IIFCL MUTUAL FUND (IDF)

Annual Report 2020-21

Index

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IIFCL MUTUAL FUND (IDF)
5th Floor, Plate-A, NBCC Tower
Office Block-02, East Kidwai Nagar,
New Delhi-110023.

EIGHTH ANNUAL TRUSTEE'S REPORT TO THE UNITHOLDERS OF IIFCL MUTUAL FUND (IDF)

Dear Investors,

Greetings from IIFCL Mutual Fund (IDF)

The Board of Trustees of IIFCL Mutual Fund (IDF) ("the Trustees") is pleased to present Eighth Annual Report and the Audited Financial Statements of the schemes of IIFCL Mutual Fund (IDF)for the year ended 31st March 2021.

IIFCL Mutual Fund continues to be one of the player in India in Infrastructure Debt Fund (IDF) space with two Infrastructure Debt Fund Mutual Fund Schemes. The Asset under Management (AUM) of the fund as on 31st March 2021 was at Rs.587.713 crores as against Rs.573.35 crores as on 31st March 2020.

IIFCL Mutual Fund Infrastructure Debt Fund Series – I:

Maiden Scheme "IIFCL Mutual Fund Infrastructure Debt Fund – Series I" was launched under 'Private Placement' on 1st December 2013 and closed successfully on 6th February 2014. The scheme is close ended under Growth option and rated as ***"AAA idf-mf"*** by CARE and Brickworks rating at the time of launching. Units of IIFCL Mutual Fund IDF Series I are listed on BSE Ltd.

IIFCL Mutual Fund Infrastructure Debt Fund Series – II:

IIFCL Mutual Fund (IDF) launched second IDF series, i.e. IIFCL Mutual Fund IDF Series II with a fund size of Rs.200 Crore with the commitments received from six institutional investors and closed successfully on 12th April 2017. The scheme is close ended under Growth option and rated as ***"AAA idf-mf"*** by CARE and Brickworks rating at the time of launching.

1. BRIEF BACKGROUND OF SPONSOR, TRUST, TRUSTEES AND THE ASSET MANAGEMENT COMPANY (AMC)

A. SPONSOR

India Infrastructure Finance Company Ltd (IIFCL) is the sponsor of IIFCL Mutual Fund (IDF). IIFCL was incorporated under the Companies Act, 1956 as a wholly-owned Government of India Company on 5thJanuary 2006. IIFCL undertakes lending under Scheme for financing Viable Infrastructure Projects (SIFTI) and other schemes approved by Government of India. IIFCL as a Special Purpose Vehicle commenced operations from April 2006 to provide long term financial support to infrastructure projects in India with

overriding priority to Private Public Partnership projects through Direct Lending, Subordinate Debt, Takeout Finance and Credit Enhancement. IIFCL has been registered as NBFC-ND-IFC with RBI since September 2013. The authorized and paid up capital of the company as on 31st March 2021 stood at Rs.10000 Crore and Rs.9999.91 Crore respectively.

As on 31st March 2021, IIFCL has made cumulative gross sanctions of Rs.1,60,000 Crore (Approx) and has made Cumulative disbursements of Rs.81376 Crore (Approx.).

IIFCL is a strategic investor in the maiden scheme viz."IIFCL Infrastructure Debt Fund Series-I" and "IIFCL Infrastructure Debt Fund Series-II" with investment of Rs.130 crore (43.33%) and Rs.100 crore (50%) respectively.

B. TRUST

IIFCL Mutual Fund (IDF) has been constituted as a Trust on 17th August 2012 in accordance with provision of the Indian Trust Act, 1882 (2 of 1882) with IIFCL as the Sponsor and the Board of Trustees as the Trustees. The Trust Deed has been registered under the India Registration Act, 1908. SEBI as on 24th January 2013 registered IIFCL Mutual Fund (IDF) under Registration No. 071/13/01.

C. BOARD OF TRUSTEES OF IIFCL MUTUAL FUND (IDF)

The Sponsor has appointed a Board of Trustees (the "Trustees") for overviewing IIFCL Mutual Fund (IDF). The Trustees are discharging duties and carrying out the responsibilities as provided in the SEBI (Mutual Fund) Regulations, 1996 and the Trust Deed.

The Trustees ensures that the Mutual Fund and the IDF Schemes floated managed by the AMC are in accordance with the Trust Deed, SEBI (Mutual Fund) Regulations, 1996, directions and guidelines/circulars as amended from time to time issued by SEBI, and also reviews the activities carried out by the AMC.

The Board of Trustees of IIFCL Mutual Fund (IDF) comprises of:

S.No.	Name of Members	Designation
1	Sh. Rajeev Mukhija	Chairman
2	Sh. A.K Deb	Independent Trustee
3	Sh. V.K Mahendru#[1]	Independent Trustee
4	Sh. Rajiv Rawat#[2]	Independent Trustee
5	Sh. A. K. Mishra#[3]	Independent Trustee
6	Sh. Rajneesh Karnatak	Independent Trustee
7	Sh. Pankaj Dwivedi#[4]	Independent Trustee

#[1] Appointed as Independent Trustee w.e.f. 24th November 2020
#[2] Ceased as Independent Trustee w.e.f 30th June 2020.
#[3] Ceased as Independent Trustee w.e.f 30th June 2020.
#[4] Appointed as Independent Trustee w.e.f. 7th September 2020

D. THE ASSET MANAGEMENT COMPANY (AMC)

IIFCL Asset Management Company Limited (IAMCL) is a public limited company incorporated under Companies Act, 1956 on 28th March 2012. It is a wholly owned subsidiary of India Infrastructure Finance Company Limited (IIFCL) having registered office at 5th Floor, Plate-A &B,NBCC Tower, Office Block-02, East Kidwai Nagar,New Delhi- 110023 executed the Investment Management Agreement (IMA) on 17th August 2012 whereby Trustees Board appointed IAMCL to act as an Asset Management Company (AMC) of the IIFCL Mutual Fund (IDF).

The Board of Directors of IAMCL comprises of:

S.No.	Name of Directors	Designation
1	Sh. P R Jaishankar *1	Chairman
2	Sh. Anil Kumar Taneja*2	Chief Executive Officer & Director
3	Dr. S.S. Garg *3	Chief Executive Officer & Director
4	Sh. S.K. Nagpal*4	Chief Executive Officer & Additional Director
5	Sh. Sanjeev Kumar Chanana	Independent Director
6	Sh. A.S. Nanda #5	Independent Director
7	Sh. R.P. Vaishnaw*6	Independent Director
8	Sh. H.K Parikh*7	Independent Director
9	Sh. Sanjeev Kumar*8	Director

1 Appointed as Chairman w.e.f. 23rd June 2020
****2 Ceased as CEO & Director w.e.f 31st August 2020***
****3 Appointed as Director w.e.f. 17th August 2020 and as CEO w.e.f. 1st September 2020 and ceased as CEO w.e.f. 1st February 2021 and as Director w.e.f. 2nd February 2021***
****4 Appointed as CEO w.e.f. 1st February 2021 and as Additional Director w.e.f. 3rd February 2021***
****5 Appointed as Additional Independent Director w.e.f 26th October 2020 and ceased w.e.f 5th July2021***
****6 Appointed as Additional Independent Director w.e.f. 26th October 2020 and ceased w.e.f. 11th February 2021***
****7 Appointed as Additional Independent Director w.e.f. 25th May 2021***
****8 Appointed as Director w.e.f 17th August 2020***

The Fund Manager for the IIFCL Mutual Fund (IDF) Scheme(s) during the financial year 2020-21 is as under:

S.No	Name of Fund Manager	Period
1	Sh. Sumer Singh	from 17th January 2019 to 24th August 2020
2	Sh. Manish Gupta	from 25th August 2020 to 4th December 2020
3	Sh. Rajeev Raj	from 4th December 2020 to till date

2. INVESTMENT OBJECTIVES OF THE SCHEMES

IIFCL Mutual Fund Infrastructure Debt Fund Series-I & Series – II

The investment objective of the Scheme is to generate appreciation in capital/wealth by investing in various permissible instruments/ securities belonging to the infrastructure sector.

3. SCHEME PERFORMANCE, OPERATIONS OF THE SCHEME, FUTURE OUTLOOK & INVESTOR SERVICES

A. SCHEME PERFORMANCE

IIFCL Mutual Fund Infrastructure Debt Fund Series-I

The performance of the IIFCL Mutual Fund (IDF) Series-I as on 31st March 2020, vis-a-vis the respective benchmark indices and previous year's performance is tabulated as under:-

Particulars	31.03.2021	31.03.2020
Unit NAV (in Rs.)##	1376433.26*	1,323,612.04
AUM (Rs. in Crores) $$[1]	412.92	397.08
Annual Yield	3.99%	0.85%
Annual Yield of the Benchmark i.e. CRISIL Composite Bond Fund Index	7.69%	12.61%
Yield Since Inception	4.58%	4.67%
Yield of Benchmark (Since Inception)	9.40%	9.68%

Face Value is Rs.10, 00,000/-

*earlier declared NAV as on 31.03.2021 was Rs.1376397.861

$$[1] Rs 300 crore was raised, inception date is 10th February 2014

Yields are annualised

Note: Past performance may or may not be sustained in the future.

