,40,28,243	12,10,87,937
On Certificate of Deposits	4,60,02,806	95,18,261	4,23,20,428	57,90,649
Interest on Triparty Repo Margin	28,972	24,417	17,195	14,539
Reversal of accrued interest (Refer note 22)	-	(28,77,235)	-	(26,89,589)
On Reverse Repo/Triparty Repo	90,16,175	1,55,12,677	56,16,250	85,33,207
Total	8,17,16,221	9,14,20,993	12,19,82,116	13,27,36,743
9 Other Income				
	Amount ₹			
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Misc Income	-	37,89,479	6,47,66,133	10,32,341
Total	-	37,89,479	6,47,66,133	10,32,341

(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, 2022	Management Fees for the Year ended March 31, 2022	Average Net Assets for the Year ended March 31, 2021	Management Fees for the Year ended March 31, 2021
Series 3A	1,63,09,50,953	1,56,57,134	1,64,84,32,497	1,58,14,215
Series 3B	1,94,99,22,486	1,87,19,261	1,86,27,01,914	1,78,70,993

(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, 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	9.57%	2,28,68,704	1,94,99,22,486	1.17%

For the period April 1, 2020 to March 31, 2021

Infrastructure Debt Fund	Income			Expense Ratio		
	Amount ₹	Avg AUM	% to AAUM	Amount ₹	Avg AUM	% to AAUM
Series 3A	9,78,30,168	1,64,84,32,497	5.93%	1,93,32,827	1,64,84,32,497	1.17%
Series 3B	13,37,69,084	1,86,27,01,914	7.18%	2,18,45,781	1,86,27,01,914	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, 2022	As at March 31, 2021
Series 3A- Direct	Growth	10,00,000	11,53,774.6349	11,69,031.5996
	Payout	10,00,000	11,53,774.6110	11,69,031.5560
Series 3A- Regular	Growth	10,00,000	11,52,435.1939	11,67,674.4466
Series 3B- Direct	Growth	10,00,000	12,57,604.4171	12,53,929.7486
	Payout	10,00,000	12,57,604.4047	12,53,929.7440

(17) Portfolio holding as at period end are as follows:**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 23.

As at March 31, 2021

Mar-21						
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 Listed On Recognised Stock Exchange						
Infrastructure Sector						
Bhilwara Green Energy Limited	-	-	-	34,00,00,000	17.72%	68.24%
IL & FS Wind Energy Limited	9,74,86,499	5.96%	32.77%	15,82,57,304	8.25%	31.76%
Shrem Tollway Private Limited	20,00,00,000	12.22%	67.23%	-	-	-
A	29,74,86,499	18.18%	100.00%	49,82,57,304	25.97%	100.00%
Non Convertible Debentures Privately Placed						
Infrastructure Sector						
AMRI Hospitals Ltd	-	-	-	40,94,65,798	21.34%	55.26%
Bhilangana Hydro Power Ltd	17,80,00,000	10.88%	97.00%	6,70,00,000	3.49%	9.04%
Kaynes Technology India Private Ltd	45,00,000	0.28%	2.45%	45,00,000	0.23%	0.61%
Janaadhar Private Ltd	10,00,000	0.06%	0.54%	-	-	-
Kanchanjunga Power Company Private Ltd	-	-	-	26,00,00,000	13.55%	35.09%
B	18,35,00,000	11.22%	100.00%	74,09,65,798	38.62%	100.00%
Commercial Papers						
SBI Global Factors Ltd MD 15-APR-21	3,99,32,163	2.44%	4.60%	3,89,33,859	2.03%	7.37%
HDFC Securities Ltd MD 27-Apr-2021	11,91,67,263	7.28%	13.74%	6,98,05,091	3.64%	13.21%
Barclays Inv & Loans MD 12-Jul-21	5,88,20,975	3.60%	6.78%	3,41,06,280	1.78%	6.45%
Aditya Birla Money Ltd MD 28-May-21	5,90,47,363	3.61%	6.81%	3,42,37,547	1.78%	6.48%
L&T Finance Limited MD 15-July-21	5,77,98,011	3.53%	6.66%	3,40,86,006	1.78%	6.45%
Aditya Birla Money Ltd MD 27-Apr-21	1,64,42,478	1.00%	1.90%	94,66,881	0.49%	1.79%
LIC Housing Finance Ltd MD 20-Jul-21	24,69,00,063	15.09%	28.47%	-	-	-
ICICI Securities Ltd MD 15-Jul-21	15,70,45,004	9.60%	18.11%	23,90,24,472	12.46%	45.23%
ICICI Securities Ltd MD 25-Aug21	11,20,78,807	6.85%	12.92%	6,88,20,320	3.59%	13.02%
C	86,72,32,127	53.01%	100.00%	52,84,80,456	27.55%	100.00%
Total Investments (A+B+C)	1,34,82,18,626	82.40%		1,76,77,03,558	92.14%	
Net Current Assets	28,78,82,749	17.60%		15,08,08,953	7.86%	
Net Assets	1,63,61,01,375	100.00%		1,91,85,12,511	100.00%	

