24th Annual report and

Accounts 2016-17



ICICI Prudential Asset Management Company Limited

ICICI Prudential Asset Management Company Limited
Corporate Identity Number: U99999DL1993PLC054135
Corporate Office: ONE BKC, A-Wing, 13th Floor, Bandra-Kurla Complex, Mumbai - 400051. Tel: 022 2652 5000 Fax: 022 2652 8100, website: www.icicipruamc.com, email id: enquiry@icicipruamc.com
Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi – 110 001

BOARD OF DIRECTORS

Chanda Kochhar (bearing DIN: 00043617), *Chairperson and Nominee Director*
N.S. Kannan (bearing DIN: 00066009), *Nominee Director*
Guy Strapp (bearing DIN: 07245108), *Nominee Director*
Suresh Kumar (bearing DIN: 00494479), *Independent Director*
C.R. Muralidharan (bearing DIN: 02443277), *Independent Director*
Lakshmi Venkatachalam (bearing DIN: 00758451), *Independent Director*
Ved Prakash Chaturvedi (bearing DIN: 00030839), *Independent Director*
Dilip Karnik *(bearing DIN: 06419513), Independent Director*
Nimesh Shah (bearing DIN: 01709631), *Managing Director and CEO*
Sankaran Naren (bearing DIN: 07498176), *Executive Director*

Company Secretary

Rakesh Shetty

AUDIT AND RISK COMMITTEE

Ved Prakash Chaturvedi, *Chairman*
Suresh Kumar, *Member*
Lakshmi Venkatachalam, *Member*

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

N.S. Kannan, *Chairman*
Lakshmi Venkatachalam, *Member*
Nimesh Shah, *Member*

INVESTMENT COMMITTEE

C.R. Muralidharan, *Chairman*
N.S. Kannan, *Member*
Nimesh Shah, *Member*

NOMINATION AND REMUNERATION COMMITTEE

Suresh Kumar, *Chairman*
Ved Prakash Chaturvedi, *Member*
Chanda Kochhar, *Member*
Guy Strapp, *Member*

COMMITTEE OF DIRECTORS

N.S. Kannan, *Chairman*
Nimesh Shah, *Member*

REGISTERED OFFICE

12th Floor, Narain Manzil,
23, Barakhamba Road,
New Delhi – 110 001.
CIN: U99999DL1993PLC054135

CORPORATE OFFICE

One BKC 13th Floor,
Bandra Kurla Complex,
Mumbai – 400051.
Tel: +91 22 2652 5000,
Fax: +91 22 26528100,
website: www.icicipruamc.com

REGISTRAR AND TRANSFER AGENT

3i Infotech Limited
International Infotech Park,
Tower 5, 3rd Floor,
Vashi Railway Station Complex,
Vashi, Navi Mumbai 400 703.

STATUTORY AUDITORS

BSR & Co. LLP, Chartered Accountants
(Registration no. 101248W/W-100022)

SECRETARIAL AUDITORS

BNP & Associates
(Firm Registration. No. P2014MH037400)

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty Fourth Annual Report of ICICI Prudential Asset Management Company Limited ("the AMC" or "the Company" or "your Company") together with the audited financial statements of accounts for the year ended March 31, 2017 (fiscal 2017).

FINANCIAL RESULTS

A summary of the Company's financial results for fiscal 2017 are as follows:

(₹ in million)

	Fiscal 2016	Fiscal 2017
Gross Income	10,123.6	13,497.3
Profit before tax	4,999.4	7,346.9
Provision for taxation	1,742.5	2,542.2
Profit after tax	3,256.9	4,804.7
Profit brought forward from previous year	3,045.2	5,027.4
Profit available for appropriation	6,302.1	9,832.1
Appropriations		
Transfer to General Reserve	-	-
Interim Dividend	1,059.1	3,195.0
Dividend Distribution Tax	215.6	650.5
Leaving balance to be carried forward to the new year	**5,027.4**	**5,986.6**

DIVIDEND

The Directors of the Company have pleasure in informing that the Company had declared interim dividends during the year in the following manner:

Record date for dividend	Rate of dividend	Total dividend amount (₹ in million)
June 27, 2016	₹ 17.5 per share (175% of the face value)	308.9
September 26, 2016	₹ 17.5 per share (175% of the face value)	308.9
December 19, 2016	₹ 51 per share (510% of the face value)	900.3
March 24, 2017	₹ 95 per share (950% of the face value)	1,676.9

OPERATIONS DURING THE YEAR

a. **Average Assets Under Management (AUM):** The average AUM of ICICI Prudential Mutual Fund ("the Fund") for FY2017 was ₹ 2,430 billion.

b. **Awards received by ICICI Prudential Mutual Fund (the Fund):**

In fiscal 2017, the Company won the Best Fund House– in the Multi Asset category and in the Equity Category in the Morningstar Fund Awards 2017. Also, in the Intermediate Bond Fund Category – ICICI Prudential Long Term Plan was honoured for its outstanding performance.

Further, the AMC won the Best Fund House and Best Debt Fund House awards in the Outlook Money Awards 2016. In fiscal 2017, the AMC was declared as the Top Investment House in India by The Asset Benchmark Research.

c. **Sales, Operations and Consumer Service:** Your Company has established a wide network of 162 well-equipped offices for selling its products and rendering timely and efficient services to its customers at various locations across the country.

d. **Personnel:** Your Company continues to place emphasis on attracting and recruiting quality manpower and takes steps for training and retaining them. The total strength of the Company at March 31, 2017 stood at 1,476 as against 1,184 at March 31, 2016.

UPDATE ON NEW PRODUCTS

During fiscal 2017, ICICI Prudential Mutual Fund launched 27 fixed maturity plans, 6 capital protection oriented schemes, 4 multiple yield funds, 5 close ended equity funds and 2 open ended equity funds.

PORTFOLIO MANAGEMENT AND OTHER SERVICES

As you are aware, the Company is offering Portfolio Management and Advisory Services across equity, fixed income and real estate assets. At March 31, 2017, the AMC was rendering Portfolio Management services to 4,525 clients. The Company provides investment management services to the scheme under ICICI Prudential Venture Capital Fund under its Portfolio Management Services License. The Company also provides investment management services to the Alternative Investment Funds registered under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and is currently acting as an investment manager to ICICI Prudential Debt Fund and ICICI Prudential Real Estate AIF.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

The Company undertakes various transactions with related parties in the ordinary course of business. The Company has a Board-approved policy dealing with the related party transactions. All the related party transactions that were entered into during the year ended March 31, 2017, were in the ordinary course of business and at arm's length.

The particulars of every contract or arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 ("the Act") including certain arm's length transactions under third proviso thereto is disclosed in Form No. AOC -2 appended as Annexure A.

DEPOSITS

During fiscal 2017, the Company has not accepted any Deposits as covered under Chapter V of the Act.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act, during fiscal 2017 are given in the notes to the financial statements.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has a Board of Directors constituted in accordance with the provisions of the Companies Act 2013. The Board of Directors of the Company as at March 31, 2017 stood as under:

1	Ms. Chanda Kochhar	Chairperson and Nominee Director
2	Mr. N. S. Kannan	Nominee Director
3	Mr. Guy Strapp	Nominee Director
4	Mr. Suresh Kumar	Independent Director
5	Mr. C. R. Muralidharan	Independent Director
6	Ms. Lakshmi Venkatachalam	Independent Director
7	Mr. Ved Prakash Chaturvedi *(appointed w.e.f. July 14, 2016)*	Independent Director
8	Mr. Dilip Karnik *(appointed w.e.f. March 6, 2017)*	Independent Director
9	Mr. Nimesh Shah	Managing Director
10	Mr. Sankaran Naren	Executive Director

During fiscal 2017, Mr. Vijay Thacker retired as an Independent Director from the Board of the Company with effect from January 21, 2017. Your Directors place on record their appreciation and gratitude for the guidance offered by Mr. Thacker during his tenure as a Director of the Company.

During fiscal 2017, the Members of the Company at the extra ordinary general meeting held on August 23, 2016 approved the appointment of Mr. Ved Prakash Chaturvedi as an Independent Director on the Board of the Company with effect from July 14, 2016.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Mr. Dilip Karnik as an Additional Independent Director on the Board of the Company with effect from March 6, 2017, which is subject to approval by the Members of the Company. A proposal for appointment of Mr. Karnik as an Independent Director forms part of the Notice of the Annual General Meeting.

The Company has obtained the declarations from all the Independent Directors as per Section 149 (6) of the Act.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of the Act.

RETIREMENT BY ROTATION

Pursuant to Section 152 of the Act, Independent Directors are not liable to retire by rotation. Also the Directors who have been longest in office since their last appointment retire by rotation at the Annual General Meeting.

In terms of the aforesaid provisions, Mr. Guy Strapp retires by rotation at the ensuing Annual General Meeting and he is eligible for re-appointment. The necessary proposal for re-appointment of Mr. Guy Strapp forms part of the Notice of the Annual General Meeting.

In accordance with the provisions of Section 203 of the Act the following employees are the Key Managerial Personnel of the Company:

1. Mr. Nimesh Shah, Managing Director
2. Mr. B. Ramakrishna, Chief Financial Officer
3. Mr. Rakesh Shetty, Company Secretary.

NUMBER OF MEETINGS ATTENDED BY THE BOARD OF DIRECTORS

During fiscal 2017, four meetings of the Board of Directors were held. The attendance record of all Directors is as under: -

Name of Director	**Number of meetings attended**
Ms. Chanda Kochhar	4
Mr. N. S. Kannan	4
Mr. Guy Strapp	2
Mr. Vijay Thacker (retired w.e.f January 21, 2017)	4
Mr. C. R. Muralidharan	4
Mr. Suresh Kumar	4

Name of Director	Number of meetings attended
Ms. Lakshmi Venkatachalam	4
Mr. Ved Prakash Chathurvedi (appointed w.e.f July 14, 2016)	3
Mr. Dilip Karnik (appointed w.e.f. March 6, 2017)	-
Mr. Nimesh Shah	4
Mr. Sankaran Naren	4

AUDIT AND RISK COMMITTEE

In accordance with Section 177 of the Act, the Board has constituted the Audit and Risk Committee ("the ARC").

During fiscal 2017, six meetings of the ARC were held. The details of the composition of the ARC as on March 31, 2017 and attendance of the members at its meetings is as under:

Name of the Member	Designation	Number of Committee Meetings attended
Mr. Vijay Thacker (retired w.e.f. January 21, 2017)	Chairman	6
Mr. Ved Prakash Chaturvedi (appointed as chairman of the ARC w.e.f. March 23, 2017)	Chairman	-
Mr. Suresh Kumar	Member	6
Ms. Lakshmi Venkatachalam	Member	6

Mr. Vijay Thacker retired from the Board of Directors of the Company with effect from January 21, 2017. The ARC was reconstituted in March 2017 and Mr. Ved Prakash Chaturvedi was appointed as a member and Chairman of the ARC.

NOMINATION AND REMUNERATION COMMITTEE

In accordance with Section 178 of the Act, the Board has constituted the Nomination and Remuneration Committee ("the NRC").

