

SCHEME INFORMATION DOCUMENT

ICICI Prudential Advisor Series (An open ended Fund of Funds)

An Open-ended asset allocation fund Offering

ICICI Prudential Very Cautious Plan,

ICICI Prudential Cautious Plan,

ICICI Prudential Moderate Plan,

ICICI Prudential Aggressive Plan and

ICICI Prudential Very Aggressive Plan

Continuous offer for units at NAV based prices

Name of Mutual Fund
ICICI Prudential Mutual Fund

Name of Asset Management Company
ICICI Prudential Asset Management Company Limited

Registered Office: 12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi – 110 001 www.icicipruamc.com	Corporate Office: 3 rd Floor, Hallmark Business Plaza, Sant Dyaneshwar Marg, Bandra (East), Mumbai – 400051	Central Service Office: 2nd Floor, Block B-2, Nirlon Knowledge Park, Western Express Highway, Goregaon (East), Mumbai – 400 063
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Name of Trustee Company
ICICI Prudential Trust Limited
Registered Office: 12th Floor, Narain Manzil, 23,
Barakhamba Road, New Delhi – 110 001

The particulars of ICICI Prudential Advisor Series have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of ICICI Prudential Mutual Fund, Tax and Legal issues and general information on www.icicipruamc.com

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated April 13, 2011

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Investment objective:

ICICI Prudential Advisor Series is an Open ended asset allocation fund, which is of the nature of Fund of Funds, comprising thereunder five investment Plans, with a primary objective to generate returns through investment in underlying schemes of onshore or offshore Mutual Fund(s). The investments into underlying funds under each Plan of FOF would, *inter alia*, be governed by:

- The investment management style of such schemes (both FOF and underlying),
- The tolerance and the risk profile of such schemes (both FOF and underlying),
- The asset allocation (such as equity or debt) of such schemes (both FOF and underlying).

The Scheme has Five Plans to offer as under:

Asset allocation

1. **ICICI Prudential Very Cautious Plan:** The primary investment objective of this Plan is to seek to provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments made primarily in the schemes of domestic or offshore Mutual Fund(s) having asset allocation to:
 - Money market and debt securities.

This Plan may be considered to be ideal for investor's having a low risk appetite and a shorter duration of investment.

However, there can be no assurance that the investment objectives of the Plan/s will be realized.

2. **ICICI Prudential Cautious Plan:** The primary investment objective of this Plan is to seek to generate regular income primarily through investments in the schemes of domestic or offshore Mutual Fund(s) having asset allocation:
 - Primarily to fixed income securities
 - To a lesser extent (maximum 35%) in equity and equity related securities so as to generate long-term capital appreciation.

However, there can be no assurance that the investment objectives of the Plan/s will be realized.

3. **ICICI Prudential Moderate Plan:** The primary investment objective of this Plan is to seek to generate long term capital appreciation and current income by creating a portfolio that is invested in the schemes of domestic or offshore Mutual Fund(s) mainly having asset allocation to:
 - Equity and equity related securities as well as
 - fixed income securities

However, there can be no assurance that the investment objectives of the Plan/s will be realized.

4. **ICICI Prudential Aggressive Plan:** The primary investment objective of this Plan is to seek to generate long term capital appreciation from a portfolio that is invested predominantly in the schemes of domestic or offshore Mutual Fund(s) mainly having asset allocation to:
 - Equity and equity related securities and
 - A small portion in debt and money market instruments.

However, there can be no assurance that the investment objective of the Scheme will be realized.

5. **ICICI Prudential Very Aggressive Plan:** The primary investment objective of this Plan is to seek to generate long term capital appreciation from a portfolio that is invested predominantly in the schemes of domestic or offshore Mutual Fund(s) that actively invests in:

- Equity/ equity related securities.

This Plan is suitable for investor's seeking higher returns and having appetite for higher investments risks and market fluctuations. **However, there can be no assurance that the investment objective of the Scheme will be realized.**

Liquidity:

Being an open-ended Scheme, Units may be redeemed on every Business Day at NAV based prices. The Fund will, being an open-ended Scheme, Units may be redeemed on every Business Day at NAV based prices. The Fund will, under normal circumstances, endeavour to dispatch redemption cheques, in case of ICICI Prudential Very Cautious Plan and ICICI Prudential Cautious Plan, within 1 Business Day from the date of acceptance of the redemption request at any of the Customer Service Centers of AMC. This service standard will apply only at the centers where RBI handles clearing directly and is able to transfer funds from Mumbai on the same-day-value basis. In respect of all non-RBI centers, for redemption payments, AMC will take additional day(s) – not exceeding 3 Business Days- that would essentially be linked to the time taken by banks to clear funds at such Non-RBI centers. In case of ICICI Prudential Moderate Plan, ICICI Prudential Aggressive Plan and ICICI Prudential Very Aggressive Plan, the Fund will, under normal circumstances, endeavour to dispatch redemption cheques, within 2 Business Days.

Investors who hold units in any of the open-ended debt schemes of the Fund may switch all or part of their holdings to the Plans offered under this Scheme information document on an ongoing basis. Further, under the Flexible Lifetime Investment Programme, investors may choose to alter the allocation of their investment among the Mutual Fund's various schemes in order to meet their changing circumstances during their lifetime. Under the Flexible Lifetime Investment Programme, switches from equity schemes of ICICI Prudential Mutual Fund to the Plan(s) under ICICI Prudential Advisor Series will not be permitted.

Benchmark:

The performance of the scheme is reviewed by the Board with reference to the appropriate benchmarks as also the performance of the schemes of the competition.

Benchmark Indices	Weightage of indices				
	Aggressive Plan	Cautious Plan	Moderate Plan	Very Aggressive Plan	Very Cautious Plan
S&P CNX Nifty	50 %	20%	40 %	75 %	NA
Crisil Composite Bond Fund Index	30%	60 %	40 %	5%	70%
Crisil Liquid Fund Index	5 %	10 %	10 %	5%	30%
Gold#	15%	10%	10%	15%	NA

Benchmark against the domestic price of gold as derived from the LBMA AM fixing prices.

The Trustee reserves right to change the benchmark for performance of any of the plans under the scheme by suitable notification to the investors to this effect.

Transparency/NAV Disclosure:

The NAV will be calculated and disclosed at the close of every Business Day. In accordance with the SEBI circular no. SEBI/IMD/CIR No.5 /96576/2007, dated June 25, 2007, the NAV of the scheme shall be uploaded on the website of the AMC and AMFI by 10.00 am of the following business day.

The NAVs of the Schemes shall appear in the two daily newspapers with one day time lag. In addition, the AMC will disclose details of the portfolio at least on a half-yearly basis. NAV of the Scheme shall be made available at all Customer Service Centers of the AMC. In case of any delay, the reasons for such delay would be explained to AMFI and SEBI by the next day. If the NAVs are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.

Flexible Lifetime Investment Programme

Subject to the provisions of exit load as outlined in this document, the Fund will allow investors the flexibility to alter allocation of their investments amongst the designated schemes (or any plans therein) offered by the Fund in order to meet their changing investment needs or risk profiles by switching between the schemes (or any plans therein) of the Fund. It is the intention of the Fund to enable investors in the Scheme (or any Plans therein) to switch between the present open-ended debt schemes and the future debt schemes (or any plans therein), which may be included in the Flexible Lifetime Investment Programme. Please refer to page 18 for more details of the Flexible Lifetime Investment Programme. This facility will be subject to the prevailing entry/exit load provisions of the respective schemes and plans therein. **Under the Flexible Lifetime Investment Programme, switches from equity schemes of ICICI Prudential Mutual Fund to the Plan(s) under ICICI Prudential Advisor Series will not be permitted.**

Loads:

Entry Load: Not Applicable. In terms of SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has notified that, w.e.f. August 01, 2009 there will be no entry load charged to the schemes of the Mutual Fund and the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

Exit Load:

Name of the Plans	Particulars
i) ICICI Prudential Advisors Series – Very Aggressive Plan	If the amount sought to be redeemed or switched out is invested for a period of upto one year from the date of allotment - 1 % of the applicable Net Asset Value
ii) ICICI Prudential Advisors Series – Aggressive Plan	
iii) ICICI Prudential Advisors Series – Moderate Plan	If the amount sought to be redeemed or switched out is invested for a period of more than one year from the date of allotment – Nil
iv) ICICI Prudential Advisors Series – Cautious Plan	
v) ICICI Prudential Advisors Series – Very Cautious Plan	

However, the Trustee shall have a right to prescribe or modify the load structure with prospective effect subject to a maximum prescribed under the Regulations.

Minimum Application Amount:

The minimum application amount for the Scheme is:

Scheme	Minimum Application Amount
ICICI Prudential Very Cautious Plan	Rs.5,000 (and in multiples of Re. 1)
ICICI Prudential Cautious Plan	
ICICI Prudential Moderate Plan	
ICICI Prudential Aggressive Plan	
ICICI Prudential Very Aggressive Plan	

Minimum Additional Application Amount: Rs. 500 (& in multiples thereof)

Options: Investors under the ICICI Prudential Advisor Series and Plans thereunder have the choice of a Cumulative Option or a Dividend Option at present. Dividend Reinvestment facility is also available.

i) Cumulative Option – For Capital Appreciation

The Scheme will not declare any dividends under this option. The income earned by the Scheme will remain invested in the Scheme and will be reflected in the Net Asset Value. This Option is suitable for investors who are not looking for regular income. If Units under this option are redeemed after they have been held for a period of at least one year from the date of acquisition, Unit holders will get the benefit of lower tax on long-term capital gains.

ii) Dividend Option

This option is suited for investors seeking regular income through dividends declared by the Scheme. The Trustee may approve the distribution of dividends by the AMC out of the net surplus of the Plan. To the extent the net surplus is not distributed, the same will remain invested in the Plan and be reflected in the NAV.

iii) Dividend Reinvestment facility

The investors opting for Dividend Option may choose to reinvest the dividend to be received by them in additional Units of the Scheme. Under this provision, the dividend due and payable to the Unitholders will be compulsorily and without any further act by the Unitholders reinvested in the Scheme (under the respective Plans of Dividend Option, at the first ex-dividend NAV). The dividends so reinvested shall be constructive payment of dividends to the Unitholders and constructive receipt of the same amount from each Unitholder for reinvestment in Units.

On reinvestment of dividends, the number of units to the credit of Unitholder will increase to the extent of the dividend reinvested divided by the NAV applicable as explained above. The AMC has been advised by the Statutory Auditors to the Fund that such dividends, which are reinvested, will be tax exempt in the hands of the Unitholders.

The Trustee reserves the right to declare dividends under the dividend option of the Scheme depending on the net distributable surplus available under the Scheme. It should, however, be noted that actual distribution of dividends and the frequency of distribution will depend, inter-alia, on the availability of distributable surplus and will be entirely at the discretion of the Trustee.

The Trustee may, at a later date, decide to introduce any other options. Under the Scheme, as is considered necessary.

Repatriation :

Repatriation benefits would be available to NRIs/PIOs/FIIs, subject to applicable Regulations notified by Reserve Bank of India from time to time. Repatriation of these benefits will be subject to applicable deductions in respect of levies and taxes as may be applicable in present or in future.

Eligibility for Trusts

Religious and Charitable Trusts are eligible to invest in the Plans, if the provisions of the respective constitution under which they are established permits to invest, under the Scheme under the provisions of Section 11(5)(xii) of the Income Tax Act, 1961 read with Rule 17C of Income-tax Rules, 1962.

I. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down (Mutual Funds may also provide factors affecting capital market in general and not limited to the aforesaid)
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- The present scheme is not a guaranteed or assured return scheme
- Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Scheme will be achieved.
- As with any securities investment, the NAV of the Units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets.
- Past performance of the Sponsors, AMC/Fund does not indicate the future performance of the Scheme of the Fund.
- The Sponsors are not responsible or liable for any loss resulting from the operation of the Scheme beyond the contribution of an amount of Rs. 22.2 lacs collectively made by them towards setting up the Fund and such other accretions and additions to the corpus set up by the Sponsors.
- ICICI Prudential Advisor Series (An open ended fund of funds) is the name of the Scheme and do not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The NAVs of the Scheme may be affected by changes in the general market conditions, factors and forces affecting capital market, in particular, level of interest rates, various market related factors and trading volumes, settlement periods and transfer procedures.
- In the event of receipt of inordinately large number of redemption requests or of a restructuring of the Scheme's portfolio, there may be delays in the redemption of Units.
- The liquidity of the Scheme's investments is inherently restricted by trading volumes in the securities in which it invests. The Scheme may use various derivatives and hedging products from time to time, as would be available and permitted by SEBI, in an attempt to protect the value of the portfolio and enhance Unitholders interest. In case the Scheme utilizes any derivatives under the Regulations, the Scheme may, in certain situations, be exposed to risks associated with the use of derivatives.
- Investors in the Scheme are not offered any guaranteed or assured returns. Mutual Funds being vehicles of securities investments are subject to market and other risks and there can be no guarantee against loss resulting from investing in the schemes. The various factors which impact the value of scheme investments include but are not limited to fluctuations in the equity and bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in government policy, factors specific to the issuer of securities, tax laws, liquidity of the underlying instruments, settlements periods, trading volumes etc. and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Scheme will be achieved.
- As the liquidity of the Scheme's investments could at times, be restricted by trading volumes and settlement periods, the time taken by the Fund for redemption of units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the Scheme's portfolio. In view of this the Trustee has the right, at their sole discretion to limit redemptions (including suspending redemption) under certain circumstances, as described under the section titled "Right to limit Repurchases/Redemptions".
- From time to time and subject to the regulations, the sponsors, the mutual funds and investment Companies managed by them, their affiliates, their associate companies, subsidiaries of the sponsors and the AMC may invest in either directly or indirectly in the Scheme. The funds managed by these affiliates, associates and/ or the AMC may acquire a substantial portion of the Scheme. Accordingly, redemption of units held by such funds,

affiliates/associates and sponsors may have an adverse impact on the units of the Scheme because the timing of such redemption may impact the ability of other unitholders to redeem their units.

- Although, the Scheme per se will make investments in underlying schemes of the mutual fund, such underlying schemes of ICICI Prudential Mutual Fund, it may consider investments in ADRs/GDRs, equity of overseas companies listed on recognized stock exchanges overseas and other securities in accordance with the provisions of SEBI Circulars, the limit of 5% of Net Assets and the prohibition of charging of fees shall not be applicable to investments in mutual funds in foreign countries made in accordance with the guidelines as per the above circular. However, management fees and other expenses charged by the mutual fund (s) in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund shall not exceed the total limits on expenses as prescribed under Regulation 52 (6).
- From time to time and subject to the regulations, the AMC may invest in this Scheme. The decision to invest in the Scheme by the AMC will be based on parameters specified by the Board of the AMC.
Further, as per the Regulation, in case the AMC invests in any of the schemes managed by it, it shall not be entitled to charge any fees on such investments.
- The provisions of SEBI circular ref SEBI/IMD/CIR No.10/22701/03 dated December 12, 2003 and SEBI/IMD/CIR No. 1/42529/05 dated June 14, 2005 state that the Scheme shall have a minimum of 20 investors and any one of the investor shall not hold more than 25% of Net Assets of the Scheme. In case the Scheme on the date of allotment of NFO does not have 20 investors and if any one of the investor holds more than 25% of Net Assets of the Scheme, the Scheme will endeavor to ensure that within a three months period or the end of the succeeding calendar quarter from the close of NFO of the Scheme, whichever is earlier, the Scheme complies with these conditions failing which the provisions of Regulation 39(2) of the SEBI (Mutual Funds) Regulations, 1996, would become automatically applicable without any reference from SEBI and accordingly the Scheme shall be wound up immediately and the units shall be redeemed. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis as specified by SEBI.
- Different types of securities in which the scheme would invest as given in the scheme information document carry different levels and types of risk. Accordingly the scheme's risk may increase or decrease depending upon its investment pattern. E.g. corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

Scheme Specific Risk Factors

Investors may please note that they will be bearing the expenses of the relevant fund of fund scheme in addition to the expenses of the underlying schemes in which the fund of fund scheme makes investment.

- As the investors are incurring expenditure at both the Fund of Funds level and the schemes into which the Fund of Funds invests, the returns that they may obtain may be materially impacted or may at times be lower than the returns that investors directly investing in such schemes obtain.
- Again as the Fund of Funds scheme may shift the weightage of investments between schemes into which it invests, the expenses charged being dependent on the structure of the underlying schemes (being different) may lead to a non-uniform charging of expenses over a period of time.
- As the Fund of Funds (FOF) factsheets and disclosures of portfolio will be limited to providing the particulars of the schemes invested at FOF level, investors may not be able to obtain specific details of the investments of the underlying schemes.
- While it would be the endeavour of the Fund Manager of the Fund of Funds scheme(s) to invest in the target schemes in a manner, which will seek to maximize returns, the performance of the

underlying funds may vary which may lead to the returns of the Fund of Funds being adversely impacted.

- The scheme specific risk factors of each of the underlying schemes become applicable where a fund of funds invests in any underlying scheme. Investors who intend to invest in Fund of Funds are required to and are deemed to have read and understood the risk factors of the underlying schemes relevant to the Fund of Fund scheme that they invest in. Copies of the Scheme information documents pertaining to the various schemes of ICICI Prudential Mutual Fund, which disclose the relevant risk factors, are available at the Customer Service Centres or may be accessed at www.icicipru.com.
- A Fund Manager managing any one of the Fund of Fund schemes may also be the Fund Manager for any underlying schemes.

