25th Annual report and

Accounts for 2017-18



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*
Dilip Karnik, *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

Price Waterhouse Chartered Accountants LLP
(Registration no. 012754N/N-500016)

SECRETARIAL AUDITORS

BNP & Associates
(Firm Registration. No. P2014MH037400)

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty Fifth 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, 2018 (fiscal 2018).

FINANCIAL RESULTS

A summary of the Company's financial results for fiscal 2018 are as follows:

(₹ in million)

	Fiscal 2017	**Fiscal 2018**
Gross Income	13,497.3	18,965.9
Profit before tax	7,346.9	9,491.1
Provision for taxation	2,542.2	3,235.6
Profit after tax	4,804.7	6,255.5
Profit brought forward from previous year	5,027.4	5,896.6
Profit available for appropriation	9,832.1	12,242.1
Appropriations		
Transfer to General Reserve	-	-
Interim Dividend	3,195.0	4,448.3
Dividend Distribution Tax	650.5	905.6
Leaving balance to be carried forward to the new year	**5,986.6**	**6,888.2**

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, 2017	₹ 45 per share (450% of the face value)	794.3
September 26, 2017	₹ 50 per share (500% of the face value)	882.6
December 23, 2017	₹ 72 per share (720% of the face value)	1,270.8
March 26, 2018	₹ 85 per share (850% of the face value)	1,500.4

OPERATIONS DURING THE YEAR

a. **Average Assets Under Management (AUM):** The average AUM of the Fund for FY2018 was ₹ 3,057 billion.

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

In fiscal 2018, the AMC won the Best Equity Fund House award in the Outlook Money Awards 2017. Also, the AMC was recognized as the Best Fund House (India) and Mr. Nimesh Shah was awarded the Best Asset Management CEO (India), by Global Banking & Finance Review Awards.

The other awards received by the AMC include The Asset Benchmark Research Awards under following categories:

- Top Investment House; and
- Mr. Rahul Goswami, CIO – Fixed Income, was selected as the 'Most Astute Investor' in Asian local currency bonds.

c. **Sales, Operations and Consumer Service:** Your Company has established a wide network of 187 well-equipped offices for selling its products and rendering timely and efficient services to its customers located at various locations across the country.

d. **Personnel:** Your Company continues to place emphasis on attracting and recruiting quality manpower and takes a lot of effort in training and retaining them. The total strength of the Company at March 31, 2018 stood at 1,913 as against 1,476 at March 31, 2017.

UPDATE ON NEW PRODUCTS

During fiscal 2018, ICICI Prudential Mutual Fund launched 38 fixed maturity plans, 3 capital protection oriented schemes, 1 multiple yield funds, 10 close ended equity Schemes (including 1 Close ended ELSS Fund) and 3 open ended equity Schemes.

BHARAT 22 ETF

During FY2018, the Company was appointed by the Department of Investment and Public Asset Management (DIPAM), Ministry of Finance for creation and launch of a new Exchange Traded Fund (ETF) - Bharat 22 ETF. The Company launched BHARAT 22 ETF in November 2017 with an issue size of ₹ 145 billion. BHARAT 22 ETF is an open ended Index Exchange Traded Fund, which invests in constituents forming part of the underlying Index i.e. S&P BSE Bharat 22 Index, in the same proportion.

SCHEME CATEGORISATION

During FY2018, SEBI had issued circulars on Rationalization and Categorization of Mutual Fund Schemes in order to standardize the scheme categories and characteristics under each category. The AMC will be carrying out changes in the Schemes of the Fund in order to comply with the requirements of the SEBI circulars.

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, 2018, the AMC was rendering Portfolio Management services to 5,253 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 the Schemes launched by AMC under Alternative Investment Funds.

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, 2018, were in the ordinary course of business and at arm's length.

In terms with the Board approved framework, there were no material related party transactions for year ended March 31, 2018. The details of related party transactions forms part of the notes to financial statements provided in this Annual Report.

DEPOSITS

During fiscal 2018, 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 2018 are given in the notes to the financial statements.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has its Board of Directors constituted in accordance with the provisions of the Companies Act, 2013 read with the SEBI (Mutual Fund) Regulations, 1996. The Board of Directors of the Company as at March 31, 2018 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	Independent Director
8	Mr. Dilip Karnik	Independent Director
9	Mr. Nimesh Shah	Managing Director
10	Mr. Sankaran Naren	Executive Director

During fiscal 2018 there was no change in the composition of Board of Directors.

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 the Directors as specified in Section 164 of the Act.

RETIREMENT BY ROTATION

In terms of Section 152 of the Companies Act, 2013, Ms. Chanda Kochhar would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Ms. Chanda Kochhar has offered herself for re-appointment.

KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Sections 2(51) and 203 of the Act, the following employees are the Key Managerial Personnel of the Company:

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

NUMBER OF MEETINGS ATTENDED BY THE BOARD OF DIRECTORS

During fiscal 2018, five 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	5
Mr. N. S. Kannan	5
Mr. Guy Strapp	3
Mr. C. R. Muralidharan	5
Mr. Suresh Kumar	4
Ms. Lakshmi Venkatachalam	4
Mr. Ved Prakash Chathurvedi	5
Mr. Dilip Karnik	5
Mr. Nimesh Shah	5
Mr. Sankaran Naren	5

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 2018, four meetings of the ARC were held. The details of the composition of the ARC as on March 31, 2018 and attendance of the members at its meetings is as under:

Name of the Member	Designation	Number of Committee Meetings attended
Mr. Ved Prakash Chaturvedi	Chairman	4
Mr. Suresh Kumar	Member	3
Ms. Lakshmi Venkatachalam	Member	4
Mr. Dilip Karnik (appointed w.e.f September 08, 2017)	Member	2

The ARC was reconstituted in September 2017 and Mr. Dilip Karnik was appointed as a member 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 2018, two meetings of the NRC were held. The details of the composition of the NRC as on March 31, 2018 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	2
Ms. Chanda Kochhar	Member	2
Mr. Guy Strapp	Member	2
Mr. Ved Prakash Chaturvedi	Member	2

INVESTMENT COMMITTEE

During fiscal 2018, four meetings of the Investment Committee were held. The composition of the Investment Committee as on March 31, 2018 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 2018, four meetings of the Committee of Directors were held. The composition of the Committee of Directors as on March 31, 2018 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 has constituted the Corporate Social Responsibility Committee ("the CSR Committee").

During fiscal 2018, four meetings of the CSR Committee were held. The composition of the CSR Committee as on March 31, 2018 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	2
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 or through any other entity. The annual report on CSR activities is enclosed herewith as Annexure A.

MEETING OF INDEPENDENT DIRECTORS

In accordance with schedule IV of the Act, all the independent directors of the Company met once during fiscal 2017 to review 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 Whole-time Directors of the Company are granted stock options of the holding company i.e. ICICI Bank Limited (Bank) which is issued pursuant to the Employee Stock Option Scheme of the Bank.

The Shareholders 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 FY2016 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 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.

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 2018, your Company has earned ₹ 510.7 million (fiscal 2017 - ₹ 319.8 million) as foreign exchange income and has incurred ₹ 97.0 million (fiscal 2017 - ₹ 64.9) 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 Members at the 24th AGM had approved the appointment of M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of your Company for a period of five years. The said appointment is subject to ratification by the members at the ensuing 25th AGM of the Company.

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 B.

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 C' 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, 2018, the applicable accounting standards had been followed and there are no material departures for the same;

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, 2018 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 takes this opportunity to thank all its employees for their dedicated service and firm commitment to the goals of the Company. Your Directors also wish to place on record its sincere appreciation for the wholehearted support received from registrars, custodians, bankers, legal advisors, agents, distributors 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, Department of Investment and Public Asset Management, all the parties associated with successful launch of BHARAT 22 ETF, 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 continued support of all these partners in progress.