During fiscal 2017, three meetings of the NRC were held. The details of the composition of the NRC as on March 31, 2017 and attendance of the members at its meetings is as under:

Name of the Member	Designation	Number of Committee Meetings attended
Mr. Suresh Kumar	Chairman	3
Ms. Chanda Kochhar	Member	3
Mr. Vijay Thacker (retired w.e.f. January 21, 2017)	Member	3
Mr. Guy Strapp	Member	3
Mr. Ved Prakash Chaturvedi (appointed as member w.e.f. March 23, 2017)	Member	-

Mr. Vijay Thacker retired from the Board of Directors of the Company with effect from January 21, 2017. The NRC was reconstituted in March 2017 and Mr. Ved Prakash Chaturvedi was appointed as a member of the NRC.

INVESTMENT COMMITTEE

During fiscal 2017, four meetings of the Investment Committee were held. The composition of the Investment Committee as on March 31, 2017 and attendance of the members at its meetings is as under:

Name of the Member	Designation	Number of Committee Meetings attended
Mr. C. R. Muralidharan	Chairman	4
Mr. N. S. Kannan	Member	3
Mr. Nimesh Shah	Member	4

COMMITTEE OF DIRECTORS

During fiscal 2017, four meetings of the Committee of Directors were held. The composition of the Committee of Directors as on March 31, 2017 and attendance of the members at its meetings is as under:

Name of the Member	Designation	Number of Committee Meetings attended
Mr. N. S. Kannan	Member	4
Mr. Nimesh Shah	Member	4

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the provisions of Section 135 of Act, the Board constituted the Corporate Social Responsibility Committee ("the CSR Committee").

During fiscal 2017, four meetings of the CSR Committee were held. The composition of the CSR Committee as on March 31, 2017 and attendance of the members at its meetings are as under:

Name of the Member	Designation	Number of Committee Meetings attended
Mr. N. S. Kannan	Chairman	3
Mr. Nimesh Shah	Member	4
Ms. Lakshmi Venkatachalam	Member	4

CSR ACTIVITIES

In accordance with the provisions of Section 135 of the Act and the Rules made thereunder and relevant circulars issued from time to time by the Ministry of Corporate Affairs (MCA), the Company has adopted a Corporate Social Responsibility Policy ("CSR Policy") which is also available on the Website of the Company.

The Company in line with the approved CSR policy undertakes the CSR Activities either directly or through ICICI Foundation for Inclusive Growth or through any

other entity. The annual report on CSR activities is enclosed herewith as Annexure B.

MEETING OF INDEPENDENT DIRECTORS

In accordance with schedule IV of the Act, all the independent directors of the Company met once during fiscal 2017 for reviewing the performance of Non-independent directors and Board as a whole, performance review of the Chairperson of the Company and evaluation of the flow of Information.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Company has in accordance with the provisions of Section 178 of the Act devised a framework for identifying persons who are qualified to become directors, including the criteria such as qualifications, positive attributes and independence of a director. The Company has also framed a Compensation Policy which specifies that the Company's approach to compensation is intended to drive meritocracy within the framework of prudent risk management. The Wholetime Directors of the Company have been granted stock options of the holding company i.e. ICICI Bank Limited (Bank) pursuant to the Employee Stock Option Scheme of the Bank.

The Members of the Company at the Extra-ordinary general meeting held on August 23, 2016 approved the payment of profit related commission to the Non-executive Directors of the Company other than Nominee Directors appointed by ICICI Bank Limited and Prudential Corporation Holdings Limited from fiscal 2016 onwards, whereby such commission in aggregate shall not exceed one percent per annum of the net profits calculated in accordance with Section 198 of the Act, subject to a maximum limit of Rupees Seven Hundred and Fifty Thousand. The said commission shall be paid to each Non-Executive Director in addition to the sitting fees and reimbursement of expenses for attending the Board and/or Committee meetings.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy which provides a mechanism to ensure that concerns are properly raised, appropriately investigated and addressed. The Whistle Blower Policy encourages employees to report matters without the risk of subsequent victimisation, discrimination or disadvantage. The Company recognises this mechanism as an important enabling factor in administering good governance practices. The whistle blower policy of the Company is available on the website of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this

policy. During the year, the Company has not received any sexual harassment complaints.

RISK MANAGEMENT

The Company has an independent Risk Management and Control framework. The Company on an ongoing basis performs risk identification, measurement and control evaluation with an objective to administer risk and control effectiveness.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRING AFTER BALANCE SHEET DATE:

There have been no material changes and commitments affecting the financial position of the company during fiscal 2017.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There were no significant/material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE ETC

In fiscal 2017, your Company has earned ₹ 319.8 million (fiscal 2016 - ₹ 292.3 million) as foreign exchange income and has incurred ₹ 64.9 million (fiscal 2016 - ₹ 73.8 million) towards foreign exchange expenditure.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of business activity of the Company, the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy and Technology Absorption do not apply to the Company. The Company has, however, used information technology extensively in its operations.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The internal financial controls of the Company have been devised to promote reliable financial reporting, safeguarding of assets and prevention and detection of frauds and errors, and commensurate with the business and the operations of the Company. The Audit and Risk Committee of the Board of Directors in co-ordination with Statutory Auditors, reviews the adequacy of Internal Control Systems within the Company.

AUDITORS

i. Statutory Auditors

The existing auditors of M/s. BSR and Co. LLP appointed for a period of 3 years by the Members of the Company at the 21st Annual General Meeting held on June 17, 2014 as per the provisions of the Act, retire at the ensuing Annual General Meeting of the Company and are not eligible for re-

appointment as statutory auditor of the Company under the provisions of the Act. The Board of Directors based on recommendations of the Audit and Risk Committee considered and approved the proposal for appointment of M/s. Price Waterhouse Chartered Accountants LLP as the Statutory Auditors in place of the retiring Auditors, M/s. BSR & Co. LLP. The Board recommends the same to the Members of the Company. A proposal for appointment of M/s. Price Waterhouse, Chartered Accountants LLP as the Statutory Auditors of the Company forms part of the Notice of the Annual General Meeting.

ii. Secretarial Auditor

Pursuant to provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, the Company appointed M/s. BNP & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for fiscal 2017. The Report of the Secretarial Auditor is annexed herewith as Annexure C.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT - 9 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, are enclosed as 'Annexure D ' to this report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and information and based on the information and explanations provided to them by the Company, your Directors make the following statement in terms of Section 134(3)(c) of the Act:

1. that in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards had been followed and there are no material departures;

2. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2017 and of the profit and loss of the company for that period;

3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

4. that the annual accounts of the Company have been prepared on a 'going concern basis';

5. that proper systems to ensure compliance with the provisions of all applicable laws were devised and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all the employees for their dedicated service and firm commitment to the goals of the Company. Your Directors also wish to place on record their sincere appreciation for the wholehearted support received from registrars, custodians, bankers, agents, distributor and all other business associates.

Your Directors further wish to place on record their appreciation for the support and cooperation received from the Securities and Exchange Board of India, the Reserve Bank of India, Stock Exchanges, Depositories, ICICI Bank Limited and Prudential Corporation Holdings Limited.

Your Directors wish to place on record their sincere thanks to the investors and clients for their continued support and patronage.

We look forward to the continued support of all our stakeholders.

For and on behalf of the Board

Sd/-
Chanda Kochhar
Chairperson
(DIN: 00043617)

Place : Mumbai
Date : April 18, 2017

Annexure A

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of material related party transactions at an aggregate level for year ended March 31, 2017

Sr. No.	Nature of contracts/ transactions	Name of the related party	Nature of relationship	Duration of contracts	Salient terms of contracts/ transactions	₹ in million
NIL						

Annexure B

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2017

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

In terms of the provisions of section 135 of the Companies Act, 2013 (the Act), read with applicable Rules under the Companies (Corporate Social Responsibility) Rules, 2014, the Company has framed its Corporate Social Responsibility Policy ("CSR Policy").

The CSR Policy of the Company broadly describes overall framework for implementing, functioning and monitoring of CSR activities. The CSR Policy defines the broad framework of areas where CSR activities may be undertaken by the Company directly or through any not-for-profit entities including ICICI Foundation for Inclusive Growth (IFIG), with primary focus on the following areas:

1) Skill development and sustainable livelihoods;
2) Education;
3) Rural development;
4) Health care;
5) Sanitation;
6) Support employee engagement in CSR activities;
7) Capacity building for corporate social responsibility;
8) Other areas viz. continue to provide support to specific needs such as during natural disasters, through financial as well as logistical support.

The CSR Policy of the Company is available on the website of the Company. Following is the link of the Company's website:https://www.icicipruamc.com.

2. The Composition of the CSR Committee:

The CSR Committee comprises three members as detailed herein below:

1) Mr. N. S. Kannan, Chairman
2) Ms. Lakshmi Venkatachalam, Member
3) Mr. Nimesh Shah, Member

The functions of the Committee include: formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of the expenditure to be incurred on such activities; reviewing and recommending

the annual CSR plan to the Board and monitoring the CSR activities, implementation of and compliance with the CSR Policy.

3. Average net profit of the company for the last three financial years.

Average net profit of the company for the last three financial years calculated as specified by the Companies Act 2013: ₹ 3.85 billion.

4. Prescribed CSR Expenditure for the FY2017 (two per cent of the amount as in item 3 above).

Prescribed CSR Expenditure for the FY2017 (two per cent of the amount as in item 3 above): ₹ 76.9 million.

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year:

Total amount spent towards CSR during FY2017 was ₹ 76.9 million.

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

(₹ in million)

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount in outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads:	Cumulative expenditure upto the reporting Period	Amount spent in: Direct or through implementing agency
1	Projects of ICICI Foundation for Inclusive Growth (IFIG).	1. Promoting education, employment enhancing vocational skills, livelihood enhancement projects.	1. 24 skill training centres located in Bengaluru, Bhubaneswar, Chennai, Coimbatore, Delhi, Durg, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata, Lucknow, Mohali, Mumbai, Mysore, Nagpur, Narsobawadi, Patna, Pune, Trichy, Vadodara, Vijaywada and Zirakpur. 2. Vocational training in locally relevant skills at more than 150 villages across the country. 3. Elementary education projects in Rajasthan and Chhattisgarh.	75.2	Expenditure on Projects and Administration : 75.2	162.56*	Amount spent through ICICI Foundation for Inclusive Growth.

(₹ in million)

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount in outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads:	Cumulative expenditure upto the reporting Period	Amount spent in: Direct or through implementing agency
			4. Healthcare programmes including in Baran (Rajasthan).				
2	Conducting Preventive Health Care Camps through Partner agency	Promotion of Preventive Health Care	Mumbai, Chennai, Delhi, Bangalore	1.7	1.7	1.7	Through Vidal Healthcare

*Includes cumulative contribution of ₹ 87.36 million as on March 31, 2016.

6. **In case the company has failed to spend the 2% of the average net profits of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

   Not Applicable as the entire amount was spent.

7. **The CSR Committee of the Company hereby certifies that the implementation and monitoring of CSR activities are in compliance with the CSR objectives and Policy of the Company.**

   The CSR Committee of the Company hereby certifies that the implementation and monitoring of CSR activities are in compliance with the CSR objectives and Policy of the Company.