The underlying schemes having exposure to the fixed income securities and/ or equity and equity related securities will be subject to the following risks and in turn the Scheme's/ Plans' performance will be affected accordingly.

- **Schemes investing in Equities –**

1. Investors may note that AMC/Fund Manger's investment decisions may not be always profitable. At times such churning of portfolios may lead to substantial losses due to subsequent adverse developments in the capital markets or unfavourable market movements. In view of the same, there can be no assurance that the investment objective of the Scheme will be realised.

- Underlying schemes will invest a part of their portfolio in equity and equity related securities. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of a Plan to make intended securities purchases due to settlement problems could cause a Plan to miss certain investment opportunities.

- Further, as per the Regulation, in case the AMC invests in any of the schemes managed by it, it shall not be entitled to charge any fees on such investments.

- From time to time and subject to the regulations, the AMC may invest in this Scheme. The decision to invest in the Scheme by the AMC will be based on parameters specified by the Board of the AMC.

Further, as per the Regulation, in case the AMC invests in any of the schemes managed by it, it shall not be entitled to charge any fees on such investments.

Schemes investing in Bonds – Fixed Income Securities

- **Interest Rate Risk:** As with all debt securities, changes in interest rates may affect the Plan's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term debt securities generally fluctuate more in response to interest rate changes than do short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV.

- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.

- **Credit Risk:** Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The

greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Plans are reinvested. The additional income from reinvestment is the “interest on interest” component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.

- **Risks attached with investments in ADRs/GDRs:**

It is AMC’s belief that the investment in ADRs/GDRs/overseas securities offer new investment and portfolio diversification opportunities into multi-market and multi-currency products. However, such investments also entail additional risks. Such investment opportunities may be pursued by the AMC provided they are considered appropriate in terms of the overall investment objectives of the schemes. Since the Schemes would invest only partially in ADRs/GDRs/overseas securities, there may not be readily available and widely accepted benchmarks to measure performance of the Schemes. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated by SEBI/RBI from time to time.

Although, the Scheme per se will make investments in underlying schemes of the mutual fund, such underlying schemes of ICICI Prudential Mutual Fund may consider investments in ADRs/ GDRs issued by Indian companies. The policy governing such investments is laid down on page 141. To the extent that some part of the assets of the underlying schemes may be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by the changes in the value of foreign currency denominated ADRs/GDRs relative to the Indian Rupee. The repatriation of capital also may be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

Offshore investments will be made subject to any/all approvals, conditions thereof as may be stipulated by SEBI/RBI and provided such investments do not result in expenses to the Fund in excess of the ceiling on expenses prescribed by and consistent with costs and expenses attendant to international investing. The Fund may, where necessary, appoint other intermediaries of repute as advisors, custodian/sub-custodians etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses. The fees and expenses would illustratively include, besides the investment management fees, custody fees and costs, fees of appointed advisors and sub-managers, transaction costs, and overseas regulatory costs.

- **Risks associated with Investing in Derivatives -**

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

Although, the Scheme per se will make investments in underlying schemes of the mutual fund, such schemes may use derivatives instruments like Stock Index Futures, Interest Rate Swaps, Forward Rate Agreements or other derivative instruments for the purpose of hedging and portfolio balancing, as permitted under the Regulations and guidelines. Usage of derivatives will expose the underlying schemes and in turn this Scheme to certain risks inherent to such derivatives.

Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value. Also, the market for derivative instruments is nascent in India.

The risks associated with the use of derivatives are different from or possibly greater than the risks associated with investing directly in securities and other traditional investments.

The specific risk factors arising out of a derivative strategy used by the Fund Manager may be as below:

- Lack of opportunity available in the market.
- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

- **Risks associated with Investing in Securitised Debt -**

Risk Analysis on underlying asset classes in Securitisation:

Generally available Asset Classes for securitisation in India

Commercial Vehicles

Auto and Two wheeler pools

Mortgage pools (residential housing loans)

Personal Loan, credit card and other retail loans

Corporate loans/receivables

In terms of specific risks attached to securitisation, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher and hence their overall risks are comparable to other AAA rated asset classes.

The rating agencies have an elaborate system of stipulating margins, over collateralisation and guarantees to bring risk limits in line with the other AAA rated securities.

It is relevant to note here that predominantly the scheme intends to invest in only AAA rated securitised debt. This compares favourably with a portfolio which is constructed on the basis of AA rated securitised debt.

Some of the factors, which are typically analyzed for any pool are as follows:

Size of the loan: generally indicates the kind of assets financed with loans. Also indicates whether there is excessive reliance on very small ticket size, which may result in difficult and costly

recoveries. To illustrate, the ticket size of housing loans is generally higher than that of personal loans. Hence in the construction of a housing loan asset pool for say Rs.1,00,00,000/- it may be easier to construct a pool with just 10 housing loans of Rs.10,00,000 each rather than to construct a pool of personal loans as the ticket size of personal loans may rarely exceed Rs.5,00,000/- per individual. Also to amplify this illustration further, if one were to construct a pool of Rs.1,00,00,000/- consisting of personal loans of Rs.1,00,000/- each, the larger number of contracts(100 as against one of 10 housing loans of Rs.10 lakh each) automatically diversifies the risk profile of the pool as compared to a housing loan based asset pool.

Average original maturity of the pool: indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower's repayment capacity. To illustrate, in a car pool consisting of 60 month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 installments.

Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower LTV, the better it is. This Ratio stems from the principle that where the borrowers own contribution of the asset cost is high, the chances of default are lower. To illustrate for a Truck costing Rs.20 lakhs, if the borrower has himself contributed Rs.10 lakh and has taken only Rs.10 lakh as a loan, he is going to have lesser propensity to default as he would lose an asset worth Rs.20 lakhs if he defaults in repaying an installment. This is as against a borrower who may meet only Rs.2 lakh out of his own equity for a truck costing Rs.20 lakh. Between the two scenarios given above, the latter would have higher risk of default than the former.

Average seasoning of the pool: indicates whether borrowers have already displayed repayment discipline. To illustrate, in the case of a personal loan, if a pool of assets consist of those who have already repaid 80% of the installments without default, this certainly is a superior asset pool than one where only 10% of installments have been paid. In the former case, the portfolio has already demonstrated that the repayment discipline is far higher.

Default rate distribution: Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0-30 DPD (days past due), 30-60 DPD, 60-90 DPD and so on. The rationale here is very obvious, as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category.

Unlike in plain vanilla instruments, in securitisation transactions it is possible to work towards a target credit rating, which could be much higher than the originator's own credit rating. This is possible through a mechanism called 'Credit enhancement'. The purpose of credit enhancement is to ensure timely payment to the investors, if the actual collection from the pool of receivables for a given period are short of the contractual payouts on securitisation. Securitisation are normally non-recourse instruments and therefore, the repayment on securitisation would have to come from the underlying assets and the credit enhancement. Therefore, the rating criteria centrally focus on the quality of the underlying assets.

World over, the quality of credit ratings is measured by default rates and stability. An analysis of rating transition and default rates, witnessed in both international and domestic arena, clearly reveals that structured finance ratings have been characterized by far lower default and transition rates than that of plain vanilla debt ratings. Further, internationally, in case of structured finance ratings, not only are the default rates low but post default recovery is also high.

In the Indian scenario, also, more than 95% of issuances have been AAA rated issuances indicating the strength of the underlying assets as well as adequacy of credit enhancement.

Investment exposure of the Scheme with reference to Securitised Debt:

The Scheme will predominantly invest only in those securitisation issuances which have AAA rating indicating the highest level of safety from credit risk point of view at the time of making an investment. The Scheme will not invest in foreign securitised debt.

The Scheme may invest in various type of securitisation issuances, including but not limited to Asset Backed Securitisation, Mortgage Backed Securitisation, Personal Loan Backed Securitisation, Collateralized Loan Obligation / Collateralized Bond Obligation and so on.

The Scheme does not propose to limit its exposure to only one asset class or to have asset class based sub-limits as it will primarily look towards the AAA rating of the offering.

The Scheme will conduct an independent due diligence on the cash margins, collateralisation, guarantees and other credit enhancements and the portfolio characteristic of the securitisation to ensure that the issuance fits in to the overall objective of the investment in high investment grade offerings irrespective of underlying asset class.

Risk Factors specific to investments in Securitised Papers:

Types of Securitised Debt vary and carry different levels and types of risks. Credit Risk on Securitised Bonds depends upon the Originator and varies depending on whether they are issued with Recourse to Originator or otherwise.

Even within securitised debt, AAA rated securitised debt offers lesser risk of default than AA rated securitised debt. A structure with Recourse will have a lower Credit Risk than a structure without Recourse.

Underlying assets in Securitised Debt may assume different forms and the general types of receivables include Auto Finance, Credit Cards, Home Loans or any such receipts, Credit risks relating to these types of receivables depend upon various factors including macro economic factors of these industries and economies. Specific factors like nature and adequacy of property mortgaged against these borrowings, nature of loan agreement/ mortgage deed in case of Home Loan, adequacy of documentation in case of Auto Finance and Home Loans, capacity of borrower to meet its obligation on borrowings in case of Credit Cards and intentions of the borrower influence the risks relating to the asset borrowings underlying the securitised debt.

Holdings of the securitised assets may have low credit risk with diversified retail base on underlying assets especially when securitised assets are created by high credit rated tranches, risk profiles of Planned Amortisation Class tranches (PAC), Principal Only Class Tranches (PO) and Interest Only class tranches (IO) will differ depending upon the interest rate movement and speed of prepayment.

Unlike in plain vanilla instruments, in securitisation transactions, it is possible to work towards a target credit rating, which could be much higher than the originator's own credit rating. This is possible through a mechanism called 'Credit enhancement'. The process of 'Credit enhancement' is fulfilled by filtering the underlying asset classes and applying selection criteria, which further diminishes the risks inherent for a particular asset class. The purpose of credit enhancement is to ensure timely payment to the investors, if the actual collection from the pool of receivables for a given period is short of the contractual payout on securitisation. Securitisation is normally non-recourse instruments and therefore, the repayment on securitisation would have to come from the underlying assets and the credit enhancement. Therefore the rating criteria centrally focus on the quality of the underlying assets.

The change in market interest rates – prepayments may not change the absolute amount of receivables for the investors, but may have an impact on the re-investment of the periodic cash flows that the investor receives in the securitised paper.

Limited Liquidity & Price risk

Presently, secondary market for securitised papers is not very liquid. There is no assurance that a deep secondary market will develop for such securities. This could limit the ability of the investor to

resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the New Fund Offer price due to changes in the interest rate structure.

Limited Recourse, Delinquency and Credit Risk

Securitized transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of a Obligor to repay his obligation, the Servicer may repossess and sell the underlying Asset. However many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

Risks due to possible prepayments: Weighted Tenor / Yield

Asset securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments Full prepayment of underlying loan contract may arise under any of the following circumstances;

- Obligor pays the Receivable due from him at any time prior to the scheduled maturity date of that Receivable; or
- Receivable is required to be repurchased by the Seller consequent to its inability to rectify a material misrepresentation with respect to that Receivable; or
- The Servicer recognizing a contract as a defaulted contract and hence repossessing the underlying Asset and selling the same

In the event of prepayments, investors may be exposed to changes in tenor and yield.

Bankruptcy of the Originator or Seller

If originator becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from originator to Trust was not a sale then an Investor could experience losses or delays in the payments due. All possible care is generally taken in structuring the transaction so as to minimize the risk of the sale to Trust not being construed as a "True Sale". Legal opinion is normally obtained to the effect that the assignment of Receivables to Trust in trust for and for the benefit of the Investors, as envisaged herein, would constitute a true sale.

Bankruptcy of the Investor's Agent

If Investor's agent, becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the recourse of Investor's Agent to the assets/receivables is not in its capacity as agent/Trustee but in its personal capacity, then an Investor could experience losses or delays in the payments due under the swap agreement. All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent. Legal opinion is normally obtained to the effect that the Investors Agent's recourse to assets/receivables is restricted in its capacity as agent and trustee and not in its personal capacity.

Credit Rating of the Transaction / Certificate

The credit rating is not a recommendation to purchase, hold or sell the Certificate in as much as the ratings do not comment on the market price of the Certificate or its suitability to a particular investor. There is no assurance by the rating agency either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency.

Risk of Co-mingling

The Services normally deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of the Servicer. If the Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss.

Due care is normally taken to ensure that the Servicer enjoys highest credit rating on stand alone basis to minimize Co-mingling risk.

▪ Risks associated with Short Selling and Securities Lending :-

Although, the Scheme per se will make investments in underlying schemes of the mutual fund, the policy in respect of underlying schemes of ICICI Prudential Mutual Fund that may consider engaging in the stock lending is laid down as under:

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.

Investors are urged to study the terms of the Scheme information document carefully before investing in this Scheme and its Plans, and to retain this Scheme information document for future reference.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATIONS, if any

- **Investors in the Scheme are not being offered any guaranteed returns.**
- **Investors are advised to consult their Legal /Tax and other Professional Advisors in regard to tax/legal implications relating to their investments in the Plan/s and before making decision to invest in or redeem the Units.**
- **Investors may please note that they will be bearing the expenses of the relevant fund of fund scheme in addition to the expenses of the underlying schemes in which the fund of fund scheme makes investment.**

D. DEFINITIONS –

In this Scheme Information Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

Asset Management Company or AMC or Investment Manager	ICICI Prudential Asset Management Company Ltd. (formerly ICICI Asset Management Company Limited), the Asset Management Company incorporated under the Companies Act, 1956, and registered with SEBI to act as an Investment Manager for the schemes of ICICI Prudential Mutual Fund
Applicable NAV for purchase	The Applicable NAV is the Net Asset Value per Unit at the close of Business Day on which the application is accepted.
Applicable NAV for redemption	The Applicable NAV is the Net Asset Value per Unit at the close of Business Day on which the application is accepted.
Business Day	<p>For Equity Funds: A day other than (1) Saturday and Sunday or (2) a day on which the Stock Exchange, Mumbai and National Stock Exchange are closed whether or not the Banks in Mumbai are open. (3) a day on which the Sale and Redemption of Units is suspended by the Trustee/AMC.</p> <p>For Debt Funds: A day other than: (i) Saturday and Sunday; (ii) a day on which the Banks in Mumbai or NSE or RBI are closed; (iii) a day on which there is no Bank clearing/ settlement of securities or (iv) a day on which the Sale and Redemption of Units is suspended by the Trustee.</p> <p>However, the AMC reserves the right to declare any day as a non-business day at any of its locations at its sole-discretion.</p>
Custodian	HDFC Bank Limited, Mumbai, acting as Custodian to the Plan/s, or any other custodian who is approved by the Trustee and has been granted registration by SEBI under the Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996 as amended from time to time.
Fund of Funds scheme	"Fund of funds scheme" means a mutual fund scheme that invests primarily in underlying schemes of the same mutual fund or other mutual funds.
FII	Foreign Institutional Investors registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
ICICI Bank	ICICI Bank Limited
Investment Management Agreement	The Agreement dated September 3, 1993 entered into between ICICI Prudential Trust Limited (formerly ICICI Trust Limited) and ICICI Prudential Asset Management Company Limited (formerly ICICI Asset Management Company Limited) as amended from time to time.
NAV	Net Asset Value of the Units of the Plans and Options therein, calculated on every Business Day in the manner provided in this Scheme information document or as may be prescribed by Regulations from time to time.
NRI	Non-Resident Indian.
Scheme information document	This document issued by ICICI Prudential Mutual Fund, offering Units of ICICI Prudential Advisor Series and the plans thereunder.
Person	Person means any resident or non-resident natural or juridical person.

PIOs	Persons of Indian Origin.
Prudential	Prudential plc (formerly known as Prudential Corporation plc), of the U.K. and includes, wherever the context so requires, its wholly owned subsidiary Prudential Corporation Holdings Limited.
ICICI Prudential Advisor Series / The Scheme / The Plan(s)/ FOF	ICICI Prudential Advisor Series and the options and investment Plans offered thereunder referred to as the Scheme. Each of the Investment Plan under the Scheme is referred to as the Plan and collectively as the Plans. As each Plan is a distinct entity having a separate portfolio, each Plan is construed as a Scheme under the Regulations. ICICI Prudential Advisor Series is a "Fund of funds" scheme that invests primarily in underlying schemes of the mutual fund(s).
RBI	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, as amended from time to time.
SEBI	Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992, as amended from time to time.
The Fund or Mutual Fund	ICICI Prudential Mutual Fund (formerly ICICI Mutual Fund), a trust set up under the provisions of the Indian Trusts Act, 1882. The Fund is registered with SEBI vide Registration No.MF/003/93/6 dated October 13, 1993 as ICICI Mutual Fund and has obtained approval from SEBI for change in name to ICICI Prudential Mutual Fund vide SEBI's letter dated April 16, 1998.
The Trustee	ICICI Prudential Trust Limited (formerly ICICI Trust Limited), a company set up under the Companies Act, 1956, and approved by SEBI to act as the Trustee for the schemes of ICICI Prudential Mutual Fund
The Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time.
Trust Deed	The Trust Deed dated August 25, 1993 establishing ICICI Mutual Fund, (subsequently renamed ICICI Prudential Mutual Fund) as amended from time to time.
Trust Fund	Amounts settled/contributed by the Sponsors towards the corpus of the ICICI Prudential Mutual Fund and additions/accretions thereto.
Underlying schemes	The schemes of ICICI Prudential Mutual Fund in which the corpus of various Plans of ICICI Prudential Advisor Series –a "Fund of funds scheme"- will be primarily invested.
Unit(s)	The interest of an investor, which consists of, one undivided share in the Net Assets of the Scheme and or the Plans thereunder.
Unit-holder	A holder of Units in the Scheme of ICICI Prudential Advisor Series as contained in this Scheme information document.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

DUE DILIGENCE CERTIFICATE

It is confirmed that:

- (i) the Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) all legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) the disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- (iv) the intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Place : Mumbai
Date : April 13, 2011

sd/-
Supriya Sapre
Head – Compliance and Legal

Note: The Due Diligence Certificate as stated above was submitted to SEBI on April 13, 2011

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

An Open-ended fund comprising Five investment Plans i.e.: ICICI Prudential Very Cautious Plan, ICICI Prudential Cautious Plan, ICICI Prudential Moderate Plan, ICICI Prudential Aggressive Plan and ICICI Prudential Very Aggressive Plan, investing primarily in underlying schemes of ICICI Prudential Mutual Fund

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

Investment Objective:

For investment objective of the scheme and plans thereunder, please refer to page no. 3 and 4 of this SID.