List of assets under default as per SEBI (Mutual Fund) Regulations, 1996

S.No	Name of the Instrument	Rating	Date of Maturity	Amount Invested (Rs. in Cr.)	Valuation as on 31.03.2021 (Rs. in Cr.)
1	GVR Infra Projects Limited - NCD	BWR D	13-08-2022	60	0
2	GMR Warora Energy Limited (GWEL) (Formerly EMCO Energy Limited)- NCD	CARE C/ ICRA D & IND C	25-09-2022	25	8.70
3	GMR Warora Energy Limited (GWEL) (Formerly EMCO Energy Limited)-NCD	CARE C/ ICRA D & IND C	25-09-2023	25	8.70
4	GMR Warora Energy Limited (GWEL) (Formerly EMCO Energy Limited)-NCD	CARE C/ ICRA D & IND C	25-11-2023	25	8.70
5	Infrastructure Leasing & Financial Services Limited- CP	CARE D	26-09-2018	11.65	0*
6	Feedback Energy Distribution Company Limited- CP	BWR D	07-03-2021	10	0*
7	Feedback Energy Distribution Company Limited- CP	BWR D	26-05-2021	10	0
	Total			**166.65**	

*Maturity amount not received on due date

IIFCL Mutual Fund Infrastructure Debt Fund Series-II

The performance of the IIFCL Mutual Fund (IDF) Series-II since inception to as on 31st March 2020, vis-a-vis the respective benchmark indices is tabulated as under:-

Particulars	31.03.2021	31.03.2020
Unit NAV(in Rs.)##	874003.44*	881317.80
AUM (Rs. in Crores)$$[2]	174.80	176.26
Annual Yield	-0.83%	6.44%
Annual Yield of the Benchmark i.e CRISIL Composite Bond Fund Index	7.69%	12.61%
Yield Since Inception	-3.34%	-4.16%
Yield of Benchmark (Since Inception)	8.08%	8.21%

Face Value is Rs 10, 00,000/-

*earlier declared NAV as on 31.03.2021 was Rs.873968.04

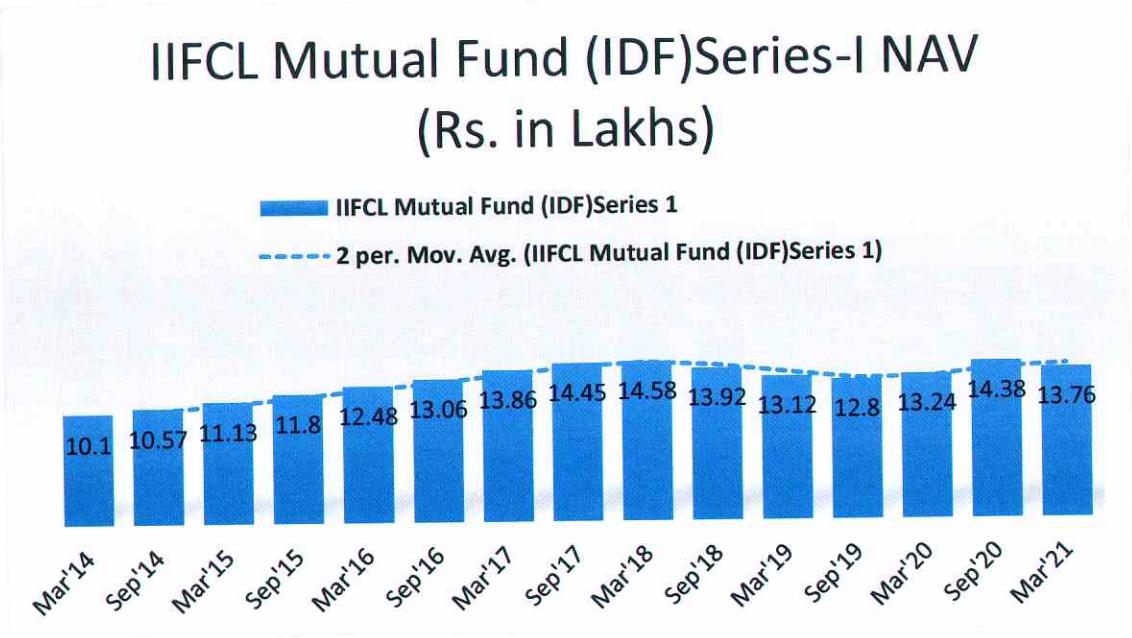
$$[2] Rs 200 Crore was raised, inception date is 12th April 2017
Yields are annualised
Note: Past performance may or may not be sustained in the future.

List of assets under default as per SEBI (Mutual Fund) Regulations, 1996

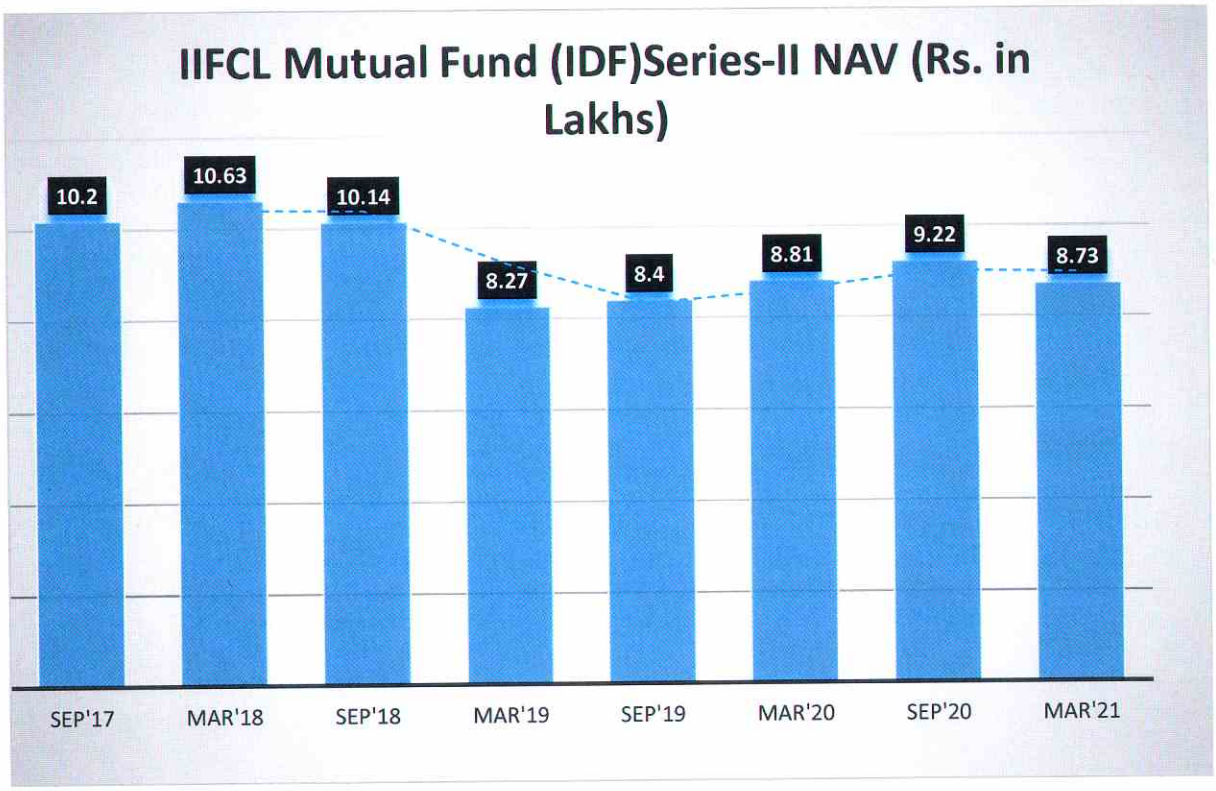
S.No	Name of the Instrument	Rating	Date of Maturity	Amount Invested (Rs.in Cr.)	Valuation as on 31.03.2021 (Rs.in Cr.)
1	IL&FS Transportation Networks Limited-NCD	CARE D/ BWR D/ ICRA D & IND D	15-04-2022	30	0
2	Feedback Infra Private Limited-NCD	CARE D	20-12-2022	30	14.33
3	Infrastructure Leasing & Financial Services Limited- CP	CARE D	19-10-2018	30.6	0*
	Total			**90.60**	

*Maturity amount not received on due date

Movement in NAV since Inception of IIFCL Mutual Fund Series-I has been presented in below chart:



Movement in NAV since Inception of IIFCL Mutual Fund Series-II has been presented in below chart. (IIFCL MF Series-II was launched in April 2017 with corpus of Rs. 200 crore).



A. OPERATIONS OF THE SCHEME:

The Fund seeks to generate appreciation/wealth in capital in various permissible Instruments/ securities as per SEBI (Mutual Fund) regulations.The fund has been deployed across various sectors viz. Thermal, Power & Renewable Energy, Power Transmission, Distribution and Roads & Highways.

Portfolio of IIFCL Mutual Fund Infrastructure Debt Fund Series I as on 31st March 2021:

IIFCL MF INFRASTRUCTURE DEBT FUND SR - I (BSE SCRIP CODE 537488)

Portfolio as on March 31, 2021

Sr. No.	Name of Instrument	ISIN	Rating / Industry	Market value (Rs. In lakhs)	% to Net Assets	Maturity Date	Aggregated Yield %
	MONEY MARKET INSTRUMENT						
	Commercial Paper						
1	Sterling & Wilson Solar Limited	INE00M214172	ACUITE A1+	2,800.98	6.78%	23-Dec-2021	9.75%
2	Feedback Energy Distribution Company Limited	INE384W14033	BWR D	0.00	0.00%	26-May-2021	0.00%
	Total			**2,800.98**	**6.78%**		
	Treasury Bill						
3	182 DAYS T-BILL 15APR2021	IN002020Y272	SOV	10,256.19	24.84%	15-Apr-2021	3.03%
4	364 DAY TBILL 03MAR2022	IN002020Z485	SOV	943.04	2.28%	03-Mar-2022	3.76%
5	364 DAY TBILL 23SEP2021	IN002020Z253	SOV	934.52	2.26%	23-Sep-2021	3.46%
6	364 DAY TBILL 27JAN2022	IN002020Z436	SOV	70.17	0.17%	27-Jan-2022	3.69%
7	182 DAYS T-BILL 22JUL2021	IN002020Y421	SOV	64.64	0.16%	22-Jul-2021	3.35%
8	364 DAY TBILL 30DEC2021	IN002020Z394	SOV	31.21	0.08%	30-Dec-2021	3.61%
9	364 DAY TBILL 20MAY2021	IN002020Z071	SOV	16.33	0.04%	20-May-2021	3.21%
	Total			**12,316.07**	**29.83%**		
	BONDS & NCDs						
	Listed / awaiting listing on the stock exchanges						
10	NIIF Infrastructure Finance Limted	INE246R07418	ICRA AAA	11,906.40	28.83%	15-Jan-2024	6.73%
11	Green Infra Wind Energy Limited	INE477K07018	CRISIL AA	3,887.80	9.42%	04-Aug-2023	9.45%
12	GMR Warora Energy Limited	INE124L07048	ICRA D	870.16	2.11%	25-Sep-2022	0.00%
13	GMR Warora Energy Limited	INE124L07055	ICRA D	870.16	2.11%	25-Sep-2023	0.00%
14	GMR Warora Energy Limited	INE124L07063	ICRA D	870.16	2.11%	25-Nov-2023	0.00%
15	GVR Infra Projects Limited	INE427M07019	BWR D	0.00	0.00%	13-Aug-2022	0.00%
	Total			**18,404.68**	**44.57%**		
	Unlisted						
16	D. P. Jain & Co Infrastructure Private Limited	INE111R07026	BWR A	2,013.88	4.88%	13-Aug-2022	13.13%
17	Molagavalli Renewbale Private Limited	INE659X07014	CARE A+(CE)	889.01	2.15%	31-Mar-2023	11.69%
18	Narmada Wind Energy Private Limited	INE209W07028	CARE A+(CE)	869.96	2.11%	31-Mar-2023	11.69%
	Total			**3,772.85**	**9.14%**		
	STATE GOVERNMENT SECURITIES						
	Total			**0.00**	**0.00%**		
	Fixed Deposit		Unrated	4,286.27	10.38%		
	Total			**4,286.27**	**10.38%**		
	Cash & Cash Equivalents						
	Net Receivable/Payable			-288.92	-0.70%		
	Total			**-288.92**	**-0.70%**		
	Grand Total			**41,291.94**	**100.00%**		