Sd/-	**Sd/-**
Managing Director	**Chairman CSR Committee**

Annexure C

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
ICICI Prudential Asset Management Company Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICICI Prudential Asset Management Company Limited (hereinafter called the "Company") for the audit period from 01st April, 2016 to 31st March, 2017. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iii)The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and

(iv) Other laws as applicable specifically to the Company:

(a) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
(b) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993;
(c) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
(d) The Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996; and

(e) The Prevention of Money Laundering Act, 2002.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India related to meetings and minutes.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
During the period under review, provisions of the following regulations were not applicable to the Company:

(a) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(b) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
(h) The Listing Agreements as none of the securities of the Company are listed on any recognised stock exchanges of India or abroad

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

Sd/-

Prakash K. Pandya
Partner
FCS No.: 3901
C P No.: 2311

Place: Mumbai
Date: April 17, 2017

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members,
ICICI Prudential Asset Management Company Limited
Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to ICICI Prudential Asset Management Company Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

Sd/-

Prakash K. Pandya
Partner
FCS No.: 3901
CP No.: 2311
Place: Mumbai
Date: April 17, 2017

Annexure D

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN:- U99999DL1993PLC054135
ii) Registration Date: June 22, 1993
iii) Name of the Company: ICICI Prudential Asset Management Company Limited
iv) Category / Sub-Category of the Company: Company Limited by Shares
v) Address of the registered office and contact details: 12th Floor, Narain Manzil 23, Barakhamba Road, New Delhi-110001.Tel no.022-26852000
vi) Whether listed company: No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: 3i Infotech Limited Tower #5, 3rd to 6th floor, International Infotech Park, Vashi Railway Station Complex, Vashi, Navi Mumbai - 400703, India Tel. : (+91 - 22) 6792 8000 Fax : (+91 - 22) 6792 8098.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company are as under:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Management Fees from the Schemes of ICICI Prudential Mutual fund	66301	90.21

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ associate	% of shares held	Applicable Section
1	ICICI Bank Ltd. Landmark Race Course Circle, Alkapuri, Baroda - 390015	L65190GJ1994PLC021012	Holding	51%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/HUF	-	-	-	-	-	-	-	-	-
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt (s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e. Banks / FI	9,001,873	-	9,001,873	50.996	9,001,873	-	9,001,873	50.996	Nil
f. Any Other….	-	700	700	0.004	-	700	700	0.004	-
Sub-total (A) (1):-	**9,001,873**	**700**	**9,002,573**	**51**	**9,001,873**	**700**	**9,002,573**	**51**	**Nil**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	8,649,517	Nil	8,649,517	49	8,649,517	Nil	8,649,517	49	Nil
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**8,649,517**	**Nil**	**8,649,517**	**49**	**8,649,517**	**Nil**	**8,649,517**	**49**	**Nil**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**17,651,390**	**700**	**17,652,090**	**100**	**17,651,390**	**700**	**17,652,090**	**100**	**Nil**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	17,651,390	700	17,652,090	100	17,651,390	700	17,652,090	100	Nil

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	ICICI Bank Limited*	9,002,573	51	Nil	9,002,573	51	Nil	Nil
2	Prudential Corporation Holdings Limited	8,649,517	49	Nil	8,649,517	49	Nil	Nil

*Out of the above 9,002,573 shares held by ICICI Bank Limited, 700 shares are beneficially held by ICICI Bank Limited and registered in the name of various nominees.

iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
	At the beginning of the year	**No changes**			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	**Nil, for shares held by top ten shareholders other than directors, promoters and holders of GDR and ADRs.**			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

v) ***Shareholding of Directors and Key Managerial Personnel:***

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	**Nil**			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in million)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year • Addition • Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in million)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Nimesh Shah Managing Director and Chief Executive Officer	**Sankaran Naren** Executive Director and Chief Investment Officer	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	57.57	45.75	103.32
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.29	0.71	1.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	*	*	-
3.	Sweat Equity	-	-	-
4.	Commission – as % of profit – others, specify…	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	**57.86**	**46.46**	**104.32**
	Ceiling as per the Act	369.96	369.96	739.92

Note: *The Managing Director and the Executive Director are granted stock options from ICICI Bank Limited, in line with ICICI Bank Group Policy.

B. *Remuneration to other directors:*

(₹ in million)

Sl. no.	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Directors	C.R. Muralidharan	Ved Prakash Chaturvedi	Suresh Kumar	Vijay Thacker	Lakshmi Venkatachalam	Dilip Karnik	
	• Fee for attending board / committee	0.48	0.30	0.58	0.58	0.60	-	2.54
	• Commission	0.75	0.54	0.75	0.61	0.75	0.05	3.45
	• Others, please specify	-	-	-	-	-	-	-
	Total (1)	**1.23**	**0.84**	**1.33**	**1.19**	**1.35**	**0.05**	**5.99**

2.	Other Non-Executive Directors • Fee for attending board /committee meetings • Commission	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	**1.23**	**0.84**	**1.33**	**1.19**	**1.35**	**0.05**	**5.99**
	Total Managerial Remuneration							
	Overall Ceiling as per the Act (applicable for all the directors taken together)							813.91

C. *Remuneration to Key Managerial Personnel other than MD/Manager/WTD*

(₹ in million)

Sl. no.	**Particulars of Remuneration**	**Key Managerial Personnel**		
		B. Ramakrishna Chief Financial Officer	**Rakesh Shetty Company Secretary**	**Total**
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22.31	3.54	25.85
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.04	0.03	0.07
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-
5.	Others, please specify	-	-	-
	Total	**22.35**	**3.57**	**25.92**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	**NIL**				
Punishment					
Compounding					
B. Directors					
Penalty	**NIL**				
Punishment					
Compounding					
C. Other officers in default					
Penalty	**NIL**				
Punishment					
Compounding					

ICICI Prudential Asset Management Company Limited

Financial Statements together with Auditors' Report for the year ended 31 March 2017

ICICI Prudential Asset Management Company Limited

Financial statements together with Auditors' Report

for the year ended 31 March 2017

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Independent Auditors' Report

To the Members of
ICICI Prudential Asset Management Company Limited

Report on the financial statements

We have audited the accompanying financial statements of ICICI Prudential Asset Management Company Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (the 'Rules'). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.

As required by Section 143 (3) of the Act, 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;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

Report on Other Legal and Regulatory Requirements (Continued)

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

d. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 – Refer Note 38.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sd/-
Milind Ranade
Partner
Membership No: 100564

Mumbai
18 April 2017

ICICI Prudential Asset Management Company Limited

Annexure A to the Independent Auditors' Report

(Referred to in our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

   (b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification;

   (c) According to the information and explanation given to us, the Company is not having any immovable properties.

2. The Company is a service company, primarily rendering asset management and advisory services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.

3. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.

4. According to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of Companies Act, 2013 with respect to the loans and investments made.

5. According to the information and explanations given to us, the Company has not accepted any deposits to which the provisions of Section 73 to Section 76 or other relevant provisions of the Act and the rules framed there under apply.

6. The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company.

7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth tax, service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of wealth tax, sales tax, duty of customs, duty of excise, value added tax and cess.

   According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth tax, service tax and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us, the following dues of income tax and service tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of Dues	Amount (Rs. Millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax demand	1.1	AY 2006-07	CIT (A)
Income Tax Act, 1961	Income tax demand	94.2	AY 2008-09	ITAT
Service Tax	Service Tax	1.3	April 2008 to March 2011	Service Tax Commissioner
Service Tax	Service Tax	2.8	April 2011 to March 2013	Service Tax Commissioner
Service Tax	Service Tax	4.7	April 2014 to March 2015	Service Tax Commissioner

8. During the year, the Company did not have any outstanding loans or borrowings from banks, financial institutions, government or dues to debenture-holders.

9. According to the information and explanations given to us, during the year, the Company has not raised money by way of initial public offer or further public offer (including debt instrument) and term loans. Thus, paragraph 3 (ix) of the Order is not applicable to the Company.

10. According to the information and explanations given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Thus, paragraph 3 (xii) of the Order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanation given to us and based on our examination of the records of the Company, the Company not entered into any non-cash transactions with directors or persons connected with him. Thus, paragraph 3 (xv) of the Order is not applicable to the Company.

Annexure A to the Independent Auditors' Report (Continued)

(Referred to in our report of even date)

16. The Company is a service company primarily rendering asset management services and advisory services, thus the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sd/-
Milind Ranade
Partner
Membership No: 100564

Mumbai
18 April 2017

ICICI Prudential Asset Management Company Limited

Annexure B to the Independent Auditors' Report

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls over financial reporting of ICICI Prudential Asset Management Company Limited (the 'Company') as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Annexure B to the Independent Auditors' Report (Continued)

(Referred to in our report of even date)

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sd/-
Milind Ranade
Partner
Membership No: 100564

Mumbai
18 April 2017

ICICI Prudential Asset Management Company Limited

Balance sheet

as at 31 March 2017

(Currency: Indian rupees million)

	Notes	**2017**	2016
Equity and liabilities			
Shareholders' funds			
Share capital	*3*	**176.5**	176.5
Reserves and surplus	*4*	**7,155.2**	6,196.0
		7,331.7	6,372.5
Non-current liabilities			
Other long term liabilities	*5*	**42.2**	63.7
Long term provisions	*6*	**355.4**	281.3
		397.6	345.0
Current liabilities			
Trade Payables	*7*	**1,351.3**	803.8
Other current liabilities	*8*	**396.2**	184.6
Short-term provisions	*9*	**496.5**	474.6
		2,244.0	1,463.0
TOTAL			
		9,973.3	8,180.5
Assets			
Non-current assets			
Fixed assets			
Tangible assets	*10*	**223.0**	178.7
Intangible assets	*11*	**30.3**	33.6
Capital work-in-progress		**15.8**	22.2
Intangible assets under development		**9.1**	4.9
Non-current investments	*12*	**2,551.0**	2139.9
Deferred tax assets (net)	*13*	**163.5**	132.3
Long term loans and advances	*14*	**984.1**	1,707.7
		3,976.8	4,219.3
Current assets			
Current investments	*15*	**3,935.6**	1,523.9
Trade receivables	*16*	**728.6**	607.7
Cash and bank balances	*17*	**20.0**	85.5
Short-term loans and advances	*18*	**1,277.1**	1,691.1
Other current assets	*19*	**35.2**	53.0
		5,996.5	3,961.2
TOTAL		**9,973.3**	8,180.5

Significant accounting policies and notes to the financial statements *2 – 38*

The Notes referred to above form an integral part of this balance sheet.
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sd/-
Milind Ranade
Partner
Membership No: 100564

Mumbai
18 April 2017

For and on behalf of the Board of Directors of
ICICI Prudential Asset Management Company Limited

	Sd/-	*Sd/-*	*Sd/-*
	Chanda Kochhar	**Ved Prakash Chaturvedi**	**Nimesh Shah**
	Chairperson	*Director*	*Managing Director*
	DIN No:00043617	DIN No:00030839	DIN No:01709631
		Sd/-	*Sd/-*
		B. Ramakrishna	**Rakesh Shetty**
		Chief Financial Officer	*Company Secretary*

Mumbai
18 April 2017

ICICI Prudential Asset Management Company Limited

Statement of profit and loss

for the year ended 31 March 2017

(Currency: Indian rupees million)