However, there can be no assurance that the investment objective of the Scheme will be realized.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

The investment policies of the Scheme shall be as per SEBI (Mutual Funds) Regulations, 1996, and within the following guideline. Under normal market circumstances, the investment range would be as follows:

I) ICICI Prudential Very Cautious Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Debt-oriented schemes	100	30	Low to Medium
Money market schemes/cash and liquid plans*	70	0	Low

II) ICICI Prudential Cautious Plan

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Equity-oriented schemes	35	0	High
Debt-oriented schemes	100	50	Low to Medium
Money market schemes/cash and liquid plans	30	0	Low
Gold Exchange Traded Fund and other Exchange Traded Fund*	20	0	Medium

III) ICICI Prudential Moderate Plan

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Equity-oriented schemes	60	40	High
Debt-oriented schemes	60	30	Low to Medium
Money market schemes/cash and liquid plans	30	0	Low
Gold Exchange Traded Fund and other Exchange Traded Fund*	20	0	Low

IV) ICICI Prudential Aggressive Plan

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Equity-oriented schemes	80	50	High
Debt-oriented schemes	50	20	Low to Medium
Money market schemes/cash and liquid plans	10	0	Low
Gold Exchange Traded Fund and other Exchange Traded Fund*	30	0	Low

V) ICICI Prudential Very Aggressive Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	
Equity-oriented schemes	100	70	High
Debt-oriented schemes	10	0	Low to Medium
Money market schemes/cash and liquid plans	10	0	Low
Gold Exchange Traded Fund and other Exchange Traded Fund*	30	0	Low

*The scheme will make investments in onshore Gold Exchange Traded Fund and in case of other Exchange Traded Fund(s) ETF(s) the investments will be made both in on shore and off shore ETF(s)

The above percentages would be adhered to at the point of investment in the underlying

schemes. The portfolio would be rebalanced periodically to address any deviations from the aforementioned allocations due to market changes. Further subject to the asset allocation pattern stated above, the maximum asset allocation to one scheme of a Mutual Fund may be to the extent of 100% of the investible corpus under the Scheme.

Investors may note that securities, which provide higher returns, typically, display higher volatility. Accordingly, the investment portfolio of the Plans would reflect moderate to high volatility in the units of the underlying schemes having asset allocations in equity and equity related instruments and low to moderate volatility in units of the underlying schemes having asset allocations in debt, Gold and money market investments.

Change in Investment Pattern

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and defensive considerations.

Provided further and subject to the above, any change in the asset allocation affecting the investment profile of the Scheme shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the Regulations, as detailed later in this document.

D. Where will the scheme invest?

The corpus of each of the Plans of the Scheme will be invested in the schemes of ICICI Prudential Mutual Fund that invest in debt, money market instruments and equity and equity related instruments depending on the asset allocation pattern and Investment Objective of each Plan of FOF as indicated in this document. As per the SEBI guidelines, a Fund of funds scheme shall not invest its assets other than in schemes of mutual funds, except to the extent of funds required for meeting the liquidity requirements for the purpose of repurchases or redemptions. Subject to the Regulations, the corpus of each of the Plan of the Scheme can be invested in any (but not exclusively) of the following securities:

- 1) Units of various schemes of onshore or offshore Mutual Fund(s).
- 2) Obligations/ Term Deposits of banks (both public and private sector) and development financial institutions.
- 3) Money market instruments permitted by SEBI/RBI, having maturities of up to one year, in call money market or in alternative investment for the call money market as may be provided by the RBI to meet the liquidity requirements.
- 4) The Moderate Plan, Aggressive Plan and Very Aggressive Plan, may make investments in Gold Exchange Traded Fund and other Exchange Traded Fund. These plans will make investments in onshore Gold Exchange Traded Fund and in case of other Exchange Traded Fund(s) ETF(s) the investments will be made both in on shore and off shore ETF(s)

The units of the schemes of the Mutual Funds in which the Plans of the Scheme propose to make investments in could be listed or unlisted, open/closed ended. The units may be acquired through subscription to the units during the Initial Public Offerings (IPOs) of the schemes or by subscriptions on on-going basis in case of open -ended schemes.

E. WHAT ARE THE INVESTMENT STRATEGIES?

The Scheme will invest primarily in the existing schemes of onshore or offshore Mutual Fund(s), gold exchange traded fund and other exchange traded fund. ICICI Prudential Mutual Fund, at present, has a number of Debt and Equity oriented schemes, which would act as the underlying schemes for ICICI Prudential Advisor Series. ICICI Prudential Advisor Series intends to invest in various schemes of ICICI Prudential Mutual Fund, presently launched or that may be launched in future.

Information about Underlying Funds

Indicative list of the underlying schemes of ICICI Prudential Mutual Fund, that may be considered for investments by ICICI Prudential Advisor Series are as follows. But the same is not exhaustive and it may change due to new schemes being introduced or existing schemes being modified. However it will be ensured that such additional schemes or changes therein meet the investment objectives criteria and asset allocation pattern of any of the Plans of ICICI Prudential Advisor Series

Money market mutual fund schemes	Debt-oriented schemes	Equity- oriented schemes
ICICI Prudential Liquid Plan	ICICI Prudential Income Plan ICICI Prudential Gilt Fund ICICI Prudential Flexible Income Plan ICICI Prudential Floating Rate Plan ICICI Prudential Ultra Short Term Plan ICICI Prudential Short Term Plan	ICICI Prudential Top 100 Fund (erstwhile ICICI Prudential Growth Plan) ICICI Prudential Top 200 Fund (erstwhile ICICI Prudential Power) ICICI Prudential Technology Fund ICICI Prudential FMCG Fund ICICI Prudential Dynamic Plan ICICI Prudential Index Fund ICICI Prudential Infrastructure Fund ICICI Prudential Discovery Fund ICICI Prudential Emerging S.T.A.R. Fund ICICI Prudential Focused Bluechip Equity Fund

The scheme objectives and the asset allocation pattern of the underlying funds are as follows:

- a) **ICICI Prudential Liquid Plan:** The To provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments made primarily in money market and debt securities.

Asset Allocation Pattern of ICICI Prudential Liquid Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Money Market instruments	80	10	Low to medium
Debt securities*	20	0	Low to medium

***Note: If Liquid Plan decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not, normally, exceed 5% of the corpus of this scheme.**

- b) **ICICI Prudential Short Term Plan:** ICICI Prudential Short Term Plan (the Plan) is an additional Plan under the existing ICICI Prudential Income Plan with characteristics similar to ICICI Prudential Income Plan. The objective of the Plan is to seek to generate to generate income through investments in a range of debt and money market instruments of various maturities

with a view to maximising income while maintaining the optimum balance of yield, safety and liquidity.

Asset Allocation Pattern of ICICI Prudential Short Term Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Debt instruments*	100	0	Low to Medium
Money Market instruments including money at call	50	0	Low to Medium

***Note: If the Short Term Plan decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not, normally, exceed 50% of the corpus of this scheme.**

- c) **ICICI Prudential Income Plan:** The investment objective of ICICI Prudential Income Plan is to generate income through investments in a range of debt and money market instruments of various maturities with a view to maximizing income while maintaining the optimum balance of yield, safety and liquidity.

Asset Allocation Pattern of ICICI Prudential Income Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Debt instruments*	75	0	Low to Medium
Money Market instruments	25	0	Low to Medium

***Note: If the Income Plan decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not, normally, exceed 5% of the corpus of this scheme.**

- d) **ICICI Prudential Gilt Fund:**

The primary investment objective of the entire Scheme is to generate income through investment in Gilts of various maturities. However, there can be no assurance that the investment objective of the Plans/ Scheme will be realized.

The ICICI Prudential Gilt Fund aims at generating returns commensurate with zero credit risk by investing in securities created and issued by the Central Government and/or a State Government and/or repos/ reverse repos in such government securities as may be permitted by RBI. The Gilt Fund may also invest a portion of the corpus in the call money market or in an alternative investment for the call money market as may be provided by the RBI to meet the liquidity requirements. The Gilt Fund will not invest in any other securities such as shares and/or debentures or in bonds issued by any other entity other than Central or a State Government. This scheme will seek to underwrite issuance of Government Securities subject to the prevailing rules and regulations as may be specified by SEBI/ RBI in this respect and may also participate in the auction of Government securities from time to time.

- e) **ICICI Prudential Flexible Income Plan:** ICICI Prudential Flexible Income Plan (the Plan) is an additional Plan under the existing ICICI Prudential Income Plan with characteristics similar to ICICI Prudential Income Plan. The investment objective of ICICI Prudential Income Plan is to generate income through investments in a range of debt and money market instruments of various maturities with a view to maximizing income while maintaining the optimum balance of yield, safety and liquidity.

Asset Allocation Pattern of ICICI Prudential Flexible Income Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Money Market and Debentures with residual maturity of less than 1 year	100	10	Medium to Low
Debt instruments* with maturity more than 1 year	90	0	Medium to Low

***Note: If the Plan decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not, normally, exceed 50% of the corpus of the Plan.**

- f) **ICICI Prudential Floating Rate Plan:** ICICI Prudential Floating Rate Plan (the Plan) is an additional Plan under the existing ICICI Prudential Income Plan with characteristics similar to ICICI Prudential Income Plan. The investment objective of ICICI Prudential Income Plan is to generate income through investments in a range of debt and money market instruments of various maturities with a view to maximizing income while maintaining the optimum balance of yield, safety and liquidity.

Asset Allocation Pattern of ICICI Prudential Floating Rate Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Floating Rate Debt Instruments. <ul style="list-style-type: none"> Money market instruments (MIBOR linked debentures, floating rate CPs, CDs, floating rate bonds less than 182 days or any other instrument permitted by RBI/SEBI). Non-Money market instruments (including floating rate bonds & debentures issued by corporates or PSUs, floating rate gilts, fixed rate debentures/ bonds with swap or any other instrument permitted by RBI/SEBI) 	100	65	Low to Medium
Fixed Rate Debt Instruments: <ul style="list-style-type: none"> Money market instruments (including CPs, CDs, treasury bills, gilts less than 1 year, Repos/Reverse Repos or any other instrument permitted by RBI/SEBI) Non-Money market instruments (including bonds & debentures issued by corporates or PSUs, gilts, securitised debt, fixed deposits or any other instrument permitted by RBI/SEBI) 	35	0	Low to Medium

***Note: If the Floating Rate Plan decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not, normally, exceed 35% of the corpus of this scheme.**

- g) **ICICI Prudential Top 100 Fund (erstwhile ICICI Prudential Growth Plan):** The primary investment objective of ICICI Prudential Growth Plan is to generate long-term capital appreciation from a portfolio that is invested predominantly in equity and equity related securities.

Asset Allocation Pattern of ICICI Prudential Top 100 Fund (erstwhile ICICI Prudential Growth Plan):

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Equities & Equity related securities	95	0	Medium to High
Debt securities & Money Market instruments & Cash	5	0	Low to Medium

- h) **ICICI Prudential Top 200 Fund (erstwhile ICICI Prudential Power):** The investment objective of ICICI Prudential Power is to generate capital appreciation through investment in equity and equity related securities in core sectors and associated feeder industries.

Asset Allocation Pattern of ICICI Prudential Top 200 Fund (erstwhile ICICI Prudential Power):

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Equity and Equity related securities including non-convertible portion of convertible debentures.	95	0	Medium to High
Debt and Money market securities	5	0	Low to medium

***Note: If the ICICI Prudential Top 200 Fund (erstwhile ICICI Prudential Power) decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not, normally, exceed 5% of the corpus of this scheme.**

- i) **ICICI Prudential Technology Fund:** The primary investment objective of ICICI Prudential Technology Fund is to generate long-term capital appreciation by creating a portfolio that is invested in equity and equity related securities of technology intensive companies.

Asset Allocation Pattern of ICICI Prudential Technology Fund:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Equities and Equity related securities	95	90	Medium to High
Debt securities and Money Market instruments & Cash	10	5	Low to medium

- j) **ICICI Prudential FMCG Fund:** The investment objective of ICICI Prudential FMCG Fund is to generate long-term capital appreciation through investments made primarily in equities of a select group of companies in the FMCG sector.

Asset Allocation Pattern of ICICI Prudential FMCG Fund:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Equities and Equity related securities of FMCG companies of select group	90	0	Medium to High
Debt and Money Market securities	10	0	Low to medium

Note: If the Scheme decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not, normally, exceed 5% of the corpus of the Scheme.

- k) **ICICI Prudential Dynamic Plan:** The primary investment objective of ICICI Prudential Dynamic Plan is to seek to generate capital appreciation by actively investing in equity/ equity related securities. For defensive considerations, the Scheme may invest in debt, money market instruments, to the extent permitted under the Regulations. The AMC will have the discretion to completely or partially invest in any of the type of securities stated above so as to maximise the returns. However, there can be no assurance that the investment objective of the Scheme will be realised, as actual market movements may be at variance with anticipated trends.

Asset Allocation Pattern of ICICI Prudential Dynamic Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Equities & Equity related securities	100	0	Medium to High
Debt securities* & Money Market instruments & Cash	100	0	Low to Medium

* Note: If the Scheme decides to invest in securitised debt, it is the intention of the Investment Manager that such investments will not normally, exceed 15% of the corpus of the Scheme.

- l) **ICICI Prudential Index Fund:** The objective of the Plan is to invest in companies whose securities are included in S & P Nifty and subject to tracking errors, to endeavor to achieve the returns of the above index as closely as possible. This would be done by investing in almost all the stocks comprising the S&P CNX Nifty in approximately the same weightage that they represent in S & P CNX Nifty.

Asset Allocation Pattern:

Type of Security	Approximate Allocation (% of corpus) under normal circumstance	Maximum Allocation	Minimum Allocation
Equity stocks drawn from the components of the S&P CNX Nifty and the exchange-traded derivatives on the S&P CNX Nifty.	99.75%	100%	90%
Money Market instruments	0.25%	10%	0%

- m) **ICICI Prudential Infrastructure Fund:** an Open-ended equity Scheme that seeks to generate capital appreciation and income distribution to unitholders by investing predominantly in equity/equity related securities of the companies belonging to the infrastructure industries and balance in debt securities and money market instruments including call money.

However, there can be no assurance that the investment objective of the Plan will be realized

Asset Allocation Pattern of ICICI Prudential Infrastructure Fund:

Under normal circumstances, the asset allocation under the Scheme will be as follows:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Equity & equity related securities	100	70	High
Debt, Money Market Instruments*	30	0	Low to Medium

Note: *Including securitised debt of upto 20% of the net assets

** Including derivatives instruments to the extent of 50% of the net assets.

Under normal circumstances at least 95 % of the Scheme will be invested in equity and equity related instruments of companies engaged in the infrastructure sector, while the rest will be kept in cash and cash equivalents. The Scheme may move upto 30% in the debt securities if the risk – reward ratio is favorable to such allocation.

n) ICICI Prudential Discovery Fund

ICICI Prudential Discovery Fund is an open-ended scheme having a primary objective to generate returns through a combination of dividend income and capital appreciation by investing primarily in a well-diversified portfolio of value stocks.

Under normal circumstances the Asset Allocation of ICICI Prudential Discovery Fund:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Equities & Equity related securities	100	80	High
Cash & Money Market instruments	20	0	Low to Medium

o) ICICI Prudential Emerging S.T.A.R. (Stocks Targeted At Returns) Fund: is an open-ended scheme having a primary objective to generate capital appreciation by actively investing in diversified mid cap stocks. The scheme will invest primarily in companies that have a market capitalization between Rs.100 crores to Rs. 2000 crores

Under normal circumstances, the asset allocation will be as follows:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Equities & equity related securities	100	90	Medium to High
Debt, Cash & Money Market Instruments	10	0	Low to Medium

p) ICICI Prudential Focused Bluechip Equity Fund:

ICICI Prudential Focused Equity Fund is an open-ended equity scheme that seeks to generate long-term capital appreciation and income distribution to unitholders from a portfolio that is invested in equity and equity related securities of about 20 companies belonging to the large cap domain and the balance in debt securities and money market instruments. The Fund Manager will always select stocks for investment from among Top 200 stocks in terms of market capitalization on the National Stock Exchange of India Ltd.

