

N. M. RAIJI & CO.
Chartered Accountants
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Auditors' Report

**The Board of Trustees
ICICI Prudential Mutual Fund**

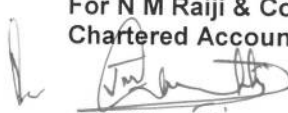
We have audited the attached Balance Sheet as at March 31, 2009 and the Revenue Account for the year ended on that date annexed thereto of ICICI Prudential Gilt Fund-Treasury Plan (the scheme) of the Fund. These financial statements are the responsibility of the Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with SEBI (Mutual Fund) Regulations, 1996. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

1. We have obtained all information and explanations, which, to the best of our knowledge and belief were necessary for the purpose of our audit.
2. The Balance Sheet and the Revenue Account are in agreement with the books of account of the Scheme.
3. In our opinion, valuation methods for Non Traded Securities, adopted by the scheme are fair and reasonable and are in accordance with the guidelines for valuation issued by SEBI and approved by the Trustees.
4. The accounts have been prepared in accordance with the accounting policies adopted by the trustees of the Fund and as specified in the Ninth Schedule to the SEBI (Mutual Funds) Regulations, 1996.
5. In our opinion and to the best of our information and according to the explanations given to us, the statement of accounts read with the notes thereon, give a true and fair view in accordance with the generally accepted accounting principles in India:
 - a. in the case of Balance Sheet, of the state of affairs of ICICI Prudential Gilt Fund-Treasury Plan as at March 31, 2009; and
 - b. in the case of Revenue Account of the surplus of ICICI Prudential Gilt Fund-Treasury Plan for the year ended on March 31, 2009.

For N M Raiji & Co.
Chartered Accountants


J. M. Gandhi
Partner
Membership No. 37924

Mumbai

18 JUN 2009

ICICI Prudential Mutual Fund
Scheme- ICICI Prudential Gilt Fund-Tresury Plan
Balance Sheet as at March 31, 2009

	Schedule No.	March 31, 2009 Amount (Rs.)	March 31, 2008 Amount (Rs.)
LIABILITIES			
Unit Capital	1	2,135,789,072	434,516,720
Reserves & Surplus	2	2,266,904,968	383,013,038
Unrealised Appreciation in value of Investment		-	-
Unitholders' Funds		4,402,694,040	817,529,758
Current Liabilities & Provisions	3	95,740,258	2,741,057
		4,498,434,298	820,270,815
ASSETS			
Investments	4	4,331,754,886	680,714,437
Deposits		-	-
Other Current Assets	5	166,679,412	139,556,378
		4,498,434,298	820,270,815

Significant Accounting Policies and Notes forming part of the Accounts 9

As per our Report Attached

For N.M. Raiji & Co.
Chartered Accountants

J.M. Gandhi
Partner
Membership No.37924

Mumbai.

18 JUN 2009

For ICICI PRUDENTIAL TRUST LTD.

[Signature]
Director

For ICICI Prudential Asset Management Company Ltd.

Nimesh Shah
Nimesh Shah
Managing Director

Nilesh Shah
Nilesh Shah
Deputy Managing Director

Rahul Goswami
Rahul Goswami
Fund Manager

For ICICI PRUDENTIAL TRUST LTD.

[Signature]
Director

For ICICI PRUDENTIAL TRUST LTD.

[Signature]
Director

ICICI Prudential Mutual Fund
Scheme- ICICI Prudential Gilt Fund-Treasury Plan
Revenue Account For The Year Ended March 31, 2009