***** Note: IIFCL Mutual Fund (IDF) Series-I:** 1. GVR Infra Projects Limited has been declared as NPA in Nov 2017. Accordingly, 100% provision on book value as per SEBI guidelines has been done.

*** Note: IIFCL Mutual Fund (IDF) Series-I: Deviation in valuation as per AMFI /35P/06/2019-20 circular dated 30th April, 2019 for the purpose of Fair value of portfolio:

Name of the Security	ISIN	Rating	Valuation as per AMFI Guidelines	Value considered on 31st March, 2021
GVR Infra Projects Limited	INE427M07019	BWR D	Rs. 30 Crores *(At standard hair cut of 50%)	Zero

JUSTIFICATION FOR DEVIATION: The above investment is NPA since November, 2017 and 100% provision on the book value is already created by IIFCL Mutual Fund (IDF) Series-I as per SEBI guidelines. Further, there is un-certainty in recovery timelines, costs and recovery amount. Considering the same, the investment is valued at zero instead of Rs. 30 Crores as stated above.

Impact on NAV due to deviation in Valuation: Due to deviation in valuation, the impact on NAV is NIL on 31st March 2021 as the security is continued to be valued at Zero. However, the NAV per unit would have been higher by Rs. 100000 (7.27%) if it had been valued at Rs.30 Crores in line with AMFI guidelines.

***Hair-cut for senior, secured D rated infrastructure asset is 50% as per AMFI guidelines.**

Portfolio of IIFCL Mutual Fund Infrastructure Debt Fund Series II as on 31st March 2021:

IIFCL MF INFRASTRUCTURE DEBT FUND SR - II (BSE SCRIP CODE 540456)							
	Paortfolio as on March 31,2021						
Sr. No.	Name of Instrument	ISIN	Rating / Industry	Market value (Rs. In lakhs)	% to Net Assets	Maturity Date	Aggregated Yield %
	MONEY MARKET INSTRUMENT						
	Commercial Paper						
1	Sterling & Wilson Solar Limited	INE00M214172	ACUITE A1+	933.66	5.34%	23-Dec-2021	9.75%
	Total			**933.66**	**5.34%**		
	Treasury Bill						
1	182 DAY TBILL 15APR2021	IN002020Y272	SOV	1,200.10	6.87%	15-Apr-2021	3.03%
2	364 DAY TBILL 10FEB2022	IN002020Z451	SOV	266.46	1.52%	10-Feb-2022	3.72%
3	364 DAYS TBILL 20MAY2021	IN002020Z071	SOV	165.09	0.94%	20-May-2021	3.21%
4	182 DAYS T-BILL 22JUL2021	IN002020Y421	SOV	81.46	0.47%	22-Jul-2021	3.35%
5	364 DAY TBILL 30DEC2021	IN002020Z394	SOV	46.30	0.26%	30-Dec-2021	3.61%
6	364 DAY TBILL 03MAR2022	IN002020Z485	SOV	23.53	0.13%	03-Mar-2022	3.76%
	Total			**1,782.95**	**10.20%**		
	BONDS & NCDs						
	Listed / awaiting listing on the stock exchanges						
7	Green Infra Wind Energy Limited	INE477K07018	CRISIL AA	5,831.71	33.36%	04-Aug-2023	9.45%
8	NIIF Infrastructure Finance Limted	INE246R07418	ICRA AAA	3,623.69	20.73%	15-Jan-2024	6.73%
9	Feedback Infra Private Limited	INE563M07011	CARE D	1,433.19	8.20%	20-Dec-2022	0.00%
10	SP Jammu Udhampur Highway Limited	INE923L07241	ICRA AA+	989.77	5.66%	30-Jun-2027	9.60%
11	Darbhanga Motihari Transmission Company Limited	INE732Q07AL0	CARE AAA	462.42	2.65%	31-Dec-2026	10.12%
12	Darbhanga Motihari Transmission Company Limited	INE732Q07AM8	CARE AAA	458.97	2.63%	31-Mar-2027	10.29%
13	IL&FS Transportation Networks Limited	INE975G08223	ICRA D	0.00	0.00%	15-Apr-2022	0.00%
	Total			**12,799.74**	**73.23%**		
	Fixed Deposit		Unrated	1,824.92	10.44%		
	Total			**1,824.92**	**10.44%**		
	Cash & Cash Equivalents						
	Net Receivable/Payable			138.10	0.79%		
	Total			**138.10**	**0.79%**		
	Grand Total			**17,479.36**	**100.00%**		

B. FUTURE OUTLOOK

Giving the importance of the infrastructure sector in the economic growth of the country and constraints in meeting the financial needs from traditional sources such as Banks, NBFCs, the Infrastructure Debt Funds (IDFs) provide an alternative financial intermediation mechanism for infrastructure projects by pooling long term institutional capital.

Reduction of Total Expense Ratio (TER) to 1% by SEBI w.e.f. 1st April 2019 has adversely affected the viability of IIFCL Asset Management Company Limited as management fee is the only source of income for Asset Management Company and its survival has become challenging.

C. INVESTOR COMPLAINT

There were no investor complaints received during the financial year 2020-21 in respect of the Fund. The report as stipulated by SEBI is provided in **Annexure I**.

4. SIGNIFICANT ACCOUNTING POLICIES

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

5. UNCLAIMED DIVIDEND AND REDEMPTIONS

The IIFCL Mutual Fund (IDF) has only two schemes – IIFCL Mutual Fund (IDF) Series I & Series II as on 31st March 2021. The schemes are with 10 years tenor close ended Infrastructure Debt Fund which were closed on 10th February 2014 and 12th April 2017 respectively and are offering only Growth Option. Hence, there are no instances of unclaimed dividend and redemption as on 31st March 2021.

6. LIABILITY AND RESPONSIBILITY OF TRUSTEE

The main responsibility of the Trustees on the Board of Trustee of IIFCL Mutual Fund (IDF) is to safeguard the interest of the unit holders and inter- alia ensure that IIFCL Asset Management Company Limited (IAMCL), AMC to IIFCL Mutual Fund (IDF) always function diligently and in the interest of investors and regulate the entity as per the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time and comply with the provisions of the trust deed, Statement of Additional Information and Scheme Information Document of the respective schemes within its true letter and spirit.

7. STATUTORY INFORMATION

a) IIFCL is not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution (to the extent contributed) of Rs.10,000/- for setting up the Fund, and such other accretions / additions to the same.
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 disclosed on the website (www.iifclmf.com) and shall be available for inspection at the Head Office of the Mutual Fund. Present and prospective unit holder/investors can obtain copy of the trust deed, the full Annual Report of the Fund /AMC at a price and the text of the relevant scheme.

ACKNOWLEDGEMENT

We wish to thank the unit holders of the fund for their support and also extend our gratitude to the Government of India, Securities and Exchange Board of India (SEBI), Association of Mutual Fund in India (AMFI), BSE Limited and India Infrastructure Finance Company Limited (IIFCL) for their guidance and support. Further,we would also like to appreciate the support extended by our Registrar and Transfer Agent, Fund Accountant, Custodian, Banker(s), Auditors and key partners. We also wish to express our appreciation of contribution made by the dedicated and committed team of employees of IIFCL Asset Management Company Limited.

We look forward to continued support of the investors and assure you of our commitment to quality products and services from IIFCL Mutual Fund (IDF).

For and on behalf of the Board of Trustees of IIFCL Mutual Fund (IDF)

Rajeev Mukhija
Chairman
Place: New Delhi
Date: 7th July,2021

IIFCL MUTUAL FUND (IDF)
5th Floor, Plate-A,
NBCC Tower Block-2,
East Kidwai Nagar
New Delhi-110023

Redressal of Complaints received against IIFCL MUTUAL FUND INFRASTRUCTURE DEBT FUND - during FY 2020-21

Name of Mutual Fund: IIFCL MUTUAL FUND INFRASTRUCTURE DEBT FUND
Total number of folios as on March 31, 2021 : 11

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	Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	0	0	0	0	0	0	0	0	0	0	0
IV	Others	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0	0	0	0	0

Note: * One complaint was filed on SEBI Scores portal vide registration ID SEBIP/MH20/0002473/1 during the period ended 31st July,2020,the ATR was filed with SEBI that the complainant is not the investors of IIFCL Mutual Fund (IDF) and SEBI closed the complaint on 14th September,2020.