Under normal circumstances, the asset allocation under the Scheme will be as follows:

Type of security	Approx. Allocation (% of corpus)	Risk Profile
Equity & Equity related securities \$	70% to 100%	High
Debt *	0% to 30%	Low to Medium

Note: *Including securitised debt of upto 50% of debt portfolio

\$ Including derivatives instruments to the extent of 75% of the Net assets as permitted by SEBI vide its circular no. DNPDCir-29/2005 dated September 14, 2005, Circular no. DNPDCir-30/2006 dated January 20, 2006, Circular no. SEBI/DNPDCir-31/2006 dated September 22, 2006 and Circular no. Cir/IMD/DF/11/2010 dated August 18, 2010 on 'Trading by Mutual Fund in Exchange Traded Derivative Contracts'. The Scheme shall not take leverage positions and total investments, including investments in equity and other securities and gross exposure to

derivatives, if any, shall not exceed net assets under management of the scheme.

\$ Including ADR/GDR to the extent of 50% of net assets as permitted by SEBI its circulars issued from time to time on the subject and RBI Guidelines.

q) ICICI Prudential Ultra Short Term Plan

ICICI Prudential Ultra Short Term Plan is an open-ended income fund that intends to generate regular income through investments in a basket of debt and money market instruments of very short maturities with a view to providing reasonable returns, while maintaining an optimum balance of safety, liquidity and yield. However, there can be no assurance that the investment objective of the scheme will be realized.

Investment Pattern of ICICI Prudential Ultra Short Term Plan:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Maximum	Minimum	High/Medium/Low
Money Market Securities	100	20	Low to Medium
Debt Market Securities\$	80	0	Low to Medium

\$ Including securitized debt of upto 50% of the portfolio. The asset allocation pattern may be modified in the interest of investors; however, the same will be reviewed by the Fund Manager from time to time and will be rebalanced to its normal position in a time frame as permitted by the trustee. However the AMC will endeavour to achieve a normal asset allocation pattern in a maximum period of 6 months.

Exposure to Derivatives

Equity Derivatives:

The Scheme intends to use derivatives for purposes that may be permitted by SEBI Mutual Fund Regulations from time to time. Derivatives instruments may take the form of Futures, Options, Swaps or any other instrument, as may be permitted from time to time. SEBI has vide its Circular DNP/Cir-29/2005 dated September 14, 2005, Circular no. DNP/Cir-30/2006 dated January 20, 2006 and Circular no. SEBI/DNP/Cir-31/2006 dated September 22, 2006 and Circular no. Cir/IMD/DF/11/2010 dated August 18, 2010, specified the guidelines pertaining to trading by Mutual Fund in Exchange trades derivatives. All Derivative positions taken in the portfolio would be guided by the following principles:

- **Position limit for the Fund in index options contracts**
 - a) The Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.
 - b) This limit would be applicable on open positions in all options contracts on a particular underlying index.
- **Position limit for the Fund in index futures contracts:**
 - a) The Fund position limit in all index futures contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.
 - b) This limit would be applicable on open positions in all futures contracts on a particular underlying index.
- **Additional position limit for hedging**

In addition to the position limits at point (i) and (ii) above, Fund may take exposure in equity index derivatives subject to the following limits:

- a. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Fund's holding of stocks.
- b. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Fund's holding of cash, government securities, T-Bills and similar instruments.

- **Position limit for the Fund for stock based derivative contracts**

The Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, :-

- i. For stocks having applicable market wide position limit (MWPL) of Rs. 500 crores or more, the combined futures and options limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.
- ii. For stocks having applicable market wide position limit (MWPL) less than Rs. 500 crores or more, the combined futures and options limit shall be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crores, whichever is lower.
- iii. The MWPL and client level position limits however would remain the same as prescribed.

- **Position limit for the Scheme**

The position limits for the Scheme and disclosure requirements are as follows–

- a) For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Fund shall not exceed the higher of:

1% of the free float market capitalisation (in terms of number of shares).
Or
5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).
- b) This position limit shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- c) For index based contracts, the Fund shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index."

The Scheme will comply with provisions specified in Circular dated August 18, 2010 related to overall exposure limits applicable for derivative transactions as stated below:

- 1) The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
- 2) Mutual Funds shall not write options or purchase instruments with embedded written options.
- 3) The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.

- 4) Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
- 5) Exposure due to hedging positions may not be included in the above mentioned limits subject to the following
 - a) Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
 - b) Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
 - c) Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
 - d) The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- 6) Mutual Funds may enter into interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.
- 7) Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.

The following section describes some of the more common equity derivatives transactions along with their benefits:

1. Basic Structure of a Stock & Index Future

The Stock Index futures are instruments designed to give exposure to the equity markets indices. The Stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE) provide futures in select stocks and indices with maturities of 1, 2 and 3 months. The pricing of a stock/index future is the function of the underlying stock/index and short term interest rates.

Example using hypothetical figures:

1 month Sensex Index Future

Say, Fund buys 1,000 futures contracts; each contract value is 15 times futures index price

Purchase Date: December 27, 2010

Spot Index: 20153

Future Price 20160

Say, Date of Expiry January 27, 2011

Say, Margin: 20%

Assuming the exchange imposes total margin of 20%, the Investment Manager will be required to provide total margin of approx. Rs. 6.05 Cr (i.e. $20\% * 20160 * 1000 * 15$) through eligible securities and cash.

Date of Expiry

Assuming on the date of expiry, i.e. Jan 27, 2011, Sensex Index closes at 21000, the net impact will be a profit of Rs 1.26 crs for the fund i.e. $(21000 - 20160) * 1000 * 15$

Futures price = 20160

Closing spot price = 21000.00

Profits for the Fund = $(21000 - 20160) * 1000 * 15 = \text{Rs. } 1.26 \text{ crs}$

Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity.

The net impact for the Fund will be in terms of the difference of the closing price of the index and cost price. Thus, it is clear from the example that the profit or loss for the Fund will be the difference of the closing price (which can be higher or lower than the purchase price) and the purchase price. The risks associated with index futures are similar to those associated with equity investments. Additional risks could be on account of illiquidity and potential mis-pricing of the futures.

2. Basic Structure of an Equity Option

An option gives a buyer the right but does not cast the obligation to buy or sell the underlying. An option is a contract between two parties wherein the buyer receives a privilege for which he pays a fee (premium) and the seller accepts an obligation for which he receives a fee. The premium is the price negotiated and set when the option is bought or sold. A person who buys an option is said to be long in the option. A person who sells (or writes) an option is said to be short in the option.

In India, National Stock Exchange (NSE) became the first exchange to launch trading in options on individual securities. Trading in options on individual securities commenced from July 2, 2001. All stock/index Option contracts are European style (wef January 2011) and cash settled and are currently available on 5 Indices and 223 securities (as on December 27, 2010) as stipulated by the Securities and Exchange Board of India (SEBI).

Example using hypothetical figures:

Market type	:	B
Instrument Type	:	OPTIDX
Underlying	:	Sensex
Purchase date	:	Dec 27, 2010
Expiry date	:	January 27, 2011
Option Type	:	Put Option (Purchased)
Strike Price	:	Rs. 20000.00
Spot Price	:	Rs. 20160.00
Premium	:	Rs. 250.00
Lot Size	:	15
No. of Contracts	:	100

Say, the Fund purchases on December 27, 2010, 1500 (100 contracts of 15 shares each) Sensex index 1 month Put Options on the BSE

Date of Exercise

As these are European style options, they can be exercised only on the exercise date, i.e, January 27, 2011. If Sensex falls to 19000 on expiry day, the net impact will be as follows:

Premium expense	=	Rs.250 * 15 * 100 = Rs. 3,75,000
Option Exercised at	=	Rs.19000
Profits for the Fund	=	(20000.00-19000.00) * 15*100 = Rs. 15,00,000
Net Profit	=	Rs. 15,00,000 – Rs. 3,75,000 = Rs. 11,25,000

In the above example, the Investment Manager hedged the market risk by buying index put option.

Please note that the above example is given for illustration purposes only. Actual results may significantly vary from example. Some assumptions have been made for the sake of simplicity. Certain factors like margins have been ignored. The purchase of Put Options does not increase the market risk in the fund. The premium paid for the option is treated as an expense and added to the holding cost of the relevant security. Additional risks could be on account of illiquidity and potential mis-pricing of the options.

Derivatives Strategy

If and where Derivative strategies are used under the scheme the Fund Manager will employ a combination of the following strategies:

1. Index Arbitrage: As the Sensex derives its value from thirty underlying stocks, the underlying stocks can be used to create a synthetic index matching the Sensex Index levels. Also, theoretically, the fair value of a stock/ index futures is equal to the spot price plus the cost of carry i.e. the interest rate prevailing for an equivalent credit risk, in this case is the Clearing Corporation of the BSE.

Theoretically, therefore, the pricing of Sensex Index futures should be equal to the pricing of the synthetic index created by futures on the underlying stocks. However, due to market imperfections, the index futures may not exactly correspond to the synthetic index futures. The Sensex Index futures normally trades at a discount to the synthetic Index due to large volumes of stock hedging being done using the Sensex Index futures giving rise to arbitrage opportunities.

The fund manager shall aim to capture such arbitrage opportunities by taking long positions in the Sensex Index futures and short positions in the synthetic index. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of-capital.

Objective of the Strategy

The objective of the strategy is to lock-in the arbitrage gains.

Risks Associated with this Strategy

Lack of opportunity available in the market.

The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place.

2. Cash Futures Arbitrage: (Only one way as funds are not allowed to short in the cash market). The Plans under the scheme would look for market opportunities between the spot and the futures market. The cash futures arbitrage strategy can be employed when the price of the futures exceeds the price of the underlying stock.

The Plans will first buy the stocks in cash market and then sell in the futures market to lock the spread known as arbitrage return.

Buying the stock in cash market and selling the futures results into a hedge where the Plans have locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts. The future contracts are settled based on the last half an hour's weighted average trade of the cash market. Thus there is a convergence between the cash market and the futures market on expiry. This convergence helps the Plans under the Scheme to generate the arbitrage return locked in earlier. However, the position could even be closed earlier in case the price differential is realized before expiry or better opportunities are available in other stocks. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of-capital.

Objective of the Strategy

The objective of the strategy is to lock-in the arbitrage gains.

Risk Associated with this Strategy

Lack of opportunity available in the market.

The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place

3. Hedging and alpha strategy: The fund will use exchange-traded derivatives to hedge the equity portfolio. The hedging could be either partial or complete depending upon the fund managers' perception of the markets. The fund manager shall either use index futures and options or stock futures and options to hedge the stocks in the portfolio. The fund will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying an IT stock and selling CNXIT Index future or a bank stock and selling Bank Index futures or buying a stock and selling the Sensex Index

Objective of the Strategy

The objective of the strategy is to generate alpha by superior stock selection and removing market risks by hedging with appropriate index.

Risk Associated with this Strategy

The stock selection under this strategy may under-perform the market and generate a negative alpha.

The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place

4. Other Derivative Strategies: As allowed under the SEBI guidelines on derivatives, the fund manager will employ various other stock and index derivative strategies by buying or selling stock/index futures and/or options.

Objective of the Strategy

The objective of the strategy is to earn low volatility consistent returns.

Risk Associated with this Strategy

The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Execution Risk: The prices which are seen on the screen need not be the same at which execution will take place.

Valuation of Derivative Products

- a) The traded derivatives shall be valued at market price in conformity with the stipulations of sub clauses (i) to (v) of clause 1 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
- b) The valuation of un-traded derivatives shall be done in accordance with the valuation method for un-traded investments prescribed in sub clauses (i) and (ii) of clause 2 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time.

Debt Derivatives:

The Scheme may use derivatives instruments like Interest Rate Swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time for the purpose of hedging and portfolio balancing and as may be permitted under the Regulations and guidelines.

Interest rate swap is a strategy in which one party exchanges a stream of interest for another party's stream. Interest rate swaps are normally 'fixed against floating', but can also be 'fixed against fixed' or 'floating against floating' rate swaps. Interest rate swaps will be used to take advantage of interest-rate fluctuations, by swapping fixed-rate obligations for floating rate obligations, or swapping floating rate obligations to fixed-rate obligations. A floating-to-fixed swap increases the certainty of an issuer's future obligations. Swapping from fixed-to-floating rate may save the issuer

money if interest rates decline. Swapping allows issuers to revise their debt profile to take advantage of current or expected future market conditions.

The Scheme shall under normal circumstances not have exposure of more than 50% of its net assets in derivative instruments.

i) Advantages of Derivatives

The volatility in Indian debt markets has increased over last few months. Derivatives provide unique flexibility to the Scheme to hedge part of their portfolio. Some of the advantages of specific derivatives are as under:

ii) Interest Rate Swaps and Forward rate Agreements

Bond markets in India are not very liquid. Investors run the risk of illiquidity in such markets. Investing for short-term periods for liquidity purposes has its own risks. Investors can benefit if the Fund remains in call market for the liquidity and at the same time take advantage of fixed rates by entering into a swap. It adds certainty to the returns without sacrificing liquidity.

The following is an illustration how derivatives work

Basic Details: Fixed to floating swap

Notional Amount: Rs. 5 Crores

Benchmark: NSE MIBOR

Deal Tenor: 3 months (say 91 days)

Documentation: International Securities Dealers Association (ISDA).

Let us assume the fixed rate decided was 10%

At the end of three months, the following exchange will take place:

Counter party 1 pays: compounded call rate for three months, say 9.90%

Counter party 2 pays fixed rate: 10%

In practice, however, the difference of the two amounts is settled. Counter party 2 will pay Rs 5 Crores $*0.10%* 91/365 =$ Rs. 12,465.75

Thus the trade off for the Fund will be the difference in call rate and the fixed rate payment and this can vary with the call rates in the market. Please note that the above example is given for illustration purposes only and the actual returns may vary depending on the terms of swap and market conditions.

Risk Factor: The risk arising out of uses of the above derivative strategy as under:

- Lack of opportunities available in the market.
- The risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Please note that the above example is given for illustration purposes only. Some assumptions have been made for the sake of simplicity. Additional risks could be on account of illiquidity and potential mis-pricing of the options.

Valuation of Derivative Products

- (i) The traded derivatives shall be valued at market price in conformity with the stipulations of sub clauses (i) to (v) of clause 1 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
- (ii) The valuation of untraded derivatives shall be done in accordance with the valuation method for untraded investments prescribed in sub clauses (i) and (ii) of clause 2 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

NAV of units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Current Assets} - \text{Current Liabilities and Provision}}{\text{No. of Units outstanding under Scheme}}$$

The NAV of the Scheme will be calculated on daily basis. The valuation of the Scheme's assets and calculation of the Scheme's NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

Position of Debt Market in India

The debt market in India is estimated at about Rs. 20,00,000 crores as of now. A bulk of the debt market consists of Government Securities. Other instruments available currently include Corporate Debentures, Bonds issued by Financial Institutions, Commercial Paper, Certificates of Deposits and Securitized Debt. Securities in the Debt market typically vary based on their tenure and rating. Government Securities have tenures from one year to thirty years whereas the maturity period of the Corporate Debt varies from one year to Fifteen years. Recently some banks have also issued perpetual bonds. Securities may be both listed and unlisted and increasingly most securities of maturities of over one year are being listed by issuers. While in the corporate bond market, deals are conducted over telephone and are entered on principal-to-principal basis, due to the introduction of the Reserve Bank of India's NDS- Order Matching system a significant proportion of the government securities market is trading on the new system. The yields and liquidity on various securities, currently, are as under:

Issuer	Instrument	Maturity	Yields	Liquidity
GOI	Treasury Bill	91 days	3.90%-4.10%	High
GOI	Treasury Bill	364 days	5.00% - 5.10%	High
GOI	Short Dated	1-3 Yrs	5.00%-6.50%**	High
GOI	Medium Dated	3-5 Yrs	6.50%-7.50%**	High
GOI	Long Dated	5-10 Yrs	7.50%-8.10%**	High
Corporates	Taxable Bonds (AAA)	1-3 Yrs	6.50%- 7.80%***	Medium
Corporates	Taxable Bonds (AAA)	3-5 Yrs	7.80%-8.60%***	Low to medium
Corporates	CPs (P1+)	3 months	4.5%-5.5%*	Medium to High
Corporates	CPs (P1+)	1 Yr	6.5%-7.5%*	Medium

*Money Market yield

**Semi-annual yield

***Annualised yield

e) Fixed Income securities

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

Procedure followed for Investment decisions

- a) The Fund Manager of each scheme is responsible for making buy/sell decisions in respect of the securities in the respective scheme portfolios, subject to final approval by the Chief Investment Officer. The investment decisions are made and approved on daily basis keeping in view the market conditions and all relevant aspects.

- b) The AMC has an Internal Investment Committee comprising of the Chief Investment Officer, Fund Managers and the Research Analyst who meet at periodic intervals. The Investment Committee, at its meetings, reviews the performance of the schemes and general market outlook and formulates broad investment strategy. The Managing Director attends the meeting at his discretion.
- c) The Managing Director who chairs the Investment Committee Meetings guides the deliberations at Investment Committee. He, on an ongoing basis, reviews the portfolios of the schemes and gives directions to the Head of Equity/Head of Debt / Chief Investment Officer, where considered necessary. It is the ultimate responsibility of the Head of Equity/Head of Debt / Chief Investment Officer to ensure that the investments are made as per the internal/Regulatory guidelines, Scheme investment objectives and in the best interest of the unitholders of the respective schemes.
- d) The Managing Director makes a presentation to the Board of AMC at each of its meetings indicating the performance of the schemes. The performance of the schemes is reviewed by the Board with reference to the appropriate benchmarks as also the performance of the schemes of the competition.
- e) The benchmarks for performance of ICICI Prudential Advisor Series will be as under:

At present it is proposed to benchmark performance of the Plans under the Scheme based on the weighted average method based on their respective investment pattern, as under:

Benchmark Indices	Weightage of indices				
	Aggressive Plan	Cautious Plan	Moderate Plan	Very Aggressive Plan	Very Cautious Plan
S&P CNX Nifty	50 %	20%	40 %	75 %	NA
Crisil Composite Bond Fund Index	30%	60 %	40 %	5%	70%
Crisil Liquid Fund Index	5 %	10 %	10 %	5%	30%
Gold#	15%	10%	10%	15%	NA

Benchmark against the domestic price of gold as derived from the LBMA AM fixing prices.

