ICICI Prudential Asset Management Company Limited

Name of the Mutual Fund: ICICI Prudential Mutual Fund

KEY INFORMATION MEMORANDUM
ICICI PRUDENTIAL NIFTY NEXT 50 INDEX FUND
(An open ended Index scheme replicating Nifty Next 50 Index)

THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*:
• Long term wealth creation solution
• An index fund that invests in companies that form part of the Nifty Next 50 Index and aims to achieve returns of the stated indexed subject, to tracking error
• Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Riskometer
Low
Moderate
High

Investors understand that their principal will be at moderately high risk.

INVESTMENT OBJECTIVE
The investment objective of the Scheme is to invest in companies whose securities are included in Nifty Next 50 Index (the Index) and to endeavor to achieve the returns of the above index as closely as possible, subject to tracking error. The Scheme will not seek to perform as the Nifty Next 50. The objective is that the performance of the NAV of the Scheme should closely track the performance of the Nifty Next 50 over the same period subject to tracking error. However, there is no assurance that the investment objective of the Scheme will be realised.

ASSET ALLOCATION PATTERN
(For additional details, refer to the Scheme Information Documents.)

<table>
<thead>
<tr>
<th>Types of Instrument</th>
<th>Indicative Allocation (% of Total Assets) **</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity &amp; Equity related securities of companies constituting the Nifty Next 50 and exchange traded derivatives on the Nifty Next 50 Index</td>
<td>95% to 100%</td>
</tr>
<tr>
<td>Debt &amp; Money Market Instruments (Including Securitised debt*)</td>
<td>0% to 5%</td>
</tr>
</tbody>
</table>

* Exposure to the Securitised debt will not exceed 50% of the debt portfolio. $ Including derivatives instruments to the extent of 100% of the Net Assets

- The Cumulative Gross Exposure to Equity, Debt and Derivatives Positions will not exceed 100% of the Net Assets of the Scheme.
- It may be noted that no prior intimation/intimation would be given to investors when the composition/asset allocation pattern under the scheme undergoes changes within the permitted band as indicated above or in case of any change due to unforeseen changes in the underlying indices.
- Considering the inherent characteristics of the Scheme, equity positions would have to be built-up gradually and also sold off gradually.

INVESTMENT STRATEGY
Please refer to page 3 for Investment Strategy

RISK PROFILE OF THE SCHEMES
Mutual Fund Units involve investment risks including the possible loss of principal. Please refer to Scheme Information Document (SID) carefully for details on risk factors before investment. Please refer to Foot Note No. 11 for summarised Scheme Specific Risk Factors.

RISK MITIGATION FACTORS
Please refer to page 4 for Risk Mitigation Factors

PLANS AND OPTIONS
(For additional details, refer to foot note no.10 on page 2)

Plans: (1) ICICI Prudential Nifty Next 50 Index Fund; (2) ICICI Prudential Nifty Next 50 Index Fund - Direct Plan Options: Growth Option and Dividend Option with Dividend Reinvestment, Dividend Pay-out & Dividend Transfer Plan sub-options. The Scheme will not accept any fresh subscriptions/switch-ins in any other plan than mentioned above. The other plans under the Scheme will continue to operate as on date of last month on AMC’s website at www.icicipruamc.com that will display the asset allocation of the scheme as on the given day.

- Considering the inherent characteristics of the Scheme, equity positions would have to be built-up gradually and also sold off gradually.

SYSTEMATIC INVESTMENT PLAN
Daily, Weekly, Fortnightly and Monthly SIP:
Minimum Rs. 100/- & in multiples of Re. 1 (Minimum number of installments - 6)
Quarterly: Minimum Rs. 5,000/- (plus in multiples of Re. 1) (Minimum number of installments - 4)

SYSTEMATIC WITHDRAWAL PLAN
Minimum Rs. 500/- & in multiples of Re. 1 thereafter (See foot note-7 on page 2)

SWITCH FACILITY
Available

Continuous offer for units at NAV based price. Face value of the unit of the scheme is Rs. 10/- per unit.

Disclaimer of NSE Indices Ltd., (NSE Indices): The Product(s) are not sponsored, endorsed, sold or promoted by NSE Indices Limited (“NSE Indices”). NSE Indices does not make any representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product(s) particularly or the ability of the Nifty Next 50 Index to track general stock market performance in India. The relationship of NSE Indices to the Issuer is only in respect of the licensing of certain trademarks and trade name of its Index which is determined, composed and calculated by NSE Indices without regard to the Issuer or the Product(s). NSE Indices does not have any obligation to take the needs of the Issuer or the owners of the Product(s) into consideration in determining, composing or calculating the Nifty Next 50 Index. NSE Indices is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. NSE Indices has no obligation or liability in connection with the administration, marketing or trading of the Product(s).