कृते आई आई एफ सी एल म्युचुएल फण्ड (आई डी एफ)
For IIFCL Mutual Fund (IDF)

अध्यक्ष एवं ट्रस्टी
Chairman & Trustee

कृते आई आई एफ सी एल एसेट मैनेजमेन्ट कम्पनी लिमिटेड
For IIFCL Asset Management Company Limited

अजय पी एस सैनी /Ajay P S Saini
मुख्य कम्पनी सचिवालय एवं अनुपालक /Head Company Secretariat & Compliance

12

I-MF

Jain Chopra & Company

Chartered accountants

8, Chandra House, First Floor, Dr. Lane, Gole Market New Delhi-110001

1960, First Floor, Outram line, Delhi-110009

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Independent auditor's report

To the Board of Trustees of IIFCL Mutual Fund

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of IIFCL Mutual Fund Infrastructure Debt Fund - Series I and IIFCL Mutual Fund Infrastructure Debt Fund - Series II (the "Schemes"), which comprise the Balance Sheet as at March 31, 2021, the related Revenue Account and the Cash Flow Statement for the year then ended, including a summary of significant accounting policies and other explanatory information.

2. In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto (the "Regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

   (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 net surplus in Series-I and net deficit in Series-II 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.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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 the Institute of Chartered Accountants of India 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 opinion.

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

Emphasis of Matter

4. The Trustee of IIFCL Mutual Fund and the Management of IIFCL Asset Management Company Limited (the "Management"), in the earlier years, noted irregularities in the investments made through the primary market transactions including non-compliance with sanction terms for investment to be made and conditions mentioned in the debenture trust deed of the respective investments as observed in the special management audit conducted by the internal auditors as per directions of the Board of Directors of IIFCL Asset Management Company limited and Board of Trustees of IIFCL Mutual Fund (IDF) thus depicting a lapse in monitoring controls over the investments process during that period. Accordingly, the then Chief Investment Officer was dismissed from services as imposition of a major penalty. The dismissed officer has since filed a Writ in the H'ble High Court of Delhi against IAMCL. (Refer Note 20 in Notes to accounts).

5. Due to non-completion of creation of prescribed securities, the non-compliance of the respective terms continued from the time of investment upto the current year. This has resulted in an investment remaining partly secured. (Refer Note 18 in Notes to accounts).

   Further, this has also resulted in loss of income for the Schemes on account of additional / penal interest and on account change in rating of NCD of an investee company, remaining unrecovered, which should have been charged to the investee companies by the Schemes for the irregularities. (Refer Note 17 in Notes to accounts).

   Our opinion is not modified in respect of this matter.

Key Audit Matters

6. 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	The valuation and existence of the portfolio of investments is considered as a key audit matter due to the magnitude of potential misstatement as the portfolio of investments represents the principal element of the net assets of the Scheme. Valuation of Investments is required to be incompliance with the valuation policy as approved by the Board of IAMCL in compliance with SEBI Regulations and Guidelines.	<u>Principal audit procedures performed:</u> We gained an understanding of the internal control structure and operating effectiveness of key controls surrounding valuation and existence of investments. We tested the valuation of the investments by testing the compliance with the valuation policy as approved by the Board of IAMCL in compliance with SEBI Regulations and Guidelines and by comparing the investment valuation from prices obtained from independent sources.

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

		We tested the existence of the Investments by obtaining and reconciling the confirmations of the holdings from following sources: • Custodians of the Scheme • CSGL maintained with IDBI Bank We agreed the holdings as per above confirmations with the Scheme's accounting records.

Information other than the Financial Statements and Auditor's Report thereon

7. The Trustee of IIFCL Mutual Fund and the Management of IIFCL Asset Management Company Limited (the "Management") are responsible for the other information. The other information comprises of the Trustee Report, but does not include the financial statements and our auditor's report thereon. 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Trustee, Management and those Charged with Governance for the Financial Statements

8. The Trustee of IIFCL Mutual Fund and the Management of IIFCL Asset Management Company Limited (the "Management") 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 the accounting policies and standards specified in the Ninth Schedule of the Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the Trustee and the Management are responsible for assessing the Schemes' 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. The Trustee and the Board of Directors of IIFCL Asset Management Company Limited are also responsible for overseeing the Schemes' financial reporting process.

Auditor's responsibilities for the audit of the financial statements

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

10. 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.

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

    - 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.

    - Obtain an understanding of internal control 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 internal control.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

    - 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 Schemes' ability 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.

    - Performed procedures including to confirm confirmation of securities owned and unit capital balances as at March 31, 2021 by correspondence with the custodian/others and registrar and transfer agent, respectively.

    - 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.

12. We communicate with those charged with governance regarding, 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.

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

13. We also provide those charged with governance 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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.

Report on other legal and regulatory requirements

15. As required by section 55(4) of the 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 purposes of our audit; and

    b) In our opinion, the Balance Sheet, Revenue Account and Cash Flow Statement dealt with by this report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Regulations.

16. As required by clause 5 (ii) (2) of the Eleventh Schedule to the Regulations, we report that the Balance Sheet, Revenue Account, and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Schemes.

17. In our opinion, the methods used to value non-traded securities as at March 31, 2021, as determined by IIFCL Asset Management Company Limited under procedures approved by the Board of Trustees of IIFCL Mutual Fund in accordance with the guidelines for valuation of securities for mutual funds as mentioned in the Eighth Schedule of the Regulations issued by the Securities and Exchange Board of India, are fair and reasonable.

	For Jain Chopra & Company **Chartered Accountants** **FRN: 002198N**
Place: New Delhi **Date: 7th JULY 2021,**	**Ashok Chopra** **Partner** **M.No. 017199**

UDIN : 21017199AAAAAD7127

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

IIFCL MUTUAL FUND (IDF)

BALANCE SHEET AS AT MARCH 31, 2021

	Schedule	IIFCL Mutual Fund Infrastructure Debt Fund - Series I		IIFCL Mutual Fund Infrastructure Debt Fund - Series II	
		As at 31.03.2021 Rs.	As at 31.03.2020 Rs.	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
LIABILITIES					
Unit Capital	1	3,00,00,00,000	3,00,00,00,000	2,00,00,00,000	2,00,00,00,000
Reserves and Surplus	2	1,12,92,99,783	97,08,36,127	(25,19,93,118)	(23,73,64,401)
Current Liabilities and Provisions	3	93,20,921	69,54,506	20,77,225	26,23,624
		4,13,86,20,704	3,97,77,90,633	1,75,00,84,107	1,76,52,59,223
ASSETS					
Investments	4	3,72,94,58,146	3,18,01,84,709	1,55,16,34,711	1,54,27,95,694
Deposits	5	39,01,50,254	77,61,79,000	18,33,38,507	21,65,96,000
Other Current Assets	6	1,90,12,304	2,14,26,924	1,51,10,889	58,67,529
		4,13,86,20,704	3,97,77,90,633	1,75,00,84,107	1,76,52,59,223
Notes to Accounts	8				

The schedules referred to the above and the notes to accounts form an integral part of the accounts.

As per our attached report of even date

For Jain Chopra & Company
Firm Registration No: 002198N
Chartered Accountants

Ashok Chopra
Partner
Membership No. : 017199
UDIN: 21017199AAAAAD7127

For Board of Trustees of IIFCL Mutual Fund (IDF)

Rajeev Mukhija
Chairman

A K Deb
Independent Trustee

For IIFCL Asset Management Company Limited

P.R.Jaishankar
Chairman

S.K.Nagpal
Chief Executive Officer and Director

Rajeev Raj
Fund Manager

Place New Delhi
Date 07th July 2021

IIFCL MUTUAL FUND (IDF)

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

	Schedule	IIFCL Mutual Fund Infrastructure Debt Fund - Series I		IIFCL Mutual Fund Infrastructure Debt Fund - Series II	
		Year ended 31.03.2021 Rs.	Year ended 31.03.2020 Rs.	Year ended 31.03.2021 Rs.	Year ended 31.03.2020 Rs.
INCOME AND GAINS					
Profit on sale/redemption of investments (net) (Note 2.2)		-	-	-	1,74,947
Interest and Discount (Note 2.3)	7	32,16,65,478	37,04,31,400	14,26,05,822	15,86,45,504
Interest on Fixed Deposit		-	-	-	-
Discount Income					
Change in net unrealised gain in the value of investments					
Miscellaneous Income		1,07,934	40,03,960	70,800	7,59,202
		32,17,73,412	**37,44,35,360**	**14,26,76,622**	**15,95,79,652**
EXPENSES AND LOSSES					
Loss on sale/redemption of investments (net) (Note 2.2)		-	7,79,981	-	-
Management Fees (Note 4)		3,33,44,215	2,71,89,540	1,41,42,532	1,20,49,918
GST/Service tax on Management Fees		60,01,980	48,94,066	25,45,665	21,68,963
Transfer Agents Fees and Expenses		1,17,996	1,17,996	56,640	56,640
Custodian Fees and Transaction Charges (Note 6)		99,316	63,705	45,893	29,796
Trusteeship Fees (Note 5)		1,08,648	1,11,948	58,432	78,402
Statutory Audit Fees		2,18,300	1,77,000	76,700	1,18,000
System Audit Fees		-	1,06,000	-	70,800
Internal Audit Fees		1,41,600	4,26,522	94,400	2,84,215
Other Operating Expenses		3,09,508	5,45,544	1,40,623	3,64,983
Investor Education and Awareness Expenses		8,38,859	7,87,370	3,55,789	3,41,846
Provision for Non-Performing Assets		-	-	-	-
TOTAL		**4,11,80,422**	**3,51,99,672**	**1,75,16,674**	**1,55,63,563**
Net Realised Gains/(Losses) for the Year/Period		**28,05,92,990**	**33,92,35,688**	**12,51,59,948**	**14,40,16,089**
Net Change in Unrealised Depreciation in Value of Investments (Note 8)		(12,10,94,244)	(30,41,31,988)	(13,97,37,244)	(30,92,662)
Net Gains/(Losses) for the Year/Period		**15,94,98,746**	**3,51,03,700**	**(1,45,77,296)**	**14,09,23,427**
Net Change in Unrealised Appreciation in Value of Investments (Note 8)		(10,35,089)	(15,57,772)	53,054	(3,40,31,716)
Net Surplus/(Deficit) including Net Change in Unrealised Appreciation in Value of Investments		**15,84,63,656**	**3,35,45,928**	**(1,45,24,242)**	**10,68,91,711**
Net Change in Unrealised Appreciation in Value of Investments transferred to Unrealised Appreciation Reserve (Note 8)		10,35,089	15,57,772	(53,054)	3,40,31,716
Net Surplus/(Deficit) for the Year / Period		**15,94,98,746**	**3,51,03,700**	**(1,45,77,296)**	**14,09,23,427**
Retained Surplus/(Deficit) brought forward		96,98,01,037	93,46,97,337	(23,74,15,822)	(37,83,39,249)
Income available for appropriation		**1,12,92,99,783**	**96,98,01,037**	**(25,19,93,118)**	**(23,74,15,822)**
Retained Surplus/(Deficit) carried forward to Balance Sheet		**1,12,92,99,783**	**96,98,01,037**	**(25,19,93,118)**	**(23,74,15,822)**

Notes to Accounts 8

The schedules referred to the above and the notes to accounts form an integral part of the accounts.

