

22nd Annual Report and Accounts 2014-15



ICICI Prudential Asset Management Company Limited

Corporate Identity Number: U99999DL1993PLC054135

Corporate Office: 3rd Floor, Hallmark Business Plaza, Sant Dyaneshwar Marg, Bandra (East), Mumbai – 400 051. Tel No. 26428000 Fax No. 26554165, www.icicipruamc.com, email id: enquiry@icicipruamc.com

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



NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the members of ICICI Prudential Asset Management Company Limited (the AMC/the Company) will be held at the Registered Office of the Company situated at 12th Floor, Narain Manzil, 23 Barakhamba Road, New Delhi – 110001 on June 26, 2015 at 11.30 a.m. to transact the following business:-

ORDINARY BUSINESS

- (1) To receive, consider and adopt the financial statements for the year ended March 31, 2015 together with the Directors' and Auditors' Reports thereon.
- (2) To appoint a director in place of Ms. Chanda Kochhar (holding DIN 00043617), who retires by rotation and, being eligible, offers herself for re- appointment.
- (3) To consider and if thought fit, to pass the following resolution, with or without modification, as an Ordinary Resolution:

"RESOLVED THAT pursuant to appointment of M/s. BSR & Co. LLP (registration no. 101248W/W-100022) as the statutory auditors of the Company (including all its branches) from the conclusion of 21st Annual General Meeting till the conclusion of the 24th Annual General Meeting, subject to ratification of their appointment at the 22nd and 23rd Annual General Meeting of the Company, their appointment be and is hereby ratified in accordance with the provisions of section 139 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

RESOLVED FURTHER THAT the remuneration of the statutory auditors in addition to the reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company be approved and fixed by the Board of Directors of the Company in consultation with the statutory auditors."

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Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (East), Mumbai – 400 063 , Tel No.: 022 26852000, Fax No.: 022-2686 8313

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

SPECIAL BUSINESS

(4) Revision in the remuneration of the Managing Director

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197 and Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 and subject to the approval of the Central Government, where applicable and subject to any other approvals/permissions, if any, required, consent of the shareholders of the Company be and is hereby accorded for the revised remuneration payable to Mr. Nimesh Shah, Managing Director and CEO of the Company effective from April 1, 2015 is as follows:

Fixed salary for FY2016 is ₹ 27.93 million. The revised basic salary per annum would be ₹ 12.59 million.

Target Bonus for FY2016 would be ₹ 17.76 million. Interest subsidy on home loan at 5% per annum on the loan availed for purchase of property in India, capped to ₹ 30.00 million. This will be paid as monthly cash subsidy at the rate of 5% per annum of the outstanding principal amount of the home loan. The principal outstanding will be reviewed at the end of each financial year to adjust the annual subsidy. The subsidy will start after the home loan availed has been disbursed. In addition to the above the Managing Director will be subject to such benefits, terms and conditions of employment as applicable to other employees of the Company. Grant of stock options as per the policy of ICICI Bank with vesting schedule of 30%-30%-40% over next three years, subject to approval from the Board of Directors of ICICI Bank.

RESOLVED FURTHER THAT Mr. Nimesh Shah's variable pay for FY2015 would be ₹ 15.44 million out of which ₹ 9.26 million will be paid in April 2015 and balance ₹ 6.18 million will be paid in equal installments in April 2016, April 2017 and April 2018.

RESOLVED FURTHER THAT the Board of Directors (which shall be deemed to include any Committee constituted by the Board to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT Mr. Rakesh Shetty, Company Secretary be and is hereby authorised to make the necessary applications/obtain requisite permissions and take any other actions as may be required in connection with the above Resolution."

Note:

An explanatory note in respect of Item No. 4 as set out above is annexed.

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF THE MEMBER. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

By order of the Board of Directors

Sd/-

Rakesh Shetty
Company Secretary

Place: Mumbai

Date: June 1, 2015

Registered Office:

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

Item No. 4**EXPLANATORY STATEMENT**

(Pursuant to section 102 of the Companies Act, 2013)

The members of the Company vide Resolution passed at the Annual General Meeting held on June 17, 2014 had approved terms of remuneration of Mr. Nimesh Shah, Managing Director. The Board of Directors at its meeting held on April 20, 2015, based on the recommendation of Nomination and Remuneration Committee and subject to the approval of the Members at the Annual General Meeting, granted its approval for revision in the terms of remuneration payable to Mr. Nimesh Shah, Managing Director of the Company. The revision in the terms of remuneration is within the limit prescribed by the applicable provisions of the Companies Act, 2013. Accordingly approval of shareholders is sought for revision in terms of remuneration of Mr. Nimesh Shah, the Managing Director of the Company.

None of the Directors and Key Managerial Personnel and their relatives except Mr. Nimesh Shah is in any way concerned or interested in the Resolution at Item No. 4 of the Notice.

By order of the Board of Directors

Sd/-

Rakesh Shetty
Company Secretary

Place: Mumbai
Date: June 1, 2015

Registered Office:

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



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty Second Annual Report, together with the audited financial statements of accounts of ICICI Prudential Asset Management Company Limited (the AMC/the Company) for the year ended March 31, 2015 (fiscal 2015).

FINANCIAL RESULTS

A summary of the Company's financial results for fiscal 2015 are as follows:

(₹ in million)

	Fiscal 2014	Fiscal 2015
Gross Income	5,491.1	8,399.8
Profit before tax	2,766.7	3,761.9
Provision for taxation	939.8	1,264.7
Profit after tax	1,826.9	2,478.9
Profit brought forward from previous year	890.5	1,708.6
Profit available for appropriation	2,717.4	4,176.7
Appropriations		
Transfer to General Reserve	182.7	190.1
Interim Dividend	706.1	794.3
Dividend Distribution Tax	120.0	147.2
Leaving balance to be carried forward to the new year	1,708.6	3,045.1

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 26, 2014	₹ 11 per share (110% of the face value)	194.2
September 24, 2014	₹ 11 per share (110% of the face value)	194.2
December 24, 2014	₹ 11 per share (110% of the face value)	194.2
March 24, 2015	₹ 12 per share (120% of the face value)	211.8

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PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

During the fiscal 2015, the Company had not given any Loan or Guarantee to be covered under the provisions of section 186 of the Companies Act, 2013 (the Act). Details of Investments covered under the provisions of section 186 of the Act are given in the notes to the financial statements.

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

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions that were entered into during the financial year were on an arm's length basis and were in ordinary course of business. Particulars of contract or arrangements with related parties referred to in section 188(1) are annexed herewith as Annexure A.

OPERATIONS DURING THE YEAR

- a. Average Assets Under Management (AUM):** The average AUM of the Fund for FY2015 was ₹ 1,485.59 billion.
- b. Awards received by ICICI Prudential Mutual Fund (the Fund):** In FY2015, the Company won the Asia Asset Management Annual Best of the Best Awards 2014 for the Best Fund House, India & CEO of the Year, India for Nimesh Shah, Managing Director.

Asia Asset Management's annual Best of the Best Awards, is an annual awards programme that gives recognition to financial institutions and pension funds for outstanding achievements over the past calendar year. These prestigious awards recognize our innovation, dynamism and high standards of practice.

The Company also won the Outlook Money Award for Best Fund House of the Year. Besides this, the Company received numerous other prestigious accolades during the year like Best Debt Fund House at the Money Today FPCIL Awards and the highest number of Lipper Fund Awards across several fund categories.

- c. Sales, Operations and Consumer Service:** Your Company has established a wide network of 134 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, 2015 stood at 1,006 against 773 at March 31, 2014.

UPDATE ON NEW PRODUCTS

During fiscal 2015, ICICI Prudential Mutual Fund launched 51 fixed maturity plans, 19 capital protection oriented schemes, 15 multiple yield funds, 12 close ended equity funds, two open ended equity funds and one open ended debt fund. These Funds have collected ₹ 116.5 billion in fiscal 2015.