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NSE Indices do not guarantee the accuracy and/or the completeness of the Nifty Next 50 Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. NSE Indices do not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the product(s), or any other person or entity from the use of the Nifty Next 50 Index or any data included therein. NSE Indices makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, NSE Indices expressly disclaim any and all liability for from the use of the Nifty Next 50 Index or any data included therein.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.
**KEY SCHEME FEATURES OF ICICI PRUDENTIAL NIFTY NEXT 50 INDEX FUND**

**APPLICABLE NAV**

<table>
<thead>
<tr>
<th>Minimum Application Amount/Number of Units</th>
<th>Purchase</th>
<th>Additional Purchase</th>
<th>Repurchase/Redemption</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rs.5,000</strong> (plus in multiples of Rs.1)</td>
<td><strong>Rs.1,000</strong> (plus in multiples of Rs.1)</td>
<td><strong>Rs.500 or all units where amount is below Rs.500</strong></td>
<td></td>
</tr>
</tbody>
</table>

**DESPATCH OF REPURCHASE (REDEMPTION) REQUEST**

The fund shall despatch redemption proceeds within 10 business days (working days) of receiving the redemption request at the authorized centre for accepting such request.

**BENCHMARK INDEX**

Nifty Next 50 Index

**DIVIDEND POLICY**

The Trustee may approve the distribution of dividends by the AMC out of the distributable surplus of the Scheme. To the extent the net surplus is not distributed, the same will remain invested in the Scheme and be reflected in the NAV. For further details, refer SID. The treatment of unclaimed redemption and dividend amounts will be as per SEBI circular dated February 25, 2016.

**THE FUND MANAGER**

(Tenure given is as on 31/01/2019)

Mr. Kayzad Eghlim (Managing this fund for 8 years 8 months i.e. since inception of the scheme – June 2010)

**NUMBER OF FOLIOS & ASSETS UNDER MANAGEMENT (AUM) AS ON 31/JAN/2019**

| KUL00: 32,452 | AUM: Rs. 357,84 crores |

**SCHEME PERFORMANCE**

Please refer to page 5 for performance

**EXPENSES OF THE SCHEME**

a) Load Structure:

* Not Applicable. In terms of SEBI circular no. SEBI/MI/CIR No.4/168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Ufpr commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors’ assessment of various factors including the service rendered by the distributor.

b) Actual Recurring Expenses for the previous financial year ended March 31, 2018 (% of NAV)

<table>
<thead>
<tr>
<th>ICICI Pruindial Nifty Next 50 Index Fund</th>
<th>ICICI Pruindial Nifty Next 50 Index Fund - Direct Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.81%</td>
<td>0.41%</td>
</tr>
</tbody>
</table>

(Actual Recurring Expenses Excludes Goods and Services tax on Management Fees)

**Waiver of Load for Direct Applications:**

Not applicable. (Refer note 13 on page 2)

**Tax treatment for the Investors (Unitholders):** Refer to page 5

**Daily Net Asset Value (NAV)**

Publication: Refer to page 5

For Investor Grievances please contact: Refer to page 5

Unitholders’ Information: Refer to page 5

**Scheme’s Portfolio Turnover Ratio as on 31/Jan/2019:**

<table>
<thead>
<tr>
<th>Weeks</th>
<th>Times</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5.99</td>
</tr>
<tr>
<td>2</td>
<td>2.43</td>
</tr>
<tr>
<td>3</td>
<td>0.60</td>
</tr>
<tr>
<td>4</td>
<td>0.41</td>
</tr>
</tbody>
</table>

**Unitholders’ Information:**

Refer to page 5

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**APPICLABLE NAV FOR PURCHASE, INCLUDING SWITCH IN**

(Other than Liquid Scheme):

A) Application amount less than Rs. 2 lakh:

In respect of valid applications received up to 3.00 pm on a business day, by the Mutual Fund along with a local cheque or a demand draft payable at par at the place where the application is received: the closing NAV of that business day on which application is received.

In respect of valid applications received after 3.00 pm on a business day, by the Mutual Fund along with a local cheque or a demand draft payable at par at the place where the application is received: the closing NAV of the next business day.

