

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

Dear Unitholders,

We have pleasure in presenting the 8th (Eighth) Annual Report of the Schemes of IL&FS Mutual Fund (IDF) for the year ended March 31, 2021, 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)

Established in 1989, 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 has been an early and in many instances, the first investor across various sectors such as Telecom, City Gas Distribution, Shipyards, Retail, and Media. Funds managed by IIML now span General Purpose Private Equity, Real Estate and Infrastructure.

Investors to IIML managed Funds include most of the major Indian Banks & Institutions, and marquee Global Institutional Investors including major U.S. Pension Funds, Endowments, Foundations and SWF's.

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 6 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.

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 Member of the Core Operating Committee of IL&FS is the Chairman of the Investment Committee and the other two members of the Committee are the Managing Director & CEO of AMC and Chief Investment Officer (CIO) of the AMC. 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:

Till date, IL&FS IDF has launched Schemes as mentioned below:

- (a) **IL&FS Infrastructure Debt Fund – Series 1B and 1C** - with minimum tenure of 5, 7 and 10 years respectively.

Maturity of IL&FS Infrastructure Debt Fund – Series 1B

IL&FS Infrastructure Debt Fund Series 1B was successfully redeemed on its maturity date i.e. on April 29, 2021.

- (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, 2021:**

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 - 1B	-14.73%	7.69%	-1.92%	8.98%	3.07%	8.61%	5.41%	9.51%
IIDF Series - 1C	-14.23%	7.69%	-1.55%	8.98%	3.48%	8.61%	5.65%	9.51%
IIDF Series - 3A	-19.96%	7.69%	-5.74%	8.98%	-	-	1.06%	8.58%
IIDF Series - 3B	0.58%	7.69%	5.30%	8.98%	-	-	7.78%	8.58%

***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, 2021 had a corpus of ₹ 1674.44 Crore on across 7 (seven) 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 2020 to March 2021 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, 2021:**

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, 2021.

(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 also 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/-

Narasimhan Balasubramaniam
Director
Place: Mumbai

Date: June 28, 2021

Annexure 1

Redressal of Complaints received during		2020-2021										
Name of the Mutual Fund		IL&FS Mutual Fund (IDF)										
Total Number of Folios		78										
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	1	1	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, 2021, 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 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, 2021
- b) In the case of the Revenue Account, of the Deficit for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

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

Key Audit Matters

Auditors Response

Existence and Valuation of investments

The investments held by the schemes as on March 31, 2021, mainly comprised of Debt instruments.

There is a risk of existence of investments and that the fair value of investments is not determined appropriately.

Accordingly the existence and valuation of investments is considered as a key audit matter.

We performed the following audit procedures :

- Assessed the design and implementation of controls over existence and valuation of investments.
- Tested the controls set up by Management on sample basis on existence and valuation of Investments.
- Traced, the quantity held as per books with the confirmation provided by Custodian as of year end.
- Tested the valuation of investments on sample basis as per the investment valuation policy approved by the Trustees and with the SEBI Regulations.

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

The Board of Directors and Management of IL&FS AMC Trustee Limited (the Trustees) and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the other information. The other information comprises the information included in the 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, 2021 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 : 21111383AAAAJC4093

Place: Mumbai
Date : June 28, 2021

IL&FS Mutual Fund (IDF)					
Balance Sheet as at March 31, 2021					
					Amount ₹
IL&FS Mutual Fund (IDF)	Notes	Series 1B		Series 1C	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Liabilities					
Unit capital	3	2,359,100,000	2,359,100,000	2,759,300,000	2,759,300,000
Reserves and surplus	4	1,077,535,199	1,671,022,026	1,327,001,949	2,005,108,910
Current liabilities and provisions	5	4,727,362	5,117,486	5,689,760	6,079,670
Total		3,441,362,561	4,035,239,512	4,091,991,709	4,770,488,580
Assets					
Investments	6	3,369,572,065	3,200,793,029	3,717,636,985	4,137,255,741
Other Current assets	7	71,790,496	834,446,483	374,354,724	633,232,839
Total		3,441,362,561	4,035,239,512	4,091,991,709	4,770,488,580
Notes to accounts form an integral part of the Financial Statements As per our report attached					
Notes to accounts form an integral part of the Financial Statements As per our report attached		1 to 32			
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/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
S.M.Chitale Partner M.No. 111383	Nand Kishore Chairman DIN: 08267502 Place: Noida	Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai	Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	B.Narasimhan Director DIN: 06360390 Place: Mumbai	
Date: 28th June 2021 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai				

IL&FS Mutual Fund (IDF)					
Revenue Account					
					Amount ₹
IL&FS Mutual Fund (IDF)	Notes	Series 1B		Series 1C	
Particulars		For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Income and gains					
Interest income	8	161,027,205	312,378,694	259,347,756	349,613,655
Other income	9	1,034,002	335,125	5,602,849	457,995
Profit on sale/redemption of Investments (other than inter-scheme transfers)		154,136	3,188,802	-	3,635,992
Profit on sale/redemption on inter-scheme transfers		-	-	-	-
Reversal of NPA Provision		10,082,717	-	16,026,506	-
Increase/(Decrease) in unrealised gain in the value of investments		(154,136)	(3,188,802)	-	(3,635,992)
Total		172,143,924	312,713,819	280,977,111	350,071,650
Expenses and losses					
Investment Management fees	10	36,054,994	39,591,181	42,309,102	46,576,279
GST on Investment Management fees		6,489,899	7,126,411	7,615,638	8,383,728
Trusteeship fees		375,869	412,918	441,072	485,768
Investor Education and Awareness Expenses (Refer Note 2(h))		751,721	825,842	882,124	971,546
Custody Charges		81,082	197,170	95,141	232,149
Other Operating expenses		327,371	212,460	384,701	250,356
Audit Fees		-	3,300	-	3,281
Provision for NPA		721,549,816	249,071,089	907,356,294	260,530,227
Total		765,630,752	297,440,370	959,084,072	317,433,333
Surplus/(Deficit) for the year		(593,486,828)	15,273,449	(678,106,961)	32,638,317
Revenue Reserve brought forward		1,670,867,891	1,652,405,640	2,003,963,123	1,967,688,814
		1,077,381,063	1,667,679,089	1,325,856,162	2,000,327,131
Unrealised Appreciation Reserve at the beginning of the year		154,136	3,342,938	1,145,787	4,781,779
Unrealised Appreciation Reserve at the end of the year		-	154,136	1,145,787	1,145,787
		(154,136)	(3,188,802)	-	(3,635,992)
Net Surplus transferred to Revenue Reserve		1,077,535,199	1,670,867,891	1,325,856,162	2,003,963,123
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 32				
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/-		Sd/-	Sd/	Sd/-	Sd/-
S.M.Chitale Partner M.No. 111383		Nand Kishore Chairman DIN: 08267502 Place: Noida	Jignēsh Shah CEO and MD DIN: 01587849 Place: Mumbai	Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	B.Narasimhan Director DIN: 06360390 Place: Mumbai
Date: 28th June 2021 Place: Mumbai		Sd/- Neelesh Vernekar Fund Manager Place: Mumbai			

IL&FS Mutual Fund (IDF)

Cash flow statement

Amount ₹

IL&FS Mutual Fund (IDF)		Series 1B		Series 1C	
		For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A.	Cash flow from Operating Activities				
	Surplus for the year	(593,486,828)	15,273,448	(678,106,961)	32,638,317
	Adjustment for:-				
	Provision for NPA	721,549,816	249,071,089	907,356,294	260,530,227
	Reversal of accrued interest	6,842,815	-	7,743,515	-
	(Decrease) in unrealised gain in the value of investments	(154,136)	(3,188,802)	-	(3,635,992)
	Change in assets and liabilities:				
	Increase in current liabilities and provisions	(1,033,000)	(9,797,045)	(3,786,201)	(11,462,505)
	(Increase) in investments	(897,017,530)	171,931,307	(495,481,053)	205,430,040
	(Increase)/Decrease in other current assets	737,609,516	(432,724,968)	267,238,079	(620,290,518)
	Cash used in Operations	(25,689,347)	(9,434,971)	4,963,673	(136,790,431)
B.	Cash flow from Investing Activities	(B)	-	-	-
C.	Cash flow from Financing Activities	(C)	-	-	-
	Rdemption repayment on Scheme Maturity				
	Net increase/(Decrease) in cash and cash equivalents	(A + B+C)	(9,434,971)	4,963,673	(136,790,431)
	Cash and cash equivalents at the beginning of the year	29,222,141	38,657,112	7,312,339	144,102,770
	Cash and cash equivalents at the end of the year	3,532,794	29,222,141	12,276,012	7,312,339
	(Refer Note below)				
Note					
	Cash and bank balance as per Note No 7	5,572,596	30,619,067	17,482,082	9,122,118
	Less:- Cash and bank balance earmarked for Investor Education and Awareness	1,369,751	996,926	1,614,550	1,175,824
	Less:- Cash and bank balance earmarked for Triparty Repo	670,051	400,000	3,591,520	633,955
	Cash & Cash Equivalent as per AS 3 Cash Flow Statements	3,532,794	29,222,141	12,276,012	7,312,339

