



Dear Investor,

We thank you for your investments in ICICI Prudential Constant Maturity Gilt Fund (the Scheme).

We continue on our journey of striving to bridge the gap between savings and investments to help create long term wealth and value for our investors. In this regard, we are proposing to make certain changes in features of the Scheme. As an investor in the Scheme, we would like to share with you the details of changes so that you can take an appropriate and informed decision. These changes will be effective from closure of business hours on February 01, 2019.

The proposed changes are as follows:

	Existing Provision	Proposed Provision																		
Investment Objective	To generate income primarily by investing in portfolio of Government Securities while maintaining Macaulay duration of the portfolio around 10 years. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.	To generate income primarily by investing in portfolio of Government Securities while maintaining constant maturity of the portfolio at 10 years. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.																		
Asset allocation	<table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative allocation (% of corpus)</th> <th>Risk profile</th> </tr> </thead> <tbody> <tr> <td>Government Securities</td> <td>80 – 100</td> <td>Low to Medium</td> </tr> <tr> <td>Other debt and money market instruments</td> <td>0 – 20</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>Government Securities include securities issued by central government and state government (including Treasury Bills).</p> <p>The Scheme may also take exposure to:</p> <ul style="list-style-type: none"> Securitized debt up to 20% of the net assets of the Scheme Derivatives up to 100% of the net assets of the Scheme. <p>The cumulative gross exposure shall not exceed 100% of the net assets of the Scheme in terms of SEBI circular dated August 18, 2010.</p> <p>The Macaulay duration of the portfolio of the Scheme would be around 10 years.</p> <p>In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.</p> <p>The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through</p>	Instruments	Indicative allocation (% of corpus)	Risk profile	Government Securities	80 – 100	Low to Medium	Other debt and money market instruments	0 – 20	Low to Medium	<table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative allocation (% of corpus)</th> <th>Risk profile</th> </tr> </thead> <tbody> <tr> <td>Government Securities</td> <td>80 – 100</td> <td>Low to Medium</td> </tr> <tr> <td>Other debt and money market instruments</td> <td>0 – 20</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>Government Securities include securities issued by central government and state government (including Treasury Bills).</p> <p>The Scheme may also take exposure to:</p> <ul style="list-style-type: none"> Securitized debt up to 20% of the net assets of the Scheme Derivatives up to 100% of the net assets of the Scheme. <p>The cumulative gross exposure shall not exceed 100% of the net assets of the Scheme in terms of SEBI circular dated August 18, 2010.</p> <p>In case of any variance from the above asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.</p> <p>The securities mentioned in the asset allocation pattern could be listed, unlisted, privately placed, secured or unsecured, rated or unrated and of any maturity. The securities may be acquired through secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right</p>	Instruments	Indicative allocation (% of corpus)	Risk profile	Government Securities	80 – 100	Low to Medium	Other debt and money market instruments	0 – 20	Low to Medium
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ICICI Prudential Asset Management Company Limited

Corporate Identity Number: U99999DL1993PLC054135

Corporate Office: One BKC 13th Floor, Bandra Kurla Complex, Mumbai - 400051.

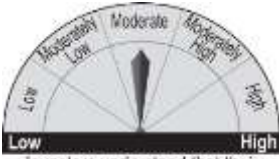

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Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi 110 001

	Existing Provision	Proposed Provision
	secondary market purchases, Initial Public Offering (IPO), other public offers, Private Placement, right offers (including renunciation) and negotiated deals.	offers (including renunciation) and negotiated deals.
Investment Strategies	<p>The scheme will have a minimum investment of 80% of the total assets in Government securities. The scheme will invest with an aim to maintain average maturity of the portfolio close to 10 years. The scheme can have 0-20% of the total assets invested in other debt securities and money market securities. Money Market securities include cash and cash equivalents.</p> <p>The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.</p> <p>The Scheme could invest in fixed income securities issued by central and state government in line with the investment objectives of the Scheme and as permitted by SEBI from time to time.</p> <p>With the aim of controlling risks, rigorous in depth credit evaluation of the debt and money market securities proposed to be invested in will be carried out by the Risk Management team of the AMC. The credit evaluation includes a study of the operating environment of the company, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer.</p> <p>The AMC may consider the ratings of such Rating Agencies as approved by SEBI to carry out the functioning of rating agencies. In addition, the investment team of the AMC will study the macro economic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC would use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.</p> <p>Further, the Scheme may invest in other schemes managed by the AMC or in the Schemes of any other Mutual Funds, provided it is in conformity with the prevailing Regulations. As per the Regulations, no investment management fees will be charged for such investments.</p> <p>The Scheme may use derivative instruments like Interest Rate Swaps, Interest Rate Futures, Forward Rate Agreements or other derivative instruments for the purpose of hedging, portfolio balancing and other purposes, as permitted under the Regulations. Hedging using Interest Rate Futures could be perfect or imperfect, subject to applicable regulations. Usage of derivatives may expose the Scheme to certain risks inherent to such derivatives. It may also invest in securitized debt.</p> <p>For the present, the Scheme does not intend to enter into underwriting obligations. However, if the Scheme does enter into an underwriting agreement, it would do so with the prior approval of the Board of the AMC/Trustees.</p>	<p>The scheme will have a minimum investment of 80% of the total assets in Government securities. 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	Existing Provision	Proposed Provision
Riskometer	<p>ICICI Prudential Constant Maturity Gilt Fund is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Long term wealth creation • A gilt fund that aims to provide reasonable returns by having a constant maturity of 10 years.  <p>investors understand that their principal will be at moderate risk</p> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	<p>ICICI Prudential Constant Maturity Gilt Fund is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Long term wealth creation • A gilt fund that aims to provide reasonable returns by investing in portfolio of Government Securities while maintaining constant maturity of the portfolio at 10 years.  <p>investors understand that their principal will be at moderate risk</p> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>