As per our attached report of even date

For Jain Chopra & Company
Firm Registration No: 002198N
Chartered Accountants

Ashok Chopra
Partner
Membership No. : 017199
UDIN: 21017199AAAAAD7127

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

For Board of Trustees of IIFCL Mutual Fund (IDF)

Rajeev Mukhija **A K Deb**
Chairman **Independent Trustee**

For IIFCL Asset Management Company Limited

P.R.Jaishankar
Chairman

S.K.Nagpal
Chief Executive Officer and Director

Rajeev Rai
Fund Manager

IIFCL MUTUAL FUND (IDF) 5th Floor, Plate-A, NBCC Tower Block-2 East Kidwai Nagar New Delhi

Place New Delhi
Date 07th July 2021

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IIFCL MUTUAL FUND (IDF)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

		IIFCL Mutual Fund Infrastructure Debt Fund - Series I		IIFCL Mutual Fund Infrastructure Debt Fund - Series II	
		Year ended 31.03.2021	Year ended 31.03.2020	Year ended 31.03.2021	Year ended 31.03.2020
		Rs.	Rs.	Rs.	Rs.
A. Cashflow from Operating Activity					
Net Surplus/Deficit for the Year/Period		15,94,98,746	3,51,03,700	(1,45,77,296)	14,09,23,427
Add / (Less): Net change in unrealised depreciation in the value of investments		12,10,94,244	30,41,31,988	13,97,37,244	30,92,662
Add / (Less): Provision for Non-Performing Investment		-	-	-	-
Operating Profit Before Working Capital Changes		**28,05,92,990**	**33,92,35,688**	**12,51,59,948**	**14,40,16,089**
Adjustments for:-					
(Increase)/Decrease in Other Current Assets		96,73,046	(33,67,199)	(37,07,326)	(1,33,514)
(Increase)/Decrease in Investments		(67,14,02,769)	29,69,75,046	(14,86,27,681)	(12,74,95,701)
(Increase)/Decrease in Deposits		6,04,473	11,59,78,000	(1,76,972)	(1,77,000)
(Decrease)/Increase in Current Liabilities and Provisions		23,66,414	17,72,710	(5,46,399)	7,04,552
Net Cash Generated From / (used in) Operating Activities	**(A)**	**(37,81,65,846)**	**75,05,94,245**	**(2,78,98,430)**	**1,69,14,426**
B. Cashflow from Financing Activities					
Increase/(Decrease) in Unit Capital		-	-	-	-
Net Cash Used in Financing Activities	**(B)**	**-**	**-**	**-**	**-**
Net Increase/(Decrease) in Cash and Cash Equivalents	**(A+B)**	**(37,81,65,846)**	**75,05,94,245**	**(2,78,98,430)**	**1,69,14,426**
Cash and Cash Equivalents as at the beginning of the year/period		77,38,72,813	2,32,78,568	16,57,85,105	14,88,70,679
Cash and Cash Equivalents at the end of the year		**39,57,06,967**	**77,38,72,813**	**13,78,86,676**	**16,57,85,105**
Components of cash and cash equivalents					
With Banks - in Current account		87,42,239	14,83,813	55,95,139	59,106
Fixed Deposits with Scheduled Banks		-	-	-	-
- Fixed Deposits		38,69,64,727	77,23,89,000	13,22,91,535	16,57,26,000
		39,57,06,966	**77,38,72,813**	**13,78,86,674**	**16,57,85,106**

Note: The above cashflow statement has been prepared under the indirect method set out in Accounting Standard 3 - Cash Flow Statement, issued by the Institute of Chartered Accountants of India.

As per our attached report of even date

For Jain Chopra & Company
Firm Registration No: 002198N
Chartered Accountants

Ashok Chopra
Partner
Membership No. : 017199
UDIN : 21017199AAAAAD7127

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

For Board of Trustees of IIFCL Mutual Fund (IDF)

Rajeev Mukhija
Chairman

A K Deb
Independent Trustee

For IIFCL Asset Management Company Limited

P.R.Jaishankar
Chairman

S.K.Naqpal
Chief Executive Officer and Director

Rajeev Raj
Fund Manager

IAMCL

IIFCL MUTUAL FUND (IDF) 5th Floor, Plate-A, NBCC Tower Block-2 East Kidwai Nagar New Delhi-110023

Place New Delhi
Date 07th July 2021

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IIFCL MUTUAL FUND (IDF)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2021 AND THE REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

Schedules		IIFCL Mutual Fund Infrastructure Debt Fund - Series I				IIFCL Mutual Fund Infrastructure Debt Fund - Series II			
1	UNIT CAPITAL	As at 31.03.2021		As at 31.03.2020		As at 31.03.2021		As at 31.03.2020	
		Units	Rs.	Units	Rs.	Units	Rs.	Units	Rs.
	Growth Option								
	Initial capital issued and subscribed:								
	Units of Rs.10 lakhs each fully paid up	3,000	3,00,00,00,000	3,000	3,00,00,00,000	2,000	2,00,00,00,000	2,000	2,00,00,00,000
	Outstanding:								
	Opening Balance	3,000	3,00,00,00,000	3,000	3,00,00,00,000	2,000	2,00,00,00,000	-	-
	New Fund / Plan Offer	-	-	-	-	-	-	2,000	2,00,00,00,000
	Issued during the year / period	-	-	-	-	-	-	-	-
		3,000	3,00,00,00,000	3,000	3,00,00,00,000	2,000	2,00,00,00,000	2,000	2,00,00,00,000
	Redemptions during the year / period	-	-	-	-	-	-		
	Unit Capital at the end of the year / period	3,000	3,00,00,00,000	3,000	3,00,00,00,000	2,000	2,00,00,00,000	2,000	2,00,00,00,000

		As at 31.03.2021 Rs	As at 31.03.2020 Rs	As at 31.03.2021 Rs	As at 31.03.2020 Rs
2	RESERVES AND SURPLUS				
	Retained Surplus				
	At the beginning of the year / period	96,98,01,037	93,46,97,337	(23,74,15,822)	(37,83,39,249)
	Transferred to Revenue Account	(96,98,01,037)	(93,46,97,337)	23,74,15,822	37,83,39,249
	Balance transferred from Revenue Account	1,12,92,99,783	96,98,01,037	(25,19,93,118)	(23,74,15,821)
	Closing balance	1,12,92,99,783	96,98,01,037	(25,19,93,118)	(23,74,15,822)
	Unrealised Appreciation Reserve on Investments				
	Opening balance	10,35,089	25,92,861	51,420	3,40,83,136
	Reversed during the year / period	-	-	-	-
	Net change in unrealised appreciation as at year end / period	(10,35,089)	(15,57,772)	(51,420)	(3,40,31,716)
	Closing balance	-	10,35,089	-	51,420
		1,12,92,99,783	97,08,36,127	(25,19,93,118)	(23,73,64,402)

		As at 31.03.2021 Rs	As at 31.03.2020 Rs	As at 31.03.2021 Rs	As at 31.03.2020 Rs
3	CURRENT LIABILITIES AND PROVISIONS				
	CURRENT LIABILITIES:				
	Payable to AMC for -				
	- Management Fees	17,72,643	29,03,321	8,65,931	14,04,945
	- Other Expenses	-	24,270	-	19,320
	Trustee Fees Payable	21,135	-	24,630	5,580
	Statutory Audit Fees Payable	2,18,300	1,77,000	-	1,18,000
	Internal Audit Fees Payable	35,837	70,800	70,300	12,200
	System Audit Fees Payable	-	1,06,200	-	70,800
	Custodian Fees and Expenses Payable	36,075	15,326	16,754	7,402
	GST Payable on Management Fees	-	-	-	-
	Other Payables	33,14,259	8,77,450	1,02,180	3,65,831
	Other Liabilities	4,93,122	-	1,83,847	-
	Investor Education and Awarness Initiatives (Note 16)	34,29,550	27,80,139	8,13,583	6,19,546
	Total	93,20,921	69,54,507	20,77,225	26,23,624

JAIN CHOPRA & COMPANY * NEW DELHI * CHARTERED ACCOUNTANTS

IIFCL MUTUAL FUND (IDF)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2021 AND THE REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

4 INVESTMENTS
(Refer Note 2.2, 2.4, 7, 8, 9, 12, 15, 19)
(Refer to the attached Statement of Portfolio Holding as at March 31, 2019)

	IIFCL Mutual Fund Infrastructure Debt Fund - Series I				IIFCL Mutual Fund Infrastructure Debt Fund - Series II			
	As at 31.03.2021 Rs		As at 31.03.2020 Rs		As at 31.03.2021 Rs		As at 31.03.2020 Rs	
	Cost	Market/Fair value	Cost	Market/Fair value	Cost	Market/Fair value	Cost	Market/Fair value
Bonds and Debentures								
Listed / Awaiting Listing	3,15,26,26,901	2,21,77,52,950	3,86,23,04,038	2,86,18,77,210	1,72,27,74,652	1,27,99,74,254	1,74,74,55,856	1,44,43,63,194
Less - Provision for Non-Performing Assets (Refer Note 16)	-	-	-	-	-	-	-	-
Private Placement / Unlisted					-	-	-	-
Treasury Bills*	1,23,16,08,238	1,23,16,07,496	31,72,72,410	31,83,07,499	17,83,22,431	17,82,94,557	-	-
Commercial Papers*	58,08,52,450	28,00,97,700	11,41,08,372	-	39,32,08,060	9,33,65,900	39,82,21,606	9,84,32,500
	4,96,50,87,589	3,72,94,58,146	4,29,36,84,820	3,18,01,84,709	2,29,43,05,143	1,55,16,34,711	2,14,56,77,462	1,54,27,95,694

*Cost in case of treasury Bills and Commercial Papers includes Discount Accrued upto the end of the year.