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

1 to 32

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

Sd/-

S.M.Chitale
Partner
M.No. 111383

Date: 28th June 2021
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

Sd/-

Neelesh Vernekar
Fund Manager
Place: Mumbai

For **IL&FS AMC Trustee Limited**

Sd/-

Chandra Shekhar Rajan
Director
DIN: 00126063
Place: Rajasthan

Sd/-

B.Narasimhan
Director
DIN: 06360390
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. 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

IL&FS Mutual Fund (IDF) Particulars	Series 1B				Series 1C			
	As at March 31, 2021		As at March 31, 2020		As at March 31, 2021		As at March 31, 2020	
	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	2,171,600,000	2,171.60	2,171,600,000	2,571.80	2,571,800,000	2,571.80	2,571,800,000
Direct Plan - Dividend	187.50	187,500,000	187.50	187,500,000	187.50	187,500,000	187.50	187,500,000
Paid-Up:								
Direct Plan - Growth Face Value ₹ 10,00,000								
Units at beginning and end of the year	2,171.60	2,171,600,000	2,171.60	2,171,600,000	2,571.80	2,571,800,000	2,571.80	2,571,800,000
Direct Plan - Dividend Face Value ₹ 10,00,000								
Units at beginning and end of the year	187.50	187,500,000	187.50	187,500,000	187.50	187,500,000	187.50	187,500,000
Unit Capital at the end of the year	2,359.10	2,359,100,000	2,359.10	2,359,100,000	2,759.30	2,759,300,000	2,759.30	2,759,300,000

4 Reserves and surplus

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 1B		Series 1C	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unrealised Appreciation Reserve				
At the beginning of the year	154,136	3,342,938	1,145,787	4,781,779
Increase/(Decrease) in gain in the value of investments	(154,136)	(3,188,802)	-	(3,635,992)
At the end of the year	-	154,136	1,145,787	1,145,787
Revenue Reserve				
At the beginning of the year	1,670,867,890	1,652,405,640	2,003,963,123	1,967,688,814
Transferred to Revenue account	(1,670,867,890)	(1,652,405,640)	(2,003,963,123)	(1,967,688,814)
Surplus transferred from Revenue account	1,077,535,199	1,670,867,890	1,325,856,162	2,003,963,123
At the end of the year	1,077,535,199	1,670,867,890	1,325,856,162	2,003,963,123
Redemption on Scheme Matutity				
Total	1,077,535,199	1,671,022,026	1,327,001,949	2,005,108,910

Reserves and surplus for each option:-				
Direct Plan - Growth	991,893,281	1,538,210,094	1,236,829,490	1,868,857,715
Direct Plan - Dividend Option	85,641,918	132,811,932	90,172,459	136,251,194
Total	1,077,535,199	1,671,022,026	1,327,001,949	2,005,108,910

5 Current liabilities and provisions

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 1B		Series 1C	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Creditors for				
-Investment Management fee payable	3,057,508	3,568,988	3,630,663	4,207,235
-Trustee fee payable	32,167	37,177	38,200	43,825
-Other payable *	-	98,356	-	89,966
Income received in advance	-	12,466	74,696	74,795
Provision for Investor Education and Awareness	1,427,977	1,057,425	1,683,733	1,248,635
Statutory dues	209,710	343,074	262,468	415,214
Total	4,727,362	5,117,486	5,689,760	6,079,670

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

6 Investments

Amount ₹

IL&FS Mutual Fund (IDF)	Series 1B				Series 1C			
	As at March 31, 2021		As at March 31, 2020		As at March 31, 2021		As at March 31, 2020	
	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value
Non Convertible Debentures Listed On Recognised Stock Exchange	253,211,686	253,211,686	1,108,735,253	1,108,993,435	1,035,901,863	1,037,047,650	1,821,395,193	1,822,540,980
Non Convertible Debentures-Privately Placed	-	-	2,091,903,641	2,091,799,595	1,433,994,468	1,433,994,468	2,314,714,761	2,314,714,761
Money Market Instruments	3,116,360,379	3,116,360,379	-	-	1,246,594,867	1,246,594,867	-	-
Total	3,369,572,065	3,369,572,065	3,200,638,894	3,200,793,030	3,716,491,198	3,717,636,985	4,136,109,953	4,137,255,741

Note:

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

7 Other Current assets

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 1B		Series 1C	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Balances with a bank in current account* (Refer Note 2(h))				
- Current Accounts	3,532,794	29,222,141	12,276,012	7,312,339
- IEAP Accounts	1,369,751	996,926	1,614,550	1,175,824
- Triparty Repo Accounts	670,051	400,000	3,591,520	633,955
Triparty Repo**	66,041,250	802,176,687	353,985,966	620,501,642
Triparty Repo margin	176,650	1,500,000	2,886,646	3,550,000
Misc Receivable	0	150,729	30	59,079
Total	71,790,496	834,446,483	374,354,724	633,232,839

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

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

8 Interest Income

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 1B		Series 1C	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
On Investment in Non Convertible Debentures	98,362,487	276,865,094	233,514,256	319,701,867
On Certificate of Deposits / Commercial Papers	47,158,383	-	14,460,314	-
On Triparty Repo Margin	49,318	23,099	42,687	61,782
Reversal of accrued interest (Refer note 23)	(6,842,815)		(7,743,515)	
On Reverse Repo/Triparty Repo	22,299,832	35,490,501	19,074,014	29,850,006
Total	161,027,205	312,378,694	259,347,756	349,613,655

9 Other Income

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 1B		Series 1C	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Misc Income	1,034,002	335,125	5,602,849	457,995
Total	1,034,002	335,125	5,602,849	457,995

(10) Investment Management fees

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

(Amount in ₹)

Infrastructure Debt Fund Series	AAUM for the Year ended March 31, 2021	Management Fees	AAUM for the Year ended March 31, 2020	Management Fees
Series 1B	3,75,86,04,350	3,60,54,994	4,12,91,46,321	3,95,91,181
Series 1C	4,41,06,19,822	4,23,09,102	4,85,76,52,807	4,65,76,279

(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, 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%

For the Year ended March 31, 2020: -

Series	Income		Expense Ratio	
	(Amount ₹)	(% to AAUM)	(Amount ₹)	(% to AAUM)
Series 1B	31,27,13,819	7.57%	4,83,69,282	1.17%
Series 1C	35,00,71,650	7.21%	5,69,03,106	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, 2021	As at March 31, 2020
Series 1B-Direct Plan	Dividend	1,000,000	14,56,756.8966	17,08,330.3059
	Growth	1,000,000	14,56,756.8971	17,08,330.3067
Series 1C-Direct Plan	Dividend	1,000,000	14,80,919.7827	17,26,673.0391
	Growth	1,000,000	14,80,919.7815	17,26,673.0378

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

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 Devlopers 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-Mayr-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-Aug21	-	-	-	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	6,70,63,134	1.95%		36,86,64,964	44.11%	
Net Assets	3,43,66,35,199	100.00%		4,08,63,01,949	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.