	Notes	**2017**	2016
Income			
Revenue from operations	*20*	**13,008.6**	9,894.5
Other income	*21*	**488.7**	229.1
Total revenue		**13,497.3**	10,123.6
Expenses			
Employee benefit expenses	*22*	**1,753.2**	1,482.2
Finance cost	*23*	**-**	65.9
Depreciation and amortization expenses		**105.3**	100.1
Other expenses	*24*	**4,291.9**	3,476.0
Total expenses		**6,150.4**	5,124.2
Profit before tax		**7,346.9**	4,999.4
Tax expenses:			
- Current tax		**2,610.9**	1,769.4
- Short/(Excess) provision of earlier years		**(37.5)**	9.3
- Deferred tax (credit) /expense		**(31.2)**	(36.2)
Total tax expense		**2,542.2**	1,742.5
Profit after tax		**4,804.7**	3,256.9
Earnings per share of face value Rs. 10 each – Basic and Diluted (in Rs.)	*28*	**272.19**	184.51
Significant accounting policies and notes to the financial statements	*2-38*		

The Notes referred to above form an integral part of the statement of profit and loss
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
ICICI Prudential Asset Management Company Limited

Sd/-
Milind Ranade
Partner
Membership No: 100564

Mumbai
18 April 2017

Sd/-
Chanda Kochhar
Chairperson
DIN No:00043617

Sd/-
Ved Prakash Chaturvedi
Director
DIN No:00030839

Sd/-
B. Ramakrishna
Chief Financial Officer

Sd/-
Nimesh Shah
Managing Director
DIN No:01709631

Sd/-
Rakesh Shetty
Company Secretary

Mumbai
18 April 2017

ICICI Prudential Asset Management Company Limited

Cash flow statement

for the year ended 31 March 2017

(Currency: Indian rupees million)

	2017	2016
Cash flows from operating activities		
Net profit before tax for the year	**7,346.9**	4,999.4
Adjustment for:		
Depreciation and amortization expenses	**105.3**	100.1
(Profit)/Loss on sale of fixed assets	**0.5**	0.3
Interest expense	**0.0**	65.9
Interest on IT refund adjusted outstanding tax liability	**0.0**	(0.5)
Provision for Impairment	**14.9**	-
Provision for Interest Impairment	**22.0**	-
Dividend income from investments	**(3.4)**	(7.9)
Interest income from PMS investments	**(102.6)**	(99.4)
(Profit)/Loss on sale of investments (net)	**(357.4)**	(90.0)
Amortised income/expenses from prepaid	**72.5**	51.1
Working capital changes		
(Decrease)/Increase in long term provisions	**74.1**	24.5
(Decrease)/Increase in short term provisions	**52.3**	104.9
(Decrease)/Increase in trade payables	**547.5**	58.6
(Decrease)/Increase in other current liabilities	**(2.9)**	13.6
(Decrease)/Increase in Other Long term liabilities	**(21.4)**	(25.8)
Decrease/(Increase) in other long-term loans and advances	**581.0**	1,077.9
Decrease/(Increase) in trade receivables	**(120.9)**	(288.3)
Decrease/(Increase) in short-term loans and advances	**414.0**	946.7
Decrease/(Increase) in other current assets	**(26.1)**	-
Direct taxes paid (net of refunds)	**(2,576.7)**	(1,756.6)
Cash generated from / (used in) working capital changes	**(1,327.3)**	175.1
Net cash provided / (used) by operating activities	**6,019.7**	5,174.5
Cash flows from investing activities		
Purchase of tangible assets/capital work-in-progress	**(154.8)**	(141.5)
Purchase /(sale) of investments, (net)	**(2,465.4)**	(2,531.3)
Proceeds from sale of fixed assets	**2.4**	3.6
Dividend received	**0.4**	7.0
Investment income on PMS investment	**101.0**	104.9
Net Cash generated /(used) in Investing activities	**(2,516.4)**	(2,557.3)
Cash flows from financing activities		
Proceeds from short term borrowings	**-**	210.3
Repayment of short term borrowings	**-**	(1,522.2)
Interest paid	**-**	(65.9)
Dividends paid (including dividend distribution tax)	**(3,568.8)**	(1,252.4)
Net cash generated /(used) in financing activities	**(3,568.8)**	(2,630.2)
Net (decrease)/increase in cash and cash equivalents (A)	**(65.5)**	(13.0)
Add: Cash and cash equivalents at the beginning of the year (B)	**85.5**	98.5
Cash and cash equivalents at the end of the year (A+B)	**20.0**	85.5

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sd/-
Milind Ranade
Partner
Membership No: 100564

Mumbai
18 April 2017

For and on behalf of the Board of Directors of
ICICI Prudential Asset Management Company Limited

Sd/-
Chanda Kochhar
Chairperson
DIN No:00043617

Sd/-
Ved Prakash Chaturvedi
Director
DIN No:00030839

Sd/-
Nimesh Shah
Managing Director
DIN No:01709631

Sd/-
B. Ramakrishna
Chief Financial Officer

Sd/-
Rakesh Shetty
Company Secretary

Mumbai
18 April 2017

ICICI Prudential Asset Management Company Limited

Notes to the financial statements

for the year ended 31 March 2017

(Currency: Indian rupees million)

1 Background

ICICI Prudential Asset Management Company Limited ('the Company') was incorporated on June 22, 1993.

The principal shareholders of the Company are ICICI Bank Limited (51%) ('the Holding Company') and Prudential Corporation Holdings Limited (49%).

The Company has received an approval from Securities and Exchange Board of India (SEBI) for acting as the investment manager to ICICI Prudential Mutual Fund (the Fund). The Company is registered under SEBI (Portfolio Managers) Regulations, 1993 for providing portfolio management services. The Company is also providing investment management services to ICICI Prudential Venture Capital Fund and alternative investment funds launched under SEBI (Alternative Investment Funds) Regulations, 2012. Further, the Company provides advisory services to clients and provides various administrative services to the funds managed by it and ICICI Prudential Trust Limited.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements

2.1 Basis of preparation

These financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 and other accounting principles generally accepted in India, to the extent applicable. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2 Significant accounting policies *(Continued)*

2.3 Current – non current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within 12 months after the reporting date; or

(d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2 Significant accounting policies *(Continued)*

2.4 Fixed assets and depreciation

Fixed assets are stated at cost of acquisition less accumulated depreciation / amortisation. Cost includes all expenses incidental to the acquisition of the fixed assets and any attributable cost of bringing the asset to its working condition for its intended use. Depreciation is charged over the estimated useful life of a fixed asset on a straight line basis.

Further, as disclosed in table below, the estimated useful life of fixed assets of the Company is different from useful life prescribed in Schedule II of the Companies Act, 2013. Based on the nature of fixed assets used by the Company and past experience of its usage, the Company considers that the useful life for respective assets to be appropriate.

Nature of Fixed Assets	Management Estimate of Useful Life in years	Useful life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years
Furniture & fixture	6	10
Computer – Servers & Networks	3	6
Office Equipment	3 -10	5
Vehicles	5	8

Leasehold improvements are amortised over the period of the lease on straight-line basis or useful life of the asset which ever is lower.

Intangible assets comprising software purchased or developed and licensing costs are depreciated on straight line basis over the useful life of the software up to a maximum of three years commencing from the month in which such software is first utilised.

Assets individually costing Rupees Five Thousand or less are fully depreciated in the year of purchase or acquisition.

The Company provides pro-rata depreciation from the day the asset is ready to use and for any asset sold, till the date of sale.

2 Significant accounting policies *(Continued)*

2.5 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or of the cash generating unit to which the asset belongs to or the cash generating unit. If such estimated recoverable amount of the asset or of the cash generating unit is less than the carrying amount, the carrying amount is reduced to its estimated recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Investments

Investments are classified as long term or current based on intention of the management at the time of purchase.

Long term investments are carried at carrying cost less diminution in value other than temporary in nature, determined separately for each individual investment.

Current investments are valued at the lower of cost or net realisable value. The comparison of cost and net realisable value is done separately in respect of each individual investment.

Purchase and sale of investments are recorded on trade date. The gains or losses on sale of investments are recognised in the statement of profit and loss on the trade date. Profit or loss on sale of investments is determined on the basis of First In First Out ('FIFO') basis.

2.7 Revenue recognition

Revenue is recognised when there is reasonable certainty of its ultimate realisation / collection.

Management fees

Management fees from mutual fund schemes are recognised on an accrual basis in accordance with the investment management agreement and SEBI (Mutual Fund) Regulations, 1996.

Other Management fees

Fund management and portfolio management fees (net of service tax) are recognised on an accrual basis in accordance with the respective terms of contract with counter parties. Set up fees received by the company for venture capital fund and alternate investment fund is amortised over the period of 4 and 5 years of the fund respectively.

Advisory fees

Advisory fees are recognised on an accrual basis in accordance with the respective terms of contract with counter parties.

Other income

Interest income is accounted on an accrual basis.

Dividend income is recognised when the right to receive dividend is established.

2 Significant accounting policies *(Continued)*

2.8 Transactions in foreign currency

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Exchange differences, if any, arising out of foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date at the closing exchange rates on that date and the resultant exchange differences, if any, are recognised in the statement of profit and loss.

2.9 Retirement benefits

Provident fund

The Company's contribution to the Statutory Provident Fund, a defined contribution scheme, made at 12% of the basic salary of each employee is charged to the statement of profit and loss as incurred.

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and that benefit is discounted to determine its present value and the fair value of plan assets, if any, is deducted from such determined present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

Superannuation

The Company contributes to an approved superannuation fund which is a defined contribution plan for all its eligible employees who have opted for the scheme. The Company's contribution to the Superannuation fund with the Life Insurance Corporation of India (LIC) is charged to the statement of profit and loss as incurred.

Leave encashment

The Company provides for leave encashment liability based on actuarial valuation as at the balance sheet date, carried out by an independent actuary.

2 Significant accounting policies *(Continued)*

2.10 New Fund Offer ('NFO') expenses

Expenses relating to NFO for no load schemes of the Fund are charged to statement of profit and loss of the Company in the year in which these expenses are incurred.

2.11 Borrowing cost

All borrowing cost are expensed in the period when they occur. Borrowing cost consists of interest and other cost that an entity incurs in connection with the borrowing of the funds.

2.12 Fund expenses

Expenses incurred (inclusive of advertisement and brokerage expenses) on behalf of schemes of the Fund are recognised in the statement of profit and loss of the Company unless considered recoverable from the schemes of the Fund in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

2.13 Brokerage and incentives

Brokerage and incentive payments are charged to statement of profit and loss as and when incurred.

2.14 Long term incentive plan ('LTIP')

For LTIP 2014, LTIP 2015 and LTIP 2016 launched in the year ended 31 March 2014, 31 March 2015 and 31 March 2016 respectively, the grant value will be paid in three annual tranches. The provision is assessed on a yearly basis based on actuarial valuation.

The Company has launched LTIP 2017 for which the grant value will be paid in three annual tranches. The year end provision is measured at the present value of estimated future cash flows and the same will be assessed on a yearly basis based on actuarial valuation.

2.15 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating leases. Operating lease rentals are recognised as an expense in the statement of profit and loss on straight line basis over the lease term.

2.16 Tax

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

2 Significant accounting policies (Continued)

Current tax

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income-tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realised.

2.17 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

2.18 Provisions, contingent liabilities and contingent assets

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognised when the Company recognises that it has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements

Notes to financial statements *(Continued)*

for the year ended 31 March 2017

(Currency: Indian rupees million)

3 Share capital	2017	2016
Authorised share capital		
25,000,000 (previous year: 25,000,000) equity shares of Rs. 10 each	**250.0**	250.0
Issued, subscribed and paid-up capital		
17,652,090 (previous year: 17,652,090) equity shares of Rs. 10 each, fully paid up	**176.5**	176.5

There is no change in equity shares in the current year.