B) Application amount of Rs. 2 lakh or more:

In respect of valid application received before cut-off time, units shall be allotted based on the NAV of the day on which the funds are available for utilisation before 3.00 pm.

In respect of valid application received after 3.00 pm on a business day by the Mutual Fund, same day’s closing NAV shall be applicable.

In respect of valid applications received after the cut off time by the Mutual Fund: the closing NAV of the next business day.

Notes:

1. Saturday is a Non-Business Day for the Scheme.
2. For all web-based transactions, entered through the official web portal of the AMC viz. www.icicipruamc.com, the cut-off times for arriving at applicable Net Asset Value (NAV) shall be:

   a) The time at which, the transaction is confirmed at the websolver of AMC, such time shall be considered as final and binding for determining the cut off timings for various schemes.

   b) There is no assurance that the investment objective of the Scheme will be realized.

   c) In the interest of the investors and in order to protect the portfolio from market volatility, Trustees reserve the right to discontinue subscriptions under the schemes for a specified period of time or till further notice.

   d) Processing of Systematic Investment Plan (SIP) cancellation request(s): The AMC will endeavour to have the cancellation of registered SIP mandate within 30 days from the date of acceptance of the cancellation request from the investor. The existing instructions/mandate will remain in force till such date that it is confirmed to have been cancelled

   e) Processing of Systematic Withdrawal Plan (SWP)/Trigger facility request(s): Registration / cancellation of SWP and Trigger facility requests will be processed within 7 working days from the date of acceptance of the said request(s). Any existing registration will continue to remain in force until the instructions as applicable are confirmed to have been effected.

   f) Submission of separate forms/transaction slips for Trigger Option/ Systematic Withdrawal Plan (SWP)/Systematic Transfer Plan (STP) facility: Investors who wish to opt for Trigger Option /Systematic Withdrawal Plan/Systematic Transfer Plan facility have to submit their request(s) in a separate designated forms/transaction slips. In case, if AMC do not receive such request in separate designated forms/transaction slips, it reserves the right to reject such request(s).

   g) Processing of Transmission-cum-Redemption request(s): If an investor submits redemption/switch out request(s) for transmission cases it will be processed after the units are transferred in the name of new unit holder and only upon subsequent submission of fresh redemption/switch-out request(s) from the new unit holder.

   h) Processing of Redemption/Switch/Systematic transaction request(s) where realization status is not available: The Fund reserves the right to reject / partially process the redemption / switch /systematic transaction request, as the case may be, based on the realization status of the units held by the investor.

In the above cases, intimation will be sent to the investor accordingly. Units which are not redeemed/switched will be processed upon confirmation of realization status and on submission of fresh redemption/switch request.

i. The dividend would be reinvested in the same Scheme/Plan by issuing additional Units of the Scheme at the prevailing ex-dividend Net Asset Value per Unit on the record date. There shall be no exit load on the redemption of units allotted as a result of such reinvestment of dividend.

ii. Dividend declared will be compulsorily paid out under the “dividend payout” option of all schemes which have discontinued fresh subscriptions with effect from October 1, 2012 as per Notice-cum-Addendum no. 0.17/09/2012 published on October 01, 2012.

iii. The criteria for compulsory reinvestment of dividend declared under the dividend payout option of certain schemes, where the dividend amount is less than the minimum dividend payout limit, will not be applicable to investors holding their units in DEMAT form. For unit holders, holding units in DEMAT form, if dividend is declared in any applicable Scheme, the amount will be paid out or reinvested as per the option selected by the unit holder only.
The Schemes offered by ICICI Prudential Mutual Fund are different from each other in terms of scheme features, investment objectives, asset allocation etc. A comparison table for the same has been given below.