As at March 31, 2020

Mar-20						
IL&FS Infrastructure Debt Fund	Series 1B			Series 1C		
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						
IL&FS Solar Power Ltd	69,41,27,544	17.22%	62.59%	78,54,93,510	16.49%	43.10%
IL&FS Wind Energy Ltd	25,32,11,686	6.28%	22.83%	37,85,51,471	7.95%	20.77%
Bhilwara Green Energy Ltd	6,16,54,205	1.53%	5.56%	45,84,96,000	9.62%	25.16%
Shrem Tollway Private Limited	10,00,00,000	2.48%	9.02%	20,00,00,000	4.20%	10.97%
A	1,10,89,93,435	27.51%	100.00%	1,82,25,40,981	38.26%	100.00%
Non Convertible Debentures Privately Placed Infrastructure Sector						
Kanchanjunga Power Company Private Ltd	-	-	-	63,00,00,000	13.22%	27.22%
AMRI Hospitals Ltd	-	-	-	12,00,00,000	2.52%	5.18%
Abhitech Developers Pvt Ltd	51,10,00,000	12.68%	24.43%	6,10,00,000	1.28%	2.64%
Bhilangana Hydro Power Ltd	65,60,00,000	16.28%	31.36%	34,80,00,000	7.30%	15.03%
Clean Max Enviro Energy Solutions Private L	5,65,00,000	1.40%	2.70%	8,65,00,000	1.82%	3.74%
Babcock Borsig Ltd	15,39,13,595	3.82%	7.36%	57,54,65,760	12.08%	24.86%
Time Technoplast Ltd	2,41,86,000	0.60%	1.16%	87,49,000	0.18%	0.38%
Williamson Magor & Co. Ltd	52,02,00,000	12.91%	24.87%	34,20,00,000	7.18%	14.78%
GHV Hospitality India Pvt Ltd	17,00,00,000	4.22%	8.13%	14,30,00,000	3.00%	6.17%
B	2,09,17,99,595	51.91%	100.00%	2,31,47,14,760	48.58%	100.00%
Total Investment (A+B)	3,20,07,93,030	79.42%		4,13,72,55,741	86.84%	
Net Current Assets	82,93,28,997	20.58%		62,71,53,169	13.16%	
Net Assets	4,03,01,22,026	100.00%		4,76,44,08,910	100.00%	

Note 1. 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, 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%

For the Year ended March 31, 2020

(Amount ₹)

IL&FS Infrastructure Debt Fund	For the Year ended March 31, 2020			
	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	54,50,00,000	13.20%	76,22,96,046	18.46%
Series 1C	35,60,00,000	7.33%	61,29,89,057	12.62%

(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, 2021		As at March 31, 2020	
	Appreciation	Depreciation	Appreciation	Depreciation
IL&FS Infrastructure Debt Fund Series 1B				
Non-Convertible Debentures	-	-	1,54,136	-
IL&FS Infrastructure Debt Fund Series 1C				
Non-Convertible Debentures	11,45,787	-	11,45,787	-

(20) Aggregate Fair value of Non-Traded Investments

The aggregate fair value of non-traded investments, valued in 'good faith' by the Investment Manager on the basis of the valuation principles laid down by SEBI as follows:

(Amount ₹)

Infrastructure Debt Fund	As at March 31, 2021	As at March 31, 2020
Series 1B	3,36,95,72,065	3,20,07,93,029
Series 1C	3,47,07,36,922	4,13,72,55,741

(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 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

The Company has following investment in the securities of group companies of the sponsors as at 31st March 2020.

(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
Series 1B	IL&FS Solar Power Limited (ISPL)	54,70,00,000
Series 1C	IL&FS Solar Power Limited (ISPL)	61,90,00,000

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

IWEL defaulted in payment of first tranche of Rs. 75,00,00,000 which was due on April 15, 2019 therefore the Board of Directors, in earlier years, has completely written down the aforesaid amount of Rs. 75,00,00,000 (comprising of Rs. 71,50,00,000 & Rs. 3,50,00,000 respectively in Scheme 1A and 1B) alongwith interest accrued till 30 September 2018.

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 distribution framework 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 and realized proceeds in November 2019 which is currently lying in an escrow account.

However, in January 2020, the IL&FS board applied to NCLAT for approval of a revised distribution framework for group resolution and the same was approved by NCLAT in March 2020. IL&FS is seeking to retrospectively apply revised distribution framework for distribution of IWEL proceeds which is a fundamental change to the earlier distribution approach based on which the COC approval was obtained. IL&FS's proposed plan for distribution is not in the interest of the unit holders.

In order to protect the interest of the unit holders, IDF has filed a civil appeal with Hon'ble Supreme Court in December, 2020 and awaiting outcome of the same.

The Board and Management expects to recover the carrying value of the investment.

- (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 during the year 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. 68,42,815 and 77,43,515 in scheme 1B and 1C respectively.

- (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 outstanding exposure in Babcock Borsig Limited. As of March 31, 2020, IDF had provided Rs. 2,12,71,089 and Rs. 7,95,30,227 in Scheme 1B & 1C respectively. Further, Rs. 12,73,25,800 and Rs. 47,60,56,960 in Scheme 1B & 1C respectively (net of reversal) has been provided during the current year.

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. As of March 31, 2020, IDF had provided Rs. 17,00,00,000 and Rs. 14,30,00,000 in Scheme 1B & 1C respectively. Further, Rs. 17,00,00,000 and Rs. 14,30,00,000 in Scheme 1B & 1C respectively has been provided during the current year.

The Facility to GHV is secured through combination of mortgage of land/building, pledge of shares and other securities.

- (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 outstanding exposure in Williamson Magor & Co. Limited. As of March 31, 2020, IDF had provided Rs. 5,78,00,000 and Rs. 3,80,00,000 in Scheme 1B & 1C respectively. Further, Rs. 41,41,41,299 and Rs. 27,22,72,827 in Scheme 1B & 1C respectively (net of reversal) has been provided during the current year.

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

Summary of provisions made during the year 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)
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
Total	50,96,01,316	1,62,89,06,110	2,61,09,223	2,11,23,98,203

Summary of provisions made during the year March 31, 2020 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)
1B	-	24,90,71,089	-	24,90,71,089
1C	-	26,05,30,227	-	26,05,30,227
Total	-	50,96,01,316	-	50,96,01,316

- (25) SEBI Regulations specify the percentage of expenses that can be charged to schemes of mutual fund. Accordingly, IDF has not charged Audit fee, internal audit fee 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) IDF has received Rs. 19,77,190 & Rs. 24,71,745 in scheme 1B & 1C respectively pertaining to Investment which was repaid in year 2017, the same has been accounted for as investment income (Note 8). The Security was not part of holding of IDF during the year.
- (27) There are no unpaid redemption and unclaimed dividend as at March 31, 2021 (P.Y. Nil).
- (28) (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, 2020 and for the year ended March 31, 2019.
- (29) **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, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Management fees	3,60,54,994	3,95,91,181	4,23,09,102	4,65,76,279
Trusteeship fees	3,75,869	4,12,918	4,41,072	4,85,768

c) Year-end payables/Receivables:

(Amount ₹)

IL&FS Infrastructure Debt Fund Series	1B		1C	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Payable				
Management fees payable	30,57,508	35,68,988	36,30,663	42,07,235
Trusteeship fees payable	32,167	37,177	38,200	43,825

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

Details	March 31, 2021	March 31, 2020
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment*	Nil	50,00,00,000

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

(31) **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.

(32) 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/-

Sd/-

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

Nand Kishore
Chairman
DIN: 08267502
Place: Noida

Jignesh Shah
CEO & Managing Director
DIN: 01587849
Place: Mumbai

Sd/-

Neelesh Vernekar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Sd/-

Sd/-

Chandra Shekhar Rajan
Director
DIN: 00126063
Place: Rajasthan

B Narasimhan
Director
DIN: 06360390
Place: Mumbai

Date: 28 June, 2021

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, 2021, 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, 2021
- 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

Existence and Valuation of investments

The investments held by the schemes as on March 31, 2021, mainly comprised of Debt instruments.

There is a risk of existence of investments and that the fair value of investments is not determined appropriately.

Accordingly the existence and valuation of investments is considered as a key audit matter.

We performed the following audit procedures :

- Assessed the design and implementation of controls over existence and valuation of investments.
- Tested the controls set up by Management on sample basis on existence and valuation of Investments.
- Traced, the quantity held as per books with the confirmation provided by Custodian as of year end.
- Tested the valuation of investments on sample basis as per the investment valuation policy approved by the Trustees and with the SEBI Regulations.