	Schedule No.	Year Ended March 31, 2009 Amount (Rs.)	Year Ended March 31, 2008 Amount (Rs.)
INCOME			
Dividend		-	-
Interest	6	87,064,914	57,354,561
Amortisation of Premium/Discount		179,584	-
Profit on sale/redemption of Investments (other than inter-scheme transfer/sale)		118,662,262	7,731,471
Profit on inter-scheme transfer/sale of Investments		20,425,569	2,493,125
Other Income		-	-
		<u>226,332,329</u>	<u>67,579,157</u>
EXPENSES & LOSSES			
Net Change in Marked to Market value of Investments		20,138,691	4,858,521
Loss on sale/redemption of Investments (other than inter-scheme sale/transfer)		12,279,081	3,006,981
Loss on Inter-Scheme sale/transfer of Investments		7,304,280	656,212
Management Fees (Including Service Tax)		11,773,979	3,784,606
Trusteeship Fees		11,497	6,794
Publicity Expenses		148,666	68,338
Audit Fees		83,688	54,124
Commission to Agents		6,629,199	2,808,314
Custodian Fees		18,327	25,614
Registrar & Transfer Agent's Fees & Expenses		359,128	369,735
Other Operating Expenses	7	22,035	25,567
Surplus for the Year		<u>167,563,758</u>	<u>51,914,351</u>
		<u>226,332,329</u>	<u>67,579,157</u>
Surplus for the Year		167,563,758	51,914,351
Add: Write back of provision for Unrealised Appreciation on Investments		-	-
Less: Provision for unrealised appreciation on Investments		-	-
Add/(Less) : Income Equalisation		<u>1,680,790,672</u>	<u>52,234,880</u>
		1,848,354,430	104,149,231
Surplus brought forward		<u>376,023,413</u>	<u>273,558,779</u>
Amount available for Income Distribution		2,224,377,843	377,708,010
Less: Dividend Paid (Including Distribution Tax, if any)		<u>16,025,924</u>	<u>1,684,597</u>
Surplus carried forward to Balance Sheet		<u>2,208,351,919</u>	<u>376,023,413</u>

Significant Accounting Policies and Notes forming part of the Accounts

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As per our Report Attached

For N.M. Raiji & Co.
Chartered Accountants

J.M. Gandhi
Partner
Membership No.37924

Mumbai.

18 JUN 2009

For ICICI Prudential Asset Management Company Ltd.

Nimesh Shah
Managing Director

Nilesh Shah
Deputy Managing Director

Rahul Goswami
Fund Manager

For ICICI PRUDENTIAL TRUST LTD.

Director

For ICICI PRUDENTIAL TRUST LTD.

Director

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For ICICI PRUDENTIAL TRUST LTD.

Director

**ICICI Prudential Mutual Fund
Scheme- ICICI Prudential Gilt Fund-Treasury Plan
Schedules Forming Part of the Accounts**

	Year Ended March 31, 2009 Amount (Rs.)	Year Ended March 31, 2008 Amount (Rs.)
1 UNIT CAPITAL		
Unit Capital	2,135,789,072	434,516,720
	<u>2,135,789,072</u>	<u>434,516,720</u>
Number of Units of Face Value Rs.10	<u>213,578,907.2</u>	<u>43,451,672.0</u>
2 RESERVES & SURPLUS		
Unit Premium Reserve		5,915,064
Opening Balance	6,989,625	1,074,561
Additions / (Deductions) during the year	<u>51,563,424</u>	<u>6,989,625</u>
Closing Balance	58,553,049	
Surplus in Revenue Account	2,208,351,919	376,023,413
	<u>2,266,904,968</u>	<u>383,013,038</u>
3 CURRENT LIABILITIES & PROVISIONS		
A Current Liabilities		
Management Fees Payable	6,409,098	642,863
Trusteeship Fees Payable	11,497	4,261
Dividend Payable	88,140	51,627
Redemption Dues Payable	85,114,898	1,646,542
Load Carried Forward	363	-
Other Liabilities	897	79
Liability for Expenses Accrued	4,115,365	395,685
	<u>95,740,258</u>	<u>2,741,057</u>
B Provisions		
	-	-
4 INVESTMENTS (Marked to Market)		
Equity Shares	-	-
Privately Placed Debentures/Bonds	-	-
Debentures/Bonds Listed / Awaiting listing on recognised Stock Exchange	-	-
Commercial Paper/Certificate of Deposits & Others	-	163,933,020
Government of India Securities	4,329,005,449	483,236,750
Collateralised Borrowing & Lending Obligation	2,749,437	33,544,667
	<u>4,331,754,886</u>	<u>680,714,437</u>