### HOW IS THE SCHEME DIFFERENT FROM OTHER SCHEMES

**Features of the Scheme**

<table>
<thead>
<tr>
<th>Type of Scheme</th>
<th>ICICI Prudential Nifty Index Fund</th>
<th>ICICI Prudential Sensex Index Fund</th>
<th>ICICI Prudential Nifty Next 50 Index Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asset Allocation as per SID</strong> (in %)</td>
<td>Equity Stocks drawn from the components of the Nifty 50 and the exchange-traded derivatives on the Nifty 50*</td>
<td>Equity Stocks drawn from the components of the S&amp;P BSE Sensex 50 and the exchange-traded derivatives on the S&amp;P BSE Sensex 50*</td>
<td>Equity &amp; Equity related securities of companies constituting the Nifty Next 50 and exchange traded derivatives on the Nifty Next 50 Index $</td>
</tr>
<tr>
<td></td>
<td>95-100</td>
<td>95-100</td>
<td>95-100</td>
</tr>
<tr>
<td></td>
<td>0 - 5</td>
<td>0 - 5</td>
<td>0 - 5</td>
</tr>
<tr>
<td><strong>Investment Objective</strong></td>
<td>An open ended index linked growth scheme seeking to track the returns of the Nifty 50 through investments in a basket of stocks drawn from the constituents of the above index. The objective of the Scheme is to invest in companies whose securities are included in Nifty and subject to tracking errors, to endeavor to achieve the returns of the above index as closely as possible. This would be done by investing in all the stocks comprising the Nifty 50 in approximately the same weightage that they represent in Nifty 50.</td>
<td>The objective of the Scheme is to invest in companies whose securities are included in S&amp;P BSE Sensex Index and subject to tracking errors, to endeavor to achieve the returns of the above index as closely as possible. This would be done by investing in all the stocks comprising the S&amp;P BSE Sensex Index in approximately the same weightage that they represent in S&amp;P BSE Sensex Index. The Scheme will not seek to outperform the S&amp;P BSE Sensex Index or to underperform it.</td>
<td>The investment objective of the Scheme is to invest in companies whose securities are included in Nifty Next 50 Index (the Index) and to endeavor to achieve the returns of the above index as closely as possible, though subject to tracking error. The Scheme will not seek to outperform the S&amp;P BSE Sensex Index over the same period.</td>
</tr>
<tr>
<td><strong>Assets Under Management</strong></td>
<td>Rs. 373.23 crores</td>
<td>Rs. 14.44 crores</td>
<td>Rs. 357.84 crores</td>
</tr>
<tr>
<td><strong>No. of Folios (as on January 31, 2019)</strong></td>
<td>6,520</td>
<td>1,728</td>
<td>32,462</td>
</tr>
</tbody>
</table>

11) Significant risk factors for equity oriented schemes: Investments in the scheme may be affected by trading volumes, settlement periods, volatility, price fluctuations and risks such as liquidity, derivative, market, currency, lending & borrowing, credit & interest rate

12) Pursuant to SEBI circular no. SEBI/IMD/CIR No.4/168230/08 dated June 30, 2009 no entry load shall be charged for all mutual fund schemes. Therefore, the procedure for waiver of load for direct applications is no longer applicable.

- If the Purchase/Switch application does not specifically state the details of the plan then the same shall be processed under the Direct Plan if no distributor code is mentioned in the application. Otherwise it shall be processed under the AMC/Trustee.

INVESTMENT STRATEGY:

Equities:
The corpus of the Scheme will be invested predominantly in stocks constituting the respective benchmark of the Scheme and in exchange traded derivatives on the Nifty Next 50 Index respectively. A very small portion of the Scheme will be kept liquid to meet the redemption requirements.

The Schemes may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unit holders’ interest.

For the present, the Scheme do not intend to enter into underwriting obligations. However, if the Scheme enter into an underwriting agreement, it would do so after complying with the Regulations and with the prior approval of the Board of the AMC/Trustee.

The performance of the Scheme may not be commensurate with the performance of the benchmark of the Scheme on any given day or over any given period. Such variations are commonly referred to as the tracking error. The Scheme intends to maintain a low tracking error by actively managing the portfolio in line with the index.

The stocks comprising the Nifty Next 50 Index are periodically reviewed by NSE to maintain a low tracking error by actively managing the portfolio in line with the index. However, the performance of the NAV of the Scheme may not be commensurate with the performance of the NAV of the Scheme after complying with the Regulations and with the prior approval of the Board of Trustees and the Board of Asset Management Company.

In addition, the investment team of the AMC will study the macroeconomic conditions, including the political, economic environment and factors affecting liquidity and interest rates. The AMC will use this analysis to attempt to predict the likely direction of interest rates and position the portfolio appropriately to take advantage of the same.

The Schemes could invest in Fixed Income Securities issued by government, quasi government entities, corporate issuers, structured notes and multilateral agencies in line with the investment objectives of the Scheme and as permitted by SEBI from time to time.

Nifty Next 50 Index Fund will follow a passive investment strategy, the endeavour will be to minimise portfolio turnover subject to the exigencies and needs of the Scheme. Generally, turnover will be confined to rebalancing of portfolio on account of new subscriptions, redemptions and change in the composition of Nifty Next 50 Index.