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

The Board of Directors and Management of IL&FS AMC Trustee Limited (the Trustees) and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the other information. The other information comprises the information included in the 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, 2021 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 : 21111383AAAAJD7774

Place: Mumbai
Date: June 28, 2021

IL&FS Mutual Fund (IDF)							
Balance sheet as at March 31, 2021							
Amount ₹							
IL&FS Mutual Fund (IDF)	Notes	Series 2A		Series 2B		Series 2C	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Liabilities							
Unit capital	3	1,181,250,000	1,181,250,000	1,575,000,000	1,575,000,000	1,268,750,000	1,268,750,000
Reserves and surplus	4	71,499,750	383,927,204	816,971,199	803,238,363	753,403,114	697,336,131
Current liabilities and provisions	5	1,734,682	1,976,996	3,359,353	2,994,895	2,667,137	2,654,025
Total		1,254,484,432	1,567,154,200	2,395,330,552	2,381,233,258	2,024,820,251	1,968,740,156
Assets							
Investments	6	1,149,318,306	1,312,698,408	2,239,034,775	1,902,394,514	1,866,215,101	1,828,006,082
Other Current assets	7	105,166,126	254,455,792	156,295,777	478,838,744	158,605,150	140,734,074
Total		1,254,484,432	1,567,154,200	2,395,330,552	2,381,233,258	2,024,820,251	1,968,740,156
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/-		Sd/-		Sd/-		Sd/-	
S.M.Chitale Partner M.No. 111383		Nand Kishore Chairman DIN: 08267502 Place: Noida		Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai		Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	B Narasimhan Director DIN: 06360390 Place: Mumbai
Date: 28 June, 2021 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, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Income and gains							
Interest Income	8	69,041,030	63,002,094	212,761,179	197,898,435	145,621,424	199,604,563
Other income	9	7,929,784	304,642	12,043,160	3,960,816	777,877	951,723
Reversal of NPA Provision		6,167,755	-	2,538,409	-	1,554,908	-
Total		83,138,569	63,306,736	227,342,748	201,859,251	147,954,209	200,556,286
Expenses and losses							
Investment Management fees	10	13,446,049	15,998,278	22,842,592	22,635,668	19,085,042	18,142,664
GST/ Service tax on Investment Management fees		2,420,288	2,879,691	4,111,666	4,074,421	3,435,307	3,265,680
Trusteeship fees		140,178	166,862	238,106	236,083	198,938	189,220
Investor Education and Awareness Expenses (Refer Note 2(h))		280,349	333,718	476,203	472,160	397,868	378,434
Custody Charges		30,791	79,364	49,053	112,903	40,732	90,813
Other Operating expenses		122,030	84,519	206,952	122,713	173,096	99,880
Provision for NPA		379,126,338	157,123,802	185,685,340	91,007,182	68,556,243	10,996,265
Audit Fees		-	2,976	-	463	-	-
Total		395,566,023	176,669,210	213,609,912	118,661,592	91,887,226	33,162,957
Surplus / (Deficit) for the year		(312,427,454)	-113,362,474	13,732,836	83,197,659	56,066,983	167,393,329
Revenue Reserve brought forward		383,927,204	497,289,678	803,238,363	720,040,704	697,336,131	529,942,802
Net Surplus / (Deficit) transferred to Revenue Reserve		71,499,750	383,927,204	816,971,199	803,238,363	753,403,114	697,336,131
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 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/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
S.M.Chitale Partner M.No. 111383	Nand Kishore Chairman DIN: 08267502 Place: Noida	Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai	Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	B Narasimhan Director DIN: 06360390 Place: Mumbai			
Date: 28 June, 2021 Place: Mumbai	Sd/- Neelesh Vernekar Fund Manager Place: Mumbai						

IL&FS Mutual Fund (IDF)

Cash flow statement

Amount ₹

IL&FS Mutual Fund (IDF) Particulars			Series 2A		Series 2B		Series 2C	
			For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A. Cash flow from Operating Activities								
Surplus / (Deficit) for the year			(312,427,454)	(113,362,474)	13,732,836	83,197,659	56,066,983	167,393,329
Adjustment for:-								
Reversal of accrued interest			-	-	212,665	-	5,748,282	-
Provision for NPA			379,126,338	157,123,802	185,685,340	91,007,182	68,556,243	10,996,265
Change in assets and liabilities:								
Increase in current liabilities and provisions			747,980	(4,102,219)	1,080,333	(5,519,568)	(1,298,878)	(4,181,058)
Decrease/(Increase) in investments			(215,746,236)	(164,133,893)	(522,538,266)	(207,125,844)	(112,513,544)	(50,749,304)
(Increase)/Decrease in other current assets			154,314,895	117,624,136	327,297,006	(83,546,705)	(20,025,825)	(128,391,534)
Cash used in Operations	(A)		6,015,523	(6,850,649)	5,469,914	(121,987,276)	(3,466,739)	(4,932,302)
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)		6,015,523	(6,850,649)	5,469,914	(121,987,276)	(3,466,739)	(4,932,302)
Cash and cash equivalents at the beginning of the year			6,261,326	13,111,975	38,818,361	160,805,637	8,692,110	13,624,412
Cash and cash equivalents at the end of the year			12,276,849	6,261,326	44,288,275	38,818,361	5,225,371	8,692,110
Note								
Cash and bank balance as per Note No 7			13,709,916	8,684,687	46,164,610	41,410,571	7,355,278	9,510,027
Less:- Cash and bank balance earmarked for Investor Education and Awareness			512,214	377,522	766,783	537,051	607,995	417,917
Less:- Cash and bank balance earmarked for Triparty repo			920,853	2,045,839	1,109,552	2,055,159	1,521,912	400,000
Cash & Cash Equivalent as per AS 3 Cash Flow Statements			12,276,849	6,261,326	44,288,275	38,818,361	5,225,371	8,692,110

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

Sd/-

S.M.Chitale

Partner
M.No. 111383

Date: 28 June, 2021

Place: Mumbai

For IL&FS Infra Asset Management Limited

Sd/-

Nand Kishore

Chairman
DIN: 08267502
Place: Noida

Sd/-

Neelesh Vernekar

Fund Manager
Place: Mumbai

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/-

B Narasimhan

Director
DIN: 06360390
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, 2020 and as on March 31, 2021.

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

(2) Significant accounting policies

a) Basis of preparation of financial statements

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

b) Use of estimates

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

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

c) Investments

(i) Basis of accounting

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

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

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

(ii) Valuation

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

VALUATION METHODOLOGIES

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

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

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

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

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

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

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

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

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

- d) **Revenue recognition**
Interest income is recorded on a period proportionate basis.
- Profit or loss on sale / redemption of investments represents sale proceeds less weighted average cost and is recognised on a trade date basis.
- Transfer of Investments from one scheme to another scheme is made as per the valuation policy in conformity with the investment objective of the scheme to which such transfer has been made.
- e) **Unrealised appreciation/depreciation on investments**
Net unrealized appreciation/depreciation in value of investments is determined for each investment, wherein the cost is compared with the fair value and the resultant appreciation/depreciation is transferred/charged to the revenue account.
- f) **Expenses**
The total expense ratio charged to scheme are within the limits prescribed under Regulation 52 of the SEBI (Mutual Funds) SEBI Regulations, 1996.
- All expenses identifiable with any particular scheme are accounted on an accrual basis. Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to the number of folios in the schemes or Average Assets under management (AAUM), whichever is more appropriate.
- g) **Computation of Net Asset Value (NAV)**
The NAV of a scheme is computed separately for units issued under the various options of the relevant plans of the IL&FS Infrastructure Debt Fund - Series 2A, 2B and 2C, although the corresponding scheme's investments and other net assets are managed as a single portfolio. For computing the NAV for various plans/options, daily income earned, including realized and unrealized gains or losses in the value of investments and expenses incurred by the corresponding scheme are allocated to the plans/options in proportion to the net assets of each plan/option.
- h) **Investor Education and Awareness Expenses**
In compliance with SEBI Circular No. CIR/IMD/DF/21/2012 dated September 13, 2012; the scheme has charged 0.02 % of daily net assets within the maximum limit of total expense ratio as per the SEBI Regulations for investor education and awareness initiatives. Pursuant to the letter dated January 8, 2016, issued by SEBI to AMFI mandating all members to transfer 50% of the Investor Education and Awareness fund balance as at March 31, 2016 and from April 1, 2016 onwards, 50% of the 0.02% of daily net assets aside by the Mutual fund, accordingly the fund has transferred 50% of opening balance and additions for current year to AMFI. The balance amounts are utilized towards investor education and awareness initiative taken by the Mutual Fund/AMC. Allocation for utilization is done in different schemes based on the available balance in each scheme.
- i) **Load**
Pursuant to SEBI circular no SEBI/IMD/CIR NO .4/168230/09 dated June 30, 2009, no entry load is charged.