The performance of this scheme will also be compared with its peers in the Industry. The performance will be placed before the Investment Committee as well as the Board of Directors of the AMC and the Trustee Company in each of their meetings.

The performance of the Scheme is reviewed by the Board with the benchmark as also the performance of the schemes of the competitions. The Trustee reserves right to change the benchmark for performance of any of the plans under the scheme by suitable notification to the investors to this effect.

- f) The Managing Director brings to the notice of the Board specific factors, if any, which are impacting the performance of any individual scheme. The Board on consideration of all relevant factors may, if necessary, give directions to AMC. Similarly, the performance of the schemes is submitted to the Trustees. The Managing Director explains to the Trustees the details on Schemes' performance vis-à-vis the benchmark returns.
- g) Subsequent to the issue of Circular No.MFD/CIR/9/120/2000 dated November 24, 2000, the AMC constituted an internal committee to approve the investment in un-rated debt securities. All such investments, as and when are made, will be placed before the Board of Directors of AMC for its review.

- h) The AMC has been recording investment decisions since the receipt of instructions from SEBI, in terms of SEBI's circular no. MFD/CIR/6/73/2000 dated July 27, 2000.
- i) The Chief Executive Officer of the AMC shall ensure that the mutual fund complies with all the provisions of SEBI (Mutual Fund) Regulations, 1996, as amended from time to time, including all guidelines, circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the mutual fund.
- j) The Fund managers shall ensure that the funds of the Scheme/ schemes are invested to achieve the investment objectives of the schemes and in the interest of the unit holders.

F: FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a scheme

An Open-ended asset allocation Fund of Funds Scheme comprising, for the present, five sub plans i.e.: ICICI Prudential Very Cautious Plan, ICICI Prudential Cautious Plan, ICICI Prudential Moderate Plan, ICICI Prudential Aggressive Plan and ICICI Prudential Very Aggressive Plan. These sub plans would primarily intend investing in other existing schemes (underlying schemes/plans) of ICICI Prudential Mutual Fund inline with the investment objectives of the sub plans of FOF and the underlying schemes

(ii) Investment Objective

ICICI Prudential Advisors Series is an Open ended asset allocation fund, which is of the nature of Fund of Funds, comprising thereunder five investment Plans, with a primary objective to generate returns through investment in underlying schemes of onshore or offshore Mutual Fund(s). The investments into underlying funds under each Plan of FOF would, *inter alia*, be governed by:

- The investment management style of such schemes (both FOF and underlying),
- The tolerance and the risk profile of such schemes (both FOF and underlying),
- The asset allocation (such as equity or debt) of such schemes (both FOF and underlying).

Detailed objective of the Plans under the scheme, please refer to page no. 4 of this SID.

(iii) Investment Pattern: Please refer to section on "How will the Scheme allocate its assets"

(iv) Terms of Issue

1) Liquidity

Being an open-ended Scheme, Units may be redeemed on every Business Day at NAV based prices. The Fund will, Being an open-ended Scheme, Units may be redeemed on every Business Day at NAV based prices. The Fund will, under normal circumstances, endeavour to dispatch redemption cheques, in case of ICICI Prudential Very Cautious Plan and ICICI Prudential Cautious Plan, within 1 Business Day from the date of acceptance of the redemption request at any of the Customer Service Centers of AMC. This service standard will apply only at the centers where RBI handles clearing directly and is able to transfer funds from Mumbai on the same-day-value basis. In respect of all non-RBI centers, for redemption payments, AMC will take additional day(s) – not exceeding 3 Business Days- that would essentially be linked to the time taken by banks to clear funds at such Non-RBI centers. In case of ICICI Prudential Moderate Plan, ICICI Prudential Aggressive Plan and ICICI Prudential Very Aggressive Plan(s), the Fund will, under normal circumstances, endeavour to dispatch redemption cheques, within 2

Business Days.

Investors who hold units in any of the open-ended debt schemes of the Fund may switch all or part of their holdings to the Plans offered under this Scheme information document on an ongoing basis. Further, under the Flexible Lifetime Investment Programme, investors may choose to alter the allocation of their investment among the Mutual Fund's various schemes in order to meet their changing circumstances during their lifetime. Under the Flexible Lifetime Investment Programme, switches from equity schemes of ICICI Prudential Mutual Fund to the Plan(s) under ICICI Prudential Advisor Series will not be permitted.

a) **Redemption of Units**

The Units can be redeemed (i.e. sold back to the Fund) on every Business Day at the Redemption Price (hereinafter defined). The redemption request can be made for any amount of Rs.1000 or 100 units and more. Redemption can also be made for the total number of Units standing to the credit of Unitholder at the time of closure of account, even though such redemption is for less than Rs.1000.

There would be a cooling off period from the date of receipt of the subscription till the realization of the funds towards subscription, during which no redemption request would be processed by AMC in respect of the same investment. However, the AMC may process the redemption on a specific request from the investor after confirming the cheque clearance status and may take an additional day for processing redemption payment.

- b) **Redemption Price** - The redemption price will be at Applicable NAV based prices, subject to applicable exit load provisions, if any.

c) **Payment of Proceeds**

All redemption requests received prior to 3.00 p.m. on any Business Day will be considered accepted on that Business Day, subject to the redemption request being complete in all respects, and will be priced on the basis of the Applicable NAV (subject to the applicable load) for that day. Where an application is received after the cut-off time, as above, the request will be deemed to have been received on the next Business Day. Please see 'Right to Limit Redemption' and 'Suspension of Sale and Redemption of Units'.

As per the Regulations, the Fund shall despatch the redemption proceeds within 10 (ten) Business Days from the date of acceptance of redemption request at any of the Official Point of Acceptance of Transactions

The redemption cheque will be issued in favour of the sole/first Unitholder's registered name and bank account number and will be sent to the registered address of the sole/first holder. The redemption cheque will be payable at par at all the places where the Customer Service Centres are located. The bank charges for collection of cheques at all other places will be borne by the Unitholder.

In case of fresh investments, the account statement and in case of redemptions the cheque(s) would be sent by courier/ Post. In case, the courier is returned undelivered; the AMC will send the same by Registered Post A D. The courier and Postal Department as the case may be shall be treated as agents of the investor / unitholders. Delivery of the accounts statements and cheques to the courier/ Postal Department as the case may be shall be treated as delivery to the investor.

The Mutual fund/Registrars are not responsible for any delayed delivery or non-delivery of any consequences thereof.

The AMC shall not be liable to pay for the penal interest, in such cases where AMC has handed over the correspondence/cheque to courier Agent / Postal Department within the period stipulated in the Scheme information document. A fresh Account Statement, in case of partial redemption, will be sent by the Registrar to the redeeming investors, indicating the new balance to the credit in the Account.

The Fund may close a Unitholder's account if, as a consequence of redemption, the balance falls below Rs.5,000 and a period of 30 (thirty) days has elapsed after the issue of notice to the Unitholder by the AMC requesting him to bring the amount in the account to the minimum described above and the Unitholder fails to do so.

If a Unitholder makes a redemption request immediately after purchase of Units, the Fund shall have a right to withhold the redemption request till sufficient time has elapsed to ensure that the amount remitted by him (for purchase of Units) is realized and the proceeds have been credited to the Scheme's Account. However, this is only applicable if the value of redemption is such that some or all of the freshly purchased Units may have to be redeemed to effect the full redemption.

As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications for purchase or redemption of Units. If the Unit-holder fails to provide the Bank mandate, the request for redemption would be considered as not valid and the Fund retains the right to withhold the redemption until a proper bank mandate is furnished by the Unit-holder and the provision with respect of penal interest in such cases will not be applicable/entertained.

Listing

Being the open-ended fund, the Units of the Scheme will not be listed on any stock exchange, at present. The Trustee may, at its sole discretion, cause the Units under the Scheme to be listed on one or more Stock Exchanges. Notification of the same will be made through Customer Service Centres of the AMC and as may be required by the respective Stock Exchanges.

Aggregate fees and expenses charged to the scheme:

a. New Fund Offer:

The Scheme being an open-ended Scheme, no New Fund Offer expenses shall be charged in accordance with SEBI Circular dated April 4, 2006.

b. Recurring Expenses:

The total expenses of the scheme including the management fees shall be not exceeding 0.75% of the daily or weekly average net assets, depending upon whether the NAV of the scheme is calculated on daily or weekly basis. As this being Fund of Funds scheme; the investors bear the recurring expenses of underlying schemes, as listed below depending on the nature of the scheme, in which the Scheme make investment.

Further, as per the Regulations, in case of normal schemes, the maximum recurring expenses that can be charged to the schemes shall be subject to a percentage limit of daily average net assets as in the table below:

For equity oriented Plans:

First Rs. 100 crore	Next Rs. 300 crore	Next Rs. 300 crore	Over Rs. 700 crore
2.50%	2.25%	2.00%	1.75%

For Debt-oriented Plan:

First Rs. 100 crore	Next Rs. 300 crore	Next Rs. 300 crore	Over Rs. 700 crore
2.25%	2.00%	1.75%	1.5%

Subject to Regulations, expenses over and above the prescribed limit shall be borne by the Asset Management Company.

c. Load :

Load is an amount, which is paid by the investor to redeem the units from the scheme. This amount is used by the AMC to pay trail commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.icicipruamc.com) or may call your distributor.

Entry Load: Not Applicable. In terms of SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has notified that, w.e.f. August 01, 2009 there will be no entry load charged to the schemes of the Mutual Fund and the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

Exit Load:

Name of the Plan	Particulars
i) ICICI Prudential Advisors Series – Very Aggressive Plan	If the amount sought to be redeemed or switched out is invested for a period of upto one year from the date of allotment - 1 % of the applicable Net Asset Value
ii) ICICI Prudential Advisors Series – Aggressive Plan	
iii) ICICI Prudential Advisors Series – Moderate Plan	If the amount sought to be redeemed or switched out is invested for a period of more than one year from the date of allotment – Nil
iv) ICICI Prudential Advisors Series – Cautious Plan	
v) ICICI Prudential Advisors Series – Very Cautious Plan	

However, the Trustee shall have a right to prescribe or modify the load structure with prospective effect subject to a maximum prescribed under the Regulations.

Changes in Fundamental Attributes

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the AMC is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

The benchmarks for performance of ICICI Prudential Advisor Series (an open ended Fund of Funds) will be as under:

Benchmark Indices	Weightage of indices				
	Aggressive Plan	Cautious Plan	Moderate Plan	Very Aggressive Plan	Very Cautious Plan
S&P CNX Nifty	50 %	20%	40 %	75 %	NA
Crisil Composite Bond Fund Index	30%	60%	40 %	5%	70%
Crisil Liquid Fund Index	5 %	10%	10 %	5%	30%
Gold#	15%	10%	10%	15%	NA

Benchmark against the domestic price of gold as derived from the LBMA AM fixing prices.

In line with the investment objective and portfolio of this Plan, it is proposed to benchmark it against a Coupon Return Index, which will be constructed from the existing Total Return Index minus Principal Return Index on the Bond Index. However, due to the non-availability of such a Benchmark and till the time the said Benchmark Index is developed/published, CRISIL Liquid Index will be used as the Benchmark Index for this Plan till the time such Coupon Return Index is available.

The performance of this scheme will also be compared with its peers in the Industry. The performance will be placed before the Investment Committee as well as the Board of Directors of the AMC and the Trustee Company in each of their meetings.

The Trustee reserves right to change the benchmark for performance of any of the plans under the scheme by suitable notification to the investors to this effect. The performance will be placed before the Investment Committee as well as the Board of Directors of the AMC and the Trustee Company in each of their meetings.

H. WHO MANAGES THE SCHEME?

The investments under the Plans of the Scheme will be managed by the following Fund Manger. Their qualifications and experience is as under:

Name of the Fund Manager	Age	Qualification	Experience	Other schemes managed
Mr. Mrinal Singh	33 years	BE (Mech), PGDM (SPJIMR – Mumbai)	Overall 8 years of which 1 year as Equity Analyst	<ul style="list-style-type: none"> • ICICI Prudential Technology Fund • ICICI Prudential Discovery Fund • Equity Portion: ICICI Prudential MIP 25 (Monthly income is not assured and is subject to the availability of distributable surplus). • Equity Portion: ICICI Prudential Monthly Income Plan (Monthly income is not assured and is subject to the availability of distributable surplus). • Equity Portion: ICICI Prudential Child Care Plan – Gift Plan and ICICI Prudential Child Care Plan – Study Plan.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to the Regulations and amendments thereto, the following investment restrictions are presently applicable to the Scheme:

- 1) The Fund under all its schemes shall not own more than 10% of any company's paid up capital carrying voting rights.
- 2) Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
 - a) Such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
 - b) The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
- 3) The Scheme may invest in other schemes under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund. No investment management fees shall be charged for investing in other schemes of the Fund or in the schemes of any other mutual fund.
- 4) The Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned scheme, wherever investments are intended to be of a long-term nature.
- 5) The Fund may buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities and will not make any short sales or engage in carry forward transaction or badla finance. Provided that mutual funds shall enter into derivatives transactions in a recognised stock exchange for the purpose of hedging and portfolio balancing, in accordance with the guidelines issued by SEBI.
- 6) No loans for any purpose can be advanced by the Scheme.
- 7) No mutual fund scheme shall make any investments in;
 - a) any unlisted security of an associate or group company of the sponsor; or
 - b) any security issued by way of private placement by an associate or group company of the Sponsor; or
 - c) the listed securities of group companies of the Sponsor which is in excess of 25% of the net assets of the scheme of the Mutual Fund.
- 8) No mutual fund scheme shall invest more than 10% of its NAV in equity shares of any one company.
- 9) No open-ended mutual fund scheme shall invest more than 5% of its NAV in unlisted equity shares or equity related instruments.
- 10) The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/ redemption of units or payment of interest and dividend to the Unitholders. Such borrowings shall not exceed more than 20% of the net assets of the individual scheme and the duration of the borrowing shall not exceed a period of 6 months.
- 11) Subject to SEBI Circular No. SEBI/IMD/CIR No.7/129592/08 dated June 23, 2008 and in accordance with SEBI Circular no SEBI/IMD/CIR No. 1/91171/07 dated 16th April 2007 and SEBI/IMD/CIR No. 8 / 107311 /07 October 26, 2007, following guidelines shall be followed for parking of funds in short term deposits of Scheduled commercial Banks pending deployment
 - a. "Short Term" for such parking of funds by mutual funds shall be treated as a period not exceeding 91 days.
 - b. Such short term deposits shall be held in the name of the concerned scheme.
 - c. No mutual fund scheme shall park more than 15% of the net assets in Short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with prior approval of the trustees. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the mutual fund in short term deposits.

- d. No mutual fund scheme shall park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
 - e. Trustees shall ensure that no funds of a scheme may be parked in short term deposit of a bank which has invested in that scheme.
 - f. Asset Management Company (AMC) shall not be permitted to charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks in case of liquid and debt oriented schemes.
 - g. All funds parked in short term deposit(s) shall be disclosed in half yearly portfolio statements under a separate heading. Details such as name of the bank, amount of funds parked, percentage of NAV may be disclosed.
 - h. Trustees shall certify in the half-yearly reports that the provision of the Regulation pertaining to parking of funds in short term deposits - pending deployment is being complied with at all points of time. Further the AMC shall also certify the same in its bi-monthly compliance test report.
- 12) The Scheme may also use various hedging and derivative products from time to time, as are available and permitted by SEBI, in an attempt to protect and enhance the interests of the Unitholders at all times.
- 13) The Mutual Fund having an aggregate of securities which are worth Rs.10 crores or more, as on the latest balance sheet date, shall subject to such instructions as may be issued from time to time by the Board, settle their transactions entered on or after January 15, 1998 only through dematerialised securities. Further, all transactions in government securities shall be in dematerialised form.
- 14) As per SEBI Circular No. SEBI / IMD / CIR No.3 / 166386 / 2009 dated June 15, 2009, No mutual fund scheme shall invest more than thirty percent of its net assets in money market instruments of an issuer. Provided that such limit shall not be applicable for investments in Government securities, treasury bills and collateralized borrowing and lending obligations

The Trustee may alter the above restrictions from time to time to the extent that changes in the Regulations may allow or as deemed fit in the general interest of the Unitholders.