For and on behalf of the Board

Sd/-
Chanda Kochhar
Chairperson
(DIN: 00043617)

Place : Mumbai
Date : April 23, 2018

Annexure A

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2018

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: ₹ 5.39 billion.

4. Prescribed CSR Expenditure for the FY2018 (two per cent of the amount as in item 3 above).

Prescribed CSR Expenditure for the FY2018 (two per cent of the amount as in item 3 above): ₹ 107.74 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 FY2018 was ₹ 107.74 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).	• Promoting sustainable livelihood through vocational skill development projects • Promoting education	PAN- India	107.7	Expenditure on Projects and Administration : 107.7	270.3	Amount spent through ICICI Foundation for Inclusive Growth. The Foundation was set up in 2008 to focus on activities in the area of CSR

*Includes cumulative contribution of ₹ 162.6 million as on March 31, 2017.

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/-**
Nimesh Shah	**N.S. Kannan**
Managing Director	**Chairman of CSR Committee**
DIN: 01709631	**DIN: 00066009**

Annexure B

SECRETARIAL AUDIT REPORT

For the year ended March 31, 2018

[Pursuant to provision of section 204(1) of the Companies Act,2013 and Rules No. 9 of the Companies (Appointment And Remuneration Personnel) Rules,2014

To
The Members
ICICI Prudential Asset Management Company Limited
2nd Floor, Block B-2,
Nirlon Knowledge Park
Western Express Highway
Goregaon (East), Mumbai
400 063

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 having CIN No. U99999DL1993PLC054135 (hereinafter called 'the Company') for the year ended on March 31, 2018 ('the audit period'). 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 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 March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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, 2015;

b. 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;
c. The Securities and Exchange Board of India (Alternative Investment Funds) Regulation, 2012;
d. The Securities and Exchange Board of India (Mutual Fund) Regulation, 1996
e. The Securities and Exchange Board of India (Portfolio Managers) Regulation, 1993.

We have also examined compliance with the applicable clauses of the 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:

(i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
(iv) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(vi) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(vii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
(viii) 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;

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 through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the year 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 the applicable laws, rules, regulations and guidelines.

We further report that –

During the audit period there was no specific event/action having a major bearing on the company's affairs in pursuance to the above referred laws, rules, regulations, guidelines etc. referred to above.

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 21, 2018

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 AMC 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 AMC 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 were 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 the 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
C P No.: 2311

Place: Mumbai
Date: April 21, 2018

Annexure C

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. ICICI Bank Tower, Near Chakli Circle, Old Padra Road Vadodara Vadodara Gujrat - 390007	L65190GJ1994PLC021012	Holding	51%	2(46)
2	Prudential Corporation Holdings Limited Laurence Pountney Hill, London, EC4R 0HH, United Kingdom.	Foreign Company	Associate	49%	2(6)

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	-	-	-	-	-	-	-	-	-
d) State	-	-	-	-	-	-	-	-	-

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	
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	51.98	32.87	84.85
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.44	0.11	0.55
	(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)	**52.42**	**32.98**	**85.40**
	Ceiling as per the Act	478.38	478.38	956.76

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	Lakshmi Venkatachalam	Dilip Karnik	
	• Fee for attending board /	0.58	0.62	0.50	0.56	0.54	2.80
	• Commission	0.75	0.75	0.75	0.75	0.75	3.75
	• Others, please specify	-	-	-	-	-	
	Total (1)	**1.33**	**1.37**	**1.25**	**1.31**	**1.29**	**6.55**

2.	Other Non-Executive Directors • Fee for attending board /committee	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	**1.33**	**1.37**	**1.25**	**1.31**	**1.29**	**6.55**
	Total Managerial Remuneration						
	Overall Ceiling as per the Act (applicable for all the directors taken together)						1,052.44

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	24.51	4.54	29.05
	(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	**24.55**	**4.57**	**29.12**

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 2018

ICICI Prudential Asset Management Company Limited

Financial Statements together with Auditors' Report

for the year ended 31 March 2018

Contents ***Page***

Balance sheet	3
Statement of Profit and loss	4
Cash flow statement	5-6
Notes to financial statements	7 – 44

ICICI Prudential Asset Management Company Limited

Balance Sheet

as at 31 March 2018

(Currency: Indian rupees million)

	Notes	As at **31 March 2018**	31 March 2017
Equity and liabilities			
Shareholders' funds			
Share capital	*3*	**176.5**	176.5
Reserves and surplus	*4*	**8,056.8**	7,155.2
		8,233.3	7,331.7
Non-current liabilities			
Other long term liabilities	*5*	**165.0**	166.0
Long term provisions	*6*	**335.3**	231.6
		500.3	397.6
Current liabilities			
Trade Payables	*7*		
Total outstanding dues of micro enterprises and small enterprises; and		**0.8**	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		**1,582.9**	1,355.8
Other current liabilities	*8*	**1,225.5**	750.8
Short-term provisions	*9*	**126.3**	137.4
		2,935.5	2,244.0
TOTAL		**11,669.1**	9,973.3
Assets			
Non-current assets			
Fixed assets			
Tangible assets	*10*	**297.0**	223.0
Intangible assets	*11*	**25.8**	30.3
Capital work-in-progress		**15.7**	15.9
Intangible assets under development		**60.1**	9.1
Non-current investments	*12*	**2,650.8**	2,551.7
Deferred tax assets (net)	*13*	**232.6**	163.5
Long term loans and advances	*14*	**1,050.2**	984.1
		4,332.2	3,977.6
Current assets			
Current investments	*15*	**3,900.0**	3,935.6
Trade receivables	*16*	**1,170.0**	728.6
Cash and bank balances	*17*	**104.3**	19.2
Short-term loans and advances	*18*	**2,077.8**	1,277.1
Other current assets	*19*	**84.8**	35.2
		7,336.9	5,995.7
TOTAL		**11,669.1**	9,973.3
The Significant accounting policies and accompanying notes are an integral part of these financial statements	*2 – 37*		

This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sd/-
Vivek Prasad
Partner
Membership No: 104941

Mumbai
23 April 2018

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/-
B. Ramakrishna
Chief Financial Officer

Sd/-
Nimesh Shah
Managing Director
DIN No:01709631

Sd/-
Rakesh Shetty
Company Secretary

Mumbai
23 April 2018

ICICI Prudential Asset Management Company Limited

Statement of Profit and Loss

for the year ended 31 March 2018

(Currency: Indian rupees million)

	Notes	Year ended **31 March 2018**	31 March 2017
Income			
Revenue from operations	*20*	**18,186.4**	13,008.6
Other income	*21*	**779.5**	488.7
Total revenue		**18,965.9**	13,497.3
Expenses			
Employee benefits expense	*22*	**2,133.5**	1,753.2
Depreciation and amortization expense		**138.6**	105.3
Other expenses	*23*	**7,202.7**	4,291.9
Total expenses		**9,474.8**	6,150.4
Profit before tax		**9,491.1**	7,346.9
Tax expense:			
- Current tax		**3,354.5**	2,610.9
- Short/(Excess) provision of earlier years		**(49.8)**	(37.5)
- Deferred tax expense / (credit)		**(69.1)**	(31.2)
Profit for the year		**6,255.5**	4,804.7
Earnings per share [Nominal Value per share Rs. 10 (31 March 2017: Rs. 10)] – Basic and Diluted (in Rs.)	*27*	**354.38**	272.19
The Significant accounting policies and accompanying notes are an integral part of these financial statements	*2-37*		

This is the Statement of Profit and Loss Account referred to our report of even date.