3 Unit Capital

IL&FS Mutual Fund (IDF) Particulars	Series 2A				Series 2B				Series 2C			
	As at March 31, 2021		As at March 31, 2020		As at March 31, 2021		As at March 31, 2020		As at March 31, 2021		As at March 31, 2020	
	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	1,687,500,000	1,687.50	1,687,500,000	2,250.00	2,250,000,000	2,250.00	2,250,000,000	1,812.50	1,812,500,000	1,812.50	1,812,500,000
Paid-Up:												
Direct Plan - Growth Face Value ₹ 10,00,000												
Units at beginning of year (Paid-up ₹ 7,00,000)	1,687.50	1,181,250,000	1,687.50	1,181,250,000	2,250.00	1,575,000,000	2,250.00	1,575,000,000	1,812.50	1,268,750,000	1,812.50	1,268,750,000
Units outstanding at end of the year-paid up ₹ 7,00,000 each	1,687.50	1,181,250,000	1,687.50	1,181,250,000	2,250.00	1,575,000,000	2,250.00	1,575,000,000	1,812.50	1,268,750,000	1,812.50	1,268,750,000
Unit Capital at the end of the Year/	1,687.50	1,181,250,000	1,687.50	1,181,250,000	2,250.00	1,575,000,000	2,250.00	1,575,000,000	1,812.50	1,268,750,000	1,812.50	1,268,750,000

Units have been partly paid up to 70% of the committed amount as at March 31, 2021 and as at March 31, 2020.

4 Reserves and surplus

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Revenue Reserve						
At the beginning of the year	383,927,204	497,289,678	803,238,363	720,040,704	697,336,131	529,942,802
Transferred to Revenue account	(383,927,204)	(497,289,678)	(803,238,363)	(720,040,704)	(697,336,131)	(529,942,802)
Surplus transferred from Revenue account	71,499,750	383,927,204	816,971,199	803,238,363	753,403,114	697,336,131
At the end of the year	71,499,750	383,927,204	816,971,199	803,238,363	753,403,114	697,336,131

5 Current liabilities and provisions

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Creditors for						
-Investment Management fee payable	1,113,184	1,396,668	2,130,264	2,096,150	1,801,980	1,722,154
-Trustee fee payable	11,720	14,549	22,366	21,835	18,917	17,940
-Other payable *	-	34,092	-	45,921	-	38,332
Income received in advance	-	1,754	214,343	52,356	68,638	227,500
Provision for Investor Education and Awareness	533,428	396,116	807,690	569,139	642,231	442,790
Statutory dues	76,350	133,817	184,690	209,494	135,371	205,310
Total	1,734,682	1,976,996	3,359,353	2,994,895	2,667,137	2,654,025

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

6 Investments

Amount ₹

Particulars	IL&FS Infrastructure Debt Fund Series 2A				IL&FS Infrastructure Debt Fund Series 2B				IL&FS Infrastructure Debt Fund Series 2C			
	As at March 31, 2021		As at March 31, 2020		As at March 31, 2021		As at March 31, 2020		As at March 31, 2021		As at March 31, 2020	
	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value
Non Convertible Debentures Listed On Recognised Stock Exchange	677,927,749	677,927,749	677,927,749	677,927,749	510,808,036	510,808,036	532,380,556	532,380,556	6,330,292	6,330,292	603,548,991	603,548,991
Non Convertible Debentures-Privately Placed	159,000,000	159,000,000	634,770,659	634,770,659	1,360,177,554	1,360,177,554	1,370,013,958	1,370,013,958	1,347,562,000	1,347,562,000	1,224,457,091	1,224,457,091
Money Market Instruments	312,390,557	312,390,557	-	-	368,049,185	368,049,185	-	-	512,322,809	512,322,809	-	-
Total	1,149,318,306	1,149,318,306	1,312,698,408	1,312,698,408	2,239,034,775	2,239,034,775	1,902,394,514	1,902,394,514	1,866,215,101	1,866,215,101	1,828,006,082	1,828,006,082

Notes:-

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

7 Current assets

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Balances with a bank in current account* (Refer Note 2(h))						
- Current Accounts	12,276,849	6,261,326	44,288,275	38,818,361	5,225,371	8,692,110
- IEAP Accounts	512,214	377,522	766,783	537,051	607,995	417,917
- Triparty Repo Accounts	920,853	2,045,839	1,109,552	2,055,159	1,521,912	400,000
Recoverable from the AMC	-	-	-	-	-	1,479
Triparty Repo**	90,760,698	230,304,629	109,359,555	418,720,889	150,002,087	128,209,875
Triparty Repo margin	695,512	15,450,000	771,612	16,810,000	1,247,785	2,990,000
Misc Receivable	-	16,476	-	1,897,284	-	22,694
Total	105,166,126	254,455,792	156,295,777	478,838,744	158,605,150	140,734,074

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

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

8 Interest Income

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
On Investment in Non Convertible Debentures	57,762,374	44,883,268	195,306,511	174,996,797	141,058,231	196,389,592
On Investment in Money Market Instruments	4,422,661	-	7,456,592	-	3,982,027	-
Interest on Triparty Repo Margin	45,667	74,011	53,992	82,117	20,521	30,948
Reversal of accrued interest (Refer note 22)	-	-	(212,665)	-	(5,748,282)	-
On Triparty Repo	6,810,328	18,044,815	10,156,749	22,819,521	6,308,927	3,184,023
Total	69,041,030	63,002,094	212,761,179	197,898,435	145,621,424	199,604,563

9 Other Income

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 2A		Series 2B		Series 2C	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Misc Income	7,929,784	304,642	12,043,160	3,960,816	777,877	951,723
Total	7,929,784	304,642	12,043,160	3,960,816	777,877	951,723

(10) Investment Management fees

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

(Amount in ₹)

Infrastructure Debt Fund Series	AAUM for the Year ended March 31, 2021	Management Fees	AAUM for the Year ended March 31, 2020	Management Fees
Series 2A	1,40,17,45,832	1,34,46,049	1,66,85,64,960	1,59,98,278
Series 2B	2,38,10,16,270	2,28,42,592	2,36,07,63,051	2,26,35,668
Series 2C	1,98,93,39,301	1,90,85,042	1,89,21,43,158	1,81,42,664

(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, 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%

For the Year ended March 31, 2020

Series	Income		Expense Ratio	
	(Amount ₹)	% to AAUM	(Amount ₹)	% to AAUM
Series 2A – Direct Plan	6,33,06,736	3.79%	1,95,45,407	1.17%
Series 2B – Direct Plan	20,18,59,251	8.55%	2,76,54,410	1.17%
Series 2C – Direct Plan	20,05,56,286	10.60%	2,21,66,692	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, 2021	As at March 31, 2020
Series 2A – Direct Plan	Growth	10,00,000	7,00,000	7,42,370.2230	9,27,512.4169
Series 2B – Direct Plan	Growth	10,00,000	7,00,000	10,63,098.3071	10,56,994.8252
Series 2C – Direct Plan	Growth	10,00,000	7,00,000	11,15,670.6797	10,84,737.1734

(17) Portfolio holding as at year end are as follows:**As at March 31, 2021**

IL&FS Infrastructure Debt Fund	Mar-21								
	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-Mayr-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 at March 31, 2020