No shares are issued as bonus or for consideration other than cash, in the preceding five years.

Rights attached to the equity shares

The Company has a single class of equity shares having a par value of Rs. 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.
Failure to pay any amount called up on shares may lead to forfeiture of the shares.
On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of preferential amounts, if any, in proportion to the number of equity shares held.

Shares held by Holding Company:
9,002,573 (previous year: 9,002,573) equity shares of Rs. 10 each are held by ICICI Bank Limited, the Holding Company and its nominees.

Shareholders holding more than 5%:
9,002,573 (previous year: 9,002,573) equity shares of Rs. 10 each are held by ICICI Bank Limited and its nominees.
8,649,517 (previous year: 8,649,517) equity shares of Rs. 10 each are held by Prudential Corporation Holdings Limited.

The Board of Directors had declared interim dividends aggregating to Rs.181 per equity share (previous year: Rs. 60). The total dividend appropriation for the year ended 31 March 2017 amounted to Rs.3,845.4 (previous year: Rs. 1,274.7) including dividend distribution tax of Rs. 650.4 (Previous year: Rs. 215.6).

4 Reserves and surplus	**2017**	2016
Capital redemption reserve	**8.7**	8.7
Securities premium reserve	**33.5**	33.5
General reserve	**1,023.4**	1,023.4
Contingency reserve[1]	**103.0**	103.0
Surplus in the statement of profit and loss		
Profit brought forward	**5,027.4**	3,045.2
Net profit after tax	**4,804.7**	3,256.9
Transfer to general reserve	**-**	-
Interim Dividend	**(3,195.0)**	(1,059.1)
Dividend distribution tax	**(650.5)**	(215.6)
Net surplus in the statement of profit and loss	**5,986.6**	5,027.4
Total reserves and surplus	**7,155.2**	6,196.0

[1] The contingency reserve is a free reserve, created voluntarily by the Company in earlier years, by transferring up to 5% of the profits.

5 Other long term liabilities

	2017	2016
Income received in advance	**42.2**	63.7
	42.2	63.7

6 Long term provision

Non-current portion of employee benefits		
- for bonus	**15.3**	13.3
- for LTIP[1]	**221.3**	188.1
- for leave encashment	**10.3**	5.2
Other non-current provision		
- for lease equalization	**108.5**	74.7
	355.4	281.3

[1] Refer foot note to Note 12

7 Trade Payables

Trade payables[4]	**1,316.9**	775.4
Trade payables to related parties	**34.4**	28.4
	1,351.3	803.8

[4]Refer note 32 for MSMED Disclosure.

8 Other current liabilities

	2017	2016
Income received in advance	**21.4**	62.4
Dividend distribution tax payable	**341.4**	64.7
Other statutory dues	**25.1**	45.8
Accrued expenses	**4.5**	6.1
Others	**3.8**	5.6
	396.2	184.6

9 Short term provision

Current portion of employee benefits towards		
- for bonus	**352.4**	290.0
- for LTIP[1]	**97.6**	79.8
- for leave encashment	**3.2**	2.3
- for gratuity	**32.0**	60.3
Other current provision		
- for lease equalization	**6.7**	7.2
- Provision for tax (net of advance tax)	**4.6**	35.0
	496.5	474.6

[1] Refer foot note to Note 15.

10 Tangible assets **2017**

Description	Leasehold improvements	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block						
As at 1 April,	155.8	45.8	61.0	111.0	302.6	**676.2**
Additions during the year	35.1	5.5	17.2	15.9	51.3	**125.0**
Deletions during the year	(6.3)	(2.4)	(11.6)	(6.0)	(3.5)	**(29.8)**
As at 31 March,	**184.6**	**48.9**	**66.6**	**120.9**	**350.4**	**771.4**
Accumulated depreciation						
As at 1 April,	118.1	39.5	28.8	73.2	237.9	**497.5**
Charge for the year	16.2	3.7	11.9	8.2	36.8	**76.8**
On deletions during the year	(5.9)	(2.3)	(9.5)	(5.0)	(3.2)	**(25.9)**
As at 31 March,	**128.4**	**40.9**	**31.2**	**76.4**	**271.5**	**548.4**
Net block						
As at 31 March,	**56.2**	**8.0**	**35.4**	**44.5**	**78.9**	**223.0**

10 Tangible assets (*Continued)* **2016**

Description	Leasehold improvements	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block						
As at 1 April,	175.0	50.3	54.3	108.8	252.1	**640.5**
Additions during the year	15.7	4.0	16.3	8.5	50.7	**95.2**
Deletions during the year	(34.9)	(8.5)	(9.6)	(6.3)	(0.2)	**(59.5)**
As at 31 March,	**155.8**	**45.8**	**61.0**	**111.0**	**302.6**	**676.2**
Accumulated depreciation						
As at 1 April,	138.1	44.2	26.2	69.3	206.4	**484.2**
Charge for the year	14.9	3.3	10.8	8.7	31.7	**69.4**
On deletions during the year	(34.9)	(8.0)	(8.2)	(4.8)	(0.2)	**(56.1)**
As at 31 March,	**118.1**	**39.5**	**28.8**	**73.2**	**237.9**	**497.5**
Net block						
As at 31 March,	**37.7**	**6.3**	**32.2**	**37.8**	**64.7**	**178.7**

11 Intangible assets	**2017**	2016
Software		
Gross block		
As at 1 April,	**183.3**	155.2
Additions during the year	**25.1**	28.1
Deletions during the year	**-**	-
As at 31 March,	**208.4**	183.3
Accumulated amortisation		
As at 1 April,	**149.7**	118.9
Charge for the year	**28.4**	30.8
On deletions during the year	**-**	-
As at 31 March,	**178.1**	149.7
Net block		
As at 31 March,	**30.3**	33.6

	2017	2016
12 Non-current investments		
Trade Investments		
Unquoted (at cost)		
38,387,844 Units (Previous Year 50,000,000 Units) Investments in ICICI Prudential Venture Capital Fund	**383.9**	500.0
Investment in schemes of Portfolio Management Services	**55.2**	39.3
3,400,000 units (Previous year 3,400,000 units) investment in Alternate Investment Fund – I of face value Rs. 100 each, Paid up value Rs. 93 each (Previous year paid up value Rs. 65 each)	**316.2**	221.0
375,000 units (Previous year 375,000 units) investment in Alternate Investment Fund – II of face value Rs. 100 each fully Paid up	**37.5**	37.5
50,000 Units (Previous Year 50,000 Units) Share Capital in MF Utility India Pvt Ltd	**0.5**	0.5
Non – Trade Investments		
Quoted (at cost)		
Mutual fund units of face value of Rs.10 each:		
130,584 Units (Previous year 139,584 Units) of ICICI Prudential Interval Fund Plan I- Direct Monthly Growth	**1.5**	1.6
418,851 Units (Previous year 418,851 Units) of ICICI Prudential Interval Fund Series VI Annual Plan D Direct Cumulative	**5.0**	5.0
416,951 Units (Previous year 416,951 Units) of ICICI Prudential Interval Fund Series VI Annual Plan C Direct Plan Cumulative	**5.0**	5.0
110,000 Units (Previous year 225,334 Units) of ICICI Prudential Interval Fund Series V Monthly Plan A Direct Plan Growth	**1.3**	2.6
334,414 Units (Previous year 334,414 Units) of ICICI Prudential Interval Fund Series I Quarterly Plan I Direct Plan Growth	**5.0**	5.0
247,000 Units (Previous year 436,353 Units) of ICICI Prudential Interval Fund II Quarterly Plan C Direct Plan Growth	**2.8**	5.0
Nil Units (Previous year 258,113 Units) of ICICI Prudential Interval Fund Series VI Annual Plan A- Direct Plan Growth	**-**	3.1
415,686 Units (Previous year 415,686 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan B Direct Plan Growth	**5.0**	5.0
455,377 Units (Previous year 455,377 Units) of ICICI Prudential Interval Fund Series VII Annual Interval C Direct Plan Cumulative	**5.0**	5.0
200,404 Units (Previous year 200,404 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan F Direct Plan Growth	**3.0**	3.0
434,511 Units (Previous year 434,511 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan A Direct Plan Growth	**5.0**	5.0
337,617 Units (Previous year 337,617 Units) of ICICI Prudential Interval Fund Series III Quarterly Direct Plan Growth	**5.0**	5.0
300,000 Units (Previous year 300,000 Units) of ICICI Prudential Fixed Maturity Plan Series 74 -9 Years Plan U Direct Plan Cumulative	**3.0**	3.0

	2017	2016

12 Non-current investments *(Continued)*

Non – Trade Investments		
350,586 Units (Previous year 350,586 Units) of ICICI Prudential Interval Annual Plan -I Direct Plan Growth	**5.0**	5.0
55,523 Units (Previous year 55,523 Units) of ICICI Prudential Interval Annual Plan -II Direct Plan Growth	**1.0**	1.0
177,082 Units (Previous year 177,082 Units) of ICICI Prudential Interval Annual Plan -III Direct Plan Growth	**2.5**	2.5
303,418 Units (Previous year 303,418 Units) of ICICI Prudential Interval Annual Plan -IV Direct Plan Growth	**5.0**	5.0
Nil Units (Previous year 30,137 Units) of ICICI Prudential Interval Half Yearly Plan -II Direct Plan Growth	**-**	0.4
339,466 Units (Previous year 339,466 Units) of ICICI Prudential Interval Fund II Quarterly Plan D Direct Plan Growth	**5.0**	5.0
60,501 Units (Previous year 60,501 Units) of ICICI Prudential Interval Fund II Quarterly Direct Plan Growth	**1.0**	1.0
101,517 Units (Previous year 101,517 Units) of ICICI Prudential Interval Fund IV Quarterly Plan B Direct Plan Growth	**1.5**	1.5
3,500,000 Units (Previous year 3,500,000 Units) of ICICI Prudential FMP Series 77 - 1473 Days Plan C Direct Plan Cumulative	**35.0**	35.0
25,000,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 80-1194 Days Plan F Direct Plan Cumulative	**250.0**	-
10,000,000 Units (Previous Year Nil Units), ICICI Prudential FMP Series 79-1120 Days Plan J Direct Plan Cumulative	**100.0**	-
3,700,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 79-1118 Days Plan K Direct Plan Cumulative	**37.0**	-
7,000,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 79-1404 Days Plan T Direct Plan Cumulative	**70.0**	-
5,250,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 79-1104 Days Plan P Direct Plan Cumulative	**52.5**	-
23,000,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 80-1187 Days Plan G Direct Plan Cumulative	**230.0**	-
5,000,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 80-1253 Days Plan J Direct Plan Cumulative	**50.0**	-
1,500,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 80-1225 Days Plan T Direct Plan Cumulative	**15.0**	-
6,500,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 80-1245 Days Plan L Direct Plan Cumulative	**65.0**	-
20,000,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 80-1231 Days Plan P Direct Plan Cumulative	**200.0**	-
19,250,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 80-1227 Days Plan Q Direct Plan Cumulative	**192.5**	-
3,000,000 Units (Previous year Nil Units), ICICI Prudential FMP Series 80-1125 Days Plan S Direct Plan Cumulative	**30.0**	-