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, 2015, the AMC was rendering Portfolio Management services to 2,895 clients. The Company is also providing investment management services to the scheme under ICICI Prudential Venture Capital Fund under its Portfolio Management Services License. During FY2015, your Company has commenced investment management services to the Alternative Investment Funds registered under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and is currently acting as an investment manager to ICICI Prudential Debt Fund and ICICI Prudential Real Estate AIF.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE ETC.

In fiscal 2015, your Company has earned ₹ 283.2 million (fiscal 2014 - ₹ 260.6 million) as foreign exchange income and has incurred ₹ 46.5 million (fiscal 2014 - ₹ 61.3 million) towards foreign exchange expenditure.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 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.

DEPOSITS

During the year, the Company did not accept any deposits from the public under Chapter V of the Act.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company consisted of the following Directors at March 31, 2015:

1. Chanda Kochhar, Chairperson and Nominee Director
2. Barry Stowe, Nominee Director
3. N. S. Kannan, Nominee Director
4. Vijay Thacker, Independent Director
5. Suresh Kumar, Independent Director
6. C. R. Muralidharan, Independent Director
7. M. K. Sharma, Independent Director
8. Nimesh Shah, Managing Director



At the Annual General Meeting held on June 17, 2014, the Members of the Company appointed M. K. Sharma as an Independent Directors under the Act, for a term of five consecutive years up to March, 31 2019.

Further, at the Extra-ordinary General Meeting of the Company held on March 20, 2015, the Members of the Company had appointed the existing Independent Directors viz. Vijay Thacker, Suresh Kumar and C. R. Muralidharan as Independent Directors under the Act, for the following term:

1. Vijay Thacker – from January 27, 2015 upto January 21, 2017
2. Suresh Kumar – from January 27, 2015 upto June 30, 2019
3. C. R. Muralidharan – from January 27, 2015 upto June 30, 2019

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

Section 152 of the Act, notified effective April 1, 2014 provides that independent Directors would need to be excluded from the total number of Directors for the purpose of computing the number of Directors whose period of office will be liable to determination by retirement of directors by rotation. In terms of the aforesaid provisions, Chanda Kochhar retires at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment.

During fiscal 2015, five meetings of the Board of Directors were held.

The Board in its meeting held on April 24, 2014 was informed that the Company was in compliance with the requirement of having the key managerial personnel (KMP) (the Managing Director, the Chief Financial Officer and the Company Secretary) as specified in the Act. Following are the KMPs of the Company:

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

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee consisted of the following Directors at March 31, 2015:

Vijay Thacker
Suresh Kumar
M. K. Sharma

During the year, M. K. Sharma was appointed as a member of Audit and Risk Committee of the Company. During fiscal 2015, five meetings of the Audit and Risk Committee were held.

NOMINATION AND REMUNERATION COMMITTEE

At March 31, 2015, the Nomination and Remuneration Committee consisted of the following Directors:



Suresh Kumar
Chanda Kochhar
Barry Stowe
Vijay Thacker

During fiscal 2015, three meetings of the Nomination and Remuneration Committee were held.

INVESTMENT COMMITTEE

At March 31, 2015, the Investment Committee consisted of the following Directors:

C. R. Muralidharan
N. S. Kannan
Nimesh Shah

During fiscal 2015, four meetings of the Investment Committee were held.

COMMITTEE OF DIRECTORS

At March 31, 2015, the Committee of Directors consisted of the following Directors:

N. S. Kannan
Nimesh Shah

During fiscal 2015, three meetings of the Committee of Directors were held.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

At March 31, 2015, the Corporate Social Responsibility Committee consisted of the following Directors:

M. K. Sharma
N. S. Kannan
Nimesh Shah

During fiscal 2015, one meeting of the Corporate Social Responsibility Committee was held.

MEETING OF INDEPENDENT DIRECTORS

In accordance with schedule IV of the Act, one meeting of independent directors was held during fiscal 2015.

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.



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

The Company has put in place a framework for identifying persons who are qualified to become directors, which specify the criteria such as qualifications, positive attributes and independence of a director. The Company has also framed a Compensation Policy in line with the requirements of section 178 (3) and (4) of the Act. The Company's approach to compensation is intended to drive meritocracy within the framework of prudent risk management. The Managing Director of the Company is 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.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has in place vigil mechanism titled 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 whistle blower policy of the Company is available on the website of the Company.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of section 135 of the Act, 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, which specifies following as the primary focus areas for CSR activities:

1. Skill development and sustainable livelihoods;
2. Education;
3. Financial inclusion;
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.

As per the Board approved CSR Policy, the CSR activities could be undertaken by the Company directly or through ICICI Foundation or through any other entity.

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

AUDITORS

i. Statutory Auditors

M/s. B S R and Co. LLP (registration no. 101248W/W-100022), Chartered Accountants were appointed as statutory auditors of the Company in the 21st Annual General Meeting (AGM) held on June 17, 2014 to hold office for a period of three years from the conclusion of the 21st AGM till the conclusion of the 24th AGM, subject to ratification of their appointment at the 22nd and 23rd AGM of the Company. The proposal for ratification of appointment of M/s. B S R and Co. LLP is placed in the ensuing 22nd AGM of the Company. The Company has received certificate under section 139 (1) of the Act from the statutory auditors of the Company.

ii. Secretarial Auditor

Pursuant to provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, the Company with the approval of its Board has appointed M/s. P. K. Pandya & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for fiscal 2015. The Report of the Secretarial Auditor is annexed herewith as Annexure C.

There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT9 is annexed herewith as Annexure D.



DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. 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 at the end of the financial year and of the profit and loss of the company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis; and
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENT

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

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

Your Directors thank Computer Age Management Services Private Limited - the Registrar and Transfer Agents to the schemes of the Fund, the Custodians to the Fund and the Company's bankers for the support provided by them in carrying out the operations in an efficient manner.

The Directors would also like to express their sincere thanks and appreciation to all the employees, Agents and Distributors of the products of the Company for their contribution during the year. Finally, the Directors wish to express their gratitude to the Members for their continued support.

For and on behalf of the Board

**Sd/-
Chanda Kochhar
Chairperson**

Place : Mumbai
Date : April 20, 2015

Annexure A**Details of material related party transactions at an aggregate level for year ended March 31, 2015**

Sr. No.	Nature of contracts/ transactions	Name of the related party	Nature of relationship	Duration of contracts	Salient terms of contracts/ transactions	₹ in million
1.	Short-term borrowing	ICICI Bank Limited	Holding Company	-	Outstanding overdraft amount at March 31, 2015 at contractual interest rate	1,311.9

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2015

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) Financial inclusion;
- 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. It has one Independent Director who is also the Chairman of the Committee. The composition of the Committee is given below:

- 1) Mr. M. K. Sharma, Chairman
- 2) Mr. N. S. Kannan, 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.

The average net profit of the company for the last three financial years calculated as specified by the Companies Act 2013 was ₹ 1.90 billion.

4. Prescribed CSR Expenditure for the FY2015 (two per cent of the amount as in item 3 above).

The prescribed CSR expenditure requirement for FY2015 is ₹ 0.04 billion.

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 FY2015 was ₹ 0.04 billion.

(b) Amount unspent , if any; NIL

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

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 (₹ mn) outlay (budget) project or programs wise	Amount in (₹ mn) spent on the projects or programs Sub heads:	Cumulative expenditure upto the reporting Period in (₹ mn)	Amount spent in (₹): Direct or through implementing agency
1	Projects of ICICI Foundation for Inclusive Growth ("IFIG")	As per Annexure	As per Annexure	36.46	Expenditure on projects & administration: 36.46	36.46	Amount spent through ICICI Foundation for Inclusive Growth. The Foundation was set

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 (₹ mn) outlay (budget) project or programs wise	Amount in (₹ mn) spent on the projects or programs Sub heads:	Cumulative expenditure upto the reporting Period in (₹ mn)	Amount spent in (₹): Direct or through implementing agency
							up in 2008 to focus on activities in the area of CSR.
2	Contribution to Prime Minister's relief fund	Relief & welfare	Jammu & Kashmir	1.56	1.56	1.56	Direct

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 hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the company.