Note:

1. Risks associated with investing in Tri Party Repo through CCIL (TREPS)

The mutual fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments.

CCIL maintains prefunded resources in all the clearing segments to cover potential losses arising from the default member. In the event of a clearing member failing to honour his settlement obligations, the default Fund is utilized to complete the settlement. The sequence in which the above resources are used is known as the "Default Waterfall".

As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members.

Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

However, it may be noted that a member shall have the right to submit resignation from the membership of the Security segment if it has taken a loss through replenishment of its contribution to the default fund for the segments and a loss threshold as notified have been reached. The maximum contribution of a member towards replenishment of its contribution to the default fund in the 7 days (30 days in case of securities segment) period immediately after the afore-mentioned loss threshold having been reached shall not exceed 5 times of its contribution to the Default Fund based on the last re-computation of the Default Fund or specified amount, whichever is lower.

Further, it may be noted that, CCIL periodically prescribes a list of securities eligible for contributions as collateral by members. Presently, all Central Government securities and Treasury bills are accepted as collateral by CCIL. The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral.

A notice-cum-addendum detailing all the modifications is also available on the AMC's website i.e. www.icicpruamc.com.

While the Board of Trustees of ICICI Prudential Mutual Fund has approved the above change, we would request you to note that the aforesaid changes constitutes change in the fundamental attributes of the Scheme and requires compliance with Regulation 18(15A) of Securities and Exchange Board of India (Mutual Fund) Regulations, 1996 (the Regulations). Securities

and Exchange Board of India (SEBI) has communicated its no-objection for the above changes vide its letter no. IMD/DF3/OW/P/2018/34965/1 dated December 21, 2018.

In accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 the existing unitholders (i.e. whose names appear in the register of unitholders as on close of business hours on December 27, 2018) under the Scheme are hereby given an option to exit, i.e. either redeem their investments or switch their investments to any other schemes of ICICI Prudential Mutual Fund, within 32 days (at least 30 days) exit period starting from January 1, 2019 till February 01, 2019 (both days inclusive and up to 3.00 pm on February 01, 2019) at Applicable NAV, without payment of any exit load. The Exit Option can be exercised during the Exit Option Period by submitting a valid redemption/switch request at any Official Point of Acceptance of the Fund. For list of Official Points of Acceptance, please visit our website. Unitholders who do not exercise the exit option by 3.00 pm on February 01, 2019 would be deemed to have consented to the proposed modification. It may also be noted that no action is required in case Unitholders are in agreement with the aforesaid changes, which shall be deemed as consent being given by them for the proposed changes. Kindly note that an offer to exit is merely optional and is not compulsory.

All the valid applications for redemptions/switch received under the Scheme shall be processed at Applicable NAV of the day of receipt of such redemption/switch request, without payment of any exit load, provided the same is received during the exit period mentioned above. Unitholders who have pledged or encumbered their units will not have the option to exit unless they procure a release of their pledges/encumbrances prior to the submission of redemption/switch requests. Unitholders should ensure that their change in address or bank details are updated in records of ICICI Prudential Mutual Fund as required by them, prior to exercising the exit option for redemption of units. Unit holders holding Units in dematerialized form may approach their Depository Participant for such changes. In case units have been frozen/locked pursuant to an order of a government authority or a court, such exit option can be executed only after the freeze/lock order is vacated/revoked within the period specified above. The redemption proceeds shall be dispatched within 10 (ten) business days of receipt of valid redemption request to those unitholders who choose to exercise their exit option. Redemption/switch of units from the scheme, during the exit period, may entail capital gain/loss in the hands of the unitholder. Similarly, in case of NRI investors, TDS shall be deducted in accordance with the applicable Tax laws, upon exercise of exit option and the same would be required to be borne by such investor only. In view of individual nature of tax implications, unitholders are advised to consult their tax advisors.

The updated Scheme Information Document (SID) & Key Information Memorandum (KIM) of the Scheme containing the revised provisions shall be made available with our Investor Service Centres and also displayed on the website immediately after completion of duration of exit option.

We hope that you will provide us your support; in case of any queries you can reach our call centre on 18002006666/1800222999. We assure you that the proposed change is in line with our best endeavors to serve you better.

We shall continue to work towards your investment success and keep you updated on our views in the future.

**Yours sincerely,
ICICI Prudential Asset Management Company Limited**

**Sd/-
Nimesh Shah,
Managing Director**

Date: December 27, 2018

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