ICICI Prudential Mutual Fund
Scheme- ICICI Prudential Gilt Fund-Treasury Plan
Schedules Forming Part of the Accounts

	Year Ended March 31, 2009 Amount (Rs.)	Year Ended March 31, 2008 Amount (Rs.)
5 OTHER CURRENT ASSETS		
Balances with Banks in Current Account	27,899,482	4,199,624
Receivable from Asset Management Company	4,310	-
Outstanding and Accrued Income	20,226,339	
Less: Provision for Outstanding Accrued Income considered doubtful	<u>-</u>	
	20,226,339	4,673,480
Receivable against Units Issued	118,537,595	130,666,850
Other Assets	11,686	16,424
	<u><u>166,679,412</u></u>	<u><u>139,556,378</u></u>
6 INTEREST INCOME		
Collateralised Borrowing & Lending Obligation	8,218,631	1,858,463
Commercial Paper/Certificate of Deposits & Others	27,220,906	38,323,101
Government of India Securities	51,625,377	17,172,997
	<u><u>87,064,914</u></u>	<u><u>57,354,561</u></u>
7 OTHER OPERATING EXPENSES		
Bank Charges	11,971	8,640
Postal and Mailing Charges	2,660	369
Printing & Stationery	1,421	2,200
Internal Audit Fees	996	6,917
Investor Service Charges	4,987	7,441
	<u><u>22,035</u></u>	<u><u>25,567</u></u>

Scheme - ICICI PRUDENTIAL GILT FUND - TREASURY PLAN
Schedule Forming Part of Accounts

Schedule - 8
Holding Statement as on March 31, 2009

Sr.No.	Company	Market Value
<u>Government of India Securities</u>		
1	Government of India Securities	2,722,048,800
2	Government of India Securities	1,151,440,000
3	Government of India Securities	455,516,649
		<u>4,329,005,449</u>
4	Collateralised Borrowing & Lending Obligation	2,749,437
	Balance with Banks	27,899,482
	Net Current Assets Value	43,039,672
	Total Net Assets Value	<u>4,402,694,040</u>



**ICICI Prudential Mutual Fund
Scheme- ICICI Prudential Gilt Fund – Treasury Plan**

Schedule 9: Significant accounting policies and Notes forming part of the accounts for the year ended March 31, 2009

A. Significant accounting policies

1. The method of accounting is on accrual basis. The accounts are prepared as stipulated under SEBI Mutual Fund Regulations, 1996 wherein Cash Flow Statement and Segment Reporting are not required, accordingly Accounting Standard - 3 and Accounting Standard - 17 have not been considered as applicable to the scheme.

2. Investments

a) Purchase and sale of securities are accounted on trade dates. Cost of investments includes brokerage, stamps fees, transaction charges (Government securities) and any losses on account of immediate sale of non-convertible portion of debentures under "Khokha" buy-back scheme and excludes custodian fees. The cost is net of front-end fees and incentives. In case of devolvement, the cost is net of underwriting commission earned.

b) Valuation for Performing Investments:

For the purpose of the financial statements, the Fund marks all investments to market and carries investments in the Balance Sheet at the market value. Unrealised gain, if any, arising out of appreciation of the investments, is carried to the Balance Sheet.