Sd/-
Managing Director

Sd/-
Chairman CSR Committee

ICICI Foundation Programmes

Sr. No	Sector in which the Project is covered	District/Location	State/s
A. Skill Development & Sustainable Livelihood			
1.	ICICI Academy for Skills	Jaipur	Rajasthan
		Patna	Bihar
		Hyderabad	Andhra Pradesh
		Coimbatore	Tamil Nadu
		Chennai	Tamil Nadu
		Bangalore	Karnataka
		Pune	Maharashtra
		Narsobawadi	Maharashtra
		Guwahati	Assam
		Durg	Chhattisgarh
B. Elementary Education			
2.	School and Teacher Education Reform Programme	State-wide	Rajasthan
		State-wide	Chhattisgarh
C. Primary Health			
3.	Outpatient Healthcare Programme	Puri	Odisha
		Mehsana	Gujarat
4.	Child Nutrition Programme	Baran	Rajasthan
5.	Apna Clinic (Truckers Programme)	Pune	Maharashtra
D. Financial Inclusion			
6.	Financial Literacy Project for youth, Self-Help Groups (SHGs) and school students through Rural Self Employment Training Institutes	Udaipur	Rajasthan
		Jodhpur	Rajasthan

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

To,
The Members,
ICICI Prudential Asset Management Company Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ICICI Prudential Asset Management Company Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

Note: Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same are not applicable to the Company.

(a) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(b) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and

Note: The following Regulations and Guidelines prescribed under the SEBI Act are not applicable to the company:

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

(a) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;

(b) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993; and

(c) The Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.

The following are not applicable to the company:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India, as the same is not approved by the Central Government under section 118 (10) of the Companies Act, 2013; and

(ii) The Listing Agreements as none of the securities of the Company are listed on any recognised stock exchanges of India or abroad.

I 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.

Majority decision is carried through and there was no instance of any of the Directors expressing dissent.

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

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

For P. K. Pandya & Co.
Practising Company Secretary

Place: Mumbai
Date: 20th April 2015

Sd/-
Prakash K. Pandya
FCS No.: 3901
C P No.: 2311

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

Annexure A

To,
The Members,
ICICI Prudential Asset Management Company Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to ICICI Prudential Asset Management Company Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about 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 P. K. Pandya & Co.
Practising Company Secretary

Place: Mumbai
Date: 20th April 2015

Sd/-
Prakash K. Pandya
FCS No.: 3901
P No.: 2311
Page 4 of 4

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2015

[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: N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

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	88.94%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ associate	% of shares held	Applicable Section
1	ICICI Bank Ltd. Landmark Race Course Circle, Alkapuri, Baroda - 390015	L65190GJ1994PLC021012	Holding	51%	2(46)
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 Corporate									
e) Banks / FI	9,001,873	Nil	9,001,873	50.996	9,001,873	Nil	9,001,873	50.996	Nil
f) Any Other....	700	Nil	700	0.004	700	Nil	700	0.004	Nil
Sub-total (A) (1):-	9,002,573	Nil	9,002,573	51	9,002,573	Nil	9,002,573	51	Nil
(2) Foreign									
a) NRIs - Individuals									
b) Other -Individuals									
c) Bodies Corp.	8,649,517	Nil	8,649,517	48.99	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	48.99	8,649,517		8,649,517	49	Nil
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	17,652,090	Nil	17,652,090	100	Nil	Nil	17,652,090	100	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
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 ₹1 lakh									
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	17,652,090		17,652,090	100	17,652,090		17,652,090	100	Nil

ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the			% change in share holding during the year
		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	
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 (please specify, if there is no change)

SI No.		Shareholding at the beginning of		Cumulative Shareholding during the	
		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 Share holding 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.	For Each of the Top 10 Shareholders	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	Nil, for shares held by top ten shareholders other than directors, promoters and holders of GDR and ADRs.			
	Date wise Increase / Decrease in Share holding 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.	For Each of the Directors	Shareholding at the beginning		Cumulative Shareholding during the	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the company
	At the beginning of the year	Nil			
	Date wise Increase / Decrease in Share holding 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	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
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	1,741.5	NIL	NIL	1,741.5
• Reduction	429.6	NIL	NIL	429.6
Net Change	1,311.9	NIL	NIL	1,311.9
Indebtedness at the end of the financial year				
i) Principal Amount	1,311.9	NIL	NIL	1,311.9
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	1,311.9	NIL	NIL	1,311.9

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	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	46.3	46.3
		0.3	0.3
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	Total (A)	46.6	46.6
	Ceiling as per the Act	188.0	188.0

B. Remuneration to other directors:

(₹ in million)

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
3.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	C.R. Muralidharan	Mahendra Kumar Sharma	Suresh Kumar	Vijay Thacker	
		0.6	0.3	0.5	0.6	2.0
		-	-	-	-	-
		-				-
	Total (1)	0.6	0.3	0.5	0.6	2.0

4.	Other Non-Executive Directors	-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	<ul style="list-style-type: none"> • Fee for attending board /committee meetings • Commission • Others, please specify 	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	0.6	0.3	0.5	0.6	2.0
	Total Managerial					
	Overall Ceiling as per the Act (applicable for all the directors taken together)	37.6	37.6	37.6	37.6	37.6

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

(₹ in million)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	46.3	2.4	17.1	65.8
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.3	0.0	0.5	0.8
	(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	46.6	2.4	17.6	66.6

Note: The CEO (Managing Director) receives stock options from ICICI Bank Limited, in line with ICICI Bank Group Policy. The same information is also being provided under point VI. A

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					

Independent Auditors' Report

To the Members of ICICI Prudential Asset Management Company Limited

Report on the financial statements

We have audited the accompanying financial statements of ICICI Prudential Asset Management Company Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

Independent Auditors' Report (Continued)

ICICI Prudential Asset Management Company Limited

Auditor's responsibility (continued)

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;

Independent Auditors' Report (Continued)
ICICI Prudential Asset Management Company Limited

Report on Other Legal and Regulatory Requirements (continued)

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP

Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sd/-

Milind Ranade
Partner
Membership No: 100564

Mumbai
20 April 2015

ICICI Prudential Asset Management Company Limited

Annexure to the Independent Auditors' Report

(Referred to in our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
2. The Company is a service company primarily rendering asset management services, portfolio management services. Accordingly, it does not hold any inventories. Thus, paragraph 3 (ii) of the Order is not applicable.
3. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to the purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of section 73 to section 76 or other relevant provisions of the Act and rules framed there under apply.
6. The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth tax, service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise, value added tax, cess. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth tax, service tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us the following disputed dues of Income-tax have not been deposited by the Company.

Name of The Statute	Nature of Dues	Amount (Rs. Million)	Period to which the amount relates	Forum where the dispute is pending
Direct Tax	Income tax demand	1.1	AY 2006-07	CIT (A)
Direct Tax	Income tax demand	0.7	AY 2007-08	ITAT

ICICI Prudential Asset Management Company Limited.