Note 1. 100% provision has been made for Investment in Babcock Borsig Limited in Scheme 3A. Refer note 23.
Note 2. Shrem Tollway Private Limited is in process of listing.

(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, 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%	2,57,08,26,264	157.63%
Series 3B	2,32,79,45,931	119.39%	2,36,43,96,872	121.26%

For the Year ended March 31, 2021

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	99,57,13,830	60.40%	72,69,88,046	44.10%
Series 3B	58,41,89,788	31.36%	32,86,26,304	17.64%

(19) Aggregate Fair value of Non-Traded Investments

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, 2022	Percentage of Net Assets	As at March 31, 2021	Percentage of Net Assets
Series 3A	1,10,48,97,227	68.43%	1,34,82,18,626	82.40%
Series 3B	1,74,03,14,548	90.45%	1,76,77,03,558	92.14%

(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 2022.: NIL

The Company has following investment in the securities of group companies of the sponsors as at 31st March 2021.

(Amount ₹)

Infrastructure Debt Fund	Particulars	Face Value
Series 3A	Non-Convertible Debentures of IL&FS Wind Energy Limited	7,70,00,000
Series 3B	Non-Convertible Debentures of IL&FS Wind Energy Limited	12,50,00,000

(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) IL&FS IDF invested in Zero Coupon NCDs amounting to Rs.210 Crores issued by IL&FS Solar Power Limited (ISPL) in December 2017. ISPL operates a solar power plant on contractual basis in Karnataka to meet the captive power requirement of Embassy group's tech park. ISPL had received a voluntary prepayment proposal from Embassy Energy Pvt Ltd (EEPL) involving termination of the current contract based on option available in the contract and payment for the contract termination. IDF has accrued interest on ISPL Zero Coupon NCDs up till January 31, 2020 and stopped accrual of interest thereafter. Accrued interest outstanding till January 31, 2020 was Rs. 56.31 crores. However, per the legal order passed the final cut off date fixed was December 31, 2019 in the proposal and based on the proposal, IDF has received amount of Rs. 263.70 Crores on December 11, 2020 from ISPL and excess interest accrual for the month of January' 2020 of Rs. 2.61 crores has been reversed. IDF has taken the impact of excess accrual as reversal of accrued interest of Rs. 28,77,235 and 26,89,589 in scheme 3A and 3B respectively in the year ended 31 March 2021.
- (23) 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, 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)
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, property, land and other securities.

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

Summary of provisions (across investments) made during the year ended March 31, 2021 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	1,82,71,435	11,19,89,985	26,19,696	12,76,41,724

(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 upto 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, 2022.

(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 period April 1, 2021 to March 31, 2022.

(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 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, 2021 to March 31, 2022	For the Period April 1, 2020 to March 31, 2021	For the Period April 1, 2021 to March 31, 2022	For the Period April 1, 2020 to March 31, 2021
Management fees	1,56,57,134	1,58,14,215	1,87,19,261	1,78,70,993
Trusteeship fees	1,63,100	1,64,847	1,94,996	1,86,274

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, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<u>Payable</u>				
Management Fees Payable	14,19,869	14,58,680	16,90,292	17,11,922
Trusteeship Fees Payable	14,793	15,319	17,611	17,959

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

(Amount ₹)

Details	March 31, 2022	March 31, 2021
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's figures have been regrouped and /or rearranged wherever to correspond to figures of current year.

Signature to Notes to Accounts

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

For IL&FS Infra Asset Management Limited

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

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

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

Sd/-
Neelesh Vernekar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Sd/-
C S Rajan
Director
DIN: 00126063
Place: Rajasthan

Sd/-
Prem Chand Dhiman
Director
DIN: 00329886
Place: New Delhi

Date: July 28, 2022