12 Non-current investments *(Continued)*

	2017	2016
50,000 Units (Previous Year 50,000 Units) of ICICI Prudential Nifty 100 iwin ETF	**4.3**	4.3
50,000 Units (Previous Year 50,000 Units) of ICICI Prudential Nifty iwin ETF	**4.2**	4.2
10,000 Units (Previous Year 10,000 Units) of ICICI Prudential Sensex iwin Exchange Traded Fund	**2.7**	2.7
40,380 Units (Previous Year Nil Unist) of ICICI Prudential Fund NV20 iwin ETF	**1.5**	-
39,541 Units (Previous Year Nil Units) of ICICI Prudential Fund MIDCAP Select iwin ETF	**2.0**	-
20,000 Units (Previous Year 2,000 Units) of ICICI Prudential Gold iwin Exchange Traded Fund	**5.2**	5.2
Aggregate amount of non - current quoted investments Rs. 1,414.5 (Previous year Rs. 126.1) market value (net asset value) thereof Rs.1,453.2 (Previous year Rs. 136.4)		
Unquoted (at cost)		
Mutual fund units of face value of Rs.10 each:		
620,420 Units (Previous Year 736,677 Units) of ICICI Prudential Balanced Advantage Fund Direct Plan Growth[1]	**12.7**	15.7
5,00,000 Units (Previous Year 5,00,000 Units) of ICICI Prudential Equity Income Fund Direct Plan Growth Cumulative	**5.0**	5.0
Nil Units (Previous Year 245,885 Units) of ICICI Prudential Blended Plan B Direct Plan Growth Option I	**-**	5.0
500,000 Units (Previous Year 750,000 Units) of ICICI Prudential Constant Maturity Gilt Fund –Direct –Growth	**5.0**	7.5
699,641 Units (Previous Year 1,163,862 Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth[1]	**75.5**	103.4
Nil Units (Previous Year 33,241 Units) of ICICI Prudential Long Term Gilt Fund Direct Plan Growth[1]	**-**	1.4
Nil Units (Previous Year 20,487 Units) of ICICI Prudential Dynamic Direct Plan Growth [1]	**-**	3.8
13,674 Units (Previous Year 13,674 Units) of ICICI Prudential Advisor Series - Long Term Savings - Direct Plan - Growth	**0.7**	0.7
4,018 Units (Previous Year 4,018 Units) of ICICI Prudential Advisor Series -Dynamic Accrual Plan - Direct Plan - Growth	**0.1**	0.1
195,168 Units (Previous Year 195,168 Units) of ICICI Prudential Balanced Advantage Fund - Direct Plan - Growth	**5.0**	5.0
54,599 Units (Previous Year 54,599 Units) of ICICI Prudential Balanced Fund - Direct Plan – Growth	**5.0**	5.0

12 Non-current investments *(Continued)*

	2017	2016
136,208 Units (Previous Year 136,208 Units) of ICICI Prudential Banking and Financial Services Fund - Direct Plan - Growth	**5.0**	5.0
641,807 Units (Previous Year 318,860 Units) of ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth	**10.8**	5.0
Nil Units (Previous Year 231,131 Units) of ICICI Prudential Blended Plan A - Direct Plan - Growth	**-**	5.0
9,701 Units (Previous Year 9,701 Units) of ICICI Prudential Cautious - Direct Plan - Growth	**0.3**	0.3
49,482 Units (Previous Year 49,482 Units) of ICICI Prudential Child Care Plan Gift - Direct Plan	**5.0**	5.0
73,162 Units (Previous Year 73,162 Units) of ICICI Prudential Child Care Plan Study - Direct Plan	**4.0**	4.0
227,818 Units (Previous Year 227,818 Units) of ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	**5.0**	5.0
500,000 Units (Previous Year 500,000 Units) of ICICI Prudential Dividend Yield Equity Fund Direct Plan Growth	**5.0**	5.0
26,490 Units (Previous Year 26,490 Units) of ICICI Prudential Dynamic - Direct Plan - Growth	**5.0**	5.0
314,626 Units (Previous Year 314,626 Units) of ICICI Prudential Dynamic Bond Fund - Direct Plan - Growth	**5.0**	5.0
512,920 Units (Previous Year 256,867 Units) of ICICI Prudential Equity Arbitrage Fund - Direct Plan - Growth	**10.3**	5.0
115,212 Units (Previous Year 115,212 Units) of ICICI Prudential Exports and Other Services Fund - Direct Plan – Growth	**5.0**	5.0
31,836 Units (Previous Year 31,836 Units) of ICICI Prudential FMCG Fund - Direct Plan - Growth	**5.0**	5.0
171,123 Units (Previous Year 171,123 Units) of ICICI Prudential Focused Bluechip Equity Fund - Direct Plan - Growth	**5.0**	5.0
180,487 Units (Previous Year 180,487 Units) of ICICI Prudential Gilt Fund Investment Plan PF Option Growth - Direct Plan	**5.0**	5.0
258,902 Units (Previous Year 258,902 Units) of ICICI Prudential Gilt Fund Treasury Plan PF Option Growth- Direct Plan	**5.0**	5.0
411,201 Units (Previous Year 411,201 Units) of ICICI Prudential Global Stable Equity Fund Direct Plan Growth	**5.0**	5.0
111,388 Units (Previous Year 111,388 Units) of ICICI Prudential Income - Direct Plan - Growth	**5.0**	5.0
254,804 Units (Previous Year 254,804 Units) of ICICI Prudential Income Opportunities Fund - Direct Plan - Growth	**5.0**	5.0
234,201 Units (Previous Year 234,201 Units) of ICICI Prudential Indo Asia Equity Fund - Direct Plan - Growth	**5.0**	5.0
119,422 Units (Previous Year 119,422 Units) of ICICI Prudential Infrastructure Fund - Direct Plan - Growth	**5.0**	5.0
295,698 Units (Previous Year 295,698 Units) of ICICI Prudential Long Term - Direct Plan - Growth	**5.0**	5.0

	2017	2016

12 Non-current investments *(Continued)*

18,601 Units (Previous Year 18,601 Units) of ICICI Prudential Long Term Equity Fund (Tax Saving) - Direct Plan - Growth	**5.0**	5.0
104,117 Units (Previous Year 17,167,275 Units) of ICICI Prudential Long Term Gilt Fund - Direct Plan - Growth	**5.0**	854.7
71,987 Units (Previous Year 71,987 Units) of ICICI Prudential Midcap Fund - Direct Plan - Growth	**5.0**	5.0
161,727 Units (Previous Year 161,727 Units) of ICICI Prudential MIP - 25 - Direct Plan - Growth	**5.0**	5.0
128,207 Units (Previous Year 128,207 Units) of ICICI Prudential MIP - Direct Plan - Growth	**5.0**	5.0
12,988 Units (Previous Year 12,988 Units) of ICICI Prudential Moderate - Direct Plan - Growth	**0.5**	0.5
63,226 Units (Previous Year 63,226 Units) of ICICI Prudential Nifty Index Plan - Direct Plan Growth	**5.0**	5.0
59,035 Units (Previous Year 59,035 Units) of ICICI Prudential Nifty Next 50 Index Fund - Direct Plan - Growth	**1.0**	1.0
517,860 Units (Previous Year 517,860 Units) of ICICI Prudential Regular Gold Savings Fund - Direct Plan - Growth	**5.0**	5.0
133,865 Units (Previous Year 133,865 Units) of ICICI Prudential Regular Income Fund - Direct Plan - Growth	**1.9**	1.9
332,065 Units (Previous Year 332,065 Units) of ICICI Prudential Regular Savings Fund - Direct Plan - Growth	**5.0**	5.0
215,526 Units (Previous Year 215,526 Units) of ICICI Prudential Select Large Cap fund - Direct Plan – Growth	**5.0**	5.0
171,624 Units (Previous Year 171,624 Units) of ICICI Prudential Short Term - Direct Plan - Growth Option	**5.0**	5.0
141,776 Units (Previous Year 141,776 Units) of ICICI Prudential Short Term Gilt Fund - Direct Plan – Growth	**5.0**	5.0
129,137 Units (Previous Year 129,137 Units) of ICICI Prudential Technology Fund - Direct Plan - Growth	**5.0**	5.0
20,890 Units (Previous Year 20,890 Units) of ICICI Prudential Top 100 Fund - Direct Plan – Growth	**5.0**	5.0
347,289 Units (Previous Year 347,289 Units) of ICICI Prudential Ultra Short Term - Direct Plan - Growth	**5.0**	5.0
271,455 Units (Previous Year 271,455 Units) of ICICI Prudential US Bluechip Equity Fund - Direct Plan - Growth	**5.0**	5.0
43,746 Units (Previous Year 43,746 Units) of ICICI Prudential Value Discovery Fund - Direct Plan - Growth	**5.0**	5.0
9,004 Units (Previous Year 9,004 Units) of ICICI Prudential Very Aggressive - Direct Plan – Growth	**0.5**	0.5

	2017	2016
12 Non-current investments *(Continued)*		
1,174,346 Units (Previous Year Nil Units) of ICICI Prudential Select Large Cap Fund-Direct Plan Growth[1]	**26.5**	-
13,947 Units (Previous Year Nil Units) of ICICI Prudential Top 100 Fund - Direct- Growth[1]	**3.3**	-
25,026 Units (Previous Year 25,026 Units) of ICICI Prudential Multicap Fund - Direct Plan - Growth	**5.0**	5.0
Mutual fund units of face value of Rs.100 each:		
25,664 Units (Previous Year 25,664 Units) of ICICI Prudential Money Market Fund-Direct plan Growth	**5.0**	5.0
18,847 Units (Previous Year 18,847 Units) of ICICI Prudential Flexible Income - Direct Plan - Growth	**5.0**	5.0
23,977 Units (Previous Year 23,977 Units) of ICICI Prudential Liquid - Direct Plan - Growth	**5.0**	5.0
23,641 Units (Previous Year 23,641 Units) of ICICI Prudential Savings Fund - Direct Plan - Growth	**5.0**	5.0
Aggregate provision for diminution in value of non – current investments	**(14.9)**	-
Total non-current investments	**2,551.0**	**2,139.9**
Aggregate amount of non - current unquoted investments Rs. 1,136.6 (Previous year Rs. 2,013.8)		

[1]In accordance with Long Term Incentive Plan ('LTIP') 2014, 2015 and 2016, investments are identified and separated to meet LTIP liabilities in future. As any gain or loss on these investments belongs to employees, it is valued at cost.