Annexure to the Independent Auditors' Report (*Continued*)

- (c) According to the information and explanations given to us, there are no dues of investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder which is required to be transferred.
8. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank. The Company did not have any outstanding dues from financial institution or debentures during the year.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Thus, paragraph 3 (x) of the Order is not applicable.
11. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, the Company does not have any term loans and hence, paragraph 3 (xi) of the Order is not applicable.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sd/-

Milind Ranade

Partner

Membership No: 100564

Mumbai
20 April 2015

ICICI Prudential Asset Management Company Limited

Balance sheet

as at 31 March 2015

(Currency: Indian rupees million)

	<i>Notes</i>	2015	2014
Equity and liabilities			
Shareholders' funds			
Share capital	3	176.5	176.5
Reserves and surplus	4	4,213.8	2,687.1
		<u>4,390.3</u>	<u>2,863.6</u>
Non-current liabilities			
Long term provisions	5	251.7	270.2
		<u>251.7</u>	<u>270.2</u>
Current liabilities			
Short term borrowings	6	1,311.9	-
Trade Payables	7	745.2	543.4
Other current liabilities	8	238.1	565.8
Short-term provisions	9	346.1	316.4
		<u>2,641.3</u>	<u>1,425.6</u>
TOTAL		<u>7,283.3</u>	<u>4,559.4</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	156.3	152.1
Intangible assets	11	36.3	39.8
Capital work-in-progress		6.7	2.7
Intangible assets under development		3.7	9.9
Non-current investments	12	854.0	529.9
Deferred tax assets (net)	13	96.0	126.7
Long term loans and advances	14	2,828.5	1,234.4
		<u>3,981.5</u>	<u>2,095.5</u>
Current assets			
Current investments	15	188.4	354.0
Trade receivables	16	319.4	386.9
Cash and bank balances	17	98.5	778.4
Short-term loans and advances	18	2,637.8	908.1
Other current assets	19	57.7	36.5
		<u>3,301.8</u>	<u>2,463.9</u>
TOTAL		<u>7,283.3</u>	<u>4,559.4</u>

Significant accounting policies and notes to the financial statements 2 – 37

The Notes referred to above form an integral part of this balance sheet.

As per our report of even date attached

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

Sd/-
Milind Ranade
Partner

Membership No: 100564

Mumbai
20 April 2015

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

Sd/-
Chanda Kochhar
Chairperson

Sd/-
Vijay Thacker
Director

Sd/-
Nimesh Shah
Managing Director

Sd/-
B. Ramakrishna
Chief Financial Officer

Sd/-
Rakesh Shetty
Company Secretary

Mumbai
20 April 2015

ICICI Prudential Asset Management Company Limited

Statement of profit and loss

for the year ended 31 March 2015

(Currency: Indian rupees million)

	<i>Notes</i>	2015	2014
Income			
Revenue from operations	20	8,260.0	5,307.0
Other income	21	139.8	184.1
Total revenue		8,399.8	5,491.1
Expenses			
Employee benefit expenses	22	1,248.9	1,051.3
Finance cost	23	24.5	-
Depreciation and amortization expenses		101.8	73.4
Operating and administrative expenses	24	3,262.7	1,599.7
Total expenses		4,637.9	2,724.4
Profit before tax		3,761.9	2,766.7
Tax expenses:			
- Current tax		1,264.7	934.8
- Excess provision of earlier years written back		(1.7)	(14.3)
- Deferred tax expense		30.7	19.3
Total tax expense		1,293.7	939.8
Net Profit after tax		2,468.2	1,826.9
Earnings per share of face value Rs. 10 each – Basic and Diluted (in Rs.)	28	139.83	103.49
Significant accounting policies and notes to the financial statements	2-37		

The Notes referred to above form an integral part of the statement of profit and loss

As per our report of even date attached

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

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

Sd/-
Milind Ranade
Partner
Membership No: 100564

Sd/-
Chanda Kochhar
Chairperson

Sd/-
Vijay Thacker
Director

Sd/-
Nimesh Shah
Managing Director

Sd/-
B. Ramakrishna
Chief Financial Officer

Sd/-
Rakesh Shetty
Company Secretary
Mumbai
20 April 2015

Mumbai
20 April 2015

ICICI Prudential Asset Management Company Limited

Cash flow statement

for the year ended 31 March 2015

(Currency: Indian rupees million)

	2015	2014
Cash flows from operating activities		
Net profit before tax for the year	3,761.9	2,766.7
<i>Adjustment for:</i>		
Depreciation and amortization expenses	101.8	73.4
(Profit)/Loss on sale of fixed assets	0.6	(2.1)
Interest expense	24.5	-
Investment income (dividend)	(17.4)	(30.1)
Investment income on PMS investment	(84.3)	(50.0)
(Profit)/Loss on sale of investments (net)	(31.8)	(15.9)
Working capital changes		
(Decrease)/Increase in long term provisions	(18.5)	21.3
Increase in short term provisions	29.7	65.7
(Decrease) / Increase in trade payables	201.8	(183.0)
(Decrease) / Increase in other current liabilities	42.9	(56.6)
(Increase) in other long-term loans and advances	(1,590.8)	(316.9)
Decrease/(Increase) in trade receivables	67.4	(95.6)
(Increase) in short-term loans and advances	(1,732.4)	(273.2)
Direct taxes paid (net of refunds)	(1,262.9)	(920.5)
Cash generated from / (used in) working capital changes	(4,262.8)	(1,758.8)
Net cash provided / (used) by operating activities	(507.5)	983.2
Cash flows from investing activities		
Purchase of tangible assets/capital work-in-progress	(106.0)	(108.9)
Purchase of investments	(9,803.6)	(6,088.3)
Dividend received	17.4	30.0
Investment income on PMS investment	66.0	50.0
Proceeds from sale of fixed assets	1.8	8.9
Proceeds from sale of investments	9,676.8	6,299.1
Net Cash generated /(used) in Investing activities	(147.6)	190.8
Cash flows from financing activities		
Proceeds from short term borrowings	1,741.5	-
Repayment of short term borrowings	(429.6)	-
Interest paid	(24.5)	-
Dividends paid (including dividend distribution tax)	(1,312.2)	(487.9)
Net cash generated /(used) in financing activities	(24.8)	(487.9)
Net (decrease)/increase in cash and cash equivalents (A)	(679.9)	686.1
Add: Cash and cash equivalents at the beginning of the period (B)	778.4	92.3
IV. Cash and cash equivalents at the end of the period (A+B)	98.5	778.4

As per our report of even date attached.

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

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

Sd/-
Milind Ranade
Partner
Membership No: 100564

Sd/-
Chanda Kochhar
Chairperson

Sd/-
Vijay Thacker
Director

Sd/-
Nimesh Shah
Managing Director

Sd/-
B. Ramakrishna
Chief Financial Officer

Sd/-
Rakesh Shetty
Company Secretary

Mumbai
20 April 2015

Mumbai
20 April 2015

ICICI Prudential Asset Management Company Limited

Notes to the financial statements

for the year ended 31 March 2015

(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 is registered with Securities and Exchange Board of India ('SEBI') under SEBI (Mutual Funds) Regulations, 1996, SEBI (Portfolio Managers) Regulations, 1993, SEBI (Venture Capital Funds) Regulations, 1996 and SEBI (Alternative Investment Funds) Regulations, 2012.

The Company's principal activity is to act as an investment manager to ICICI Prudential Mutual Fund ('the Fund'), to provide services to the clients under SEBI (Portfolio Managers) Regulations, 1993 and SEBI (Venture Capital Funds) Regulations, 1996. The Company manages the investment portfolios of the Fund and provides various administrative services to the Fund and ICICI Prudential Trust Limited as laid down in the Investment Management Agreement dated September 3, 1993. The Company also provides advisory services to clients and acts as the investment manager to Alternative Investment Funds registered under SEBI (Alternative Investment Funds) Regulations, 2012.

2 Significant accounting policies

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

2.1 Basis of preparation

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 and other accounting principles generally accepted in India, to the extent applicable.

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.

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2 Significant accounting policies (*Continued*)

2.3 Current – non current classification

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

Assets

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

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

All other assets are classified as non-current.

Liabilities

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

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

All other liabilities are classified as non-current.