- Traded Securities other than Central Government Securities are valued at the closing traded price.
- Non-traded /Thinly traded Debt Non-Government Securities of upto 182 days of maturity are valued on the basis of amortisation (Cost plus accrued interest basis) as prescribed by SEBI. Discount on short term instruments are amortised over the maturity period.
- Non traded / Thinly traded Non-Government Debt Securities of over 182 days to maturity are valued in good faith in accordance with SEBI guidelines. The valuation of non-traded debt securities is on comparative yield to maturity basis; wherein the benchmark yields as provided by an independent agency, duly approved by AMFI is used.
- Interest rate swaps are valued on the basis of expected future cash inflows and outflows and the difference as compared to its cost is considered as unrealised appreciation/ depreciation.
- Traded / Non-traded / Thinly traded Central Government securities are valued based on prices released by an AMFI approved independent agency

c) An investment is regarded as non-performing, if interest/principal amount has not been received or has remained outstanding for one quarter from the day such income/instalment has fallen due.

d) Investments include contracts for purchase of securities and exclude contracts for sale of securities, for which deliveries are not received/collected.

3. Income Recognition

- a) Profit or loss on sale of investments is arrived at by applying weighted average cost on trade date.
- b) Interest on debentures and other fixed income investments is recognised on accrual basis.
- c) Income on non-performing assets (NPA) is recognised on cash basis.
- d) Other income of miscellaneous nature is accounted for when there is certainty of collection.

4. Income Equalisation

This being an open-ended scheme, when units are purchased / sold by the Scheme, an appropriate part of the purchase / sale price is debited / credited to an Equalisation Account. The net balance on this account is credited or debited to the Revenue Account.

For the purpose of equalisation, the cumulative distributable surplus (without considering unrealised appreciation and Unit Premium Reserve) upto the date of purchase / sale of units is taken into account. In case of deficit, no income equalisation is carried out.

5. Sale / Repurchase of Units

When units are sold / repurchased, after considering the income equalisation as above, the difference between the sale price and the face value of the unit, is transferred to unit premium reserve.

6. Provisions

Provision is made by charge to the Revenue Account, in respect of:

- a) Non Performing Debt Securities as per the Guidelines prescribed by SEBI.
- b) Interest Outstanding for more than one quarter beyond the due date.
- c) Securities where the certificates are not traceable for a protracted period.
- d) Assets other than investments, which in the opinion of the Trustees have suffered substantial impairment in their value.

7. Entry and Exit Load

Load charged at the time of purchase and sale of units is utilised towards meeting distribution and marketing expenses. Unutilised amount of Load collected is carried forward to subsequent year unless the same is considered excess by the trustee. Such excess amount is credited to other income.



B. Notes Forming Part of the Accounts

1. The Scheme has three options: Growth, Dividend and Half Yearly Dividend. A Combined balance sheet and revenue account is prepared for the Scheme.
2. Net Asset Value Per Unit (NAV):

	Year ended March 31, 2009			Year ended March 31, 2008		
	Net Asset Value Per Unit (Rs.)	Units	Dividend Declared during the year*	Net Asset Value Per Unit (Rs.)	Units	Dividend Declared during the year*
Face Value (Rs.)	10			10		
Option						
Growth Option	23.1245	165,493,040.5	-	19.4688	40,217,727.0	-
Dividend Option	11.9901	46,240,594.1	0.7000	10.7255	2,136,555.5	0.6000
Half Yearly Dividend	11.5829	1,845,273.7	0.9000	10.5923	1,097,389.5	0.2000

* Includes Distribution Tax

3. The Cost and Market /Fair Value of investments are as shown below:
(Rs. in millions)

	As at March 31, 2009		As at March 31, 2008	
	Cost	Market / Fair Value	Cost	Market / Fair Value
Investments				
Government Securities	4,354.00	4,329.01	488.10	483.24
Commercial Paper/Certificate of Deposits	-	-	163.93	163.93
Collateralised Lending (CBLO)	2.75	2.75	33.54	33.54
TOTAL	4,356.75	4,331.76	685.57	680.71

Unrealised appreciation/(depreciation) in value of investments is Rs (24.99) million. (Previous year Rs (4.86) million).