For Price Waterhouse
Chartered Accountants LLP
Firm's Registration No: 012754N/N500016

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

Sd/-
Vivek Prasad
Partner
Membership No: 104941

Mumbai
23 April 2018

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
23 April 2018

ICICI Prudential Asset Management Company Limited

Cash Flow Statement

for the year ended 31 March 2018

(Currency: Indian rupees million)

	Year ended	
	31 March 2018	31 March 2017
Cash flow from operating activities		
Net profit before tax for the year	**9,491.1**	7,346.9
Adjustment for:		
Depreciation and amortization expenses	**138.6**	105.3
(Profit)/Loss on sale of fixed assets	**0.1**	0.5
Provision (reversal) of Impairment	**(17.9)**	36.9
Liability no longer required written back	**(3.1)**	-
Dividend income from investments	**(15.0)**	(3.4)
Interest income from investments	**(92.5)**	(102.6)
(Profit)/Loss on sale of investments (net)	**(593.5)**	(357.4)
Amortised income/expenses from prepaid	-	72.5
Operating Profits before Working Capital Changes	**8,907.8**	**7,098.7**
Working capital changes		
(Decrease)/Increase in long term provisions	**103.7**	74.1
(Decrease)/Increase in short term provisions	**(6.5)**	52.3
(Decrease)/Increase in trade payables	**231.1**	547.5
(Decrease)/Increase in other current liabilities	**510.6**	(2.9)
(Decrease)/Increase in Other Long term liabilities	**(1.0)**	(21.4)
Decrease/(Increase) in long-term loans and advances	**75.8**	581.0
Decrease/(Increase) in trade receivables	**(441.4)**	(120.9)
Decrease/(Increase) in short-term loans and advances	**(800.7)**	414.0
Decrease/(Increase) in other current assets	**(55.7)**	(26.1)
Cash generated from/ (used in) operations	**8,523.7**	**8,596.3**
Taxes paid (net of refunds)	**(3,451.3)**	(2,576.7)
Net cash generated from / (used in) by operating activities	**5,072.4**	**6,019.7**
Cash flow from investing activities		
Purchase of tangible assets/capital work-in-progress/intangible assets	**(264.4)**	(154.8)
Purchase /(sale) of investments, (net)	**547.8**	(2,466.2)
Proceeds from sale of fixed assets	**5.5**	2.4
Dividend received	**16.0**	0.4
Interest received	**97.6**	101.0
Net Cash generated from /(used in) in Investing activities	**402.5**	**(2,517.2)**
Cash flow from financing activities		
Dividends paid	**(4,448.3)**	(3,195.0)
Dividend Distribution Tax Paid	**(941.5)**	(373.8)
Net cash generated /(used) in financing activities	**(5,389.8)**	**(3,568.8)**
Net (decrease)/increase in cash and cash equivalents (A)	**85.1**	(66.3)
Add: Cash and cash equivalents at the beginning of the year (B)	**19.2**	85.5
Cash and cash equivalents at the end of the year (A+B)	**104.3**	19.2

Notes to the statement of cash flow :

1) Cash and cash equivalents comprise of:

Cash on hand	-	-
Balances with banks	**104.3**	19.2
Total	**104.3**	19.2

ICICI Prudential Asset Management Company Limited

Cash Flow Statement (continued)

for the year ended 31 March 2018

(Currency: Indian rupees million)

2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statements" specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

This is the Cash Flow Statement referred to in our report of even date.

For **Price Waterhouse**
Chartered Accountants LLP
Firm's Registration No: 012754N/N500016

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

Sd/-
Vivek Prasad
Partner
Membership No: 104941

Mumbai
23 April 2018

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
23 April 2018

ICICI Prudential Asset Management Company Limited

Notes to financial statements

for the year ended 31 March 2018

(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.

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 in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

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 Fixed assets and depreciation

Fixed assets are stated at cost of acquisition less accumulated depreciation / amortisation & impairment loss if any. 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. Subsequent costs related to an item of Property, Plant and Equipment are recognised in the carrying amount of the item if the recognition criteria are met. An item of Property, Plant & Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the statement of Profit and Loss. Depreciation is charged over the estimated useful life of a fixed asset on a straight line basis.

Further, as disclosed in table below, based on technical evaluation done by management's expert, 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 & fixtures	6	10
Computers – (Servers & Networks)	3	6
Office Equipment	3 -10	5
Vehicles	5	8

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, in order to reflect the actual usage of the assets. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

2 Significant accounting policies *(Continued)*

2.3 Fixed assets and depreciation (continued)

Leasehold improvements are amortised over the period of the lease on straight-line basis or useful life of the asset whichever 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.

2.4 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset to which the asset belongs to or the cash generating unit. If such estimated recoverable amount of the asset 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.

Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.5 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

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 on the basis of First In First Out ('FIFO') method.

2 Significant accounting policies *(Continued)*

2.6 Revenue recognition

Revenue is recognised when there is a reasonable certainty of its ultimate realisation / collection. Revenue is measured using the proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service and are recognised net of service tax/Goods and Service Tax.

Management fees

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

Other Management fees

Fund management and portfolio management fees (net of service tax/GST) 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 life of the fund.

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 a time proportion basis taking into account the amount outstanding and the rate applicable.

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

2.7 Transactions in foreign currency

On initial recognition, all 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 Significant accounting policies *(Continued)*

2.8 Employee 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. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

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

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.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

2 Significant accounting policies *(Continued)*

2.9 New Fund Offer ('NFO') expenses

Expenses relating to NFO are charged to statement of profit and loss of the Company in the year in which these expenses are incurred.

2.10 Borrowing cost

All borrowing cost are charged to the Statement of Profit and Loss in which they are incurred. Borrowing cost consists of interest and other cost that an entity incurs in connection with the borrowing of the funds.

2.11 Fund expenses

Expenses incurred (inclusive of advertisement and brokerage expenses) on behalf of schemes of the Fund are charged to 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.

2.12 Brokerage and incentives

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

2.13 Long term incentive plan ('LTIP')

The Company's certain eligible employees are entitled to Long term incentive benefits as per the company's policy. The provision is assessed on a yearly basis based on actuarial valuation. The year end provision is measured at the present value of estimated future cash flows.

2.14 Operating leases

As a lessee:

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.

2.15 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)

2.15 Tax (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 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.
Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

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 supported by convincing evidence of realisation of such assets against future taxable profits. 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.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.16 Earnings per share

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.

Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends if any and any attributable tax thereto for the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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 Significant accounting policies (Continued)

2.17 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.

2.18 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.19 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.. Revenue and expenses is identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are included under “Unallocated expenses/income”

Notes to financial statements

for the year ended 31 March 2018 (Continued)

(Currency: Indian rupees million)

3 Share capital

	As at **31 March 2018**	31 March 2017
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

a) Reconciliation of number of shares

Equity Shares:	**As at 31 March 2018**		As at 31 March 2017	
	Number of Shares	**Amount**	Number of Shares	Amount
Balance as at the beginning of the year	17,652,090	176.5	17,652,090	176.5
Add/Less: Movement during the year	-	-	-	-
Balance as at the end of the year	17,652,090	176.5	17,652,090	176.5

Rights, Preferences and restrictions 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.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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% of the aggregate shares in the company:

9,002,573 (previous year: 9,002,573) equity shares of Rs. 10 each are held by ICICI Bank Limited and its nominees. Percentage of holding- Current year: 51% Previous year: 51%

8,649,517 (previous year: 8,649,517) equity shares of Rs. 10 each are held by Prudential Corporation Holdings Limited. Percentage of holding- Current year: 49% Previous year: 49%

The Board of Directors had declared interim dividends aggregating to Rs.252 per equity share (previous year: Rs. 181). The total dividend appropriation for the year ended 31 March 2018 amounted to Rs. 5,353.9 (previous year: Rs. 3,845.4) including dividend distribution tax of Rs. 905.6 (Previous year: Rs. 650.5).