J. HOW HAS THE SCHEME PERFORMED?

Performance Record – (As on March 31, 2011)

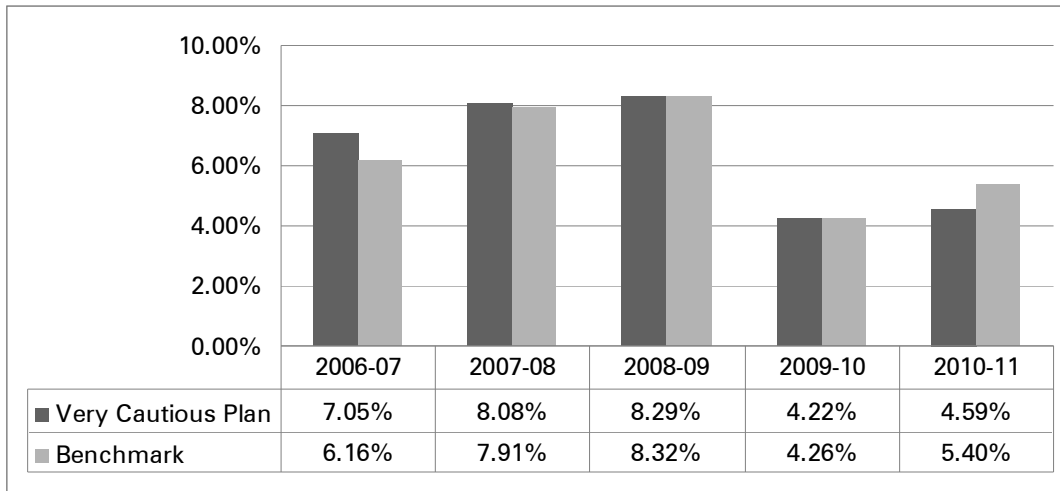
I) ICICI Prudential Very Cautious Plan – Cumulative Option:

Compounded Annualised Returns as on March 31, 2011 for Very Cautious Plan

	Scheme Returns %	Benchmark Returns Index Crisil Composite Bond Fund Index (70%) + Crisil Liquid Fund Index (30%) +
Last 1 Year	4.59%	5.40%
Last 3 Years	5.67%	6.03%
Last 5 Years	6.43%	6.12%
Since Inception	5.96%	5.07%

Past performance may or may not be sustained in the future. Returns greater than 1Year are CAGR. Benchmark is Crisil Composite Bond Fund Index (70%) + Crisil Liquid Fund Index (30%). For computation of returns the allotment NAV has been taken as Rs. 10.00 without considering the load. Date of inception of the scheme is December 18, 2003.

Absolute Returns for past 5 Years:



Past performance may or may not be sustained in the future. The above returns for the last five financial years are absolute returns for the cumulative returns. Date of inception of the scheme is December 18, 2003.

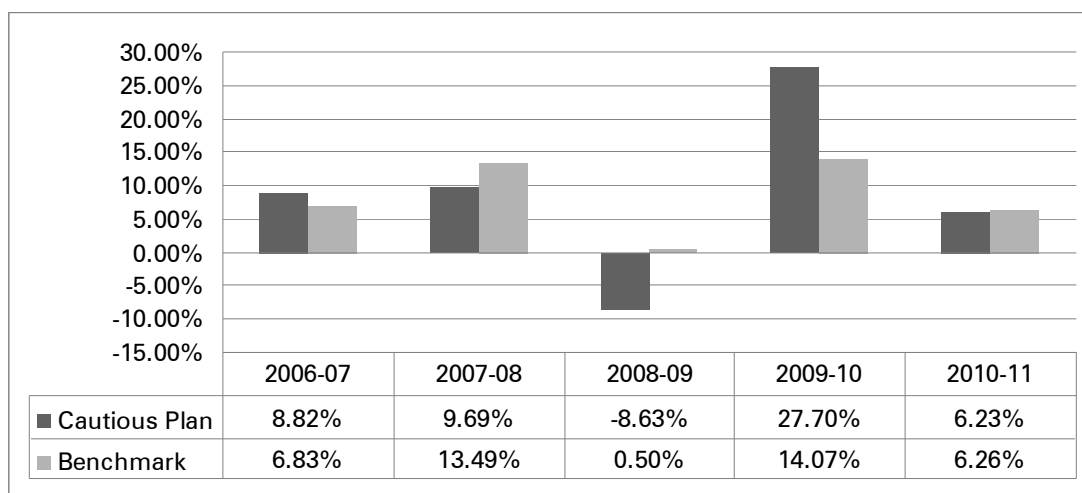
II) ICICI Prudential Cautious Plan – Cumulative Option:

Compounded Annualised Returns as on March 31, 2011 for Cautious Plan

	Scheme Returns %	Benchmark Returns Index S&P CNX Nifty (20%) + Crisil Composite Bond Index (60%) + Crisil Liquid Fund Index (10%) + Gold (10%)
Last 1 Year	6.23%	6.26%
Last 3 Years	7.42%	6.80%
Last 5 Years	8.15%	7.45%
Since Inception	8.79%	7.31%

Past performance may or may not be sustained in the future. Returns greater than 1Year are CAGR. Benchmark is S&P CNX Nifty (20%) + Crisil Composite Bond Index (60%) + Crisil Liquid Fund Index (10%) + Gold (10%). For computation of returns the allotment NAV has been taken as Rs. 10.00 without considering the load. Date of inception of the scheme is December 18, 2003.

Absolute Returns for past 5 years:



Past performance may or may not be sustained in the future. The above returns for the last five financial years are absolute returns for the cumulative returns. Date of inception of the scheme is December 18, 2003

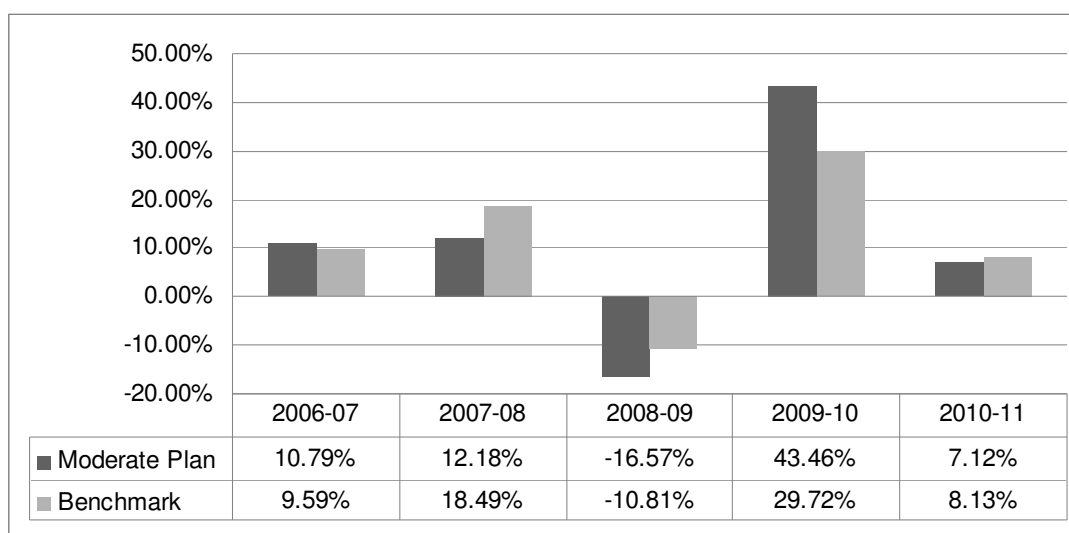
III) ICICI Prudential Moderate Plan – Cumulative Option:

Compounded Annualised Returns as on March 31, 2011 for Moderate Plan

	Scheme Returns %	Benchmark Returns Index S&P CNX Nifty (40%) + Crisil Composite Bond Fund Index (40%) + Crisil Liquid Fund Index (10%) + Gold (15%)
Last 1 Year	7.12%	8.13%
Last 3 Years	8.64%	7.75%
Last 5 Years	9.77%	9.42%
Since Inception	13.20%	11.12%

Past performance may or may not be sustained in the future. Returns greater than 1Year are CAGR. Benchmark is S&P CNX Nifty (40%) + Crisil Composite Bond Fund Index (40%) + Crisil Liquid Fund Index (10%) + Gold (15%). For computation of returns the allotment NAV has been taken as Rs. 10.00 without considering the load. Date of inception of the scheme is December 18, 2003.

Absolute Returns for past 5 Years:



Past performance may or may not be sustained in the future. The above returns for the last five financial years are absolute returns for the cumulative returns. Date of inception of the scheme is December 18, 2003

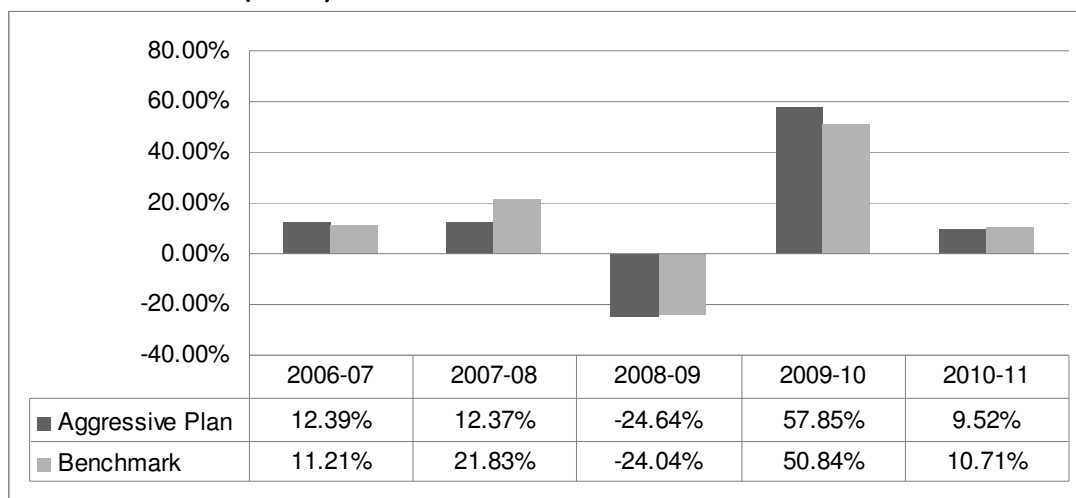
IV) ICICI Prudential Aggressive Plan – Cumulative Option:

Compounded Annualised Returns as on March 31, 2011 for Aggressive Plan

	Scheme Returns %	Benchmark Returns Index S&P CNX Nifty (50%) + Crisil Composite Bond Fund Index (30%) + Crisil Liquid Fund Index (5%)+Gold (15%)
Last 1 Year	9.52%	10.71%
Last 3 Years	9.22%	8.25%
Last 5 Years	10.47%	11.03%
Since Inception	16.37%	14.95%

Past performance may or may not be sustained in the future. Returns greater than 1Year are CAGR. Benchmark is S&P CNX Nifty (50%) + Crisil Composite Bond Fund Index (30%) + Crisil Liquid Fund Index (5%) + Gold (15%). For computation of returns the allotment NAV has been taken as Rs. 10.00 without considering the load. Date of inception of the scheme is December 18, 2003.

Absolute Returns for past 5 years:



Past performance may or may not be sustained in the future. The above returns for the last five financial years are absolute returns for the cumulative returns. Date of inception of the scheme is December 18, 2003

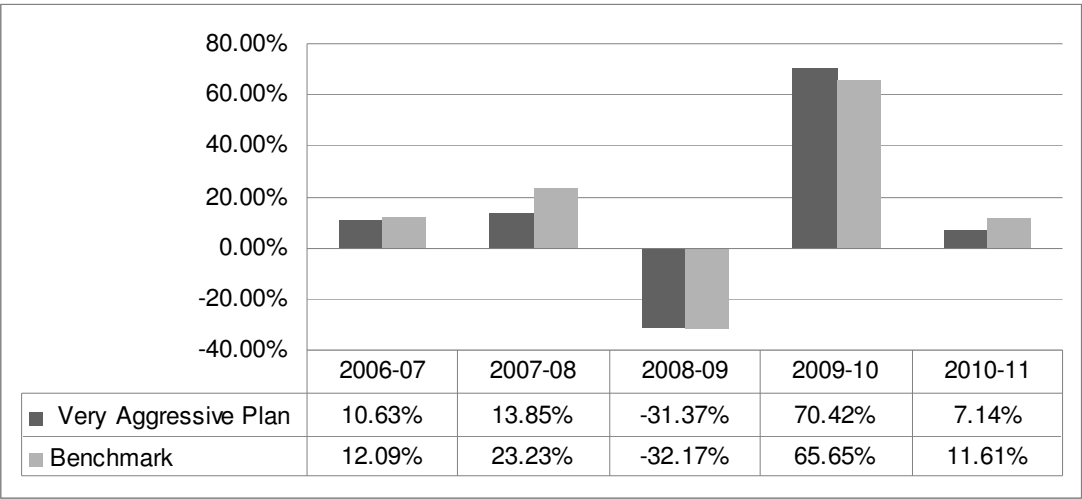
V) ICICI Prudential Very Aggressive Plan – Cumulative Option:

Compounded Annualised Returns as on March 31, 2011 for Very Aggressive Plan

	Scheme Returns %	Benchmark Returns S&P Index (Nifty (75%) + Crisil Composite Bond Fund Index (5%) + Crisil Liquid Fund Index (5%) + Gold (15%)
Last 1 Year	7.14%	11.61%
Last 3 Years	7.80%	7.84%
Last 5 Years	95.55%	11.51%
Since Inception	18.53%	17.18%

Past performance may or may not be sustained in the future. Returns greater than 1Year are CAGR. S&P Index (Nifty (75%) + Crisil Composite Bond Fund Index (5%) + Crisil Liquid Fund Index (5%) + Gold (15%). For computation of returns the allotment NAV has been taken as Rs. 10.00 without considering the load. Date of inception of the scheme is December 18, 2003.

Absolute returns for past 5 years:



Past performance may or may not be sustained in the future. The above returns for the last five financial years are absolute returns for the cumulative returns. Date of inception of the scheme is December 18, 2003

III. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

A. New Fund Offer Details – Not Applicable

B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>The scheme is an open ended scheme and hence is available for ongoing subscription and redemption on an ongoing basis</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors. This is the price you need to pay for purchase/switch-in.</p>	<p>At the applicable NAV In case of fresh/additional purchases, if the name of the Scheme on the application form/transaction slip differs with the name on the Cheque/Demand Draft, then the AMC will allot units under the Scheme mentioned on the payment instrument. In case of fresh/additional purchases, if the Scheme name is not mentioned on the application form/transaction slip, then the units will be allotted under the Scheme mentioned on the Cheque/Demand Draft. The Plan/Option that will be considered in such cases if not specified by the customer will be the default option of the Scheme as per the Offer Document/Scheme Information Document. However, in case additional purchase is under the same scheme as fresh purchase, then the AMC reserves the right to allot units in the option under which units were allotted at the time of fresh purchase. In case of corrections/overwriting on key fields (as may be determined at the sole discretion of the AMC) of the application forms/transaction slips, the AMC reserves the right to reject the application forms/transaction slips in case the investor(s) has(ve) not countersigned in each place(s) where such corrections/overwriting has(ve) been made.</p>

<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p> <p><i>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be:</i></p> <p style="text-align: center;"><i>Rs. 10* (1-0.02) = Rs. 9.80</i></p>	<p>The Redemption Price of the Units will be based on the Applicable NAV. The Redemption Price of the Units will be computed as follows:</p> <p>Redemption Price = Applicable NAV</p> <p>Subject to the Regulations, the Trustee reserves the right to modify/alter the load structure and may decide to introduce a differential load structure on the Units subscribed/redeemed on any Business Day. Such changes will be applicable for prospective investments. The Trustee shall arrange to display a notice in the Customer Service Centers of the AMC before the change of the then prevalent load structure. The addendum detailing the changes in load structure will be attached to Scheme Information Document (SID)s and abridged Scheme Information Document (SID)s.</p> <p>Of the exit load or CDSC charged to the investor, a maximum of 1% of the redemption proceeds shall be maintained in a separate account, which will be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance shall be credited to the scheme immediately.</p> <p>Investors may note that the Trustee has a right to prescribe or modify the load structure with prospective effect.</p> <p>The Fund shall ensure that the Redemption Price is not lower than 93% of the NAV and the Purchase Price is not higher than 107% of the NAV, provided that the difference between the Redemption Price and Purchase Price of the Units shall not exceed the permissible limit of 7% of the Purchase Price, as provided for under the Regulations.</p> <p>All redemption requests received prior to the cut-off time on any Business Day at the Official Points of Acceptance of Transactions will be considered accepted on that Business Day, subject to the redemption requests being complete in all respects, and will be priced on the basis of Redemption Price for that day. Requests received after the cut-off time will be treated as though they were accepted on the next Business Day.</p> <p>As per the Regulations, the Fund shall dispatch redemption proceeds within 10 Business Days (working days) of receiving the redemption request. Trustees reserve the right to alter or modify the number of days taken for redemption of Units under the Fund after taking into consideration the actual settlement cycle, when announced, as also the changes in the settlement</p>
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<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>3.00 p.m.</p> <p>(i.) Purchases including switch ins: In respect of valid applications received upto the cut-off time by the Mutual Fund alongwith a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the day on which application is received shall be applicable.</p> <p>In respect of valid applications received after the cut-off time by the Mutual Fund alongwith a local cheque or a demand draft payable at par at the place where he application is received, the closing NAV of the next business day shall be applicable.</p> <p>(ii.) Redemptions including switch outs: In respect of valid applications received upto the cut-off time by the Mutual Fund, same day's closing NAV shall be applicable.</p> <p>In respect of valid applications received after the cut-off time by the Mutual Fund, the closing NAV of the next business day shall be applicable</p>
<p>Redemption of Units</p>	<p>The Units can be redeemed (i.e. sold back to the Fund) on every Business Day at the Redemption Price (hereinafter defined). The redemption request can be made for any amount of minimum of Rs. 500 and multiples of Re.1 thereof. provided minimum balance should not fall below Rs. 5000. The Fund reserves the right to close a Unitholder's account if the balance falls below Rs.5,000 and the investor fails to invest sufficient funds to bring the value of the account up to Rs.5,000 within 30 days, after a written intimation in this regard is sent to the Unitholder</p> <p>The redemption will be at Applicable NAV based prices, subject to applicable exit load.</p> <p>All redemption requests received prior to the cut-off time on any Business Day at the Official Points of Acceptance of Transactions will be considered accepted on that Business Day, subject to the redemption requests being complete in all respects, and will be priced on the basis of Redemption Price for that day. Requests received after the cut-off time will be treated as though they were accepted on the next Business Day.</p> <p>As per the Regulations, the Fund shall dispatch redemption proceeds within 10 Business Days (working days) of receiving the redemption request.</p> <p>Trustees reserve the right to alter or modify the</p>

number of days taken for redemption of Units under the Fund after taking into consideration the actual settlement cycle, when announced, as also the changes in the settlement cycles that may be announced by the Principal Stock Exchanges from time to time.