5 DEPOSITS

	As at 31.03.2021 Rs	As at 31.03.2020 Rs	As at 31.03.2021 Rs	As at 31.03.2020 Rs
Fixed Deposits with Scheduled Banks	38,69,64,727	77,23,89,000	18,24,91,535	21,59,26,000
Margin Deposit with the Clearing Corporation of India Limited (CCIL)		11,00,000	1,00,000	1,00,000
Fixed Deposits with Scheduled Banks towards Investor Education and Awareness Fund (Note 16)	31,85,527	26,90,000	7,46,972	5,70,000
	39,01,50,254	77,61,79,000	18,33,38,507	21,65,96,000

6 OTHER CURRENT ASSETS

	As at 31.03.2021 Rs	As at 31.03.2020 Rs	As at 31.03.2021 Rs	As at 31.03.2020 Rs
Balances with Scheduled Banks				
- In Current Account	85,68,264	14,69,638	55,58,157	44,706
- Towards Investor Education and Awareness Fund (Note 16)	1,73,975	14,175	36,982	14,400
Interest Receivable on :			-	-
- Bonds and Debentures	1,02,00,094	1,85,02,559	56,00,494	57,37,814
- Fixed Deposits	-	4,86,885	8,31,165	68,767
- Fixed Deposits for Investor Education and Awareness Fund (Note 16)	-	8,696		1,843
Investments Maturity Proceeds Receivable	-	-	30,84,091	-
Less: Provision for Non-Performing Assets (Refer Note 17)	-	-	-	-
Other Receivables	69,971	9,44,971	-	-
	1,90,12,304	2,14,26,924	1,51,10,889	58,67,529

7 INTEREST AND DISCOUNT (Note 2.3)

Bonds and Debentures	25,92,66,064	25,80,94,739	12,60,28,806	11,64,70,316
Deposits	2,96,77,338	4,03,44,404	1,29,18,953	1,48,32,660
Treasury Bills	2,41,68,198	5,32,11,887	1,28,07,009	1,14,51,018
Commercial Paper	85,53,878	1,87,80,370	(91,48,946)	1,58,91,510
	32,16,65,478	37,04,31,400	14,26,05,822	15,86,45,504

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IIFCL MUTUAL FUND INFRASTRUCTURE DEBT FUND-SERIES I

Statement of Portfolio Holding as at March 31, 2021
(Referred to in Schedule 4 to the Balance Sheet as at March 31, 2021 and the Revenue Account for the year ended March 31, 2021)

Description	Quantity	Market Value/ Fair Value Rupees
Infrastructure (100.00%)		
Fixed rates bonds - Corporate (53.71%) $		
NIIF Infrastructure Finance Limited 8.15% 15JAN24 NCD ^	1,150	11906,39,850
Green Infra Wind Energy Limited 9.65% 04AUG23 NCD ^	400	3887,80,400
D. P. Jain & Co Infrastructure Private Limited 13.25% 12AUG22 NCD	400	2013,88,000
12.15% GMR Warora NCD 25SEP2022 SRS I ^	250	870,16,000
12.15% GMR Warora NCD 25SEP2023 SRS II ^	250	870,16,000
12.15% GMR Warora NCD 25NOV2023 SRS III ^	250	870,16,000
Molagavalli Renewbale Private Limited 9.95% 31MAR23 NCD *	100	889,00,900
Narmada Wind Energy Private Limited 9.95% 31MAR23 NCD *	100	869,95,800
GVR Infra Private Limited 13.25% 13AUG22 NCD ^@	600	0
Fixed rates bonds - Corporate (Cost Rs. 2552626901) excluding Investments classified as NPA	**3,500**	**22177,52,950**
Treasury Bills (29.83%) $		
364 DAY TBILL 23SEP2021	9,50,000	934,51,975
182 DAY TBILL 15APR2021	102,68,108	10256,18,642
364 DAYS T-BILL 20MAY21	16,398	16,32,752
364 DAY TBILL 30DEC2021	32,047	31,20,537
182 DAY TBILL 22JUL2021	65,300	64,63,557
364 DAY TBILL 27JAN2022	72,300	70,16,513
364 DAY TBILL 03MAR2022	9,75,654	943,03,519
Treasury Bills (Cost Rs.1231608238)		**12316,07,495**
Commercial Papers (6.78%)		
FEDCO 26MAY21 CP	100	0
Sterling & Wilson Solar Ltd 23DEC21 CP	300	2801,02,602
FEDCO 07MAR21 CP	100	0
Total (Cost Rs. 466744078)		**2801,02,602**
TOTAL INVESTMENTS (Cost Rs. 4250979217)		**37294,63,047**

($) Fair value of non traded securities as determined in accordance with the guidelines for valuation of securities of Mutual Funds and amendments thereto as applicable by IIFCL Asset Management Company Limited under procedures approved by the Trustee of IIFCL Mutual Fund.

(*) Denotes Private placement / unlisted securities

(^) Denotes Listed / awaiting listing securities

***** Note: IIFCL Mutual Fund (IDF) Series-I:** 1. GVR InfraProjects Limited has been declared as NPA in Nov 2017.

@ Deviation in valuation as per AMFI /35P/06/2019-20 circular dated 30th April, 2019 for the purpose of Fair value of portfolio:

Name of the Security	ISIN	Rating
GVR Infra Projects Limited	INE427M07019	BWR D

Justification For Deviation: The above investment is NPA since November, 2017 and 100% provision on the book value is already created by IIFCL Mutual Fund (IDF) Seires-I as per SEBI guidelines. Further, there is un-certainity in recovery timelines,costs and recovery amount. Considering the same, the investment is valued at zero instead of Rs. 30 Crores as stated above.

Impact on NAV due to deviation in Valuation: Due to deviation in valuation, the imapct on NAV is NIL in March 2020 as the security is continued to be valued at Zero since earlier months. However, the NAV per unit would have been higher by Rs. 100000 (7.56%) if it had been valued at Rs.30 Crores in line with AMFI guidelines.

Detail of the securities in case of which issuer has defaulted beyond its maturity date.

Security issued by	ISIN	Value of the security considered under net receivables (i.e. value recognized in NAV in absolute terms and as % to NAV) (Rs. In Crores)		Total amount (including principal and interest) that is due to the scheme on that investment (Rs. In Crores)	Provision % (Hair cut provided by Rating agencies / Internal)
Infrastructure Leasing & Financial Services Limited CP 26SEP1	INE871D14JS6	0.00	0.00%	11.65	100.00%

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IIFCL MUTUAL FUND INFRASTRUCTURE DEBT FUND-SERIES II

Statement of Portfolio Holding as at March 31, 2021
(Referred to in Schedule 4 to the Balance Sheet as at March 31, 2021 and the Revenue Account for the Year/Period ended March 31, 2021)

Description	Quantity	Market Value/ Fair Value Rupees
Infrastructure (100.00%)		
Fixed rates bonds - Corporate (73.22%) $		
Green Infra Wind Energy Limited 9.65% 04AUG23 NCD ^	600	5831,70,600
NIIF Infrastructure Finance Limited 8.15% 15JAN24 NCD ^	350	3623,68,650
12.75% Feedback Infra Private Limited20DEC22 NCD ^	300	1433,19,000
9.15% SP Jammu Udhampur High 30JUN27 NCD ^	100	989,76,500
9.15% Darbhanga Motihari Transmission Company Limited 31DEC26 NCD	48	462,42,480
9.15% Darbhanga Motihari Transmission Company Limited 31MAR27 NCD	48	458,97,024
IL&FS Transportation Network Limited 9.20% 15APR2022 ^	300	0
Fixed rates bonds - Corporate (Cost Rs. 1422774652) excluding Investments classified as NPA		**12799,74,254**
Treasury Bills (10.20%) $		
364 DAYS T-BILL 20MAY21	16,398	165,09,193
182 DAY TBILL 15APR2021	102,68,108	1200,09,737
364 DAY TBILL 30DEC2021	32,047	46,30,474
182 DAY TBILL 22JUL2021	65,300	81,46,260
364 DAY TBILL 03MAR2022	9,75,654	23,53,181
364 DAY TBILL 10FEB2022	2,75,000	266,45,713
Treasury Bills (Cost Rs.1231608238)		**1782,94,557**
Commercial Papers (5.34%) $		
Sterling & Wilson Solar Ltd 23DEC21 CP	100	933,67,534
Commercial Papers (Cost Rs.98,381,080)		**933,67,534**
TOTAL INVESTMENTS (Cost Rs. 1,545,836,936)		**15516,36,345**

(#) Fair value of non government non investment grade performing security as determined by Investment Manager in accordance with SEBI Circular MFD/CIR/8/92/2000 dated September 18, 2000 and approved by the Trustee.

($) Fair value of non traded securities as determined in accordance with the guidelines for valuation of securities of Mutual Funds and amendments thereto as applicable by IIFCL Asset Management Company Limited under procedures approved by the Trustee of IIFCL Mutual Fund.

(^) Denotes Listed / awaiting listing securities

IL&FS Transportation Network limited has defaulted in coupon payments due in Oct 2018/Jan 2019 and onwards. Therefore, 100% provisioning on the book value has been done in NAV calculation of March 2019 and further accruals has been stopped in the account since September 2018. IIFCL Mutual Fund IDF Series - II had exposure in IL&FS Commercial Paper - Due on 19.10.2018 which has defaulted in redemption. The valuation loss of 100% of the last market price has been done in NAV calculation of October 2018. ISINs of NCDs of Darbhanga Motihari Transmision Company Limited has been changed with effect from 5th July, 2019.