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 Ltd	42,79,27,749	27.34%	63.12%	26,08,08,036	10.97%	48.99%	63,30,292	0.32%	1.05%
IL&FS Solar Power Ltd	-	0.00%	0.00%	2,15,72,520	0.91%	4.05%	59,72,18,699	30.38%	98.95%
Shrem Tollway Private Limited	25,00,00,000	15.97%	36.88%	25,00,00,000	10.51%	46.96%	-	0.00%	0.00%
A	67,79,27,749	43.31%	100.00%	53,23,80,556	22.39%	100.00%	60,35,48,991	30.70%	100.00%
Infrastructure Sector Non Convertible Debentures Privately Placed									
Abhitech Developers Pvt Ltd	1,60,00,000	1.02%	2.52%	51,20,00,000	21.53%	37.37%	39,50,00,000	20.09%	32.26%
AMRI Hospitals Ltd		0.00%	0.00%	8,40,00,000	3.53%	6.13%	36,50,00,000	18.56%	29.81%
Babcock Borsig LTD	30,69,70,659	19.61%	48.36%	11,58,24,958	4.87%	8.45%	7,23,31,091	3.68%	5.91%
Bhilangana Hydro Power Ltd	2,70,00,000	1.73%	4.25%	6,60,00,000	2.78%	4.82%	9,60,00,000	4.88%	7.84%
Clean Max Enviro Energy Solutions Private Ltd	90,00,000	0.58%	1.42%	4,85,00,000	2.04%	3.54%	50,00,000	0.25%	0.41%
Ghv Hospitality India Pvt Ltd.	11,40,00,000	7.28%	17.96%	7,30,00,000	3.07%	5.33%	-	0.00%	0.00%
Janaadhar private Ltd	5,10,00,000	3.26%	8.03%	3,60,00,000	1.51%	2.63%	-	0.00%	0.00%
Kanchanjunga Power Company Private Ltd		5.75%	14.18%		0.84%	1.46%		14.24%	22.87%
	9,00,00,000			2,00,00,000			28,00,00,000		
Kaynes Technology India Private Ltd	1,45,00,000	0.93%	2.28%	9,42,50,000	3.96%	6.88%	-	0.00%	0.00%
Williamson Magor & Co. Ltd	63,00,000	0.40%	1.00%	1,80,00,000	0.76%	1.31%	90,00,000	0.46%	0.74%
Time Technoplast Ltd				30,24,39,000	12.72%	22.08%	21,26,000	0.11%	0.17%
B	63,47,70,659	40.56%	100.00%	1,37,00,13,958	57.61%	100.00%	1,22,44,57,091	62.27%	100.00%
Total Investment (A+B)	1,31,26,98,408	83.87%		1,90,23,94,514	80.00%		1,82,80,06,082	92.98%	
Net Current Assets	25,24,78,796	16.13%		47,58,43,850	20.00%		13,80,80,049	7.02%	
Net Assets	1,56,51,77,204	100.00%		2,37,82,38,363	100.00%		1,96,60,86,131	100.00%	

Note 1. 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, 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%

For the Year ended March 31, 2020

IL&FS Infrastructure Debt Fund Series	For the Year ended March 31, 2020			
	Aggregate value of Purchases	Percentage of Average Net Assets	Aggregate value of Sales/Redemption	Percentage of Average Net Assets
	(Amount ₹)		(Amount ₹)	
2A	26,20,00,000	15.70%	7,56,81,049	4.54%
2B	40,99,00,000	17.36%	18,68,20,327	7.91%
2C	70,02,000	0.37%	1,04,94,858	0.55%

(19) Aggregate Fair value of Non-Traded Investments

The aggregate fair value of non-traded investments, valued in 'good faith' by the Investment Manager on the basis of the valuation principles laid down by SEBI as follows:

		(Amount ₹)	
Infrastructure Fund	Debt	As at March 31, 2021	As at March 31, 2020
Series 2A		1,14,93,18,306	1,31,26,98,408
Series 2B		2,23,90,34,775	1,90,23,94,514
Series 2C		1,61,93,15,039	1,82,80,06,082

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

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

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

As on 31st March 2020 the Company has following investment in the securities of group companies of the Sponsors

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
Series 2B	Non-Convertible Debentures of IL&FS Solar Power Ltd	1,70,00,000
Series 2C		47,20,00,000

- (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 distribution framework 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 and realized proceeds in November 2019 which is currently lying in an escrow account.

However, in January 2020, the IL&FS board applied to NCLAT for approval of a revised distribution framework for group resolution and the same was approved by NCLAT in March 2020. IL&FS is seeking to retrospectively apply revised distribution framework for distribution of IWEL proceeds which is a fundamental change to the earlier distribution approach based on which the COC approval was obtained. IL&FS's proposed plan for distribution is not in the interest of the unit holders

In order to protect the interest of the unit holders, IDF has filed a civil appeal with Hon'ble Supreme Court in December, 2020 and is awaiting the outcome of the same.

The Board and Management expects to recover the carrying value of the investment.

- (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 during the year 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. 2,12,665 and 57,48,282 in scheme 2B and 2C respectively.

- (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 outstanding exposure in Babcock Borsig Limited. As of March 31, 2020, IDF had provided Rs. 4,24,23,803, Rs. 1,60,07,182 and Rs. 99,96,265 in Scheme 2A, 2B & 2C respectively. Further, 25,39,43,029, Rs 9,58,16,783 and Rs. 5,98,36,261 in Scheme 2A, 2B & 2C respectively (net of reversal) has been provided during the current year.

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. As of March 31, 2020, IDF had provided Rs. 11,40,00,000 and Rs. 7,30,00,000 in Scheme 2A & 2B respectively. Further, Rs. 11,40,00,000 and Rs. 7,30,00,000 in Scheme 2A & 2B respectively has been provided during the current year.

The Facility to GHV is secured through combination of mortgage of land/building, pledge of shares and other securities.

- (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 outstanding exposure in Williamson Magor & Co. Limited. As of March 31, 2020, IDF had provided Rs. 7,00,000, Rs. 20,00,000 and Rs. 10,00,000 in Scheme 2A, 2B & 2C respectively. Further, Rs. 50,15,552, Rs. 1,43,30,149 and Rs. 71,64,075 in Scheme 2A, 2B & 2C respectively (net of reversal) has been provided during the current year.

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

Summary of provisions made during the year 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

Summary of provisions made during the year March 31, 2020 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	-	15,71,23,802
2B	-	9,10,07,182	-	9,10,07,182
2C	-	1,09,96,265	-	1,09,96,265
Total	-	25,91,27,249	-	25,91,27,249

- (24) SEBI Regulations specify the percentage of expenses that can be charged to schemes of mutual fund. Accordingly, IDF has not charged Audit fee, internal audit fee to the schemes. Also, certain other operating expenses are charged to the schemes upto 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, 2021.
- (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, 2021 and for the year ended March 31, 2020.

(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	2A		2B		2C	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Management Fees	1,34,46,049	1,59,98,278	2,28,42,592	2,26,35,668	1,90,85,042	1,81,42,664
Trusteeship Fees	1,40,178	1,66,862	2,38,106	2,36,083	1,98,938	1,89,220

c) Year-end Payables/Receivables:

IL&FS Infrastructure Debt Fund Series	2A		2B		2C	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Payable						
Management fees payable	11,13,184	13,96,668	21,30,264	20,96,150	18,01,980	17,22,154
Trusteeship fees payable	11,720	14,549	22,366	21,835	18,917	17,940

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

Details	March 31, 2021	March 31, 2020
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment	Nil	50,00,00,000

*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/-

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

Sd/-

Nand Kishore
Chairman
DIN: 08267502
Place: Noida

Sd/-

Jignesh Shah
CEO & Managing Director
DIN: 01587849
Place: Mumbai

Sd/-

Neelesh Vernekar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Sd/-

Chandra Shekhar Rajan
Director
DIN: 00126063
Place: Rajasthan

Sd/-

B Narasimhan
Director
DIN: 06360390
Place: Mumbai

Date: 28 June, 2021

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, 2021, 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, 2021
- 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

Existence and Valuation of investments

The investments held by the schemes as on March 31, 2021, mainly comprised of Debt instruments.

There is a risk of existence of investments and that the fair value of investments is not determined appropriately.

Accordingly the existence and valuation of investments is considered as a key audit matter.

We performed the following audit procedures :

- Assessed the design and implementation of controls over existence and valuation of investments.
- Tested the controls set up by Management on sample basis on existence and valuation of Investments.
- Traced, the quantity held as per books with the confirmation provided by Custodian as of year end.
- Tested the valuation of investments on sample basis as per the investment valuation policy approved by the Trustees and with the SEBI Regulations.