It is hereby notified that for the purpose of optimizing operational efficiency and in the interest of investors, the AMC reserves the right to choose the mode of payment i.e. NEFT/ECS/RTGS etc. for crediting redemption/dividend proceeds, unless a written intimation is received from the investor to the contrary. The AMC may send a communication to investors whose mode of payment has been changed to a new mode from the existing mode.

Suspension of Sale and Redemption of Units

The Trustee and the Board of Directors of the AMC may decide to temporarily suspend determination of NAV of the Scheme offered under this Document, and consequently sale and redemption of Units, in any of the following events:

1. When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme are closed otherwise than for ordinary holidays.
2. When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme is not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unitholders.
3. In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, without which the value of the securities of the Scheme cannot be accurately calculated.
4. During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unitholders of the Scheme.
5. In case of natural calamities, strikes, riots and bandhs.
6. In the event of any force, majeure or disaster that affects the normal functioning of the AMC or the Registrar.
7. If so directed by SEBI.

In the above eventualities, the time limits indicated above, for processing of requests for purchase and

	<p>redemption of Units will not be applicable.</p> <p>Suspension or restriction of repurchase/redemption facility under any scheme of the mutual fund shall be made applicable only after obtaining the approval from the Boards of Directors of the AMC and the Trustees. After obtaining the approval from the AMC Board and the Trustees, an intimation would be sent to SEBI in advance providing details of circumstances and justification for the proposed action shall also be informed.</p> <p>Right to Limit Redemptions After complying with the regulatory requirements, the Trustee and the Board of Directors of the AMC may, in the general interest of the Unitholders of the Scheme offered under this Scheme Information Document (SID) and keeping in view the unforeseen circumstances/unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue, or such other percentage as the Trustee may determine.</p> <p>Any Units, which by virtue of these limitations are not redeemed on a particular Business Day, will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing load) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, Redemptions will be made on pro-rata basis, based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day(s).</p> <p>Suspension or restriction of repurchase/redemption facility under any scheme of the mutual fund shall be made applicable only after obtaining the approval from the Boards of Directors of the AMC and the Trustees. After obtaining the approval from the AMC Board and the Trustees, intimation would be sent to SEBI in advance providing details of circumstances and justification for the proposed action shall also be informed.</p>
<p>Where can the applications for purchase/redemption switches be submitted?</p>	<p>Application Forms are available at all the branches of the AMC, Brokers, at the corporate office of the AMC and the office of the Registrar.</p> <p>Applications complete in all respects, may be submitted at any of the Official Points of Transactions as mentioned on the back cover of</p>

	<p>this Scheme Information Document or at locations mentioned in the Application Form.</p> <p>Kindly retain the acknowledgement slip initialed/ stamped by the collecting agency</p>
Minimum Application Amount	Rs. 5,000 (plus in multiples of Re.1/-) under all the plans
Minimum Additional Application Amount	Rs. 500/- (plus in multiples of Re.1/-) under all the plans
Systematic Withdrawal Plan (SWP)	<p>Unitholders of the Scheme have the benefit of enrolling themselves in the Systematic Withdrawal Plan. The SWP allows the Unitholder to withdraw a specified sum of money each month from his investments in the Scheme. SWP is ideal for investors seeking a regular inflow of funds for their needs. It is also ideally suited to retirees or individuals who wish to invest lumpsum and withdraw from the investment over a period of time.</p> <p>The minimum amount which the Unitholder can withdraw is Rs.500 and in multiples of Re.1/- The Unitholder may avail of this plan by sending a written request to the AMC.</p> <p>Unitholders may change the amount indicated in the SWP, subject to a minimum amount of Rs.500 and in multiples of Re. 1/-. The SWP may be terminated on a written notice by a Unitholder of the Scheme and it will terminate automatically if all Units are liquidated or withdrawn from the account or upon the Funds' receipt of notification of death or incapacity of the Unitholder.</p> <p>The amount thus withdrawn by Redemption will be equated into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder. The Fund may close a Unitholder's account if the balance falls below Rs.5,000 and the investor fails to invest sufficient funds to bring the value of the account up to Rs.5,000 within 30 days, after a written intimation in this regard is sent to the Unitholder.</p>
Systematic Transfer Plan (STP)	Not Applicable
Systematic Investment Plan (SIP)	<p>The Unitholders of the Scheme can benefit by investing specific Rupee amounts periodically, for a continuous period. The SIP allows the investors to invest a fixed amount of Rupees (subject to minimum of Rs. 1,000/- p.m.) every month for purchasing additional Units of the Scheme at NAV based prices. Investors can enroll themselves for SIP in the Scheme by ticking appropriate box on</p>

the application form or by subsequently making a written request to that effect to the Registrar.

The Unitholders opting for SIP may begin their investment with minimum amount of Rs. 1,000/- in the Scheme, subject to the offering of the Units for Purchase after the New Fund Offer Period as stated in "Purchase of Units after the New Fund Offer Period". The Unitholders who wish to opt for SIP can start his /her investments with a minimum of Rs. 1,000 and in multiples of Re.1 plus minimum of 5 post dated cheques in advance for a minimum amount of Rs.1000/-. The cheques should be dated 7th or 10th or 15th or 25th of the respective months. Investors can subscribe through SIP by using Auto Debit/Standing Instruction facilities offered by the Banks. The first current dated cheque accompanying the SIP application form will be processed and units will be allotted to the Applicant. In cases where subsequently during the scrutiny of the documents submitted for SIP registration, if it is found that the documents are incomplete or deficient in any manner whatsoever then the AMC reserves the right to reject such SIP applications. For such rejected cases the units allotted on the first SIP Cheque shall continue to be held by the Applicant. The units so allotted to the Applicant on processing of the first current dated cheque should not be treated as acceptance or registration of the complete SIP request.

In case of SIP transaction where, the mode of payment is through Standing Instructions/ Auto Debit facility (offered by select banks) or ECS, investors are not required to do an initial purchase transaction for the minimum amount as applicable. However, investors are required to submit SIP request at least 30 days prior to the date of first installment.

b) In case of SIP with payment mode as ECS/ Auto Debit, investors shall be required to submit a cancelled cheque or a photocopy of a cheque of the bank account for which the debit mandate is provided.

The cheques should be drawn in favour of "**ICICI Prudential Very Cautious Plan**" or "**ICICI Prudential Cautious Plan**" or "**ICICI Prudential Moderate Plan**" or "**ICICI Prudential Aggressive Plan**" or "**ICICI Prudential Very Aggressive Plan**", and crossed "Account Payee Only", and must be payable at the centre where the applications are submitted to the Customer Service Centre. On receipt of the post-dated cheques, the Registrar/AMC will send a letter to the Unitholder confirming that his/her name has been included in the Systematic Investment Plan.

	<p>In case of outstation cheques, the cheques will be presented on the dates mentioned on the cheque and subject to realisation, Units will be allotted at the Purchase Price on the date of receipt of advice about the net realisation amount of the cheque. Within 3 Business Days of such allotment, a fresh Account Statement / Transaction Confirmation will be mailed/e-mailed, as the case may be, to the Unit holder, indicating the new balance to his/her credit in the Account. An investor will have the right to discontinue the Systematic Investment Plan, subject to giving 14 day(s) prior notice to the Registrar/AMC.</p>
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For normal transactions (other than SIP/STP) during ongoing sales and repurchase:

- The AMC shall issue to the investor whose application (other than SIP/STP) has been accepted, an account statement specifying the number of units allotted (state the service standard for the same)
- For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail.
- The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&T.

In case of specific request received from investors, the Fund shall provide the account statement to the investors within 5 working days from the receipt of such request without any charges. Further, soft copy of the account statement shall be mailed to the investors under SIP/STP/SWP to their e-mail address on a monthly basis, if so mandated.

For SIP / STP transactions;

- Account Statement for SIP and STP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter.
- A soft copy of the Account Statement shall be mailed to the investors under SIP/STP to their e-mail address on a monthly basis, if so mandated.
- However, the first Account Statement under SIP/STP shall be issued within 10 working days of the initial investment/transfer.
- In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP/STP) to the investors within 5 working days from the receipt of such request without any charges.

Annual Account Statement:

- The Mutual Funds shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement,
- The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the

Dividend	The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.
Redemption	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</p> <p>The Units can be redeemed (i.e. sold back to the Fund) on every Business Day at the Redemption Price (hereinafter defined). The redemption request under the scheme can be made for any amount subject to minimum of Rs. 500 and in of Re.1/- provided minimum balance should not fall below Rs.5000.</p> <p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</p> <p>Where the units under any scheme are allotted to investors subject to realisation of cheque or demand draft and subsequently the said cheque or demand draft is not realized or the confirmation from the bankers for receipt of funds is not received /delayed, the Fund reserves the right to reverse such units.</p> <p>In case of redemption request submitted by the investors for such units, the fund reserves the right to withhold the redemption request for such units, pending confirmation of credit of investment proceeds by the Banker.</p> <p>If the investor has redeemed the units and proceeds have been credited to investor's account with respect to units for which funds were never received from the investor, the Fund reserves the right to recover such amount by redeeming unit holding of the investor in the Fund either in same folio/any other folio irrespective of the scheme in which units are held after giving due notice to the investor.</p> <p>If an investor submits a redemption/switch request mentioning both the Number of Units and the Amount to be redeemed/switched in the transaction slip, then the AMC reserves the right to process the redemption/switch for the Number of units and not for the amount mentioned.</p> <p>If an investor submits a redemption/switch request by mentioning Number of Units or Amount to be redeemed and the same is higher than the balance Units/Amount available in the folio under the Scheme, then the AMC reserves the right to process the redemption/switch request for the available balance in the folio under the Scheme of the investor.</p> <p>In case an investor has purchased Units on more than one Business Day, the Units purchased prior in time (i.e. those Units which have been held for</p>

	<p>the longest period of time) will be deemed to have been redeemed first i.e. on a First-in-First-Out basis. Unitholders may also request for redemption of their entire holding and close the account by indicating the same at the appropriate place in the Redemption Request Form.</p> <p>It is hereby notified that for the purpose of optimizing operational efficiency and in the interest of investors, the AMC reserves the right to choose the mode of payment i.e. NEFT/ECS/RTGS etc. for crediting redemption/dividend proceeds, unless a written intimation is received from the investor to the contrary. The AMC may send a communication to investors whose mode of payment has been changed to a new mode from the existing mode.</p> <p>If a Unitholder makes a redemption request immediately after purchase of Units, the Fund shall have a right to withhold the redemption request till sufficient time has elapsed to ensure that the amount remitted by him (for purchase of Units) is realized and the proceeds have been credited to the Scheme's Account. However, this is only applicable if the value of redemption is such that some or all of the freshly purchased Units may have to be redeemed to effect the full redemption.</p>
<p>Delay in payment of redemption / repurchase proceeds</p>	<p>The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).</p>
<p>Accounts Statements</p>	<p>For normal transactions (other than SIP/STP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> • The AMC shall issue to the investor whose application (other than SIP/STP) has been accepted, an account statement specifying the number of units allotted (Under normal circumstances, an Account Statement/Transaction Confirmation will be mailed to the investor indicating the number of Units purchased and/or the new balance to Unit holder's credit in the Account within three Business Days of acceptance of the purchase request. Provided that the Fund reserves the right to reverse the transaction of crediting the Unit Holder's account, in the event of non-realization of any cheque or other instrument remitted by the investor. <p>The Account Statements/Transaction Confirmation shall be non-transferable. If the Unit holder so desires non-transferable Unit certificates will be issued within six weeks of the receipt of request for the certificate.</p> <ul style="list-style-type: none"> • For those unitholders who have provided an e-mail address, the AMC will send the account

	<p>statement by e-mail only.</p> <ul style="list-style-type: none"> • The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&T. <i>(state procedure)</i>. <p>For SIP / STP transactions;</p> <ul style="list-style-type: none"> • Account Statement for SIP and STP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. • A soft copy of the Account Statement shall be mailed to the investors under SIP/STP to their e-mail address on a monthly basis, if so mandated. • However, the first Account Statement under SIP/STP shall be issued within 10 working days of the initial investment/transfer. • In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP/STP) to the investors within 5 working days from the receipt of such request without any charges. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> • The Mutual Funds shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, • The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. • Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated
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Bank Account Details

As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications for purchase or redemption of Units. If the Unit-holder fails to provide the Bank mandate, the request for redemption would be considered as not valid and the Fund retains the right to withhold the redemption until a proper bank mandate is furnished by the Unit-holder and the provision with respect of penal interest in such cases will not be applicable/ entertained.

Bank Mandate Requirement

- a) For all fresh purchase transactions made by means of a cheque, where the account on which the cheque is drawn for purchase of units differs from the bank mandate account provided in the application, a copy of blank/cancelled cheque of bank mandate account is required to be provided. This condition is also applicable to all purchase transactions made by means of a Demand Draft.
- b) For Change of Bank mandate requests a copy of cheque of new bank mandate account is required to be provided. All Change of Bank Mandate requests submitted without copy of cheque shall be rejected.
- c) In case the application is not accompanied by the cheque copy, the AMC reserves the right to reject the application, also the AMC will not be liable in case the redemption/dividend proceeds are credited to wrong account in absence of above cheque copy.

In case of Change of Bank Mandate requests along with redemptions requests, where copy of cheque as mandated above is not submitted, redemption proceeds will be issued / credited to existing bank mandate account.

Who can invest	<p>The following persons are eligible and may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of units of Mutual Funds being permitted under respective constitutions and relevant statutory regulations):</p> <p>Under Retail Option/Institutional Options</p> <ul style="list-style-type: none"> • Resident adult individual either singly or jointly (not exceeding three) • Minor through parent/lawful guardian • Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860 (so long as the purchase of units is permitted under the respective constitutions) • Religious and Charitable Trusts are eligible to invest in certain securities, under the provisions of 11(5)(xii) of Income-tax Act, 1961 read with Rule 17C of Income-Tax Rules, 1962, subject to the provisions of the respective constitutions under which they are established permits to invest. • Partnership Firms • Karta of Hindu Undivided Family (HUF) • Banks & Financial Institutions • Non-resident Indians/Persons of Indian origin residing abroad (NRIs) on full repatriation basis or on non-repatriation basis • Foreign Institutional Investors (FIIs) registered with SEBI on full repatriation basis (subject to RBI approval, if any) • Army, Air Force, Navy and other para-military funds • Scientific and Industrial Research Organizations • Mutual fund schemes, as may be permitted by SEBI from time to time. • Any other category of investor who may be notified by Trustees from time to time by display on the website of the AMC.
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<p>The Units of the Scheme are not transferable.</p> <p>In view of the same, additions/ deletion of names will not be allowed under any folio of the Scheme.</p> <p>The above provisions in respect of deletion of names will not be applicable in case of death of unitholder (in respect of joint holdings) as this is treated as transmission of units and not transfer.</p>
Other requirements/processes	<p>Consolidation of Folios</p> <p>In case an investor has multiple folios, the AMC reserves the right to consolidate all the folios into</p>