Detail of the securities in case of which issuer has defaulted beyond its maturity date.

Security issued by	ISIN	Value of the security considered under net receivables (i.e. value recognized in NAV in absolute terms and as % to NAV) (Rs. In Crores)		Total amount (including principal and interest) that is due to the scheme on that investment (Rs. In Crores)	Provision % (Hair cut provided by Rating agencies / Internal)
Infrastructure Leasing & Financial Services Limited CP 19OCT18	INE871D14KS4	0.00	0.00%	30.58	100.00%

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(All amounts in INR Rupees, unless otherwise stated)
Schedule 8: Statement of Significant Accounting Policies and Notes forming part of the financial statement of IIFCL Mutual Fund (IDF) for the year ended March 31, 2021

1 Background

IIFCL Mutual Fund (the Fund) has been established as a Trust in accordance with the India Trusts Act, 1882. In conformity with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, and amendments thereto which include specific regulations for infrastructure debt fund schemes (the SEBI Regulations), IIFCL Asset Management Company Limited (the "Investment Manager") has been set up to act as the Asset Management Company (AMC) to IIFCL Mutual Fund. In terms of the Investment Management Agreement (IMA) dated August 17, 2012, entered into between IIFCL Mutual Fund's Board of Trustees and the AMC has been appointed as the Investment Manager to the Schemes of the Fund. This Fund has got two closed ended infrastructure debt schemes. Series-I which was launched in the financial year 2013-14 and Series-II which was launched in financial year 2017-18 (the Schemes).

India Infrastructure Finance Company Ltd (IIFCL) is the sponsor of IIFCL MUTUAL FUND (IDF).

Scheme Name	Date of Launch	New Fund Offer (NFO) period	Date of Allotment	Investment Objective
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	December 31, 2013	December 31, 2013 - February 10, 2014	February 10, 2014	The investment objective of the Scheme is to generate appreciation/wealth in capital by investing in various permissible instruments/ securities as per the SEBI (MF) Regulations.
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	March 31, 2017	March 31, 2017 - April 12, 2017	April 12, 2017	

2 Significant Accounting Policies

2.1 Preparation of Financial Statements of the Schemes

The Schemes maintain the books of account on accrual basis. The financial statements of the Schemes have been prepared in accordance with the requirements of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto (the "SEBI Regulations"), as specified in the Ninth Schedule which lay down the accounting policies and standards to be adopted and the disclosures to be made.

The preparation of financial statements in conformity with the SEBI Regulations requires the use of certain critical accounting estimates. It also requires the Board of Directors of the Investment Manager to exercise its judgment in the process of applying the Fund's accounting policies.

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The areas involving high degree of judgement or complexity or critical estimates are fair values of unlisted securities and the provision required for securities classified as below Investment Grade/Default.

Presentation of these separate balance sheets, revenue accounts and cash flow statements in a columnar form is not intended to indicate that they bear any relation to each other, or are interdependent or comparable in any way.

2.2 Investments

a) Accounting for investment transactions

Transactions for purchase and sale of investments are recognized as of the trade date. In determining the holding cost of investments and the gain or loss on sale of investments, the "weighted average cost" method is followed. The cost of investments includes all costs incurred towards acquiring the investment or incidental to acquisition of the investments but excludes custodian safekeeping fees.

b) Valuation of investments*

Investments are stated at market value/fair value at the Balance Sheet Date/date of determination. In valuing the schemes' investments, the following principles are followed subject to applicable SEBI Circulars and AMFI guidelines–

i) Valuation of Non- Government Debt & Money Market Instrument (irrespective of tenor)- The aggregate prices provided by CRISIL and ICRA are being used for valuation of non-Government debt and money market securities in portfolio of IIFCL Mutual Fund (IDF) Series – I & Series II.

ii) Valuation of Government Instrument (irrespective of tenor)- The aggregate prices provided by CRISIL and ICRA are being used for valuation of Government debt and money market securities in portfolio of IIFCL Mutual Fund (IDF) Series – I & Series II

iii) Valuation of Short term deposits with bank (pending deployment) – Valuation on cost plus accrual basis.

iv) Valuation of Below Investment Grade Securities/ Default Securities – Valued on the basis of indicative hair-cuts provided by valuation agencies in terms of SEBI Circular dated March 22, 2019 subject to deviations from such values as decided by AMC to reflect fair valuations. Such deviations are disclosed in the fact sheet/portfolio reports.

v) A security is considered as Traded or Non-Traded in accordance with SEBI Circulars and AMFI guidelines.

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The net unrealized appreciation and depreciation in value of investments is determined separately for each category of investments.
In respect of each category of investments, the change in net unrealized depreciation, if any, between two balance sheet dates/ date of determination is accounted for through the Revenue Account. The net change in unrealized appreciation, if any, between two balance sheet dates/ date of determination is accounted through the Revenue Account and thereafter transferred from the Revenue Account to the Unrealized Appreciation Reserve.

2.3 Revenue recognition

Income is recognised on an accrual basis when the right of receipt is established and there is a reasonable certainty of collection. The recognition criteria for material classes of income are stated below:
a) Profit or loss on sale of investments is recognised on trade date basis. The cost of investments sold is determined on "weighted average cost basis".
b) Interest on investments, term deposits is recognised on a time-proportionate basis using the coupon rate.
c) Discounts and premium on Debt Securities and Treasury Bills are amortised on a straight-line basis over the period upto redemption.
d) Treatment of Interest in case of Securities classified below Investment Grade/Default categories:

- **i)** The indicative haircut that has been applied to the principal is applied to any accrued interest recognized earlier.
- **ii)** In case of securities classified as below investment grade but not default, interest accrual is continued with the same haircut applied to the principal. In case of securities classified as default, no further interest accrual is made.
- **iii)** Any recovery, first adjusted against the outstanding interest recognized in the NAV and any balance is adjusted against the value of principal recognized in the NAV.
- **iv)** Any recovery in excess of the carried value (i.e. the value recognized in NAV) is then applied first towards amount of interest written off and then towards amount of principal written off.

2.4 Net Asset Value

The net asset value of the units of the Schemes pertains to the Growth option of the respective Schemes.

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3 Net Asset Value (NAV) per unit

The net asset values of the Growth Option of the Schemes as on the date of the balance sheet is as follows:-

Scheme Name	March 31, 2021 (Rupees per unit)	March 31, 2020 (Rupees per unit)
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	13,76,433.2609*	13,23,612.0422
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	8,74,003.4411*	8,81,317.7999

**Earlier declared NAV as on 31st March 2021 was Rs. 13,76,397.8761 in Series-I and Rs. 8,73,968.04 in Series-II*

4 Management Fees

In accordance with the agreement between IIFCL Mutual Fund's Board of Trustees (the "Trustee") and the Investment Manager, the Schemes have paid / provided for investment management fees payable to the AMC for managing the Schemes at the following average annual rate (excluding Goods and Service Tax (GST) on management fees) as a percentage of the average daily net assets recorded by the respective Schemes.

The computation of the management fees charged to the Revenue Account for the year ended March 31, 2021 for the Schemes are as under: -

Scheme Name	Percentage of Management Fees charged	
	March 31, 2021	March 31, 2020
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	0.80%	0.69%
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	0.80%	0.71%

5 Trusteeship Fees

a) As per the Trust Deed dated August 17, 2012, the trustees are eligible for a fee calculated at a rate not exceeding one-twentieth of one percent of the weekly average net assets of the Mutual Fund subject to a minimum of Rs. 250,000 payable in arrears. Board of Trustees comprises of individual trustees representing banks and financial institutions. Board of Trustees is not a legal entity hence no fees has become payable so far.

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b) Sitting Fee Payable to Trustees: The Mutual Fund is paying sitting fee @ Rs. 20,000/- for each Board Meeting attended and Rs. 10,000/- for other meetings attended to the eligible members of the Board of Trustees.

6 Custodian Fees

Citibank NA provides custodial services to the Schemes for which it receives custody fees (including transaction and registration charges).

7 Custodian Confirmation

Confirmation has been received from Citibank N.A. at the end of the year for the investments held by the Schemes. All investments, except Treasury Bills and Fixed Deposits receipts are held in safe custody of the custodian. Investments in Treasury Bills are held in a Constituent Subsidiary General Ledger (CSGL) account maintained with IDBI Bank in the name of "IIFCL Mutual Fund".

8 Aggregate Appreciation and Depreciation in the Value of Investments

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Scheme Name	Asset	31-Mar-21		31-Mar-20	
		Appreciation (Rupees)	Depreciation (Rupees)	Appreciation (Rupees)	Depreciation (Rupees)
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	Bonds and Debentures	45,108,250	979,982,201	878,000	1001,304,827
	Treasury Bills	86,023	86,766	1,035,089	-
	Commercial Paper	-	443,585,205	-	114,108,372
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	Bonds and Debentures	14,239,250	157,039,648	5,303,688	8,396,350
	Treasury Bills	3,435	31,310	-	-
	Commercial Paper	-	299,842,160	51,420	299,840,526

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9 Aggregate Value of Purchase and Sale of Investments during the year

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

Scheme Name	Purchases 2020-2021 (Rupees)	Purchase as percentage to average daily net assets	Sales 2020-2021 (Rupees)	Sale as percentage to average daily net assets
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	2,671,244,029	63.73%	1,852,886,199	44.20%
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	394,024,622	22.16%	224,373,800	12.62%

Scheme Name	Purchases 2019-2020 (Rupees)	Purchase as percentage to average daily net assets	Sales 2019-2020 (Rupees)	Sale as percentage to average daily net assets
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	3,677,085,996	93.47%	3,846,798,256	97.78%
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	979,112,243	57.33%	878,434,017	51.43%

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10 Income and Expenses

The total income (including net profit/loss on sale or redemption of investments, net change in unrealised depreciation in value of investments and provision for non-performing assets) and total expenses during the year / period are:-

For the year ended March 31, 2021				
Scheme	Total Income Rupees	Percentage of average daily net assets	Total Expenses Rupees	Percentage of average daily net assets
		Income Ratio		Expense Ratio
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	200,571,234	4.79%	41,180,422	0.98%
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	28,68,578	0.16%	17,516,673	0.99%

For the year ended March 31, 2020				
Scheme	Total Income Rupees	Percentage of average daily net assets	Total Expenses Rupees	Percentage of average daily net assets
		Income Ratio		Expense Ratio
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	69,523,391	1.77%	34,419,691	0.87%
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	156,486,991	9.16%	15,563,563	0.91%

SEBI Circular SEBI/HO/IMD/DF2/CIR/P/2018/137 dated October 22, 2018

As per SEBI circular dated October 22, 2018, all scheme related expenses as per Regulation 52 of the SEBI Regulations are required to be paid from the Schemes within regulatory limits and not from the books of the asset management company, its associate, sponsor, trustee or any other entity through any route with effect from the date of the said circular. The Investment Manager continued to pay scheme related expenses on behalf the Schemes after October 22, 2018 though the expense has been recovered from the Schemes and hence accrued in the books of account of the Schemes. These amounts are payable to the Investment Manager as at March 31, 2021.