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2 Significant accounting policies (*Continued*)

2.4 Fixed assets and depreciation

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

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

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

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

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

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

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

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2 Significant accounting policies (*Continued*)

2.5 Impairment of assets

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

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

2.6 Investments

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

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

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

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

2.7 Revenue recognition

Management fees

Fund management and portfolio management fees (net of service tax) are recognised on an accrual basis in accordance with the respective terms of contract between the Company and ICICI Prudential Trust Limited, Portfolio Management Scheme ('PMS') Clients, Venture Capital Fund and Regulations of Securities Exchange Board of India ("SEBI").

Advisory fees

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

Other income

Interest income is accounted on an accrual basis.

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

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2 Significant accounting policies (*Continued*)

2.8 Transactions in foreign currency

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

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

2.9 Retirement benefits

Provident fund

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

Gratuity

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

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

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

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

Superannuation

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

Leave encashment

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

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2 Significant accounting policies (*Continued*)

2.10 New Fund Offer ('NFO') expenses

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

2.11 Fund expenses

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

2.12 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')

For LTIP 2012, LTIP 2013 and LTIP 2014 launched in the year ended 31 March 2012, 31 March 2013 and 31 March 2014 respectively, the grant value will be paid in three annual tranches. The provision is assessed on a yearly basis based on actuarial valuation.

The Company has launched LTIP 2015 for which the grant value will be paid in three annual tranches. The year end provision is measured at the present value of estimated future cash flows and the same will be assessed on a yearly basis based on actuarial valuation.

2.14 Operating leases

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

2.15 Tax

Income tax expense comprises current tax (i.e. amount of tax for the period 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 period).

Current tax

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

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2 Significant accounting policies (*Continued*)

Deferred tax

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

2.16 Earnings per share

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

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

2.17 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.

Contingent assets are not recognised in the financial statements

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

	2015	2014
--	------	------

3 Share capital

Authorised share capital		
25,000,000 (Previous year: 25,000,000) equity shares of Rs. 10 each	250.0	250.0
	=====	=====
Issued, subscribed and paid-up capital		
17,652,090 (Previous year: 17,652,090) equity shares of Rs. 10 each, fully paid up	176.5	176.5
	=====	=====
There is no change in equity shares in the current year.		
Rights attached to the equity shares		
<p>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.</p> <p>Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of preferential amounts, if any, in proportion to the number of equity shares held.</p>		
Shares held by Holding Company:		
9,002,573 (Previous year: 9,002,573) equity shares of Rs. 10 each are held by ICICI Bank Limited, the Holding Company and its nominees.		
Shareholders holding more than 5%:		
9,002,573 (Previous year: 9,002,573) equity shares of Rs. 10 each are held by ICICI Bank Limited and its nominees.		
8,649,517 (Previous year: 8,649,517) equity shares of Rs. 10 each are held by Prudential Corporation Holdings Limited.		

The Board of Directors had declared interim dividends aggregating to Rs. 45.0 per equity share (Previous year: Rs. 40.0). The total dividend appropriation for the year ended 31 March 2015 amounted to Rs.941.5 (Previous year: Rs. 826.1) including dividend distribution tax of Rs. 147.2 (Previous year: Rs. 120.0).

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2015 2014

4 Reserves and surplus

<i>Capital redemption reserve</i>	8.7	8.7
<i>Securities premium</i>	33.5	33.5
<i>General reserve</i>		
Balance at the beginning of the year	833.3	650.6
Add: Transfer from surplus in the statement of profit and loss	190.1	182.7
Balance at the end of the year	1,023.4	833.3
<i>Contingency reserve</i> ¹	103.0	103.0
<i>Surplus in the statement of profit and loss</i>		
Profit brought forward	1,708.6	890.5
Net profit after tax	2,468.2	1,826.9
Transfer to general reserve	(190.1)	(182.7)
Dividend	(794.3)	(706.1)
Dividend distribution tax	(147.2)	(120.0)
Net surplus in the statement of profit and loss	3,045.2	1,708.6
Total reserves and surplus	4,213.8	2,687.1

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

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2015 2014

5 Long term provision

Non-current portion of employee benefits		
- for LTIP ¹	179.0	166.6
- for leave encashment	3.6	4.0
- for gratuity	30.8	57.6
Other non-current provision		
- Lease equalization	38.3	42.0
	<u>251.7</u>	<u>270.2</u>

¹ Refer Note to Non current investments

6 Short term borrowing

Cash credit from bank (secured)(related party)	1,311.9	-
	<u>1,311.9</u>	<u>-</u>

Cash credit from bank is secured against the receivables of the company which includes receivables on management fees from mutual fund operations and advances recoverable in cash or kind from the schemes of mutual fund. The cash credit is repayable on demand and carries interest of 11%.

7 Trade Payables

Trade Payables	729.5	532.9
Trade Payables to related parties	15.7	10.5
	<u>745.2</u>	<u>543.4</u>

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

8 Other current liabilities

	2015	2014
Income received in advance	167.2	132.2
Unpaid dividend	-	353.0
Dividend distribution tax payable	42.4	60.0
Statutory dues	26.9	15.8
Accrued expenses	1.6	4.8
	<u>238.1</u>	<u>565.8</u>
	<u><u>238.1</u></u>	<u><u>565.8</u></u>

9 Short term provision

Current portion of employee benefits towards		
- Bonus	256.5	209.7
- LTIP ¹	78.5	70.0
- Leave encashment	1.8	2.2
- Gratuity	-	13.8
Other current provision		
- Lease Equalization	3.1	3.8
- Provision for tax (net of advance tax)	6.2	16.9
	<u>346.1</u>	<u>316.4</u>
	<u><u>346.1</u></u>	<u><u>316.4</u></u>

¹ Refer Note to current investments

ICICI Prudential Asset Management Company Limited

Notes to financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees million)

10

Tangible assets (Continued)

2014

Description	Leasehold improvements	Furniture and fixtures	Office equipments	Computers	Vehicles	Total
Gross block						
As at 1 April,	178.4	52.1	96.0	205.4	47.9	579.8
Additions during the year	7.8	1.8	3.3	34.6	8.7	56.2
Deletions during the year	(12.6)	(3.9)	(3.2)	(21.8)	(10.9)	(52.4)
As at 31 March,	173.6	50.0	96.1	218.2	45.7	583.6
Accumulated depreciation						
As at 1 April,	122.8	41.5	55.7	180.6	19.2	419.8
Charge for the year	15.8	5.3	8.4	19.3	8.5	57.3
On deletions during the year	(12.6)	(3.5)	(2.0)	(20.6)	(6.9)	(45.6)
As at 31 March,	126.0	43.3	62.1	179.3	20.8	431.5
Net block						
As at 31 March,	47.6	6.7	34.0	38.9	24.9	152.1

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

11 Intangible assets

2015

2014

	2015	2014
Software		
<i>Gross block</i>		
As at 1 April,	135.0	89.2
Additions during the year	20.2	45.8
Deletions during the year	-	-
As at 31 March,	<u>155.2</u>	<u>135.0</u>
<i>Accumulated amortisation</i>		
As at 1 April,	95.2	79.1
Charge for the year	23.7	16.1
On deletions during the year	-	-
As at 31 March,	<u>118.9</u>	<u>95.2</u>
<i>Net block</i>		
As at 31 March,	<u>36.3</u>	<u>39.8</u>