Notes to financial statements

for the year ended 31 March 2018 (Continued)

(Currency: Indian rupees million)

4 Reserves and surplus

	As at	
	31 March 2018	31 March 2017
Capital redemption reserve	**8.7**	8.7
Securities premium account	**33.5**	33.5
General reserve	**1,023.4**	1,023.4
Contingency reserve[2]	**103.0**	103.0
Surplus in the statement of profit and loss		
Balance at the beginning of the year	**5,986.6**	5,027.4
Add: Profit for the year	**6,255.5**	4,804.7
Less: Interim Dividend	**(4,448.3)**	(3,195.0)
Less: Dividend distribution tax on interim dividend	**(905.6)**	(650.5)
Balance at the end of the year	**6,888.2**	5,986.6
Total	**8,056.8**	7,155.2

[2] 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

	As at **31 March 2018**	As at 31 March 2017
Income received in advance	**36.8**	42.2
Lease equalisation	**98.5**	108.5
Employee benefits payable	**29.7**	15.3
Total	**165.0**	166.0

6 Long term provision

	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
- for Long Term Incentive Plan[1]	**319.7**	221.3
- for compensated absences	**15.6**	10.3
Total	**335.3**	231.6

[1] Refer foot note to Note 12

7 Trade Payables

	As at 31 March 2018	As at 31 March 2017
(a) Total outstanding dues of micro enterprises and small enterprises and[5]	**0.8**	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises[5]		
- Others	**1,582.9**	1,355.8
	1,583.7	1,355.8

[5]Refer note 31.

8 Other current liabilities

	As at 31 March 2018	31 March 2017
Income received in advance	**25.6**	21.4
Dividend distribution tax payable	**305.5**	341.4
Statutory dues (including Provident fund and Tax deducted at source)	**463.3**	25.1
Employee benefits payable	**409.0**	352.4
Lease equalisation	**18.3**	6.7
Others	**3.8**	3.8
Total	**1,225.5**	750.8

9 Short term provisions

	As at 31 March 2018	31 March 2017
Provision for employee benefits		
- for Long Term Incentive Plan[1]	**96.1**	97.6
- for Compensated absences	**5.6**	3.2
- for gratuity	**24.6**	32.0
Other current provision		
- Provision for tax [(Net of Advance tax Rs. Nil (Previous year Rs. 931.3)]	**-**	4.6
Total	**126.3**	137.4

[1] Refer foot note to Note 15.

10 Tangible assets

Description	Leasehold improvements	Furniture and fixtures	Vehicles	Office equipment	Computers and Servers	Total
Gross block						
As at 1 April, 2017	184.6	48.9	66.6	120.9	350.4	**771.4**
Additions during the year	58.2	9.3	22.4	15.9	77.3	**183.1**
Disposal during the year	(4.9)	(2.9)	(16.4)	(5.0)	(13.2)	**(42.4)**
As at 31 March, 2018	**237.9**	**55.3**	**72.6**	**131.8**	**414.5**	**912.1**
Accumulated depreciation						
As at 1 April, 2017	128.4	40.9	31.2	76.4	271.5	**548.4**
Charge for the year	24.2	6.6	12.8	8.8	51.2	**103.6**
Disposals during the year	(4.9)	(2.7)	(12.8)	(4.3)	(12.2)	**(36.9)**
As at 31 March, 2018	**147.7**	**44.8**	**31.2**	**80.9**	**310.5**	**615.1**
Net block						
As at 31 March, 2018	**90.2**	**10.5**	**41.4**	**50.9**	**104.0**	**297.0**

10 Tangible assets (Continued)

Description	Leasehold improvements	Furniture and fixtures	Vehicles	Office equipments	Computers and Servers	Total
Gross block						
As at 1 April, 2016	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**
Disposals during the year	(6.3)	(2.4)	(11.6)	(6.0)	(3.5)	**(29.8)**
As at 31 March, 2017	**184.6**	**48.9**	**66.6**	**120.9**	**350.4**	**771.4**
Accumulated depreciation						
As at 1 April, 2016	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**
Disposals during the year	(5.9)	(2.3)	(9.5)	(5.0)	(3.2)	**(25.9)**
As at 31 March, 2017	**128.4**	**40.9**	**31.2**	**76.4**	**271.5**	**548.4**
Net block						
As at 31 March, 2017	**56.2**	**8.0**	**35.4**	**44.5**	**78.9**	**223.0**

11 Intangible assets

	As at	
	31 March 2018	31 March 2017
Software		
Gross block		
As at 1 April, 2017	**208.4**	183.3
Additions during the year	**30.5**	25.1
Disposals during the year	**-**	-
As at 31 March, 2018	**238.9**	208.4
Accumulated amortisation		
As at 1 April, 2017	**178.1**	149.7
Charge for the year	**35.0**	28.4
Disposals during the year	**-**	-
As at 31 March, 2018	**213.1**	178.1
Net block		
As at 31 March, 2018	**25.8**	30.3

12 Non-current investments

	As at 31 March 2018	As at 31 March 2017
Other Investments		
Unquoted (at cost)		
23,544,892 Units (Previous Year 38,387,844 Units) Investments in ICICI Prudential Venture Capital Fund – ICICI Prudential Real Estate Scheme-I	**235.5**	383.9
Investment in schemes of Portfolio Management Services [Net of provision for other than temporary diminution aggregating to Rs. 8.5 (previous year : 4.9)	**31.6**	41.0
3,400,000 units (Previous year 3,400,000 units) investment in ICICI Prudential Real Estate AIF – ICICI Prudential Alternative Real Estate AIF – I of face value Rs. 100 each, Paid up value Rs. 100 each (Previous year paid up value Rs. 93 each)	**340.0**	316.2
373,628 units (Previous year 373,628 units) investment in ICICI Prudential Real Estate AIF – ICICI Prudential Alternative Real Estate AIF – II of face value Rs. 100 each fully Paid up	**37.5**	37.5
500,000 Equity Shares (Previous Year 500,000 Equity Shares) in MF Utilities India Private Limited	**0.5**	0.5
928,780 units (Previous year Nil units) investment in ICICI Prudential Strategic Alpha Fund – ICICI Prudential LEAP fund series I	**100.0**	-
25,000 Units (Previous Year Nil Units) in ICICI Prudential Real Estate AIF – ICICI Prudential Office Yield Optimiser Fund AIF III	**2.5**	-
Quoted (at cost)		
Mutual fund units of face value of Rs.10 each:		
Nil Units (Previous year 130,584 Units) of ICICI Prudential Interval Fund Plan I- Direct Monthly Growth	**-**	1.5
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
Nil Units (Previous year 110,000 Units) of ICICI Prudential Interval Fund Series V Monthly Plan A Direct Plan Growth	**-**	1.3
Nil Units (Previous year 334,414 Units) of ICICI Prudential Interval Fund Series I Quarterly Plan I Direct Plan Growth	**-**	5.0
Nil Units (Previous year 247,000 Units) of ICICI Prudential Interval Fund II Quarterly Plan C Direct Plan Growth	**-**	2.8
Nil Units (Previous year 415,686 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan B Direct Plan Growth	**-**	5.0
Nil Units (Previous year 455,377 Units) of ICICI Prudential Interval Fund Series VII Annual Interval C Direct Plan Cumulative	**-**	5.0
Nil Units (Previous year 200,404 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan F Direct Plan Growth	**-**	3.0
Nil Units (Previous year 434,511 Units) of ICICI Prudential Interval Fund Series II Quarterly Plan A Direct Plan Growth	**-**	5.0
Nil Units (Previous year 337,617 Units) of ICICI Prudential Interval Fund Series III Quarterly Direct Plan Growth	**-**	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