13 Deferred tax

	2017	2016

The Company has net deferred tax asset of Rs. 163.5 (Previous year Rs.132.3). The composition of deferred tax asset is as follows:

Deferred tax asset on account of timing difference due to:		
- difference in WDV of tangible assets and intangible asset	**42.3**	42.4
- provision for employee benefit expenses	**115.6**	97.3
- provision for lease equalization	**39.8**	28.3
- provision for doubtful amounts	**12.8**	-
Deferred tax liability on account of timing difference due to:		
-Unamortised Income/ Expenses (net)	**(47.0)**	(35.7)
Net deferred tax asset	**163.5**	132.3

14 Long term loans and advances

Non Current loans and advances (unsecured considered good)		
Capital advance	**2.6**	1.5
Security deposits	**214.0**	158.3
Advance tax (net of provision for tax)	**168.5**	177.4
Staff loans	**0.7**	1.1
Statutory dues recoverable	**2.5**	3.2
Prepaid expenses	**402.9**	442.3
Advances recoverable in cash or in kind or for value to be received	**192.9**	923.9
	984.1	1,707.7

15 Current investments

	2017	2016
Trade Investments		
Unquoted (at cost)		
Investment in schemes of Portfolio Management Services	**-**	19.7
Non – Trade Investments		
Quoted (at cost)		
Mutual fund units of face value of Rs.10 each:		
Nil Units (Previous year 410,000 Units) of ICICI Prudential Fixed Maturity Plan Series 70 – 745 Days Plan P Direct Plan Cumulative	**-**	4.1
250,000 Units (Previous year 250,000 Units) of ICICI Prudential Fixed Maturity Plan Series 72 - 785 Days Plan O Direct Plan Cumulative	**2.5**	2.5
Nil Units (Previous year 60,000 Units) of ICICI Prudential FMP Series 67 - 3 Years Plan F Direct Plan Cumulative	**-**	0.6
Nil Units (Previous year 5,200,000Units) of ICICI Prudential FMP Series 78 - 188 Days Plan L Direct Plan Cumulative	**-**	52.0
3,184 Units (Previous Year Nil Units) of ICICI Prudential Fund Nifty iwin ETF	**0.3**	-
Aggregate amount of current quoted investments Rs. 2.8 (Previous year 59.2) market value (net asset value) thereof Rs. 3.6 (Previous year 61.4)		
Unquoted (at cost)		
Mutual fund units of face value of Rs. 10/- each		
167,638 Units (Previous year Nil Units) of ICICI Prudential Balanced Advantage fund Direct plan[1]	**4.4**	-
Nil Units (Previous year 1,519,500 Units) of ICICI Prudential Dividend Yield Equity Fund Direct Plan Growth[1]	**-**	15.2
Nil Units (Previous year 88,133 Units) of ICICI Prudential Dynamic Bond Fund Direct Plan Growth[1]	**-**	1.2
63,961 Units (Previous Year Nil Units) of ICICI Prudential Focused Bluechip Equity -Direct Growth[1]	**1.9**	-
54,308 Units (Previous Year Nil Units) of ICICI Prudential Top 100 Fund - Direct- Growth[1]	**12.7**	-
37,021 Units (Previous year 97,208 Units) of ICICI Prudential Long Term Gilt Fund Direct Plan –Growth Option[1]	**1.5**	4.0
572,128 Units (Previous year 152,596 Units) of ICICI Prudential Equity Arbitrage Fund - Direct Plan - Growth Option[1]	**12.0**	3.0
21,187 Units (Previous year 122,208 Units) of ICICI Prudential Dynamic - Direct Plan – Growth Option[1]	**4.0**	22.9
754,495 Units (Previous year 599,643 Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth[1]	**61.2**	33.5

15 Current investments *(Continued)*	**2017**	2016
338.1 Units (Previous Year Nil Units) of ICICI Prudential Savings Fund – Direct Plan Growth	**0.1**	-
40,565,741 Units (Previous Year Nil Units) of ICICI Prudential Dynamic Bond Fund Plan -Direct Growth	**740.0**	-
9,042,456 Units (Previous Year Nil Units) of ICICI Prudential Gilt Invest PF Plan - Direct Growth	**279.7**	-
48,991,832 Units (Previous Year Nil Units) of ICICI Prudential Long Term Plan- Direct Growth	**991.8**	-
51,405,655 Units (Previous Year Nil Units) of ICICI Prudential Banking & PSU Debt Direct Growth	**962.0**	-
250,000 Units (Previous Year Nil Units) of ICICI Prudential Constant Maturity Gilt Fund –Direct –Growth	**2.5**	-
16,042,769 Units (Previous Year Nil Units) of ICICI Prudential Long Term Gilt Fund - Direct Plan - Growth	**859.0**	-
Mutual fund units of face value of Rs. 100/- each		
Nil Units (Previous Year 5,796,574 Units) of ICICI Prudential Liquid - Direct Plan – Growth	-	1,298.0
Nil Units (Previous Year 336,165 Units) of ICICI Prudential Money Market Fund Option - Direct Plan - Growth	-	67.2
Total current investments	**3,935.6**	1,523.9
Aggregate amount of current unquoted investments Rs. 3,932.8 (Previous year Rs. 1,464.7)		

[1]In accordance with Long Term Incentive Plan ('LTIP') 2014, 2015 and 2016, investments are identified and separated to meet LTIP liabilities in future. As any gain or loss on these investments belongs to employees, it is valued at cost.

16 Trade receivables

Unsecured and considered good		
- Less than six months	**708.7**	603.0
- More than six months	**19.9**	4.7
	728.6	607.7

17 Cash & bank balances

	2017	2016
Cash and cash equivalents		
Balance with banks		
- in Current Accounts	**19.2**	83.1
- in PMS Accounts	**0.8**	2.4
	20.0	85.5

18 Short term loans and advances (Unsecured considered good)

Current portion of long term loans and advances		
- Advances recoverable in cash or in kind or for value to be received	**777.4**	1,248.3
- Advance to related parties	**0.8**	1.1
- Staff loans	**1.7**	1.8
- Prepaid expenses	**497.2**	439.9
	1,277.1	1,691.1

19 Other current assets

Unsecured and considered good		
- Interest accrued on investments	**32.3**	47.4
(Net of impairment Rs. 16.4, Previous year: Rs. Nil)		
- Dividend on investments	**2.9**	5.6
(Net of impairment Rs. 5.6, Previous year: Rs. Nil)		
	35.2	53.0

20 Revenue from operations

	2017	2016
Management fees from:		
- Mutual fund operations	**11,735.3**	8,899.6
- PMS operations	**953.5**	722.3
- Advisory services and others	**319.8**	272.6
	13,008.6	9,894.5

21 Other income

Interest		
- Non-current investments	**102.6**	95.0
- Current investment	**-**	4.4
Dividend from:		
- Non-current investments	**3.4**	7.9
- Current investments	**0.0**	0.0
Net gain / loss on sale of investment :		
- Non-current investments (net)	**33.7**	31.9
- Current investments (net)	**323.7**	58.1
Net gain on account of foreign exchange fluctuation	**-**	6.6
Others	**25.3**	25.2
	488.7	229.1

22 Employee benefit expenses

Salaries, bonus and allowances	**1,596.8**	1,339.3
Contribution to provident and other funds	**82.4**	74.5
Staff welfare expenses	**74.0**	68.4
Total	**1,753.2**	1,482.2

23 Finance cost

	2017	2016
Interest expenses	-	65.9
Total	-	65.9

24 Other expenses

Fund expenses	**1,603.4**	1,815.5
Brokerage and incentives	**1,243.4**	640.2
Rent	**273.0**	204.1
Communication expenses	**89.9**	74.4
Travelling and conveyance	**96.7**	87.0
Fund accounting expenses (PMS)	**22.3**	17.8
Fund expenses (PMS)	**0.0**	0.5
Legal and professional fees	**114.4**	88.2
SEBI fees	**10.0**	10.0
Information technology	**81.3**	62.6
Electricity	**41.4**	40.7
Insurance	**47.6**	30.1
Books, periodicals and subscriptions	**44.5**	37.5
Repairs and maintenance		
- Equipment	**10.0**	10.0
- Others	**36.9**	30.2
Marketing, advertisement and publicity	**251.2**	89.2
Printing and stationery	**17.6**	12.3
Training and consultancy	**25.8**	22.8
Loss on sale of fixed assets (net)	**0.5**	0.3
Rates and taxes	**17.2**	20.9
Directors sitting fees	**8.9**	2.4
Housekeeping expenses	**61.7**	47.3
NFO filing fees	**15.0**	21.7
Corporate Social Responsibility expenditure[2]	**76.9**	54.5
Miscellaneous expenses	**98.7**	52.1
	4,288.3	3,472.3
Payment to auditor:		
- Statutory audit	**2.6**	2.8
- Tax audit	**0.5**	0.5
- Other matters	**0.3**	0.2
- Reimbursement of out of pocket expenses	**0.2**	0.2
	3.6	3.7
Total	**4,291.9**	3,476.0

24 Other expenses *(Continued)*

[2]For CSR activities contribution has been made to ICICI Foundation for Inclusive Growth with primary focus in areas of promoting education, employment enhancing vocational skills, livelihood enhancement projects and eradication of hunger, poverty and malnutrition; promoting preventive healthcare and to Vidal Healthcare Services Pvt ltd for setting-up and conducting Health-check-up camps PAN India.

25 Operating leases

The Company has entered into non-cancellable leasing arrangement for certain office premises for a period ranging from 3 to 5 years. As per the term of the lease all maintenance charges and municipal levies are borne by the lessee.

The total future minimum lease payments under non-cancellable operating lease for each of the periods is given below:

	2017	2016
Total future minimum lease payments:		
not later than one year	**100.5**	97.7
later than one year and not later five years	**332.7**	400.0
later than five years	**-**	28.9

The total lease payments recognised in the statement of profit and loss amount to Rs. 273.0 (Previous year Rs. 204.1) which include Rs. 33.2 (previous year reversal of Rs. 40.5) provision towards straight lining of lease rentals.

The terms of renewal or purchase option and escalation clauses are those normally prevalent in similar agreements and there are no undue restrictions or onerous clauses in the agreements.

26 Segmental reporting

The Company's operations predominantly relate to providing asset management services. It acts as an investment manager to schemes launched by the Mutual Fund and provides advisory services to other funds. It also provides Portfolio Management Services to corporate, high net worth individuals and ICICI Prudential Venture Capital Fund & acts as a investment manager to Alternative Investment Funds. Accordingly, the asset management business is split into Fund Management & Advisory and Portfolio Management Services as primary reporting segments.

Secondary segment reporting does not require separate disclosure as all activities of the Company are within India.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure of individual segments.

26. Segmental reporting (Continued)

Income and direct expenses in relation to segments are categorized based on items that can be individually identifiable to that segment. Certain expenses such as depreciation, etc. are not specifically allocable to specific segments as the underlying assets or services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to such items, and accordingly they are separately disclosed as “unallocable expenses” and directly charged against total income.

Current assets, non current assets, current liabilities and non current liabilities to the extent directly identifiable to a segment have been categorized separately; others have been shown as “unallocable” in the total column. Other balance sheet items such as fixed assets and deferred tax asset are similarly not allocated to segments.

Notes to financial statements *(Continued)*

for the year ended 31 March 2017

(Currency: Indian rupees million)

26. Segmental reporting (*Continued*)

Primary segment information

	Fund Management and Advisory		Portfolio Management and others		Total	
	31-Mar-17	31-Mar-16	**31-Mar-17**	31-Mar-16	**31-Mar-17**	31-Mar-16
Segment revenue						
Management fees	**12,055.1**	9,172.2	**953.5**	722.3	**13,008.6**	9,894.5
Inter segment revenue	**-**	-	**-**	-	**-**	-
Total segment revenue	**12,055.1**	9,172.2	**953.5**	722.3	**13,008.6**	9,894.5
Identifiable operating expenses	**(3,902.8)**	(3,638.4)	**(1,129.3)**	(709.7)	**(5,032.1)**	(4,348.1)
Segmental operating income	**8,152.3**	5,533.8	**(175.8)**	12.6	**7,976.5**	5,546.4
Unallocable expense					**(1,118.3)**	(776.1)
Operating income					**6,858.2**	4,770.3
Other income					**488.7**	229.1
Net profit before taxation and prior period items					**7,346.9**	4,999.4
Provision for income tax					**(2,610.9)**	(1,769.4)
Excess provision of earlier years					**1.2**	(9.3)
Deferred tax credit \ (expense)					**67.5**	36.2
Net profit after tax					**4,804.7**	3,256.9
As at **Segment assets and liabilities**	**31-Mar-17**	31-Mar-16	**31-Mar-17**	31-Mar-16	**31-Mar-17**	31-Mar-16
Segment assets	**2,681.0**	3,698.3	**537.6**	575.5	**3,218.6**	4,273.8
Unallocable assets	**-**	-	**-**	-	**6,754.7**	3,906.7
Total assets					**9,973.3**	8,180.5
Segment liabilities	**1,373.0**	1,142.6	**544.0**	402.2	**1,917.0**	1,544.8
Unallocable liabilities					**724.6**	263.2
Total liabilities					**2,641.6**	1,808.0

27 Related party disclosures

- Related parties where control exists

  ICICI Bank Limited – Holding Company.