**Fixed Income Securities**

The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks rigorous in depth credit evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC. The credit evaluation includes a study of the operating environment of the issuer, the past track record as well as the future prospects of the issuer, the short as well as longer-term financial health of the issuer. Rated debt instruments in which the Scheme invests will be of investment grade as rated by a credit rating agency. The AMC will be guided by the ratings of Rating Agencies approved by SEBI for this purpose. In case a debt instrument is not rated, such investments shall be made by an internal committee constituted by AMC to approve the investment in unrated debt securities in terms of the parameters approved by the Board of Trustees and the Board of Asset Management Company.

FOR THE PRESENT, THE SCHEME DO NOT INTEND TO ENTER INTO UNDERWRITING OBLIGATIONS.
a) Top 10 Holdings as on January 31, 2019

<table>
<thead>
<tr>
<th>Company</th>
<th>% to Nav</th>
</tr>
</thead>
<tbody>
<tr>
<td>Britannia Industries Ltd.</td>
<td>5.93%</td>
</tr>
<tr>
<td>Godrej Consumer Products Ltd.</td>
<td>4.22%</td>
</tr>
<tr>
<td>Dabur India Ltd.</td>
<td>3.99%</td>
</tr>
<tr>
<td>Aurobindo Pharma Ltd.</td>
<td>3.49%</td>
</tr>
<tr>
<td>Lupin Ltd.</td>
<td>3.29%</td>
</tr>
<tr>
<td>Marico Ltd.</td>
<td>3.03%</td>
</tr>
<tr>
<td>Shree Cements Ltd.</td>
<td>2.98%</td>
</tr>
<tr>
<td>Havells India Ltd.</td>
<td>2.82%</td>
</tr>
<tr>
<td>Piramal Enterprises Ltd.</td>
<td>2.77%</td>
</tr>
<tr>
<td>Petronet LNG Ltd.</td>
<td>2.69%</td>
</tr>
<tr>
<td>Total</td>
<td>35.21%</td>
</tr>
</tbody>
</table>

Term Deposits have been excluded in calculating Top 10 holdings' exposure.

Investors can also obtain Scheme’s latest monthly portfolio holding from the website of AMC i.e. http://www.iciciprämac.com/Downloads/MonthlyPortfolioDisclosure.aspx

b) Sector wise holdings as on January 31, 2019

<table>
<thead>
<tr>
<th>Company</th>
<th>% to Nav</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Goods</td>
<td>26.99%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>17.48%</td>
</tr>
<tr>
<td>Pharma</td>
<td>12.96%</td>
</tr>
<tr>
<td>Automobile</td>
<td>9.12%</td>
</tr>
<tr>
<td>Cement &amp; Cement Products</td>
<td>7.25%</td>
</tr>
<tr>
<td>Industrial Manufacturing</td>
<td>5.08%</td>
</tr>
<tr>
<td>Energy</td>
<td>4.36%</td>
</tr>
<tr>
<td>Services</td>
<td>4.09%</td>
</tr>
<tr>
<td>Metals</td>
<td>3.13%</td>
</tr>
<tr>
<td>Chemicals</td>
<td>2.68%</td>
</tr>
<tr>
<td>IT</td>
<td>1.36%</td>
</tr>
<tr>
<td>Construction</td>
<td>1.15%</td>
</tr>
<tr>
<td>Telecom</td>
<td>0.88%</td>
</tr>
<tr>
<td>Media &amp; Entertainment</td>
<td>0.83%</td>
</tr>
<tr>
<td>Cash, Cash Equivalents</td>
<td>0.64%</td>
</tr>
<tr>
<td>and Net Current Assets</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

Cash, Cash Equivalents and Net Current Assets includes TREPS, Reverse Repo, Term Deposits and Net Current Assets. Net Current Assets includes the adjustment amount for disclosures of derivatives, wherever applicable.

Risk Management Strategies / Risk Mitigation Factors: The Fund by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in equity and debt markets. The risk control process involves identifying & measuring the risk through various risk measurement tools. The Fund has identified following risks of investing in equity and debt securities and designed risk management strategies, which are embedded in the investment process to manage such risks.

### Risks associated with Equity investments

#### Concentration Risk:
Concentration risk represents the probability of loss arising from heavily lopsided exposure to a particular group of sectors or securities. The Scheme will try and mitigate this risk by investing in large number of companies so as to maintain optimum diversification and keep stock-specific concentration risk relatively low.