12 Non-current investments (Continued)

Other Investments	As at **31 March 2018**	31 March 2017
Nil Units (Previous year 350,586 Units) of ICICI Prudential Interval Annual Plan -I Direct Plan Growth	-	5.0
Nil Units (Previous year 55,523 Units) of ICICI Prudential Interval Annual Plan -II Direct Plan Growth	-	1.0
Nil Units (Previous year 177,082 Units) of ICICI Prudential Interval Annual Plan -III Direct Plan Growth	-	2.5
Nil Units (Previous year 303,418 Units) of ICICI Prudential Interval Annual Plan -IV Direct Plan Growth	-	5.0
Nil Units (Previous year 339,466 Units) of ICICI Prudential Interval Fund II Quarterly Plan D Direct Plan Growth	-	5.0
Nil Units (Previous year 60,501 Units) of ICICI Prudential Interval Fund II Quarterly Direct Plan Growth	-	1.0
Nil Units (Previous year 101,517 Units) of ICICI Prudential Interval Fund IV Quarterly Plan B Direct Plan Growth	-	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 25,000,000 Units) of ICICI Prudential FMP Series 80-1194 Days Plan F Direct Plan Cumulative	**250.0**	250.0
10,000,000 Units (Previous Year 10,000,000 Units) of ICICI Prudential FMP Series 79-1120 Days Plan J Direct Plan Cumulative	**100.0**	100.0
3,700,000 Units (Previous year 3,700,000 Units) of ICICI Prudential FMP Series 79-1118 Days Plan K Direct Plan Cumulative	**37.0**	37.0
7,000,000 Units (Previous year 7,000,000 Units) of ICICI Prudential FMP Series 79-1404 Days Plan T Direct Plan Cumulative	**70.0**	70.0
5,250,000 Units (Previous year 5,250,000 Units) of ICICI Prudential FMP Series 79-1104 Days Plan P Direct Plan Cumulative	**52.5**	52.5
23,000,000 Units (Previous year 23,000,000 Units) of ICICI Prudential FMP Series 80-1187 Days Plan G Direct Plan Cumulative	**230.0**	230.0
5,000,000 Units (Previous year 5,000,000 Units) of ICICI Prudential FMP Series 80-1253 Days Plan J Direct Plan Cumulative	**50.0**	50.0
1,500,000 Units (Previous year 1,500,000 Units) of ICICI Prudential FMP Series 80-1225 Days Plan T Direct Plan Cumulative	**15.0**	15.0
6,500,000 Units (Previous year 6,500,000 Units) of ICICI Prudential FMP Series 80-1245 Days Plan L Direct Plan Cumulative	**65.0**	65.0
20,000,000 Units (Previous year 20,000,000 Units) of ICICI Prudential FMP Series 80-1231 Days Plan P Direct Plan Cumulative	**200.0**	200.0
19,250,000 Units (Previous year 19,250,000 Units) of ICICI Prudential FMP Series 80-1227 Days Plan Q Direct Plan Cumulative	**192.5**	192.5
3,000,000 Units (Previous year 3,000,000 Units) of ICICI Prudential FMP Series 80-1125 Days Plan S Direct Plan Cumulative	**30.0**	30.0
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
20,000 Units (Previous Year 20,000 Units) of ICICI Prudential Gold iwin Exchange Traded Fund	**5.2**	5.2
40,380 Units (Previous Year 40,380 Units) of ICICI Prudential Fund NV20 iwin ETF	**1.5**	1.5

12 Non-current investments (Continued)

Other Investments	**As at 31 March 2018**	31 March 2017
39,541 Units (Previous Year 39,541 Units) of ICICI Prudential Fund MIDCAP Select iwin ETF	**2.0**	2.0
139,005 Units (Previous year Nil Units) of ICICI Prudential Bharat 22 ETF	**5.0**	-
1,500,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 81 - 1150 Days Plan K Direct Plan Cumulative	**15.0**	-
1,500,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 81 - 1163 Days Plan Q Direct Plan Cumulative	**15.0**	-
5,000,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 81 - 1185 Days Plan G Direct Plan Cumulative	**50.0**	-
6,500,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 81 - 1190 Days Plan F Cumulative	**65.0**	-
1,800,000 Units (Previous year Nil Units) of ICICI Prudential Mutual Fund Value Fund Series 13	**20.2**	-
38,446 Units (Previous year Nil Units) of ICICI Prudential Mutual Fund Nifty Low Vol 30 iWIN ETF	**2.8**	-
Unquoted (at cost)		
Mutual fund units of face value of Rs.10 each:		
Nil Units (Previous Year 620,420 Units) of ICICI Prudential Balanced Advantage Fund Direct Plan Growth[1]	**-**	12.7
500,000 Units (Previous Year 500,000 Units) of ICICI Prudential Equity Income Fund Direct Plan Growth Cumulative	**5.0**	5.0
500,000 Units (Previous Year 500,000 Units) of ICICI Prudential Constant Maturity Gilt Fund –Direct –Growth	**5.0**	5.0
389,146 Units (Previous Year 699,641 Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth[1]	**47.9**	75.5
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
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 641,807 Units) of ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth	**10.0**	10.8
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

Notes to financial statements

for the year ended 31 March 2018(Continued)

(Currency: Indian rupees million)

12 Non-current investments *(Continued)*

Other Investments	**As at 31 March 2018**	As at 31 March 2017
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 512,920 Units) of ICICI Prudential Equity Arbitrage Fund - Direct Plan - Growth	**10.0**	10.3
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
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 104,117 Units) of ICICI Prudential Long Term Gilt Fund - Direct Plan - Growth	**5.0**	5.0
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

12 Non-current investments *(Continued)*

Other Investments	**As at 31 March 2018**	As at 31 March 2017
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
Nil Units (Previous Year 1,174,346 Units) of ICICI Prudential Select Large Cap Fund-Direct Plan Growth[1]	**-**	26.5
Nil Units (Previous Year 13,947 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
151,536 Units (Previous Year Nil Units) of ICICI Prudential Sensex Index Fund Direct Plan Growth	**1.5**	-
716,276 Units (Previous Year Nil Units) of ICICI Prudential Balanced Advantage Fund - Direct Plan - Dividend[1]	**14.0**	-
572,106 Units (Previous Year Nil Units) of ICICI Prudential Dynamic - Direct Plan - Dividend[1]	**15.3**	-
90,927 Units (Previous Year Nil Units) of ICICI Prudential Focused Bluechip Equity Fund - Direct Plan - Dividend[1]	**2.9**	-
63,961 Units (Previous Year Nil Units) of ICICI Prudential Focused Bluechip Equity Fund - Direct Plan - Growth[1]	**1.9**	-
27,905 Units (Previous Year Nil Units) of ICICI Prudential Multicap Fund - Direct Plan - Growth[1]	**7.5**	-
508,336 Units (Previous Year Nil Units) of ICICI Prudential Multicap Fund - Direct Plan - Dividend[1]	**16 .3**	-
460,106 Units (Previous Year Nil Units) of ICICI Prudential Select Large Cap Fund-Direct Plan Dividend Reinvestment[1]	**12.5**	-
207,921 Units (Previous Year Nil Units) of ICICI Prudential Top 100 Fund - Direct Plan - Dividend[1]	**5.0**	-
125,996 Units (Previous Year Nil Units) of ICICI Prudential Value Discovery Fund - Direct Plan - Dividend[1]	**6.5**	-