ICICI Prudential Asset Management Company Limited

Notes to financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2015

2014

12 Non-current investments

Trade Investment		
Unquoted (at cost)		
Contribution made to ICICI Prudential Venture Capital Fund	500.0	300.0
Investment in schemes of Portfolio Management Services	54.1	122.9
Investment in Alternative Investment Fund	15.0	-
Share Capital in MF Utility India Pvt Ltd	0.5	-
Non – Trade Investment		
Quoted (at cost)		
<i>Mutual fund units of face value of Rs.10 each:</i>		
60,000 Units (Previous year 60,000 Units) of ICICI Prudential Fixed Maturity Plan Series 67 - 3 Year Plan F Direct Plan Cumulative	0.6	0.6
Nil Units (Previous year 410,000 Units) of ICICI Prudential Fixed Maturity Plan Series 70 -745Days Plan P Direct Plan Cumulative	-	4.1
Nil Units (Previous year 250,000 Units) of ICICI Prudential Fixed Maturity Plan Series 72 - 483 Days Plan J Direct Plan Cumulative	-	2.5
2,50,000 Units (Previous year 250,000 Units) of ICICI Prudential Fixed Maturity Plan Series 72-785 Days Plan O Direct Plan Cumulative	2.5	2.5
1,39,584 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Plan I- Direct Monthly Growth	1.6	-
4,18,851 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series VI Annual Plan D Direct	5.0	-
4,16,951 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series VI Annual Plan C Direct Plan Cumulative	5.0	-
2,25,334 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series V Monthly Plan A Direct Plan Growth	2.6	-
3,34,414 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series I Quarterly Plan I Direct Plan Growth	5.0	-
4,36,353 Units (Previous year Nil Units) of ICICI Prudential Interval Fund II Quarterly Plan C Direct Plan Growth	5.0	-
2,58,113 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series VI Annual Plan A- Direct Plan Growth	3.1	-
4,15,686 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series II Quarterly Plan B Direct Plan Growth	5.0	-
4,55,377 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series VII Annual Interval C Direct Plan Growth	5.0	-

ICICI Prudential Asset Management Company Limited

Notes to financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2015 2014

12 Non-current investments (Continued)

Non – Trade Investment		
2,00,404 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series II Quarterly Plan F Direct Plan Growth	3.0	-
4,34,510 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series II Quarterly Plan A Direct Plan Growth	5.0	-
3,37,616 Units (Previous year Nil Units) of ICICI Prudential Interval Fund Series III Quarterly Direct Plan Growth	5.0	-
3,00,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 74 -9 Years Plan U Direct Plan Cumulative	3.0	-
3,50,522 Units (Previous year Nil Units) of ICICI Prudential Interval Annual Plan -I Direct Plan Growth	5.0	-
55,523 Units (Previous year Nil Units) of ICICI Prudential Interval Annual Plan -II Direct Plan Growth	1.0	-
1,77,082 Units (Previous year Nil Units) of ICICI Prudential Interval Annual Plan -III Direct Plan Growth	2.5	-
3,03,363 Units (Previous year Nil Units) of ICICI Prudential Interval Annual Plan -IV Direct Plan Growth	5.0	-
30,137 Units (Previous year Nil Units) of ICICI Prudential Interval Half Yearly Plan -II Direct Plan Growth	0.4	-
3,39,466 Units (Previous year Nil Units) of ICICI Prudential Interval Fund II Quarterly Plan D Direct Plan Growth	5.0	-
60,501 Units (Previous year Nil Units) of ICICI Prudential Interval Fund II Quarterly Direct Plan Growth	1.0	-
101,517 Units (Previous year Nil Units) of ICICI Prudential Interval Fund IV Quarterly Plan B Direct Plan Growth	1.5	-
Aggregate amount of non - current quoted investments Rs. 77.9 (Previous year Rs. 9.7) market value (net asset value) thereof Rs.79.4 (Previous year Rs. 10.0)		
Unquoted (at cost)		
<i>Mutual fund units of face value of Rs.10 each:</i>		
Nil Units (Previous Year 755,895 Units) ICICI Prudential Focused Bluechip Equity Fund Direct Plan Growth ¹	-	14.2
75,947 Units (Previous Year 1,298,878 Units) ICICI Prudential Dynamic Bond Fund Direct Plan Growth ¹	1.0	17.7
Nil Units (Previous Year 1,084,686 Units) of ICICI Prudential Short Term – Direct Plan - Growth ¹	-	25.5
Nil Units (Previous Year 667,947 Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth ¹	-	36.9
Nil Units (Previous Year 655,887 Units) of ICICI Prudential Balanced Advantage Fund Direct Plan Growth ¹	-	11.5
13,56,146 Units (Previous Year Nil Units) of ICICI Prudential Dividend Yield Equity Fund Direct Plan Growth ¹	13.6	-

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

	2015	2014
12 Non-current investments (<i>Continued</i>)		

5,00,000 Units (Previous Year Nil Units) of ICICI Prudential Equity Income Fund Direct Plan Growth Cumulative	5.0	-
2,45,885 Units (Previous Year Nil Units) of ICICI Prudential Blended Plan B Direct Plan Option I	5.0	-
7,50,000 Units (Previous Year Nil Units) of ICICI Prudential Constant Maturity Gilt Fund –Direct –Growth	7.5	-
14,11,699 Units (Previous Year Nil Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth ¹	90.4	-
4,72,435 Units (Previous Year Nil Units) of ICICI Prudential Long Term Gilt Fund Direct Plan Growth ¹	19.3	-
40,838 Units (Previous Year Nil Units) of ICICI Prudential Dynamic Direct Plan Growth ¹	6.3	-
<i>Mutual fund units of face value of Rs.100 each:</i>		
3,03,494 Units (Previous Year Nil Units) of ICICI Prudential Money Market Fund-Direct Growth	58.5	-
<i>Aggregate provision for diminution in value of non – current investments</i>	-	(8.5)
	_____	_____
Total non-current investments	854.0	529.9
	=====	=====
Aggregate amount of non - current unquoted investments Rs. 776.1 (Previous year Rs. 520.2)		

¹In accordance with Long Term Incentive Plan ('LTIP') 2012, 2013 and 2014, 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.

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

13 **Deferred tax** 2015 2014

The Company has net deferred tax asset of Rs. **96.0** (Previous year Rs. 126.7).
The composition of deferred tax asset is as follows:

<i>Deferred tax asset</i>		
Written down value of fixed assets	44.7	39.0
Employee benefits	91.1	106.7
Lease rentals	14.3	15.6
Prepaid brokerage - VCF & AIF	(54.0)	(37.5)
Unrealised gain on foreign exchange	(0.1)	-
Unrealised loss on non - current investment	-	2.9
Total deferred tax asset	96.0	126.7

14 **Long term loans and advances**

Non Current loans & advances		
Security Deposits	113.0	95.4
Advance tax (net of provision for tax)	167.4	197.2
Staff loan	0.9	0.9
Statutory dues recoverable	-	4.0
Prepaid expenses	224.8	177.3
Advances recoverable in cash or in kind or for value to be received	2,319.0	759.6
Capital Advance	3.4	-
	2,828.5	1,234.4

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

2015

2014

15 Current investments

<i>Trade Investment</i>		
<i>Unquoted (at cost)</i>		
Investment in schemes of Portfolio Management Services	97.3	39.3
<i>Non – Trade Investment</i>		
<i>Quoted (at cost)</i>		
<i>Mutual fund units of face value of Rs.10 each:</i>		
4,10,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 70 - 745 Days Plan P Direct Plan Cumulative	4.1	-
2,50,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 72 - 483 Days Plan J Direct Plan Cumulative	2.5	-
6,00,000 Units (Previous year Nil Units) of ICICI Prudential Fixed Maturity Plan Series 74 - 370 Days Plan V Direct Plan Cumulative	6.0	-
Nil Units (Previous year 2,250,000 Units) of ICICI Prudential Fixed Maturity Plan Series 68 - 368 Days Plan D Direct Plan Cumulative	-	22.5
Nil Units (Previous year 250,000 Units) of ICICI Prudential Fixed Maturity Plan Series 71 - 367 Days Plan G Direct Plan Cumulative	-	2.5
Nil Units (Previous year 500,000 Units) of ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days Plan I Direct Plan Cumulative	-	5.0
Aggregate amount of current quoted investments Rs. 12.6		
(Previous year 30.0) market value (net asset value) thereof Rs. 13.9 (Previous year 31.6)		
<i>Unquoted (at cost)</i>		
<i>Mutual fund units of face value of Rs. 10/- each</i>		
18,78,779 Units (Previous year 6,35,842 Units) of ICICI Prudential Balanced Advantage fund Direct plan ¹	34.8	11.1
7,47,354 Units (Previous year Nil Units) of ICICI Prudential Dividend Yield Equity Fund Direct Plan Growth ¹	7.5	-
4,02,395 Units (Previous year 12,59,181 ¹ Units) of ICICI Prudential Dynamic Bond Fund Direct Plan Growth ¹	5.4	17.1
5,00,513 Units (Previous year 5,16,271 Units) of ICICI Prudential Short Term Plan–Direct –Growth Option ¹	11.8	12.1
3,43,582 Units (Previous year 4,16,276 Units) of ICICI Prudential Value Discovery Fund Direct Plan Growth ¹	19.0	23.0