#### Market Risk:
The scheme is vulnerable to movements in the prices of securities invested by the scheme, which could have a material bearing on the overall returns from the scheme. Market risk is a risk which is inherent to an equity scheme. The Schemes may use derivatives to limit this risk.

#### Liquidity Risk:
The liquidity of the Scheme’s investments is inherently restricted by trading volumes in the securities in which it invests. As such the liquidity of stocks that the fund invests into could be relatively low. The fund will try to maintain a proper asset-liability match to ensure redemption / Maturity payments are made on time and not affected by illiquidity of the under-lying stocks.

#### Derivatives Risk:
As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives since derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. Derivatives will be used for the purpose of hedging/ portfolio balancing purposes or to improve performance and manage risk efficiently. Derivatives will be used in the form of Index Options, Index Futures, Stock Options and Stock Futures and other instruments as may be permitted by SEBI. All derivatives trade will be done only on the exchange with guaranteed settlement. No OTC contracts will be entered into. Derivatives will be used for the purpose of hedging/ portfolio balancing purposes or to improve performance and manage risk efficiently. Derivatives will be used in the form of Index Options, Index Futures, Stock Options and Stock Futures and other instruments as may be permitted by SEBI. All derivatives trade will be done only on the exchange with guaranteed settlement. No OTC contracts will be entered into.

#### Index Risk:
Risk of Nifty Next 50 Index being dissolved or withdrawn by NSE Indices (Quality/ Price /Event risk): Nifty Next 50 Index could be dissolved or could be withdrawn by India Index Services & Products Limited (NSE Indices) or is not published due to any reason whatever. Risk of Nifty Next 50 Index being dissolved or withdrawn by NSE Indices (Quality/ Price/Event risk): The Trustee reserves the right to modify the Schemes so as track a different and suitable index or to suspend tracking the index till such time it is dissolved/ withdrawn or not published and appropriate intimation will be sent to the Unitholders of the Schemes. In such a case, the investment pattern will be modified suitably to match the composition of the securities that are included in the new index to be tracked and the Schemes will be subject to tracking errors during the intervening period.

### Risks associated with Debt investment

#### Market Risk / Interest Rate Risk:
As with all debt securities, changes in interest rates may affect the Scheme’s Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than do short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV. The scheme will undertake the active portfolio management as per the investment objective to reduce the marker risk. In a rising interest rates scenario the scheme will increase its investment in money market securities whereas if the interest rates are expected to fall the allocation to debt securities with longer maturity will be increased thereby mitigating risk to that extent.

#### Liquidity or Marketability Risk:
This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The Scheme may invest in government securities, corporate bonds and money market instruments. While the liquidity risk for government securities, money market instruments and short maturity corporate bonds may be low, it may be high in case of medium to long maturity corporate bonds. Liquidity risk is today characteristic of the Indian fixed income market. The Schemes will, however, endeavor to minimize liquidity risk by investing in securities having a liquid market.

#### Credit Risk:
Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Management analysis will be used for identifying company specific risks. Management’s past track record will also be studied. In order to assess financial risk a detailed assessment of the issuer’s financial statements will be undertaken to review its ability to undergo stress on cash flows and asset quality. A detailed evaluation of accounting policies, off-balance sheet exposures, notes, auditors’ comments and disclosure standards will also be made to assess the overall financial risk of the potential borrower. In case of securitized debt instruments, the Schemes will ensure that these instruments are sufficiently backed by assets.
Reinvestment Risk: This risk refers to the interest rate levels at which cash flows received from the securities in the Schemes are reinvested. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

Derivatives Risk: As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives since derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the “counter party”) to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

For scheme specific risk factors and risk management strategies, kindly refer to the Scheme Information Document.

SCHEME PERFORMANCE RECORD

ICICI Prudential Nifty Next 50 Index Fund

Growth Option (As of 31-Jan-19)

<table>
<thead>
<tr>
<th>Period</th>
<th>Nifty Next 50 Index Fund</th>
<th>Nifty Next 50 Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>-12.62%</td>
<td>11.85%</td>
</tr>
<tr>
<td>3 Years</td>
<td>13.47%</td>
<td>14.67%</td>
</tr>
<tr>
<td>5 Years</td>
<td>17.23%</td>
<td>18.82%</td>
</tr>
<tr>
<td>Since Inception (25-Jun-10)</td>
<td>10.43%</td>
<td>11.58%</td>
</tr>
</tbody>
</table>

Past performance may or may not be sustained in future. • Returns: CAGR • Benchmark: Nifty Next 50 Index • For computation of since inception returns the allotment NAV has been taken as Rs. 10.00. NAV of growth option is considered for computation without considering the head. The performance of the scheme is benchmarked to the Total Return variant of the Index.