4. Industry- wise classification of Investments:

As per Annexure I

5. Aggregate value of purchases and sales of investments during the year as a percentage of average NAV:

(Rs. in millions)

	Year ended March 31, 2009		Year ended March 31, 2008	
Average Net Assets	1,153.94		647.56	
	Aggregate Value	Percentage of Average Net Assets	Aggregate Value	Percentage of Average Net Assets
Purchases	42054.28	3644.41%	11920.65	1840.85%
Sales	38499.91	3336.39%	11852.42	1830.32%

6. Management fees

Management fees are paid on the basis of terms of Offer Document to ICICI Prudential Asset Management Company Limited. The computation for the same is under is as under:

(Rs in millions)

	Year Ended March 31, 2009	Year Ended March 31, 2008
Average Net Assets	1153.94	647.56
Management Fees Charge on Average Net Assets	0.92%	0.53%
Management Fees	10.60	3.42

Management fees are computed after adjusting for units held by AMC, if any.

7. Income and Expenditure as a % of Average Net Asset Value:

(Rs in millions)

	Year ended March 31, 2009		Year ended March 31, 2008	
Average Net Assets	1153.94		647.56	
	Aggregate value	Percentage of Average Net Assets	Aggregate value	Percentage of Average Net Assets
Total Income (including profit on sale of investments and profit on inter-scheme transfers, excluding net change in unrealised appreciation in value of investments and write back of Provisions)	226.33	19.61%	67.58	10.44%
Total Expenditure (including loss on sale of investments and loss on inter-scheme transfers, excluding net change in unrealised depreciation in value of investments and other Provisions)	38.63	3.35%	10.81	1.67%

8. Movement in Unit Capital

	Year ended March 31, 2009		Year ended March 31, 2008	
	No. of units	Amount (Rs.)	No. of units	Amount (Rs.)
Balance at the beginning of the year/Initial Subscription	43,451,672.0	434,516,720	38,015,022.2	380,150,222
Issued during the year	293,690,953.6	2,936,909,536	86,753,736.4	867,537,364
Repurchased during the year	123,563,717.3	1,235,637,173	81,317,086.6	813,170,866
Balance at the close of the year	213,578,908.3	2,135,789,083	43,451,672.0	434,516,720

9. Unclaimed Redemption Amount:

Unclaimed Redemption amount is Rs. (Previous year NIL).

10. a. In the following cases, the Schemes of the mutual fund have invested in a company, which holds more than 5% of the Net Asset Value of any Scheme of ICICI Prudential Mutual Fund as on March 31, 2009.

As per Annexure II

- b. Aggregate market value and cost of investments and term deposits made by all schemes in the group of the Sponsor i.e. ICICI Bank Ltd is Rs.16,054.14 millions and Rs. 18,782.27 millions respectively. (Previous year Rs. 54,391.69 millions and Rs. 55,919.44 millions respectively).
- c. Investors holding units in the Scheme over 25% of the NAV as on March 31, 2009 are Nil. (Previous Year – NIL)
11. a. The AMC has not dealt in any securities through brokers associated with any of the sponsors in excess of the limit of 5% of the aggregate sale and purchase of securities made by the Mutual Fund in any block of three months.
- b. The AMC has paid the following charges to parties associated with one of the sponsors in which AMC or its major shareholders or its subsidiaries are having a substantial interest:

(Rs In millions)

Entity	Nature Of Payment	Year Ended March 31, 2009	Year Ended March 31, 2008
ICICI Bank Limited	Brokerage / Marketing and Distribution Expenses	0.06	0.04
Stock Holding Corporation of India Limited *	Brokerage / Marketing and Distribution Expenses	-	#
ICICI Securities Ltd.*	Brokerage	0.04	-
ICICI Bank Limited	Bank Charges/ Interest Charges*	#	#

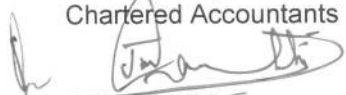
* Holding by a major shareholder of AMC, viz. ICICI Bank Limited whether directly or indirectly

Below.0.01 million

12. The audited results for the year ended March 31, 2009 have been placed by the ICICI Prudential Asset Management Company Limited and approved by the Trustees in the meeting of the Board of Directors of ICICI Prudential Trust Limited held on June 18, 2009.
13. A complete list of investments of the Scheme is given in Schedule 8.
14. Previous year figures are regrouped wherever necessary.