12 Non-current investments *(Continued)*

Other Investments	As at **31 March 2018**	As at 31 March 2017
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
Total non-current investments	**2,650.8**	**2,551.7**
Aggregate amount of quoted investments	**1,532.9**	1,414.5
Market Value of quoted investments	**1,664.9**	1,453.2
Aggregate amount of unquoted investments	**1,126.8**	1,137.3
Aggregate provision for diminution in value of investments	**8.5**	14.9

[1]In accordance with Long Term Incentive Plan ('LTIP') 2014, 2015, 2016 and 2017, 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 assets (Net)

The Company has net deferred tax asset of Rs. 232.6 (Previous year Rs.163.5). The composition of deferred tax assets (liabilities) is as follows:

	As at **31 March 2018**	As at 31 March 2017
Deferred tax asset:		
- difference in WDV of tangible assets and intangible asset	**55.2**	42.3
- provision for employee benefit expenses	**163.1**	115.6
- provision for lease equalization	**40.8**	39.8
- provision for doubtful amounts	**6.1**	12.8
Deferred tax liability:		
-Unamortised Income/ Expenses (net)	**(32.6)**	(47.0)
Net deferred tax assets	**232.6**	163.5

14 Long term loans and advances

	As at 31 March 2018	As at 31 March 2017
Unsecured considered good		
Capital advance	**2.5**	2.6
Security deposits	**240.1**	214.0
Advance tax [net of provision for tax Rs. 8,964.2 (Previous Year Rs. 6,015.6)]	**310.4**	168.5
Staff loans	**0.8**	0.7
Statutory dues recoverable	**2.5**	2.5
Prepaid expenses	**470.6**	402.9
Advances recoverable in cash or in kind or for value to be received	**23.3**	192.9
Total	**1,050.2**	984.1

15 Current investments

	As at 31 March 2018	As at 31 March 2017
Other Investments		
Quoted (at cost or market value whichever is lower)		
Mutual fund units of face value of Rs.10 each:		
Nil Units (Previous year 250,000 Units) of ICICI Prudential Fixed Maturity Plan Series 72 - 785 Days Plan O Direct Plan Cumulative	-	2.5
65,333 Units (Previous Year 3,184 Units) of ICICI Prudential Fund Nifty iwin ETF	**6.8**	0.3
30,000,000 Units (Previous Year Nil Units) of ICICI Prudential Fixed Maturity Plan - Series 82 - 103 Days Plan O Direct Plan Cumulative	**300.0**	-
1,553,217 Units (Previous Year Nil Units) of ICICI Prudential Bharat 22 ETF	**56.7**	-
50,000 Units (Previous Year Nil Units) of ICICI Prudential Midcap Select iWIN ETF	**3.6**	-
30,000 Units (Previous Year Nil Units) of ICICI Prudential Nifty Low Vol 30 iWIN ETF	**2.5**	-
Unquoted (at cost or market value whichever is lower)		
Mutual fund units of face value of Rs. 10/- each		
51,381 Units (Previous year 167,638 Units) of ICICI Prudential Balanced Advantage fund Direct plan Growth[1]	**1.4**	4.4
Nil Units (Previous Year 63,961 Units) of ICICI Prudential Focused Bluechip Equity -Direct Growth[1]	-	1.9
Nil Units (Previous Year 54,308 Units) of ICICI Prudential Top 100 Fund - Direct- Growth[1]	-	12.7
Nil Units (Previous year 37,021 Units) of ICICI Prudential Long Term Gilt Fund Direct Plan –Growth Option[1]	-	1.5

Notes to financial statements *(Continued)*

for the year ended 31 March 2018
(Currency: Indian rupees million)

15 Current investments *(Continued)*

Other Investments	As at 31 March 2018	31 March 2017
Nil Units (Previous year 572,128 Units) of ICICI Prudential Equity Arbitrage Fund - Direct Plan - Growth Option[1]	**-**	12.0
21,187 Units (Previous year 21,187 Units) of ICICI Prudential Dynamic - Direct Plan – Growth Option[1]	**4.0**	4.0
412,169 Units (Previous year 754,495 Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth[1]	**38.4**	61.2
472,308 Units (Previous year Nil Units) of ICICI Prudential Equity Arbitrage Fund - Direct Plan – Dividend[1]	**6.9**	-
935,119 Units (Previous year Nil Units) of ICICI Prudential Equity Income Fund Direct Plan Quarterly Dividend Reinvestment[1]	**11.0**	-
1,010,856 Units (Previous year Nil Units) of ICICI Prudential Select Large Cap Fund - Growth[1]	**22.8**	-
485,150 Units (Previous year Nil Units) of ICICI Prudential Top 100 Fund - Direct Plan - Dividend[1]	**11.6**	-
Nil Units (Previous Year 338.1 Units) of ICICI Prudential Savings Fund – Direct Plan Growth	**-**	0.1
Nil Units (Previous Year 40,565,741 Units) of ICICI Prudential Dynamic Bond Fund Plan -Direct Growth	**-**	740.0
Nil Units (Previous Year 9,042,456 Units) of ICICI Prudential Gilt Invest PF Plan - Direct Growth	**-**	279.7
Nil Units (Previous Year 48,991,832 Units) of ICICI Prudential Long Term Plan- Direct Growth	**-**	991.8
Nil Units (Previous Year 51,405,655 Units) of ICICI Prudential Banking & PSU Debt Direct Growth	**-**	962.0
250,000 Units (Previous Year 250,000 Units) of ICICI Prudential Constant Maturity Gilt Fund –Direct –Growth	**2.5**	2.5
Nil Units (Previous Year 16,042,769 Units) of ICICI Prudential Long Term Gilt Fund - Direct Plan - Growth	**-**	859.0
44,984,414 Units (Previous Year Nil Units) of ICICI Prudential Balanced Advantage Fund - Direct Plan - Monthly Dividend	**702.3**	-
48,511,674 Units (Previous Year Nil Units) of ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Quarterly Dividend	**589.2**	-
31,675,427 Units (Previous Year Nil Units) of ICICI Prudential Dynamic Bond Fund - Direct Plan - Annual Dividend Reinvestment	**330.5**	-
85,754,657 Units (Previous Year Nil Units) of ICICI Prudential Long Term Plan - Quarterly Dividend Payout	**979.8**	-
Mutual fund units of face value of Rs. 100/- each		
3,233,899 Units (Previous Year Nil Units) of ICICI Prudential Liquid - Direct Plan – Growth	**830.00**	-
Total current investments	**3,900.0**	3,935.6

Notes to financial statements *(Continued)*

for the year ended 31 March 2018

(Currency: Indian rupees million)

15 Current investments *(Continued)*

	As at	
	31 March 2018	31 March 2017
Aggregate amount of quoted investments	**369.6**	2.8
Market Value of quoted investments	**369.1**	3.6
Aggregate amount of unquoted investments	**3,530.4**	3,932.8

[1]In accordance with Long Term Incentive Plan ('LTIP') 2014, 2015, 2016 and 2017 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

	As at	
	31 March 2018	31 March 2017
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	**5.7**	19.9
Others	**1,164.3**	708.7
Total	**1,170.0**	728.6

17 Cash and bank balances

	As at	
	31 March 2018	31 March 2017
Cash and cash equivalents		
Balance with banks		
- in Current Accounts	**104.3**	19.2
Total	**104.3**	19.2

18 Short term loans and advances

	As at 31 March 2018	As at 31 March 2017
Unsecured considered good		
- Advances recoverable in cash or in kind or for value to be received	**782.6**	777.4
- Advance to related parties	**0.2**	0.8
- Staff loans	**1.6**	1.7
- Prepaid expenses	**1,293.4**	497.2
Total	**2,077.8**	1,277.1