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

15 Current investments (*Continued*) 2015 2014

Nil Units (Previous Year 3,333,827 Units) ICICI Prudential Dynamic BondFund Direct Plan Monthly Dividend	-	33.9
Nil Units (Previous Year 352,075 Units) ICICI Prudential Focused Bluechip Equity Fund Direct Plan Growth ¹	-	6.6
<i>Mutual fund units of face value of Rs. 100/- each</i>		
Nil Units (Previous Year 778,759 Units) of ICICI Prudential Flexible Income Direct Plan Daily Dividend	-	82.3
Nil Units (Previous Year 985,315 Units) of ICICI Prudential Liquid Direct Plan Daily Dividend	-	98.6
Total current investments	188.4	354.0
Aggregate amount of current unquoted investments Rs. 175.8 (Previous year Rs. 354.0)		

¹In accordance with Long Term Incentive Plan ('LTIP') 2012, 2013 and 2014, investments are identified and separated to meet LTIP liabilities in future. As any gain or loss on these investments belongs to employees, it is valued at cost.

16 Trade receivables

Unsecured and considered good		
- Less than six months	317.7	386.9
- More than six months	1.7	-
	319.4	386.9

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

17 Cash & bank balances 2015 2014

Cheque on hand	-	398.9
Balance with banks		
- in Current Accounts	98.3	26.0
- in PMS Accounts	0.2	0.5
Interim dividend account	-	353.0
Cash and cash equivalents	98.5	778.4

18 Short term loans and advances

Current portion of long term loans and advances		
- Advances recoverable in cash or in kind or for value to be received	2,155.0	557.4
- Advance to related parties	20.8	0.8
- Staff loan	1.8	1.5
- Prepaid expenses	460.2	348.4
	2,637.8	908.1

19 Other current assets

Unsecured and considered good		
- Interest accrued on investments	52.9	34.5
- Dividend on investments	4.8	2.0
	57.7	36.5

ICICI Prudential Asset Management Company Limited

Notes to financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees million)

20 Revenue from operations

	2015	2014
Management fees from:		
- Mutual fund operations	7,346.4	4,635.6
- PMS operations	693.5	489.3
Advisory Services	220.1	182.1
	<u>8,260.0</u>	<u>5,307.0</u>

21 Other Income

Interest		
- Non-current investments	77.7	50.0
- Current Investment	6.7	-
Dividend from:		
- Non-current investments	5.7	4.7
- Current investments	11.7	25.3
Profit on Sale of:		
- Non-current investments (net)	15.9	14.8
- Current investments	15.8	1.1
Net gain on account of foreign exchange fluctuation	1.9	1.5
Others	4.4	86.7
	<u>139.8</u>	<u>184.1</u>

22 Employee benefit expenses

Salaries, bonus and allowances	1,133.9	954.0
Contribution to provident and other funds	70.2	53.5
Staff welfare expenses	44.8	43.8
Total	<u>1,248.9</u>	<u>1,051.3</u>

ICICI Prudential Asset Management Company Limited

Notes to financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees million)

23 Finance Cost 2015 2014

Interest expenses	24.5	-
Total	24.5	-

24 Operating and administrative expenses

Fund expenses	1,943.0	769.3
Brokerage and incentives	496.6	178.4
Rent	141.7	140.8
Communication expenses	62.2	48.1
Travelling and conveyance	80.2	62.4
Fund accounting expenses (PMS)	20.9	9.1
Fund expenses (PMS)	1.5	3.3
Legal and professional fees	51.6	49.0
SEBI fees	0.8	1.1
Information technology	60.0	41.4
Electricity	38.2	36.6
Insurance	29.0	24.4
Books, periodicals and subscriptions	28.0	22.9
Repairs and maintenance		
- Equipment	10.4	10.4
- Others	22.3	17.7
Marketing, advertisement and publicity	113.2	56.6
Printing and stationery	9.6	11.3
Training and consultancy	13.1	10.5
Loss on sale of fixed assets (net)	0.6	-
Rates and taxes	4.8	2.1
Directors sitting fees	2.0	0.5
Housekeeping expenses	34.1	25.1
NFO filing fees	31.5	22.7
Corporate Social Responsibility expenditure ²	38.0	-
Miscellaneous expenses	26.8	53.6
	3,260.1	1597.3
Auditors remuneration:		
- Statutory audit	1.9	1.9
- Tax audit	0.4	0.4
- Other matters	0.2	0.1
- Reimbursement of out of pocket expenses	0.1	0.0
	2.6	2.4
Total	3,262.7	1,599.7

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

24 Operating and administrative expenses (*Continued*)

²For CSR activities contribution has been made to Prime Minister Relief Fund for relief and rehabilitation of flood victims of Jammu & Kashmir and to ICICI Foundation for Inclusive Growth with primary focus in areas like Skill development & sustainable livelihood, elementary educational programmes in Rajasthan & Chhattisgarh, primary health programme in Rajasthan

25 Operating leases

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

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

	2015	2014
Total future minimum lease payments:		
not later than one year	6.7	24.5
later than one year and not later five years	18.1	-
later than five years	-	-

The total lease payments recognised in the statement of profit and loss amount to Rs. 141.7 (Previous year Rs. 140.8) which includes reversal of Rs. 4.4 (Previous year Rs. 0.7) provision towards straight lining of lease rentals.

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

26 Segmental reporting

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

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

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

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

26. **Segmental reporting (*Continued*)**

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

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

ICICI Prudential Asset Management Company Limited

Notes to financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees million)

26. Segmental reporting (Continued)

Primary segment information

	Fund Management and Advisory		Portfolio Management and others		Total	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Segment revenue						
Management fees	7,566.5	4,817.7	693.5	489.3	8,260.0	5,307.0
Inter segment revenue	-	-	-	-	-	-
Total segment revenue	7,566.5	4,817.7	693.5	489.3	8,260.0	5,307.0
Identifiable operating expenses	(3,533.5)	(1,993.2)	(463.6)	(285.6)	(3,997.1)	(2,278.8)
Segmental operating income	4,033.0	2,824.5	229.9	203.7	4,262.9	3,028.2
Unallocable expense					(640.8)	(445.6)
Operating income					3,622.1	2,582.6
Other income					139.8	184.1
Net Profit before taxation and prior period items					3,761.9	2,766.7
Provision for income tax					(1,264.7)	(934.8)
Excess provision of earlier years written back					1.7	14.3
Deferred tax credit \ (expense)					(30.7)	(19.3)
Net profit after tax					2,468.2	1,826.9
As at						
Segment assets and liabilities	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Segment assets	5,175.7	2,019.1	544.7	415.6	5,720.4	2,434.7
Unallocable assets	-	-	-	-	1,562.9	2,124.7
Total assets					7,283.3	4,559.4
Segment liabilities	2,343.3	871.8	374.4	257.5	2,717.7	1,129.3
Unallocable liabilities					175.3	566.5
Total liabilities					2,893.0	1,695.8