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

The Board of Directors and Management of IL&FS AMC Trustee Limited (the Trustees) and IL&FS Infra Asset Management Limited (the "AMC") are responsible for the other information. The other information comprises the information included in the 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, 2021 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 : 21111383AAAAJE6630

Place: Mumbai
Date: June 28, 2021

IL&FS Mutual Fund (IDF)					
Balance Sheet as at March 31, 2021					
Amount ₹					
IL&FS Mutual Fund (IDF)		Series 3A		Series 3B	
Particulars	Notes	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Liabilities					
Unit capital	3	1,400,000,000	1,400,000,000	1,530,000,000	1,530,000,000
Reserves and surplus	4	236,101,375	269,594,019	388,512,511	276,589,208
Current liabilities and provisions	5	2,088,166	2,143,050	2,668,685	2,428,030
Total		1,638,189,541	1,671,737,069	1,921,181,196	1,809,017,238
Assets					
Investments	6	1,348,218,626	1,245,656,031	1,767,703,558	1,564,178,331
Other Current assets	7	289,970,915	426,081,038	153,477,638	244,838,907
Total		1,638,189,541	1,671,737,069	1,921,181,196	1,809,017,238
Notes to accounts form an integral part of the Financial Statements As per our report attached					
Notes to accounts form an integral part of the Financial Statements As per our report attached		1 to 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/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
S.M.Chitale	Nand Kishore	Jignesh Shah	Chandra Shekhar Rajan	B Narasimhan	
Partner	Chairman	CEO and MD	Director	Director	
M.No. 111383	DIN: 08267502	DIN: 01587849	DIN: 00126063	DIN: 06360390	
	Place: Noida	Place: Mumbai	Place: Rajasthan	Place: Mumbai	
Date: 28 June, 2021					
Place: Mumbai	Sd/-				
	Neelesh Vernekar				
	Fund Manager				
	Place: Mumbai				

**IL&FS Mutual Fund (IDF)
Revenue Account**

Amount ₹

IL&FS Mutual Fund (IDF)	Notes	Series 3A		Series 3B	
		For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Income and gains					
Interest income	8	91,420,993	132,959,763	132,736,743	152,170,683
Other income	9	3,789,479	610,504	1,032,341	1,057,455
Reversal of NPA Provision		2,619,696	-	-	-
Total		97,830,168	133,570,267	133,769,084	153,228,138
Expenses and losses					
Investment Management fees	10	15,814,215	15,632,143	17,870,993	16,665,646
GST on Investment Management fees		2,846,558	2,813,787	3,216,779	2,999,815
Trusteeship fees		164,847	163,039	186,274	173,816
Investor Education and Awareness Expenses (Refer Note 2(h))		329,687	326,071	372,540	347,627
Custody Charges		34,203	78,161	37,748	83,359
Other Operating expenses		143,317	85,442	161,447	91,350
Audit Fees		-	-	-	-
Provision for NPA		111,989,985	18,271,435	-	-
Total		131,322,812	37,370,078	21,845,781	20,361,613
Surplus for the period		(33,492,644)	96,200,189	111,923,303	132,866,525
Revenue Reserve brought forward		269,594,019	173,393,830	276,589,208	143,722,683
Net Surplus for the period transferred to Revenue Reserve		236,101,375	269,594,019	388,512,511	276,589,208
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: 28 June, 2021
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/-

B Narasimhan

Director
DIN: 06360390
Place: Mumbai

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, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A. Cashflow from Operating Activities					
Surplus for the period		(33,492,644)	96,200,189	111,923,303	132,866,525
Adjustment for:-					
Reversal of accrued interest		2877235	-	2,689,589	-
Provision for NPA		111,989,985	18,271,435	-	-
Change in assets and liabilities:					
Adjustments for:-					
Increase in current liabilities and provisions		(219,974)	(3,870,177)	55,376	(3,893,957)
Increase in investments		(217,429,815)	223,319,495	(206,214,816)	91,260,457
Increase in other current assets		169,085,166	(335,735,944)	93,640,053	(226,882,040)
Cash used in Operations	(A)	32,809,953	(1,815,002)	2,093,505	(6,649,015)
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)	32,809,953	(1,815,002)	2,093,505	(6,649,015)
Cash and cash equivalents at the beginning of the year		14,330,895	16,145,896.95	6,642,723	13,291,738.00
Cash and cash equivalents at the end of the period		47,140,848	14,330,895	8,736,228	6,642,723
Note					
Cash and bank balance as per Note No 7		50,040,393	15,170,759	10,660,434	8,540,374
Less:- Cash and bank balance earmarked for Investor Education and Awareness		486,392	321,302	487,727	302,448
Less:- Cash and bank balance earmarked for Triparty Repo		2,413,153	518,562	1,436,479	1,595,203
Cash & Cash Equivalent as per AS 3 Cash Flow Statements		47,140,848	14,330,895	8,736,228	6,642,723
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/-	Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
S.M.Chitale Partner M.No. 111383	Nand Kishore Chairman DIN: 08267502 Place: Noida	Jignesh Shah CEO and MD DIN: 01587849 Place: Mumbai	Chandra Shekhar Rajan Director DIN: 00126063 Place: Rajasthan	B Narasimhan Director DIN: 06360390 Place: Mumbai	
Date: 28 June, 2021 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 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.

3 Unit Capital

IL&FS Mutual Fund (IDF) Particulars	Series 3A				Series 3B			
	As at March 31, 2021		As at March 31, 2020		As at March 31, 2021		As at March 31, 2020	
	Units Nos.	Amount ₹	Units Nos.	Amount ₹	Units Nos.	Amount ₹	Units Nos.	Amount ₹
Initial Capital Issued and subscribed:								
Units of ₹ 10,00,000								
Direct Plan - Growth	980.00	980,000,000	980.00	980,000,000	1,470.00	1,470,000,000	1,470.00	1,470,000,000
Regular Plan - Growth	400.00	400,000,000	400.00	400,000,000	-	-	-	-
Direct Plan - Dividend	20.00	20,000,000	20.00	20,000,000	60.00	60,000,000	60.00	60,000,000
Paid-Up:								
Direct Plan - Growth Face Value ₹ 10,00,000								
Units at beginning of the period	980.00	980,000,000	980.00	980,000,000	1,470.00	1,470,000,000	-	-
Money called during the period							1,470.00	1,470,000,000
Units outstanding at end of the period	980.00	980,000,000	980.00	980,000,000	1,470.00	1,470,000,000	1,470.00	1,470,000,000
Regular Plan - Growth Face Value ₹ 10,00,000								
Units at beginning of the period	400.00	400,000,000	400.00	400,000,000	-	-	-	-
Money called during the period							-	-
Units outstanding at end of the period	400.00	400,000,000	400.00	400,000,000	-	-	-	-
Direct Plan - Dividend Face Value ₹ 10,00,000								
Units at beginning of the period	20.00	20,000,000	20.00	20,000,000	60.00	60,000,000	-	-
Money called during the period							60.00	60,000,000
Units outstanding at end of the period	20.00	20,000,000	20.00	20,000,000	60.00	60,000,000	60.00	60,000,000
Unit Capital at the end of the period	1,400.00	1,400,000,000	1,400.00	1,400,000,000	1,530.00	1,530,000,000	1,530.00	1,530,000,000

4 Reserves and surplus

Amount ₹

IL&FS Mutual Fund (IDF) Particulars	Series 3A		Series 3B	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Revenue Reserve				
At the beginning of the period	269,594,019	173,393,830	276,589,208	143,722,683.00
Transferred to Revenue account	(269,594,019)	(173,393,830)	(276,589,208)	-143,722,683.00
Surplus transferred from Revenue account	236,101,375	269,594,019	388,512,511	276,589,208
At the end of the year	236,101,375	269,594,019	388,512,511	276,589,208

Amount ₹

Reserves and surplus for each option:-				
Direct Plan - Growth	165,650,966	189,103,598	373,276,726	265,742,572
Direct Plan - Dividend	3,380,631	3,859,256	15,235,785	10,846,636
Regular Plan - Growth	67,069,778	76,631,165	-	-
Total	236,101,375	269,594,019	388,512,511	276,589,208

5 **Current liabilities and provisions**

Amount ₹				
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Creditors for				
-Investment Management fee payable	1,458,680	1,462,888	1,711,922	1,582,259
-Trustee fee payable	15,319	15,239	17,959	16,482
-Other payable*	-	40,139	-	43,763
Income received in advance	-	114,956	255,215	255,548
Provision for Investor Education and Awareness	514,120	349,520	520,235	332,970
Statutory dues	100,047	160,308	163,354	197,008
Total	2,088,166	2,143,050	2,668,685	2,428,030

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

6 Investments

								Amount ₹
IL&FS Mutual Fund (IDF)	Series 3A				Series 3B			
	As at March 31, 2021		As at March 31, 2020		As at March 31, 2021		As at March 31, 2020	
Particulars	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value	Cost	Market / Fair Value
Non Convertible Debentures Listed On Recognised Stock Exchange	297,486,499	297,486,499	668,297,362	668,297,362	498,257,304	498,257,304	807,928,331	807,928,331
Non Convertible Debentures-Privately Placed	183,500,000	183,500,000	577,358,669	577,358,669	740,965,798	740,965,798	756,250,000	756,250,000
Money Market Instruments	867,232,127	867,232,127	-	-	528,480,456	528,480,456	-	-
Total	1,348,218,626	1,348,218,626	1,245,656,031	1,245,656,031	1,767,703,558	1,767,703,558	1,564,178,331	1,564,178,331