Absolute Returns for each financial year for the last 5 years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Return (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 17-18</td>
<td>30.00</td>
</tr>
<tr>
<td>FY 16-17</td>
<td>13.93</td>
</tr>
<tr>
<td>FY 15-16</td>
<td>34.70</td>
</tr>
<tr>
<td>FY 14-15</td>
<td>-3.23</td>
</tr>
<tr>
<td>FY 13-14</td>
<td>42.83</td>
</tr>
</tbody>
</table>


tax benefits of investing in the mutual fund:

In case of investment through Systematic Investment Plan (SIP), transaction charges shall be deducted only if the total commitment through SIP amounts to Rs. 10,000/- and above. The transaction charges in such cases shall be deducted in 4 equal installments.

However, the option to charge “transaction charges” is at the discretion of the distributors. Investors may note that distributors can opt to receive transaction charges based on ‘type of the Scheme’. Accordingly, the transaction charges would be deducted from the subscription amounts, as applicable.

Transaction charges shall also be deducted on purchases/subscriptions received through non-demat mode from the investors investing through a valid ADR holder i.e. AMFI Registered Distributor (provided the distributor has opted in to receive the transaction charges) in respect of transactions routed through Stock Exchange(s) platform viz. NSE Mutual Fund Platform (“NMF-II”) and BSE Mutual Fund Platform (“BSE STAR MF”).

SEEDING OF AADHAAR NUMBER

Investors are advised to refer to Statement of Additional Information (SAI) available on the website of AMC viz; www.icicipruamc.com.

TRANSACTION CHARGES

Pursuant to SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, transaction charge per subscription of Rs.10,000/- and above may be charged in the following manner:

i. The existing investors may be charged Rs.100/- as transaction charge per subscription of Rs.10,000/- and above;
ii. A first time investor may be charged Rs.150/- as transaction charge per subscription of Rs.10,000/- and above.

There shall be no transaction charge on subscription below Rs. 10,000/- and on transactions other than purchases/subscriptions relating to new inflows.

For Investor Grievances please contact:

Name and Address of Registrar

Mr. Yatin Suvarna - Investor Relations Officer, ICICI Prudential Asset Management Company Limited, 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (East), Mumbai-400 063
Tel No.: 022-26865200, Fax No.: 022-2686 8313, e-mail - enquiry@icicipruamc.com

UNITHOLDERS’ INFORMATION:

The AMC shall disclose portfolio of the scheme (along with ISIN) as on the last day of the month / half-year on AMC’s website i.e. www.icicipruamc.com and on the website of AMFI within 10 days from the close of each month / half-year respectively.

For scheme specific risk factors and risk management strategies, kindly refer to the Scheme Information Document.

The Scheme has provision for using derivative instruments for portfolio balancing and hedging purposes. Interest Rate Swaps will be done with approved counter parties under pre-approved ISDA agreements. Mark to Market on every day basis and default provision clauses will be provided as per international best practice on a reciprocal basis. Interest rate swaps and other derivative instruments will be used as per local (RBI and SEBI) regulatory guidelines.

For scheme specific risk factors and risk management strategies, kindly refer to the Scheme Information Document.
the AMC shall henceforth issue account statement to the investors on a monthly basis, pursuant to any financial transaction in such folios on or before tenth day of succeeding month.

In case of a New Fund Offer Period (NFO), the AMC shall send confirmation

to investors having Demat account:

In case of the units are held in dematerialized (demat) form, the statement

shall be sent to the investor in folio-wise and/or mutual fund-wise manner. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as Goods and Services Tax (whenever applicable, as per existing rates), operating expenses, etc.

b. The scheme’s average Total Expense Ratio (in percentage terms) along with the break up between Investment and Advisory fees, Commission paid to the distributor and Other expenses for the period for each scheme’s applicable plan where the concerned investor has actually invested in.

Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.

In case of the units are held in dematerialized (demat) form, the statement of holding of the beneficiary account holder will be sent by the respective Depository Participant periodically.