- Other related parties with whom transactions have taken place in ordinary course of business during the year

  Prudential Corporation Holdings Limited – Holds significant influence in the Company.
  ICICI Lombard General Insurance Company Limited – Fellow subsidiary
  ICICI Prudential Life Insurance Company Limited – Fellow subsidiary
  ICICI Securities Limited – Fellow subsidiary
  ICICI Foundation for Inclusive Growth –Fellow entity
  ICICI International Ltd Mauritius – Fellow subsidiary

Key management personnel:

Nimesh Shah – Managing Director
Sankaran Naren – Executive Director (w.e.f. 22 April 2016)

Notes to financial statements *(Continued)*

for the year ended 31 March 2017

(Currency: Indian rupees million)

27. Related party disclosures *(Continued)*

Nature of Transaction	ICICI Bank Limited Holding Company	Prudential Corporation Holdings Limited Significant Influence	ICICI Securities Limited Fellow Subsidiary	ICICI Lombard General Insurance Company Limited Fellow Subsidiary	ICICI Prudential Life Insurance Company Limited Fellow Subsidiary	ICICI Foundation for Inclusive Growth Fellow entity	ICICI International Ltd Mauritius Fellow entity	KMP
Dividend paid / provided	**1629.5**	**1565.5**	**-**	**-**	**-**	**-**	**-**	**-**
Previous year	540.2	519.0	-	-	-	-	-	-
Common Cost, Brokerage & Marketing expenses	**166.0**[3]	**-**	**71.8**[3]	**-**	**-**	-	**-**	**-**
Previous year	51.7[3]	-	6.2[3]	-	-	-	-	-
Insurance premium	**-**	**-**	**-**	**40.3**	**7.5**	-	**-**	**-**
Previous year	-	-	-	25.4	4.0	-	-	-
Corporate social responsibility	-	-	-	-	-	**75.2**	-	-
Previous year	-	-	-	-	-	50.9	-	-
Finance cost	**-**	**-**	**-**	**-**	**-**	-	-	-
Previous year	65.9	-	-	-	-	-	-	-
Remuneration Paid	**-**	**-**	**-**	**-**	**-**	-	-	**107.5**[4]
Previous year	-	-	-	-	-	-	-	55.5
Management Fees Earned	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Previous year	-	-	-	-	-	-	-	-
Other expenses incurred & reimbursed by Company (including custody fees)	**10.6**	**-**	**-**	**-**	**-**	-	**4.9**	**-**
Previous year	13.1	-	-	-	-	-	-	-
Purchase of fixed asset	**0.1**	**-**	**-**	**-**	**-**	-	-	**-**
Previous year	0.1	-	-	-	-	-	-	-
Balance Outstanding:								
Receivable / Advance (Payable)*	**(22.6)**	**-**	**(11.4)**	**0.2**	**0.6**	-	**(0.4)**	**-**
Previous year	(23.7)	-	(4.7)	0.3	0.8	-	-	-
Cash and bank balance	**19.1**	**-**	**-**	**-**	**-**	-	-	**-**
Previous year	84.5	-	-	-	-	-	-	-

Note:[3] The amounts disclosed are net of service tax.

Note:[4] Remuneration includes Nimesh Shah Rs. 61.5 (Previous Year: Rs. 55.5) and Sankaran Naren: Rs. 46.0 (Previous Year: Rs. Nil).

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28 Earnings per share ('EPS')

Basic and diluted EPS is computed in accordance with Accounting Standard 20 on 'Earnings Per Share'. The computation of earnings per share is given below:

	2017	2016
Net profit after tax	**4,804.7**	3,256.9
Weighted average number of equity shares outstanding during the year (in units)	**17,652,090**	17,652,090
Basic and diluted EPS of face value Rs. 10 each (in Rs.)	**272.19**	184.51

29 Provision for gratuity

The following disclosures have been set out in accordance with the requirement of Accounting Standard 15 on 'Employee Benefits'.

A) Amount recognised in balance sheet

	2017	2016
Present value of funded obligations	**174.0**	140.0
Fair value of plan assets	**(142.0)**	(79.7)
Net liability	**32.0**	60.3
Amounts in the Balance Sheet		
Net liability	**32.0**	60.3

B) Expense recognised in the statement of profit and loss

	2017	2016
Current service cost	**18.8**	14.8
Interest on defined benefit obligation	**10.9**	8.9
Expected return on plan assets	**(6.5)**	(6.5)
Net actuarial losses / (gains) recognised in year	**9.5**	14.4
Total, included in "Employee Benefit Expenses"	**32.7**	31.8
Actual return on plan assets	**9.1**	7.7

29 Provision for gratuity *(Continued)*

C) Reconciliation of opening and closing balances of PV of defined benefit obligation and fair value of plan assets for the year ended 31 March

	2017	2016
Change in defined benefit obligation		
Opening defined benefit obligation as at 1 April	**140.0**	109.7
current service cost	**18.8**	14.8
Interest cost	**10.9**	8.9
Actuarial losses / (gains)	**12.1**	15.7
Liabilities Assumed on Acquisition /(Settled on Divestiture)	**(0.8)**	0.2
Benefits paid	**(7.0)**	(9.4)
Closing defined benefit obligation as at 31 March	**174.0**	140.0
Change in the fair value of plan assets		
Opening fair value of plan assets as at 1 April	**79.7**	79.0
Expected return on plan assets	**6.5**	6.5
Actuarial gain/(losses)	**2.6**	1.2
Contributions by employer	**60.95**	2.3
Assets Acquired on Acquisition / (Distributed on Divestiture)	**(0.8)**	0.2
Benefits paid	**(7.0)**	(9.4)
Closing fair value of plan assets as at 31 March	**142.0**	79.7

D) Asset information

Category of assets	**2017**	2016
Insurer managed funds	**100%**	100%

The approximate full value of the assets as at 31 March as advised by the insurer is as follows:

Category of assets	**2017**	2016
Insurer managed funds	**142.0**	79.7

29 Provision for gratuity *(Continued)*

E) Summary of actuarial assumptions

Financial assumptions at the valuation date:

	2017	2016
Discount rate (per annum)	**6.85%**	7.50%
Expected rate of return on assets (per annum)	**8.00%**	8.50%
Salary escalation rate (per annum)	**8.58%**	8.98%

a) Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities as at valuation date for the estimated term of the obligations.

b) Expected rate of return on plan assets:

This is based on our expectation of the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

c) Salary escalation rate:

The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

Demographic assumptions at the valuation date:

d) Retirement age:

The employees of the company are assumed to retire at the age of 58 years.

e) Mortality:

Published rates under the Indian Assured Lives Mortality (2006-08).

f) Leaving service:

We have assumed 19% per annum (previous year 21% per annum) withdrawal rate at all ages in this valuation.

29 Provision for gratuity *(Continued)*

g) Disability:

Leaving service due to disability is included in the provision made for all causes of leaving service (paragraph (f) above).

F) Experience adjustments

	2017	2016	2015	2014	2013
Defined benefit obligation	**174.0**	140.0	109.8	76.7	60.4
Plan assets	**142.0**	79.7	79.0	5.3	6.5
Surplus / (Deficit)	**(32.0)**	(60.3)	(30.8)	(71.4)	(53.9)
Exp. Adj. on plan liabilities	**7.7**	8.0	10.9	11.4	3.6
Exp. Adj. on plan assets	**2.6**	1.2	3.8	0.1	0.0

30 Capital commitments

As at 31 March 2017, the Company had capital commitments (net of advances) amounting to Rs. 64.9 (Previous year Rs. 53.4) and investment commitment of Rs. 36.3 (previous year Rs. 131.5) pursuant to contribution agreements entered into with ICICI Prudential Real estate AIF for which no provision is required to be made.

31 Contingent liabilities

Contingent liabilities as at 31 March 2017 amounts to ₹ 95.3 (31 March 2016: ₹ 95.3) towards disputed income tax demand and ₹ 8.8 (31 March 2016: ₹ 4.1) towards disputed service tax demand.

32 Trade Payables

Trade payables do not include any amount payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

Principal amount remaining unpaid to any supplier as at the year end	Nil
Interest due thereon	Nil
Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting year	Nil

33 Earnings in foreign currency *(on accrual basis)*

	2017	2016
Fee from advisory services	**319.8**	272.6
Management fees – PMS	**-**	19.7
Total	**319.8**	292.3

34 Expenditure in foreign currency *(on accrual basis)*

	2017	2016
Information technology	**28.2**	21.8
Travelling	**2.5**	1.8
Distribution support expenses	**0.9**	35.0
Consultancy fees	**10.4**	4.2
Employee cost	**21.9**	9.8
Membership & subscription fees	**1.0**	1.2
Total	**64.9**	73.8

35 Unhedged foreign currency exposure

The unhedged foreign currency exposure as on 31 March is given below:

	2017		2016	
	Foreign currency (in millions)	**INR**	Foreign currency (in millions)	INR
Recharges payables				
SGD – IT support	**0.1**	**5.3**	0.1	6.7
AED – Employee Cost	**0.1**	**1.8**	-	-
MUR – Employee Cost	**0.2**	**0.4**	-	-
		7.5		6.7
Advisory fees receivables				
USD	**2.0**	**129.1**	1.2	82.8
SGD	**0.1**	**3.0**	0.0	0.6
AUD	**0.0**	**0.0**	-	-
		132.1		83.4

36 Remittances in foreign currency on account of dividend to non resident Shareholders *(on cash basis)*

	2017	2016
Amount remitted	**1,565.5**	519.0
No. of non resident shareholders	**1**	1
No. of shares held	**8,649,517**	8,649,517
Interim dividend paid in the year	**2016-17**	2015-16

37 Transfer pricing

The Company has developed a system of maintaining of information and documents as required by the transfer pricing legislation under Section 92-92F of the Income-tax Act, 1961. Management is of the opinion that its international and domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

38 Demonetisation

Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below:-

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	Nil	Nil	Nil
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	Nil	Nil

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sd/-
Milind Ranade
Partner
Membership No: 100564

Mumbai
18 April 2017

For and on behalf of the Board of Directors of
ICICI Prudential Asset Management Company Limited

Sd/-
Chanda Kochhar
Chairperson
DIN No:00043617

Sd/-
Ved Prakash Chaturvedi
Director
DIN No:00030839

Sd/-
Nimesh Shah
Managing Director
DIN No:01709631

Sd/-
B. Ramakrishna
Chief Financial Officer

Sd/-
Rakesh Shetty
Company Secretary

Mumbai
18 April 2017