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11 Disclosure under Regulation 25(8) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended: -

The Schemes have entered into transactions with certain related parties. The information required in accordance with Accounting Standard (AS) -18 on 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India and Regulation 25(8) of the SEBI Regulations, is as follows: -

Related Party Relationships

Name	Description of Relationship
India Infrastructure Finance Company Limited#	Sponsor of the Fund
IIFCL Asset Management Company Limited (IAMCL)	Investment Manager of the Fund
Canara Bank#	Holding 33% of Net Asset Value of the scheme of IIFCL Mutual Fund Infrastructure Debt Fund – Series I
Pankaj Jain#	Chairman of IAMCL (Ceased as Chairman w.e.f 29.05.2020)
P.R. Jaishankar#	Chairman of IAMCL (Appointed as Chairman w.e.f 23.06.2020)
Anil Kumar Taneja#	Director and Chief Executive Officer of IAMCL (Appointed w.e.f 25.08.2017 and Creased wef 31st August 2020)
Dr. S. S. Garg#	CEO (Appointed w.e.f. 1st September 2020 and ceased wef 01st February 2021) & Director (appointed w.e.f. 17th August 2020 ceased wef 02nd February 2021)
S. K. Nagpal#	CEO (appointed w.e.f. 01st February 2021) & Director (appointed w.e.f. 03rd February 2021)
Rajeev Mukhija#	Chairman of the Board of Trustee (Appointed w.e.f. 04.05.2020)

No transactions during the year.

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Transactions during the year:-

IIFCL Mutual Fund Infrastructure Debt Fund - Series I

Nature of transactions	Name of the Related Party	(Amount in Rupees) March 31, 2021	(Amount in Rupees) March 31, 2020
Investment Management Fees (Excluding GST)	IIFCL Asset Management Company Limited	33,344,215	27,189,540
Reimbursement of expenses on behalf of the Scheme	IIFCL Asset Management Company Limited	107,898	48,540
Balances as at end of the year			
Investment Management Fees Payable	IIFCL Asset Management Company Limited	17,72,643	2,839,445
Payable to AMC for expense incurred on behalf of Scheme	IIFCL Asset Management Company Limited	-	-
Unit Capital	India Infrastructure Finance Company Limited	1,300,000,000	1,300,000,000
Unit Capital	Canara Bank	1,000,000,000	1,000,000,000

IIFCL Mutual Fund Infrastructure Debt Fund - Series II

Nature of transactions	Name of the Related Party	(Amount in Rupees) March 31, 2021	(Amount in Rupees) March 31, 2020
Investment Management Fees (Excluding Service Tax/GST)	IIFCL Asset Management Company Limited	14,142,532	12,049,918
Reimbursement of expenses on behalf of the Scheme	IIFCL Asset Management Company Limited	57,932	38,640.00

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Balances as at end of the Period			
Investment Management Fees Payable	IIFCL Asset Management Company Limited	8,65,931	14,01,026.16
Payable to AMC for expense incurred on behalf of Scheme	IIFCL Asset Management Company Limited	-	-
Unit Capital	India Infrastructure Finance Company Limited	1,000,000,000	1,000,000,000

There are no transactions during the year which are required to be disclosed under Regulation 25 (8) of the SEBI Regulations.

12 Disclosure under Regulation 25(11) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended

During the year, the Schemes have not made any investments in companies which hold units in excess of 5% of the net asset value of any Scheme of the fund.

13 Income Taxes

No provision for taxation has been made since the Schemes qualify as a recognized Mutual Fund under Section 10 (23D) of the Income Tax Act, 1961.

14 Segment Reporting

The Schemes are primarily engaged in the business of investing the amounts received from investors as unit capital, in accordance with their investment objectives, to generate returns. Since there is only one business segment and no geographical segments, the segmental reporting disclosures as required by Accounting Standard (AS) - 17, issued by the Institute of Chartered Accountants of India have not been made.

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15 Aggregate Fair Value of Non-Traded Investments

Aggregate fair value of non-traded (including private placement) investments as determined by IIFCL Asset Management Company Limited under the procedures approved by the Trustee is as follows:

Scheme Name	Fair Value (Rupees) March 31, 2021	Fair Value (Rupees) March 31, 2020
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	3,729,458,145.15	3,18,01,84,709.00
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	1,551,634,711.07	1,54,27,95,694.00

16 Investor Education and Awareness Fund payable

As mandated by SEBI vide circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 an annual charge of 0.02 percent of daily net assets, being a part of total recurring expenses is set aside for Investor Education and Awareness (IEA). The cumulative balance is transferred on a monthly basis to a separate bank account maintained for this purpose. These funds are required to be utilized in accordance with the SEBI Regulations for Investor Education and Awareness. The balances are pending utilization.

The details of Investor Education and Awareness amount outstanding are as follows: -

Scheme Name	(Amount in Rupees) March 31, 2021	(Amount in Rupees) March 31, 2020
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	3,429,550	2,780,139
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	813,583	619,546

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17 Income Recognition

As per the extant accounting policy in Note 2.3 (a) regarding revenue recognition, penal interest, additional interest and other penalties on account of non - compliance with terms of agreement with borrowers are recognized on receipt basis in view the uncertainties involved in recovery. Accordingly, the following amount of income on account of penal interest, additional interest and other penalties for non-compliance of terms with investment by some investee companies shall be recognized as income in the books of account on receipt basis as and when received in view of uncertainties involved in recovery: -

Scheme	For the year ended March 31, 2021 (Rupees)	For the year ended March 31, 2020 (Rupees)
IIFCL Mutual Fund Infrastructure Debt Fund - Series I	295,890	1,75,93,425
IIFCL Mutual Fund Infrastructure Debt Fund - Series II	1,83,62,123	2,11,32,879

Status as on 31st March 2021-

Competent Authority approved part settlement of penalties etc. as per Debenture Trust Deed (DTD) by enforcing pre-payment and creating additional securities for securing investments in existing account.

18 Security / Collateral for Investments

Investments in NCDs held by the Schemes are considered secured on the basis of confirmations furnished by debenture trustee of respective investments and information on asset cover from issuers through respective debenture trustees except in case of the investment in the NCDs of DPJ-DRA Tollways Private Limited (fully prepaid on 07.08.2020) and Feedback Infra Private Limited which are considered as partly secured as only part security has been created as against the required terms of respective debenture trust deeds.

There is no change in status as on the Balance Sheet date i.e., 31st March 2021.

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

19 Compliance on Account of Comparison of Independent Directions

As per Regulation 21(1) (d) of the SEBI Regulations, the board of directors of an asset management company are required to have at least fifty per cent directors, who are not associate of, or associated in any manner with, the sponsor or any of its subsidiaries or the trustees. On account of resignation of one independent director, IAMCL does not have the required composition of independent directors resulting in non-compliance with SEBI Regulations during the FY 2020-21. The said non-compliance has been communicated to SEBI vide various Exception Reports on bi-monthly compliance.

20 Staff Accountability Process

Mr. Prasanna Prakash Panda has been given "Major Penalty of Dismissal from Services which shall ordinarily be a Disqualification for Future Employment under Government" in the account of GVR Infra Projects Limited on 31st July 2020. This was issued on observing irregularities and non-compliances of sanctioned terms & conditions. The said officer has filed a writ petition before Hon'ble Delhi High Court against IAMCL. The matter is sub-judice.

21 Covid-19 Pandemic

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities.

All the investments of the Fund continued to be carried as at the balance sheet date basis valuation norms as prescribed by SEBI and as per the Fund's approved Investment Valuation Policy and do not require any adjustment on account of the pandemic. The Fund will continue to monitor any material changes to the future economic conditions.

22 Previous Year's Figures

Previous year's figures have been regrouped/rearranged wherever appropriate.

JAIN CHOPRA & COMPANY * NEW DELHI * CHARTERED ACCOUNTANTS

Signatures to schedules 1 to 8 forming part of the balance sheet and revenue account.

For Jain Chopra & Company
Firm Registration No: 002198N
Chartered Accountants

Ashok Chopra
Partner
Membership No. : 017199
UDIN: 21017199AAAAAD7127

JAIN CHOPRA & COMPANY NEW DELHI CHARTERED ACCOUNTANTS

For Board of Trustees of IIFCL Mutual Fund (IDF)

Rajeev Mukhija
Chairman

Trustee

Place New Delhi
Date 7th July 2021

For IIFCL Asset Management Company Limited

P. R. Jaishankar
Chairman

S K Nagpal
Chief Executive Officer and Director

Rajeev Raj
Fund Manager

Place New Delhi
Date 7th July 2021

आई.ए.एम.सी.एल IAMCL

IIFCL MUTUAL FUND (IDF) 5th Floor, Plate-A NBCC Tower Block-2 East Kidwai Nagar New Delhi-110023

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If undelivered, please return to:

IIFCL Asset Management Company Limited
Registered & Corporate Office:5th Floor, Plate A, NBCC Towers , Office Block-02,
East Kidwai Nagar New Delhi-110023.
CIN: U65991DL2012GOI233601
Ph. 011-24665900-10
www.iifclmf.com Email: complianceofficer@iifclmf.com

Mutual Fund Investments are subject to market risks, read all the scheme related documents carefully.