CAS for investors having Demat account:

• Investors receiving MF investments and holding securities in Demat account shall receive a single Consolidated Account Statement (CAS) from the Depository.

• Consolidation of account statement shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding. The CAS shall be generated on a monthly basis.

• If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios, depositories shall send the CAS within ten days from the month end. In case, there is no transaction in any of the Demat accounts and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis.

• In case an investor has multiple accounts across two depositories, the depository with whom the account has been opened earlier will be the default depository.

The dispatch of CAS by the depositories would constitute compliance by the AMC/ the Mutual Fund with the requirement under Regulation 36(4) of SEBI (Mutual Funds) Regulations.

However, the AMC reserves the right to furnish the account statement in addition to the CAS, if deemed fit in the interest of investor(s).

MAILING OF SCHEME WISE ANNUAL REPORT OR ABRIDGED SUMMARY:

The scheme wise annual report shall be hosted on the website of the AMC and on the website of the AMFI soon as may be possible but not later than four months from the date of closure of the relevant accounts year. The AMC shall publish an advertisement every in India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the website of the AMC.

The AMC shall display prominently on the AMC’s website link of the scheme wise annual report and physical copy of the same shall be made available to the unit holder in the registered / corporate office of the AMC at all times.

The AMC shall send the annual report or an abridged summary thereof to the unitholders whose email addresses are registered with the Fund. The unitholders whose e-mail addresses are not registered with the Fund are required to update / provide their email address applicable for the updating of database. Physical copy of scheme wise annual report or abridged summary shall be provided to investors who have opted to receive the same.

The AMC shall also provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from unitholder.

As per regulation 56(3A) of the Regulations, copy of Schemewise Annual Report shall be also made available to unitholder on payment of nominal fees.

CASH INVESTORS IN THE SCHEME:

Currently, the AMC is not accepting cash investments. Notice shall be provided in this regard as and when the facility is made available.

MULTIPLE BANK ACCOUNTS:

The unitholder/investor can register multiple bank account details under its existing folio by submitting separate form available on the website of the AMC at www.icicipruamc.com. Individuals/HUF can register upto 5 different bank accounts for a folio, whereas non-individuals can register upto 10 different bank accounts for a folio.

Suspension of Sale and Redemption of Units

Suspension or restriction of repurchase/ redemption facility under any scheme of the mutual fund shall be made applicable only after obtaining the approval from the Boards of Directors of the AMC and the Trustees. After obtaining the approval from the AMC Board and the Trustees, Additionally, the following requirements shall need to be observed before imposing restriction on redemptions:

a) Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constrains market liquidity or the efficient functioning of markets such as:

i. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than only issuer specific security.

ii. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.

b) Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.

c) Any imposition of restriction would require specific approval of Board of Directors of the AMC and Trustees and the same shall be informed to SEBI immediately.

d) When restriction on redemption is imposed, the following procedure shall be applied:

1. No redemption requests up to INR 2 lakhs shall be subject to such restriction.

2. Where redemption requests are above INR 2 lakhs, AMCs shall redeem the first INR 2 lakhs without such restriction and remaining part over and above INR 2 lakhs shall be subject to such restriction.

Right to Submit Redemption Requests:

Any Units, which by virtue of these limitations are not redeemed on a particular Business Day, will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing load) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, Redemptions will be made on pro-rata basis, based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day(s).

Suspension or restriction of repurchase/ redemption facility under any Scheme of the mutual fund shall be made applicable only after obtaining the approval from the Boards of Directors of the AMC and the Trustees. After obtaining the approval from the AMC Board and the Trustees, intimation would be sent to SEBI in advance providing details of circumstances and justification for the proposed action shall also be informed.

Redemption requests:

Where Units under a Scheme are held under both the Plans, the investor must clearly state the Plan in which the redemption/switch request has to be processed, failing which the request will be processed under the ICICI Prudential Nifty Next 50 Index Fund. However, where Units under the requested Option are held only under one Plan, the request would be processed under such Plan.

Tax consequences: Switch / redemption may entail tax consequences. Investors should consult their professional tax advisor before initiating such requests.

Note: The Scheme was approved by the Directors of ICICI Prudential Trust Limited by circulation on July 8, 2009. The Trustees have ensured that the Scheme approved by them was new a product offered by ICICI Prudential Mutual Fund and is not a minor modification of the exiting Schemes.

For ICICI Prudential Asset Management Company Limited

Place : Mumbai
Date : February 27, 2019

Sd/-
Nimesh Shah
Managing Director