As per our report attached

For **N.M. Raiji & Co.**
Chartered Accountants



J.M. Gandhi
Partner
Membership No. :37924

Mumbai. 18 JUN 2009

Schedules 1 to 9 to the Accounts of ICICI Prudential Mutual Fund - ICICI Prudential Gilt Fund – Treasury Plan signed by three Directors of ICICI Prudential Trust Limited.

Scheme - ICICI Prudential Gilt Fund - Treasury Plan

Annexure I

Value of investments falling under each major industry group to the total investment in each major classification

Privately Placed Debentures / Bonds / Debentures Bonds Listed / Awaiting Listing
/Government Securities / Commercial Papers/ Certificate of Deposits

(Rs. in millions)

Industry	As at March 31, 2009		As at March 31, 2008	
	Market / Fair Value	% of Classification	Market / Fair Value	% of Classification
Central Government Securities	4,329.00	99.94%	483.24	70.99%
Banks	-	-	163.93	24.08%
Collateralised Lending (CBLO)	2.75	0.06%	33.54	4.93%
TOTAL	4,331.75	100.00%	680.71	100.00%

Historical Per Unit Statistics (on the basis of closing units)
Scheme - Prudential ICICI Gilt Fund - Treasury Plan

			31-Mar-09	31-Mar-08	31-Mar-07
			Rs.	Rs.	Rs.
A	NET ASSET VALUE				
		Growth -Option	23.1245	19.4688	17.9396
		Dividend -Option	11.9901	10.7255	10.4547
		Half Yearly Dividend Option	11.5829	10.5923	10.1459
B	i	Income other than profit on sale of Investment	0.4085	1.3200	1.2765
	ii	Income from profit on interscheme Sales / transfer of investment	0.0956	0.0574	0.0120
	iii	Income from profit on sale of Investment	0.5556	0.1779	0.1299
	iv	Transfer to Revenue Account from past year's Reserve	-	-	-
C		Aggregate of Expenses, Write off, amortisation and charges	0.1809	0.2487	0.7611
D		Net Income	0.8788	1.3066	0.6573
E		Net change in Marked to Market value of Investments	(0.0943)	(0.1118)	(0.0282)
F	(a)	Repurchase Price			
		Highest during the year / Period			
		Growth Option	23.4228	19.5729	17.954
		Dividend Option	12.3407	10.9023	10.6513
		Half Yearly Dividend Option	11.7321	10.649	10.3938
		Lowest during the year / Period			
		Growth Option	19.4343	17.9564	17.1426
		Dividend Option	10.6934	10.4644	10.3847
		Half Yearly Dividend Option	10.4126	10.1073	10.039
	(b)	Resale Price			
		Highest during the year / Period			
		Growth Option	23.4228	19.5729	17.954
		Dividend Option	12.3407	10.9023	10.6513
		Half Yearly Dividend Option	11.7321	10.649	10.3938
		Lowest during the year / Period			
		Growth Option	19.4343	17.9564	17.1426
		Dividend Option	10.6934	10.4644	10.3847
		Half Yearly Dividend Option	10.4126	10.1073	10.039
	(c)	Trading Price	N.A	N.A	N.A
		Price-earning Ratio (Traded Price / Net Income)	N.A	N.A	N.A
G		Ratio of Recurring Expenses (excluding loss on sale of Investment, write off and net change in marked to market value of investment) to Average Net Assets by percentage - for Regular Option	1.65%	1.10%	1.10%
H		Ratio of Gross Income (excluding unrealised appreciation & Income Equalisation) to Average Net Assets by percentage	19.61%	10.44%	9.22%

Note: The Highest and the Lowest Repurchase Price have been determined without considering the applicable Exit Load, if any.