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

27 Related party disclosures

- Related parties where control exists
ICICI Bank Limited – Holding Company.
- Other related parties with whom transactions have taken place in ordinary course of business during the year
Prudential Corporation Holdings Limited – Holds significant influence in the Company.
ICICI Prudential Trust Limited – Fellow subsidiary
ICICI Lombard General Insurance Company Limited – Fellow subsidiary
ICICI Prudential Life Insurance Company Limited – Fellow subsidiary
ICICI International Limited – Fellow subsidiary
ICICI Securities Limited – Fellow subsidiary
ICICI Securities Primary Dealership Limited – Fellow subsidiary
ICICI Foundation for Inclusive Growth –Fellow entity

Key management personnel:

Nimesh Shah – Managing Director

	ICICI Bank Limited	Prudential Corporation Holdings Limited	ICICI International Limited	ICICI Securities Limited	ICICI Lombard General Insurance Company Limited	ICICI Prudential Life Insurance Company Limited	ICICI Prudential Trust Limited	ICICI Securities Primary Dealership Limited	ICICI Foundation for Inclusive Growth	
Nature of Transaction	Holding Company	Significant Influence	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow entity	KMP

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

*The payable includes short term borrowings from ICICI bank Limited of Rs. 1311.9 (31 March 2014: Nil).

ICICI Prudential Asset Management Company Limited

Notes to financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees million)

28 Earnings per share ('EPS')

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

	2015	2014
Net profit after tax	2,468.2	1,826.9
Weighted average number of equity shares outstanding during the year (in units)	17,652,090	17,652,090
Basic and diluted EPS of face value Rs. 10 each (in Rs.)	139.83	103.49

29 Provision for gratuity

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

A) Amount recognised in balance sheet

	2015	2014
Present value of funded obligations	109.7	76.7
Fair value of plan assets	(78.9)	(5.3)
Unrecognised past service cost	-	-
Net liability	30.8	71.4
<u>Amounts in the Balance Sheet</u>		
Net liability	30.8	71.4

B) Expense recognised in the profit and loss account

	2015	2014
Current service cost	11.8	10.3
Interest on defined benefit obligation	6.9	5.0
Expected return on plan assets	(0.1)	(0.6)
Net actuarial losses / (gains) recognised in year	16.5	8.6
Past service cost	-	-
Total, included in "Employee Benefit Expenses"	35.1	23.3
Actual return on plan assets	3.9	0.7

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

29 Provision for gratuity (*Continued*)

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

	2015	2014
<u>Change in defined benefit obligation</u>		
Opening defined benefit obligation as at 1 April	76.7	60.4
current service cost	11.8	10.3
Interest cost	6.9	5.0
Actuarial losses / (gains)	20.3	8.7
Benefits paid	(6.0)	(7.7)
Closing defined benefit obligation as at 31 March	109.7	76.7
<u>Change in the fair value of plan assets</u>		
Opening fair value of plan assets as at 1 April	5.3	6.6
Expected return on plan assets	0.1	0.6
Actuarial gain/(losses)	3.8	0.1
Contributions by employer	75.8	5.7
Benefits paid	(6.0)	(7.7)
Closing fair value of plan assets as at 31 March	79.0	5.3

D) Asset information

Category of assets	2015	2014
Insurer managed funds	100%	100%

The approximate full value of the assets as at 31 March 2015 as advised by the insurer is as follows:

Category of assets	2015	2014
Insurer managed funds	79.0	5.31

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

29 Provision for gratuity (*Continued*)

E) Summary of actuarial assumptions

Financial assumptions at the valuation date:

	2015	2014
Discount rate (per annum)	8.00%	8.70%
Expected rate of return on assets (per annum)	8.50%	7.50%
Salary escalation rate (per annum)	8.45%	7.00%

a) Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities as at 23 March 2015 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 23% per annum withdrawal rate at all ages in this valuation.

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

29 Provision for gratuity (*Continued*)

g) Disability:

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

F) Experience adjustments

	2015	2014	2013	2012	2011
Defined benefit obligation	109.8	76.7	60.4	58.2	51.6
Plan assets	79.0	5.3	6.5	17.6	18.5
Surplus / (Deficit)	(30.8)	(71.4)	(53.9)	(40.6)	(33.1)
Exp. Adj. on plan liabilities	10.9	11.4	3.6	(1.0)	11.0
Exp. Adj. on plan assets	3.8	0.1	0.0	(3.9)	0.5

30 Capital commitments

As at 31 March 2015, the Company had investment capital commitments (net of advances) amounting to Rs. 266.6 (Previous year Rs. 200.0) of which investment commitment of Rs. 231.6 pursuant to Regulation 28(3) of SEBI (Mutual Funds) Regulations, 1996 and investment commitment of Rs. 35 pursuant to contribution agreement entered into with ICICI Prudential Real estate AIF – I for which no provision is required to be made.

31 Contingent liabilities

Disputed income tax demand Rs. 96.0 (Previous year Rs. 96.0)

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

32 Trade Payables

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

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

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

	2015	2014
Fee from advisory services	220.1	182.1
Management Fees – PMS	63.0	78.5
Total	283.1	260.6

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

	2015	2014
Information technology	28.6	26.8
Travelling	0.7	0.6
Distribution support expenses	0.6	22.6
Consultancy fees	6.4	4.2
Employee cost	8.9	5.7
Membership & Subscription Fees	1.3	1.4
Total	46.5	61.3

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

35 Unhedged foreign currency exposure

The unhedged foreign currency exposure as on 31 March 2015 is given below:

	2015		2014	
	Foreign currency (in millions)	INR	Foreign currency (in millions)	INR
<i>Payables</i>				
SGD	0.3	13.7	0.6	27.7
		13.7		27.7
<i>Receivables</i>				
USD	1.6	98.1	1.9	114.6
		98.1		114.6

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

	2015	2014
Amount remitted	562.2	229.2
No. of non resident shareholders	1	1
No. of shares held	8,649,517	8,649,517
Interim dividend paid in the year	2014-15	2013-14

ICICI Prudential Asset Management Company Limited

Notes to financial statements (*Continued*)

for the year ended 31 March 2015

(Currency: Indian rupees million)

37 Transfer pricing

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

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

Sd/-
Milind Ranade
Partner
Membership No: 100564

Mumbai
20 April 2015

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

Sd/-
Chanda Kochhar
Chairperson

Sd/-
Vijay Thacker
Director

Sd/-
B. Ramakrishna
Chief Financial Officer

Sd/-
Nimesh Shah
Managing Director

Sd/-
Rakesh Shetty
Company Secretary

Mumbai
20 April 2015

ICICI PRUDENTIAL ASSET MANAGEMENT COMPANY LIMITED

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi 110 001
Corporate Identity Number: U99999DL1993PLC054135

ATTENDANCE SLIP

22nd ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the 22nd Annual General Meeting of the Company held at the Registered Office of the Company situated at 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi 110 001 on June 26, 2015 at 11.30 a.m.

Full Name of Member (in BLOCK LETTERS):

Regd. Folio No

No. Of shares held:

Full Name of Proxy (In BLOCK LETTERS) _____

**SIGNATURE OF THE
MEMBER/ PROXY PRESENT**

Please complete and sign this attendance slip and hand over at the entrance of the meeting hall. Only Member(s) or their Proxies with this attendance slip will be allowed entry to the Meeting.

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U99999DL1993PLC054135

Name of the Company: ICICI Prudential Asset Management Company Limited

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

Name of the member(s) :
Registered address :
E – mail Id :
Folio No/client Id :
DP Id :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:....., or failing him

2. Name:

Address:

E-mail Id:

Signature:....., or failing him

3. Name:

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on the 26th day of June, 2015 at 11.30 a.m. at the registered office of the Company i.e. 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi – 110 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.....

2.....

3.....

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.