19 Other current assets

	As at 31 March 2018	As at 31 March 2017
Unsecured, considered good		
- Interest accrued on investments	**27.2**	32.3
- Dividend on investments	**1.9**	2.9
- Interest receivable on income tax refund	**55.7**	-
Total	**84.8**	35.2

20 Revenue from operations

	For the year ended	
	31 March 2018	31 March 2017
Management fees from:		
- Mutual fund operations (net of Service Tax/GST))	**16,253.5**	11,735.3
- Portfolio Management Services operations (net of Service Tax/GST)	**1,422.2**	953.5
- Advisory services	**510.7**	319.8
Total	**18,186.4**	13,008.6

21 Other income

	For the year ended	
	31 March 2018	31 March 2017
Interest on		
- Non-current investments	**92.5**	102.6
- Income Tax refund	**55.7**	18.1
Dividend from		
- Non-current investments	**3.9**	3.4
- Current investments	**11.1**	-
Net gain / loss on sale of investment :		
- Non-current investments	**57.4**	33.7
- Current investments	**536.1**	323.7
Net gain on account of foreign exchange fluctuation	**1.8**	-
Others	**21.0**	7.2
Total	**779.5**	488.7

22 Employee benefits expense

	For the year ended	
	31 March 2018	31 March 2017
Salaries, bonus and allowances	**1,968.4**	1,596.8
Contribution to provident and other funds	**59.2**	48.9
Gratuity	**27.9**	32.7
Staff welfare expenses	**78.0**	74.8
Total	**2,133.5**	1,753.2

23 Other expenses

	For the year ended	
	31 March 2018	31 March 2017
Brokerage/Incentives/Mutual Fund expenses	**5,439.2**	2,846.8
Rent	**308.9**	273.0
Communication expenses	**128.1**	89.9
Travelling and conveyance	**141.1**	96.7
Fund accounting expenses (PMS)	**22.0**	22.3
Fund expenses (PMS)	**0.1**	0.0
Legal and professional fees	**82.1**	114.4
SEBI fees	**10.0**	10.0
Information technology	**100.7**	81.3
Electricity	**42.9**	41.4
Insurance	**68.7**	47.6
Books, periodicals and subscriptions	**59.3**	44.5
Repairs and maintenance		
- Equipment	**13.4**	10.0
- Others	**44.9**	36.9
Marketing, advertisement and publicity	**402.6**	251.2
Printing and stationery	**29.7**	17.6
Training and consultancy	**22.2**	25.8
Loss on sale of fixed assets (net)	**0.1**	0.5
Rates and taxes	**14.3**	17.2
Directors sitting fees	**6.5**	8.9
Housekeeping expenses	**80.2**	61.7
NFO filing fees	**21.6**	15.0
Corporate Social Responsibility expenditure[3]	**107.7**	76.9
Miscellaneous expenses	**52.7**	98.7
	7,199.0	4,288.3
Payment to auditor:		
- Statutory audit	**2.6**	2.6
- Tax audit	**0.5**	0.5
- Other services	**0.4**	0.3
- Reimbursement of expenses	**0.2**	0.2
	3.7	3.6
Total	**7,202.7**	4,291.9

[3]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.

Gross amount required to be spent by the company during the year – Rs. 107.7
Amount spent during the year on:

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	107.7	-	107.7

24 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:

	31 March 2018	31 March 2017
Total future minimum lease payments:		
not later than one year	**101.9**	100.5
later than one year and not later five years	**230.8**	332.7
later than five years	**-**	-

The total lease payments recognised in the statement of profit and loss amount to Rs.308.9 (Previous year Rs. 273.0) which include Rs. 1.7 (previous year reversal of Rs. 33.2) 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.

25 Segment 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.

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 2018

(Currency: Indian rupees million)

25. Segmental reporting (*Continued*)

Primary segment information

	Fund Management and Advisory		Portfolio Management and others		Total	
	31-Mar-18	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
Segment revenue						
Management fees	**16,764.2**	12,055.1	**1,422.2**	953.5	**18,186.4**	13,008.6
Inter segment revenue	**-**	-	**-**	-	**-**	-
Total segment revenue	**16,764.2**	12,055.1	**1,422.2**	953.5	**18,186.4**	13,008.6
Identifiable operating expenses	**(7,301.3)**	(3,902.8)	**(962.3)**	(1,129.3)	**(8,263.6)**	(5,032.1)
Segmental operating income	**9,462.9**	8,152.3	**459.9**	(175.8)	**9,922.8**	7,976.5
Unallocable expense					**(1,211.2)**	(1,118.3)
Operating income					**8,711.6**	6,858.2
Other income					**779.5**	488.7
Net profit before tax					**9,491.1**	7,346.9
Provision for income tax					**(3,354.5)**	(2,610.9)
Excess provision of earlier years					**49.8**	37.5
Deferred tax credit \ (expense)					**69.1**	31.2
Net profit after tax					**6,255.5**	4,804.7
As at	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17	**31-Mar-18**	31-Mar-17
Segment assets and liabilities						
Segment assets	**3,361.6**	2,681.0	**650.5**	537.6	**4,012.1**	3,218.6
Unallocable assets					**7,657.0**	6,754.7
Total assets					**11,669.1**	9,973.3
Segment liabilities	**1,859.8**	1,373.0	**398.0**	544.0	**2,257.8**	1,917.0
Unallocable liabilities					**1,178.0**	724.6
Total liabilities					**3,435.8**	2,641.6

26 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 (KMP):

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

Notes to financial statements

for the year ended 31 March 2018 (Continued)

(Currency: Indian rupees million)

26. Related party disclosures *(Continued)*

	ICICI Bank Limited	Prudential Corporation Holdings Limited	ICICI Securities Limited	ICICI Lombard General Insurance Company Limited	ICICI Prudential Life Insurance Company Limited	ICICI Foundation for Inclusive Growth	ICICI International Ltd Mauritius	
Nature of Transaction	**Holding Company**	**Significant Influence**	**Fellow Subsidiary**	**Fellow Subsidiary**	**Fellow Subsidiary**	**Fellow entity**	**Fellow Subsidiary**	**KMP**
Dividend paid / provided	**2,268.6**	**2,179.7**	**-**	**-**	**-**	**-**	**-**	**-**
Previous year	1629.5	1565.5	-	-	-	-	-	-
Common Cost, Brokerage & Marketing expenses	**1,368.9[4]**	**-**	**184. 2[4]**	**-**	**-**	**-**	**-**	**-**
Previous year	149.4[4]	-	71.8[4]	-	-	-	-	-
Insurance premium	**-**	**-**	**-**	**50.8**	**11.0**	-	-	**-**
Previous year	-	-	-	40.3	7.5	-	-	-
Insurance Claim Received	-	-	-	**(11.8)**	-	-	-	-
Previous year	-	-	-	-	-	-	-	-
Corporate social responsibility	-	-	-	-	-	**107.7**	-	-
Previous year	-	-	-	-	-	75.2	-	-
Employee cost	**-**	**-**	**0.2**	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-
Remuneration Paid	**-**	**-**	**-**	**-**	**-**	-	-	**90.6[6]**
Previous year	-	-	-	-	-	-	-	107.5[6]
Advisory Fees Earned	**-**	**-**	**-**	**-**	**-**	**-**	**0.0**	**-**
Previous year	-	-	-	-	-	-	-	-
Other expenses incurred & reimbursed by Company (including custody fees)	**57.2**	**-**	**-**	**-**	**-**	-	**6.1**	**-**
Previous year	27.2	-	-	-	-	-	4.9	-
Purchase/(Sale) of fixed asset	**2.2**	**-**	**(0.8)**	-	-	-	-	-
Previous year	0.1	-	-	-	-	-	-	-
Balance Outstanding: Receivable / Advance (Payable)	**(68.2)**	**-**	**(26.6)**	**0.1**	**0.1**	**-**	**(0.4)**	**-**
Previous year	(22.6)	-	(11.4)	0.2	0.6	-	(0.4)	-
Cash and bank balance	**104.3**	-	-	-	-	-	-	-
Previous year	19.1	-	-	-	-	-	-	-

Note: 1.[4]The amounts disclosed are net of service tax/Goods and Service Tax.