Notes:-

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

7 Other Current assets

Amount ₹				
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Balances with a bank in current account* (Refer Note 2(h))				
- Current Accounts	47,140,848	14,330,895	8,736,228	6,642,723
- IEAP Accounts	486,392	321,302	487,727	302,448
- Triparty Repo Accounts	2,413,153	518,562	1,436,479	1,595,203
Triparty Repo**	237,844,212	410,659,711	141,581,716	236,047,639
Triparty REPO margin	2,086,310	250,000	1,235,488	250,000
Recoverable from the AMC	-	568	-	894
Total	289,970,915	426,081,038	153,477,638	244,838,907

* 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, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
On Investment in Non Convertible Debentures	69,242,873	113,684,992	121,087,937	144,609,553
On Certificate of Deposits	9,518,261	-	5,790,649	-
Interest on Triparty Repo Margin	24,417	1,135	14,539	1,135
Reversal of accrued interest (Refer note 22)	(2,877,235)	-	(2,689,589)	-
On Reverse Repo/Triparty Repo	15,512,677	19,273,636	8,533,207	7,559,995
Total	91,420,993	132,959,763	132,736,743	152,170,683

9 Other Income

Amount ₹				
IL&FS Mutual Fund (IDF)	Series 3A		Series 3B	
Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Misc Income	3,789,479	610,504	1,032,341	1,057,455
Total	3,789,479	610,504	1,032,341	1,057,455

(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, 2021	Management Fees for the Year ended March 31, 2021	Average Net Assets for the Year ended March 31, 2020	Management Fees for the Year ended March 31, 2020
Series 3A	1,64,84,32,497	1,58,14,215	1,63,03,29,139	1,56,32,143
Series 3B	1,86,27,01,914	1,78,70,993	1,73,81,07,454	1,66,65,646

(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, 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%

For the period April 1, 2019 to March 31, 2020

Infrastructure Debt Fund	Income			Expense Ratio		
	Amount ₹	Avg AUM	% to AAUM	Amount ₹	Avg AUM	% to AAUM
Series 3A	13,35,70,267	1,63,03,29,139	8.19%	1,90,98,643	1,63,03,29,139	1.17%
Series 3B	15,32,28,138	1,73,81,07,454	8.82%	2,03,61,613	1,73,81,07,454	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, 2021	As at March 31, 2020
Series 3A- Direct	Growth	10,00,000	11,69,031.5996	11,92,962.8562
	Payout	10,00,000	11,69,031.5560	11,92,962.8462
Series 3A- Regular	Growth	10,00,000	11,67,674.4466	11,91,577.9174
Series 3B- Direct	Growth	10,00,000	12,53,929.7486	11,80,777.2622
	Payout	10,00,000	12,53,929.7440	11,80,777.2571

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

As at March 31, 2020

Mar-20						
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
Infrastructure Sector						
Non Convertible Debentures Listed On Recognised Stock Exchange						
Bhilwara Green Energy Ltd	7,89,47,361	4.73%	11.81%	37,68,42,102	20.86%	46.64%
IL&FS Wind Energy Ltd	9,74,86,499	5.84%	14.59%	15,82,57,304	8.76%	19.59%
IL&FS Solar Power Ltd	29,18,63,502	17.48%	43.67%	27,28,28,925	15.10%	33.77%
Shrem Tollway Private Limited	20,00,00,000	11.98%	29.93%	-	0.00%	0.00%
A	66,82,97,362	40.03%	100.00%	80,79,28,331	44.72%	100.00%
Infrastructure Sector						
Non Convertible Debentures Privately Placed						
AMRI Hospitals Ltd	17,44,00,000	10.45%	30.21%	41,00,00,000	22.69%	54.21%
Babcock Borsig LTD	13,22,08,668	7.92%	22.90%	-	0.00%	0.00%
Bhilangana Hydro Power Ltd	17,80,00,000	10.66%	30.83%	6,70,00,000	3.71%	8.86%
Clean Max Enviro Energy Solutions Private Ltd	8,25,00,000	4.94%	14.29%	1,20,00,000	0.66%	1.59%
Janaadhar private Ltd	30,00,000	0.18%	0.52%	-	0.00%	0.00%
Kanchanjunga Power Company Private Ltd	-	0.00%	0.00%	26,00,00,000	14.39%	34.38%
Kaynes Technology India Private Ltd	72,50,000	0.43%	1.26%	72,50,000	0.40%	0.96%
B	57,73,58,668	34.58%	100.00%	75,62,50,000	41.85%	100.00%
Total Investment (A+B)	1,24,56,56,030	74.61%		1,56,41,78,331	86.58%	
Net Current Assets	42,39,37,988	25.39%		24,24,10,877	13.42%	
Net Assets	1,66,95,94,019	100.00%		1,80,65,89,208	100.00%	

Note 1. 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, 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%

For the Year ended March 31, 2020

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	31,50,00,000	19.32%	56,03,92,084	34.37%
Series 3B	1,20,00,000	0.69%	11,79,07,898	6.78%

(19) Aggregate Fair value of Non-Traded Investments

The aggregate fair value of non-traded investments, valued in ‘good faith’ by the Investment Manager on the basis of the valuation principles laid down by SEBI as follows:

(Amount ₹)

Infrastructure Debt Fund	As at March 31, 2021	As at March 31, 2020
Series 3A	1,10,13,18,563	1,245,656,031
Series 3B	1,76,77,03,558	1,564,178,331

(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 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

The Company has following investment in the securities of group companies of the sponsors as at 31st March 2020.

(Amount ₹)

Infrastructure Debt Fund	Particulars	Face Value
Series 3A	Non-Convertible Debentures of IL&FS Wind Energy Limited	7,70,00,000
Series 3A	Non-Convertible Debentures of IL&FS Solar Power Limited	18,00,00,000
Series 3B	Non-Convertible Debentures of IL&FS Wind Energy Limited	12,50,00,000
Series 3B	Non-Convertible Debentures of IL&FS Solar Power Limited	26,50,00,000

(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 distribution framework 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 and realized proceeds in November 2019 which is currently lying in an escrow account.

However, in January 2020, the IL&FS board applied to NCLAT for approval of a revised distribution framework for group resolution and the same was approved by NCLAT in March 2020. IL&FS is seeking to retrospectively apply revised distribution framework for distribution of IWEL proceeds which is a fundamental change to the earlier distribution approach based on which the COC approval was obtained. IL&FS’s proposed plan for distribution is not in the interest of the unit holders.

In order to protect the interest of the unit holders, IDF has filed a civil appeal with Hon’ble Supreme Court in December, 2020 and is awaiting the outcome of the same

The Board and Management expects to recover the carrying value of the investment.

(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 during the year 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

(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 outstanding exposure in Babcock Borsig Limited. As of March 31, 2020, IDF had provided Rs. 1,82,71,435 in Scheme 3A. Further, Rs. 10,93,70,289 (net of reversal) has been provided during the current year in Scheme 3A.

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

Summary of provisions made during the year 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

Summary of provisions made during the year March 31, 2020 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	-	1,82,71,435

(24) SEBI Regulations specify the percentage of expenses that can be charged to schemes of mutual fund. Accordingly, IDF has not charged Audit fee, internal audit fee 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, 2021.

(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, 2020 to March 31, 2021.

(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, 2020 to March 31, 2021	For the Period April 1, 2019 to March 31, 2020	For the Period April 1, 2020 to March 31, 2021	For the Period April 1, 2019 to March 31, 2020
Management fees	1,58,14,215	1,56,32,143	1,78,70,993	1,66,65,646
Trusteeship fees	1,64,847	1,63,039	1,86,274	1,73,816

- 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, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<u>Payable</u>				
Management Fees Payable	14,58,680	14,62,888	17,11,922	15,82,259
Trusteeship Fees Payable	15,319	15,239	17,959	16,482

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

(Amount ₹)

Details	March 31, 2021	March 31, 2020
Underwriting Commitment	Nil	Nil
Uncalled liability on partly paid-up shares	Nil	Nil
Investment Commitment	Nil	50,00,00,000

*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/-

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

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

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

Sd/-
Neelesh Vernekar
Fund Manager
Place: Mumbai

For IL&FS AMC Trustee Limited

Sd/-
Chandra Shekhar Rajan
Director
DIN: 00126063
Place: Rajasthan

Sd/-
B Narasimhan
Director
DIN: 06360390
Place: Mumbai

Date: 28 June, 2021