2.[6]Remuneration includes Nimesh Shah Rs.56.3 (Previous year Rs.61.5) and Sankaran Naren Rs.34.3 (Previous Year Rs.46.0)

27 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:

	31 March 2018	31 March 2017
Net profit after tax	**6,255.5**	4,804.7
Weighted average number of equity shares outstanding	**17,652,090**	17,652,090
Basic and diluted EPS of face value Rs. 10 each (in Rs.)	**354.38**	272.19

28 Employee benefits

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

In accordance with Accounting Standard 15 on 'Employee Benefits' the following disclosures have been made:

	31 March 2018	31 March 2017
Amount recognised in the Statement of Profit and Loss		
(i) Provident fund paid to the authorities	**54.9**	44.8
(ii) Pension fund paid to the authorities*	**-**	-
(iii) EDLI & Others*	**4.3**	4.1
Total	**59.2**	48.9

* Included in Contribution to provident and other funds (Refer Note 22)

Gratuity

Every employee is entitled to a benefit equivalent to 15 days (30 days in case of completed years of service of more than 10 years) salary last drawn for each completed year of service in line with the payment of gratuity act, 1972. the same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Gratuity liability is a defined benefit obligation and is funded.

Compensated absences

Every employee is entitled to a carry forward of 12 days un-availed leave to next financial year maximum up to 60 days**.**

Compensated absences is a defined benefit obligation and is wholly unfunded.

A) Amount recognised in balance sheet

	31 March 2018	31 March 2017
Present value of funded obligations	**200.3**	174.0
Fair value of plan assets	**(175.7)**	(142.0)
Net liability	**24.6**	32.0
Amounts in the Balance Sheet		
Net liability	**24.6**	32.0

28 Employee benefits *(Continued)*

B) Expense recognised in the statement of profit and loss

	31 March 2018	31 March 2017
Current service cost	**23.7**	18.8
Interest on defined benefit obligation	**12.5**	10.9
Expected return on plan assets	**(11.3)**	(6.5)
Net actuarial losses / (gains) recognised in year	**3.0**	9.5
Total, included in "Employee Benefit Expenses"	**27.9**	32.7
Actual return on plan assets	**8.6**	9.1

Recognised under

	31 March 2018	31 March 2017
Long-term provision (Refer Note 6)	**-**	-
Short-term provision (Refer Note 9)	**24.6**	32.0
Total	**24.6**	32.0

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

	31 March 2018	31 March 2017
Change in defined benefit obligation		
Opening defined benefit obligation as at 1 April	**173.9**	140.0
current service cost	**23.7**	18.8
Interest cost	**12.5**	10.9
Actuarial losses / (gains)	**0.3**	12.1
Liabilities Assumed on Acquisition /(Settled on Divestiture)	**2.4**	(0.8)
Benefits paid	**(12.5)**	(7.0)
Closing defined benefit obligation as at 31 March	**200.3**	174.0
Change in the fair value of plan assets		
Opening fair value of plan assets as at 1 April	**142.0**	79.7
Expected return on plan assets	**11.3**	6.5
Actuarial gain/(losses)	**(2.7)**	2.6
Contributions by employer	**35.3**	61.0
Assets Acquired on Acquisition / (Distributed on Divestiture)	**2.4**	(0.8)
Benefits paid	**(12.5)**	(7.0)
Closing fair value of plan assets as at 31 March	**176.0**	142.0
Expected Employer's Contribution Next Year	**28.0**	28.0

28 Employee benefits *(Continued)*

D) Asset information

Category of assets	31 March 2018	31 March 2017
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	31 March 2018	31 March 2017
Insurer managed funds	**176.0**	142.0

E) Summary of actuarial assumptions

Financial assumptions at the valuation date:

	31 March 2018	31 March 2017
Discount rate (per annum)	**7.30%**	6.85%
Expected rate of return on assets (per annum)	**8.00%**	8.00%
Salary escalation rate (per annum)	**8.11%**	8.58%

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

28 Employee benefits *(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

	2018	2017	2016	2015	2014
Defined benefit obligation	**200.3**	174.0	140.0	109.8	76.7
Plan assets	**175.7**	142.0	79.7	79.0	5.3
Surplus / (Deficit)	**(24.6)**	(32.0)	(60.3)	(30.8)	(71.4)
Experience Adjustments on plan liabilities	**11.6**	7.7	8.0	10.9	11.4
Experience Adjustments on plan assets	**(2.7)**	2.6	1.2	3.8	0.1

29 Capital commitments

As at 31 March 2018, the Company had capital commitments (net of advances) amounting to Rs. 69.4 (Previous year Rs. 64.9) and investment commitment of Rs. 60.0 (previous year Rs. 36.3) pursuant to contribution agreements entered into with ICICI Prudential Real estate AIF for which no provision is required to be made.

30 Contingent liabilities

Contingent liabilities as at 31 March 2018 amounts to Rs. 1.1 (31 March 2017: Rs. 95.3) towards disputed income tax demand and Rs. 28.9 (31 March 2017: Rs. 8.8) towards disputed service tax demand.

31 Dues to Micro and Small Enterprise

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.

Particulars	31 March, 2018	31 March, 2017
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.8	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
Further interest remaining due and payable for earlier years	-	-

32 Earnings in foreign currency (on accrual basis)

	For the year	
	31 March 2018	31 March 2017
Fee from advisory services	**510.7**	319.8
Total	**510.7**	319.8

33 Expenditure in foreign currency (on accrual basis)

	For the year	
	31 March 2018	31 March 2017
Information technology	**32.9**	28.2
Travelling	**1.7**	2.5
Distribution support expenses	**9.5**	0.9
Consultancy fees	**18.4**	10.4
Employee cost	**27.2**	21.9
Membership and subscription fees	**2.9**	1.0
Rates and Taxes	**4.4**	-
Total	**97.0**	64.9

34 Unhedged foreign currency exposure

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

	2018		2017	
	Foreign currency (in millions)	**INR**	Foreign currency (in millions)	INR
Recharges payables				
SGD – IT support	**0.4**	**21.5**	0.1	5.3
AED – Employee Cost	**0.4**	**6.3**	0.1	1.8
MUR – Employee Cost	**0.2**	**0.4**	0.2	0.4
		28.2		7.5
Advisory fees receivables				
USD	**2.3**	**146.6**	2.0	129.1
SGD	**0.1**	**2.5**	0.1	3.0
AUD	**0.0**	**0.0**	0.0	0.0
		149.1		132.1

Notes to financial statements *(Continued)*

for the year ended 31 March 2018

(Currency: Indian rupees million)

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

	31 March 2018	31 March 2017
Dividend paid during the year	**2,179.7**	1,565.5
No. of non resident shareholders	**1**	1
No. of shares held	**8,649,517**	8,649,517
Interim dividend paid in the year	**2017-18**	2016-17

36 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 all relevant 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.

37 Disclosures relating to Specified Bank Notes (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016

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 **Price Waterhouse**
Chartered Accountants LLP
Firm's Registration No: 012754N/N500016

Sd/-
Vivek Prasad
Partner
Membership No: 104941

Mumbai
23 April 2018

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
23 April 2018