	<p>one folio, based on such criteria as may be determined by the AMC from time to time.</p> <p>In case of additional purchases in same scheme / fresh purchase in new scheme, if the investor fails to provide the folio number, the AMC reserves the right to allot the units in the existing folio, based on such integrity checks as may be determined by the AMC from time to time.</p> <p>Transactions without Scheme/Option Name</p> <p>In case of fresh/additional purchases, if the name of the Scheme on the application form/transaction slip differs with the name on the Cheque/Demand Draft, then the AMC will allot units under the Scheme mentioned on the payment instrument.</p> <p>In case of fresh/additional purchases, if the Scheme name is not mentioned on the application form/transaction slip, then the units will be allotted under the Scheme mentioned on the Cheque/Demand Draft. The Plan/Option that will be considered in such cases if not specified by the customer will be the default option of the Scheme as per the Scheme Information Document/Scheme Information Document. However, in case additional purchase is under the same scheme as fresh purchase, then the AMC reserves the right to allot units in the option under which units were allotted at the time of fresh purchase.</p> <p>Redemption/Switch Requests</p> <p>If an investor submits a redemption/switch request mentioning both the Number of Units and the Amount to be redeemed/switched in the transaction slip, then the AMC reserves the right to process the redemption/switch for the Number of units and not for the amount mentioned.</p> <p>If an investor submits a redemption/switch request by mentioning Number of Units or Amount to be redeemed and the same is higher than the balance Units/Amount available in the folio under the Scheme, then the AMC reserves the right to process the redemption/switch request for the available balance in the folio under the Scheme of the investor.</p> <p>Multiple Requests</p> <p>In case an investor makes multiple requests in a transaction slip i.e. redemption/switch and Change of Address or redemption/switch and Change of Bank Mandate or any combination thereof, but the signature is appended only under one such request, then the AMC reserves the right to process the request under which signature is</p>
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	<p>appended and reject the rest where signature is not appended.</p> <p>Processing of Systematic Investment Plan (SIP) cancellation request(s):</p> <p>The AMC will endeavour to have the cancellation of registered SIP mandate within 30 days from the date of acceptance of the cancellation request from the investor. The existing instructions/mandate will remain in force till such date that it is confirmed to have been cancelled.</p> <p>Processing of Systematic Withdrawal Plan (SWP)/ Trigger facility request(s)</p> <p>Registration / cancellation of SWP and Trigger facility request(s) will be processed within 7 days from the date of acceptance of the said request(s). Any existing registration will continue to remain in force until the instructions as applicable are confirmed to have been effected.</p> <p>Submission of separate forms /transaction slips for Trigger Option/ Systematic Withdrawal Plan (SWP) / Systematic Transfer Plan (STP) facility</p> <p>Investors who wish to opt for Trigger Option /Systematic Withdrawal Plan/Systematic Transfer Plan facility have to submit their request(s) in a separate designated forms/transaction slips. In case, if AMC do not receive such request in separate designated forms/transaction slips, it reserves the right to reject such request(s).</p> <p>Processing of Redemption/Switch/Systematic transaction request(s) where realization status is not available</p> <p>The Fund shall place the units allotted to investor on hold for redemption / switch/ systematic transactions till the time the payment is realized towards the purchase transaction(s). The Fund also reserves the right to reject / partially process the redemption / switch /systematic transaction request, as the case may be, based on the realization status of the units held by the investor.</p> <p>In both the above cases, intimation will be sent to the investor accordingly. Units which are not redeemed/switched will be processed upon confirmation of realization status and on submission of fresh redemption / switch request.</p>
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	<p>Communication via Electronic Mail (e-mail)</p> <p>It is hereby notified that wherever the investor(s) has/have provided his/their e-mail address in the application form or any subsequent communication in any of the folio belonging to the investor(s), the Fund/Asset Management Company reserves the right to use Electronic Mail (e-mail) as a default mode to send various communication which include account statements for transactions done by the investor(s).</p> <p>The investor(s) may request for a physical account statement by writing or calling the Fund's Investor Service Centre/ Registrar & Transfer Agent. In case of specific request received from investor(s), the Fund shall endeavour to provide the account statement to the investor(s) within 5 working days from the receipt of such request.</p>
Non Acceptance/Processing of Purchase request(s) due to repeated Cheque Bounce	With respect to purchase request submitted by any investor, if it is noticed that there are repeated instances of two or more cheque bounces, the AMC reserves the right to, not to accept/allot units for all future purchase of such investor(s).
Restriction on fresh purchases/additional purchases/switches in any Schemes of ICICI Prudential Mutual Fund	As per requirements of the U.S. Securities and Exchange Commission (SEC), persons falling within the definition of the term "U.S. Person" under the US Securities Act of 1933, and corporations or other entities organised under the laws of the U.S., are not permitted to make investments in securities not registered under the Securities Act of 1933. In view of the same, U.S. Persons will not be permitted to make any fresh purchases/additional purchases/switches in any Schemes of ICICI Prudential Mutual Fund (via internet or otherwise). However, existing investments will be allowed to be redeemed.
Third party Cheques	Investment/subscription made through third party cheque(s) will not be accepted for investments in the units of ICICI Prudential Mutual Fund. Please visit www.icicpruamc.com for further details.
Multiple Bank accounts	The unit holder/ investor can register multiple bank account details under its existing folio by submitting separate form available on the website of the AMC at www.icicpruamc.com
Know Your Client (KYC) Norms	With effect from 1st January 2011, KYC (Know Your Customer) norms are mandatory for all investors for making investments in Mutual Funds, irrespective of the amount of investment.
Guidelines followed in case of on behalf of minor account, change in guardian, nomination and	Please refer to Statement of Additional Information (SAI).

<p>How to Switch?</p>	<p>On an on-going basis the Unitholders will have the option to switch all or part of their investment from the Scheme to any of the other schemes offered by the Fund provided the Scheme Information Document of the scheme to which the holdings are to be switched in, permits such switch.</p> <p>To effect a switch, a Unitholder must provide clear instructions. A request for a switch may be specified either in terms of amount or in terms of the number of units of the scheme from which the switch is sought. Such instructions may be provided in writing or by completing the Switch Request Slip provided in the transaction booklet and lodging the same on any Business Day at any of the Customer Service Centers. An Account Statement reflecting the new holdings is proposed to be despatched to the Unitholders within 3 Business Days of completion of switch transaction, except in case of switch transactions during the New Fund Offer of the Scheme.</p> <p>The switch will be effected by redeeming Units from the scheme in which the Units are held and investing the net proceeds in the other scheme(s), subject to the minimum balance applicable for the respective scheme(s).</p> <p>The price at which the Units will be switched out of the scheme will be based on the Applicable NAV of the relevant scheme(s) and considering any exit loads that the Trustee may approve from time to time.</p> <p>For switches on an ongoing basis, the Applicable NAV for effecting the switch out of the existing open-ended funds will be the NAV of the Business Day on which the switch request, complete in all respects, is received by the AMC, subject to the cut-off time and other terms specified in the Scheme Information Document of the respective existing open-ended schemes.</p>
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C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The NAV will be calculated and disclosed at the close of every Business Day. In accordance with the SEBI circular no. SEBI/IMD/CIR No.5 /96576/2007, dated June 25, 2007, the NAV of the scheme shall be uploaded on the website of the AMC and AMFI by 10.00 am of the following business day. The NAVs of the Schemes shall appear in the newspapers with one day time lag. In addition, the AMC will disclose details of the</p>
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	<p>portfolio at least on a half-yearly basis. NAV of the Scheme shall be made available at all Customer Service Centers of the AMC. In case of any delay, the reasons for such delay would be explained to AMFI and SEBI by the next day.</p>
Half yearly Disclosures: Portfolio / Financial Results	<p>The Fund shall before the expiry of one month from the close of each half year, that is as on March 31 and September 30, publish its unaudited financial results and Scheme Portfolios in one English daily newspaper having all India circulation and in a newspaper published in the language of the region where the Head Office of the AMC is situated and update the same on AMC's website at www.icicipruamc.com and on AMFI's website at www.amfiindia.com within one month from the close of each half year, in the prescribed formats.</p>
Annual Report	<p>In accordance with SEBI Circular No. SEBI/IMD/CIR No.8/132968/2008 July 24, 2008, the Abridged Scheme wise Annual Report may be mailed to the investors' e-mail address if so mandated and the Schemewise Annual Report shall be displayed on the website of the mutual fund. However, as per regulation 56(3) of the Regulations, copy of Schemewise Annual Report shall be also made available to unitholder on payment of nominal fees. Further as per Securities and Exchange Board of India (Mutual Funds) (Third Amendment) Regulations, 2008 Notification dated September 29, 2008 & SEBI Circular No. SEBI/IMD/CIR no. 10 /141712/08 October 20, 2008, the schemewise Annual Report of a mutual fund or an abridged summary shall be mailed to all unitholders as soon as may be possible but not later than four months from the date of closure of the relevant accounts year.</p>
Associate Transactions	<p>Please refer to Statement of Additional Information (SAI).</p>
<p>Taxation</p> <p>Equity Scheme will also attract securities transaction tax. For details on taxation please refer to the clause on Taxation in the SAI</p>	<p>Please refer to Statement of Additional Information (SAI).</p>
Investor services	<p>The Fund will follow-up with Customer Service Centres and Registrar on complaints and enquiries received from investors for resolving them promptly.</p> <p>For this purpose, Ms. Kamaljeet Saini has been appointed the Investor Relations Officer. She can be contacted at the Corporate Office of the AMC. The address and phone numbers are: 2nd Floor, 302, Block B-2, Nirlon Knowledge Park, Western Express Highway, Mumbai - 400063. Tel # 022 Tel # 022 2685 2000</p>

D. COMPUTATION OF NAV

The NAV of the Units of the Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation date. The Fund shall value its investments according to the valuation norms, as specified in Schedule VIII of the Regulations, or such norms as may be prescribed by SEBI from time to time. The broad valuation norms are detailed in Statement of Additional Information:

The NAV of the Scheme shall be rounded off upto two decimals.

NAV of units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Current Assets} - \text{Current Liabilities and Provision}}{\text{No. of Units outstanding under Scheme}}$$

The NAV of the Scheme will be calculated as of the close of every Business Day. The valuation of the Scheme's assets and calculation of the Scheme's NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the schemes.

A. NEW FUND OFFER (NFO) EXPENSES

The Scheme being an open-ended Scheme, no New Fund Offer expenses were charged in accordance with SEBI Circular dated April 04, 2006.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that upto following percentage of the weekly average net assets of the scheme will be charged to the scheme as expenses

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. Types of expenses charged shall be as per the SEBI (MF) Regulations.

Estimated Recurring Expenses

Description	For All Plans
	(% per annum of average daily net assets)
Investment Management Fee	0.50
Trustee Fee	0.01
Custodian Fee	0.01
Marketing & Selling, Costs of Investor Communications, Costs for A/c Statements, Dividend etc, Cost of Statutory Advertisements	0.18
Registrar & Transfer Agent	0.02
Audit Costs	0.01
Costs of Funds Transfer	0.01
Other Expenses	0.01
Total Recurring Expenses	0.75

The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the Scheme will bear. These estimates are based on a corpus size of Rs.1 crore under the Scheme, and would change, to the extent assets are lower or higher. If the corpus size is in excess of Rs.1 crore, the above mentioned recurring expenses in the Scheme would change. The above expenses are subject to inter-se change and may increase/decrease as per actual and/or any change in the Regulations.

These estimates have been made in good faith as per information available to the AMC and the total expenses may be more than as specified in the table above. However, as per the Regulations, the total recurring expenses that can be charged to the Scheme in this Scheme Information Document shall be subject to the applicable guidelines. Expenses over and above the permitted limits will be borne by the AMC.

The recurring expenses of the Schemes, and the additional management fee shall be as per the limits prescribed under Sub-Regulations (6) of Regulations 52 of the Regulations and shall not exceed the limits prescribed thereunder.

Further, as per the Regulations, in case of normal schemes, the maximum recurring expenses that can be charged to the schemes shall be subject to a percentage limit of daily average net assets as in the table below:

For equity oriented Plans:

First Rs. 100 crore	Next Rs. 300 crore	Next Rs. 300 crore	Over Rs. 700 crore
2.50%	2.25%	2.00%	1.75%

For Debt-oriented Plan:

First Rs. 100 crore	Next Rs. 300 crore	Next Rs. 300 crore	Over Rs. 700 crore
2.25%	2.00%	1.75%	1.5%

Subject to Regulations, expenses over and above the prescribed limit shall be borne by the Asset Management Company.

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C. LOAD STRUCTURE

Load is an amount, which is paid by the investor to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC; www.icicijruamc.com or may call at (toll free no.) or your distributor.

Entry Load: Not Applicable. In terms of SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has notified that, w.e.f. August 01, 2009 there will be no entry load charged to the schemes of the Mutual Fund and the the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

Exit Load:

Name of the Plan	Particulars
ICICI Prudential Advisors Series – Very Aggressive Plan	If the amount sought to be redeemed or switched out is invested for a period of upto one year from the date of allotment - 1 % of the applicable Net Asset Value
ICICI Prudential Advisors Series – Aggressive Plan	
ICICI Prudential Advisors Series – Moderate Plan	If the amount sought to be redeemed or switched out is invested for a period of more than one year from the date of allotment – Nil
ICICI Prudential Advisors Series – Cautious Plan	
ICICI Prudential Advisors Series – Very Cautious Plan	

However, the Trustee shall have a right to prescribe or modify the load structure with prospective effect subject to a maximum prescribed under the Regulations.

Any redemption/switch arising out of excess holding by an investors beyond 25% of the net assets of the scheme in the manner envisaged under specified SEBI Circular No. SEBI/IMD/CIR No.10/22701/03 dated 12th December 2003, such redemption / switch will not be subject to exit load.

In accordance with SEBI Circular No SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, the exit load or CDSC charged to the investor, a maximum of 1% of the redemption proceeds shall be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and other marketing and selling expenses. Exit Loads/CDSCs which are beyond reasonable levels or balance if any, shall be credited to the Scheme.

Bonus units and units issued on reinvestment of dividends shall not be subject to entry and exit load.

All loads including Contingent Deferred Sales Charge (CDSC) for the Scheme shall be maintained in a separate account and may be utilised towards meeting the selling and distribution expenses. Any surplus in this account may be credited to the scheme, whenever felt appropriate by the AMC

Any imposition or enhancement in the load shall be applicable on prospective investments only. However, AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors. Bonus units and units issued on reinvestment of dividends shall not be subject to entry and exit load.

The investor is requested to check the prevailing load structure of the scheme before investing. For any change in load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not Applicable

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. Penalties, Pending Litigation or Proceedings, Findings Of Inspections Or Investigations For Which Action May Have Been Taken Or is In The Process Of Being Taken By Any Regulatory Authority

- 1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.**

£12,500 (200,000 RMB) fine imposed by Chinese regulator CIRB for breaches of licensing regulations. One agency office had been operating without a licence and another announced its opening before the licensing process had been completed. This office had to be closed down, a notice had to be placed in a regional newspaper apologising for the formal announcement before completion of the formalities, the current General Manager at the Beijing office had to be removed and the sales licence for the new agency office was rejected.

- 2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for**

violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

1. ICICI Bank (the Bank) has received show cause notices in the matter of alleged excise duty evasion to the extent of Rs. 1.48 crores by Bannari Amman Sugars Limited (BASL), Rs. 1.96 crores Triveni Engineering Co. Ltd (TECL), and Rs. 1.31 crores by Balrampur Chini Mills Ltd (BCML) in respect of the equipments purchased for their project funded by the Bank under Asian Development Bank (ADB) / World Bank line of credit. BASL, TECL and BCML have paid the duty under protest and sought refund thereof. The Bank has filed replies through its advocates showing cause as to why the penalty is not payable and sought for personal hearing. The next date for hearing for Triveni Engineering will be informed by the court

On January 25, 2007 the Assistant Commissioner of Central Excise, Kolkata passed an order and imposed a fine of Rs. 0.19 million on us in respect of the case of BCML. We have filed an appeal before the Commissioner of Central Excise (Appeals), Kolkata. On, 15 June 2007, after considering the submissions made, the Commissioner of Central Excise, Appeals directed the Commissioner of Central Excise to prove the show cause notice and the hearing notice was served upon ICICI Bank Ltd. ICICI Bank Ltd. has been directed to file return submissions. On an application for the stay of proceedings made by ICICI Bank, the Commissioner of Central Excise, Appeals, has granted the said application and has directed the Commissioner of Central Excise not to take any coercive action against ICICI Bank Ltd for recovery of penalty.

On 7 September 2007, the impugned order of the Assistant Commissioner of Central Excise was set aside on the ground that right to defend of the appellant was effectively denied because of non delivery of show cause notice. With respect to Triveni Engineering, reply to the Show cause notice has been filed by the Bank. Next date of hearing will be informed by the court. Notices are reserved for order

2. ICICI Bank (the Bank) has received show cause notices in the matter of alleged customs duty evasion to the extent of Rs. 3.90 crores by Jaypee Cements Ltd (JCL), Rs. 4.25 crores by Orient Ceramics & Industries Ltd. (OCIL), Rs.0.47 crores by Balarampur Chini Mills Limited (BCML), in respect of the equipments purchased for their project funded by the Bank under ADB line of credit. The Bank has filed its reply through its advocates showing cause as to why the penalty is not payable and have sought a personal hearing. We are awaiting hearing of the matter.

Pursuant to the show cause notice in the case of Rashtriya Chemicals & Fertilizers Ltd (RCF), on December 15, 2005 the Commissioner of Customs (Import) passed an order and imposed the penalty of Rs. 50 lacs on ICICI Bank. The Bank has filed an appeal before the Customs, Central Excise and Service Tax Appellate Tribunal and on November 10, 2006 a stay has been granted against recovery and waiver of predeposit of 50 lacs. Final hearing of the appeal is pending.

On April 21, 2006 the Commissioner of Customs (Import) passed an order and imposed the penalty of Rs. 2 crores on ICICI Bank in respect of the case of MALCO. The Bank has filed an appeal before the Customs, Central Excise and Service Tax Appellate Tribunal. The Appellate authority has observed that, prima facie the penalty on the Bank is on the higher side and directed ICICI Bank to deposit Rs. 20 lacs. We filed a writ petition in Madras High Court for challenging this order and stay was granted in favour of ICICI Bank on 19th January, 2007 against predeposit and made absolute on 21st March 2007. Final hearing of the writ petition is pending. In view of the pending Writ Peititon before the High Court of Madras, the matter is adjourned.

On September 29, 2006 the Commissioner of Customs (Import) passed an order and imposed the penalty of Rs. 10 lacs on ICICI Bank in respect of the case of Jindal Steel & Power Ltd. The Bank has filed an appeal before the Customs, Central Excise and Service

Tax Appellate Tribunal. On January 8, 2007 stay against recovery and waiver of predeposit of 10 lakhs granted. Final hearing of the appeal is pending.

In respect to the show cause notice in Balarampur Chini, against the order dated January 25, 2007 for the penalty of Rs 1,92,2606 passed by the Assistant Commissioner of Central Excise, on filing the appeal before the Commissioner of Central Excise (Appeal II), Kolkata by its order dated September 7, 2007 allowed the appeal and set aside the said order dated January 25, 2007.

3. O.R.J.Electronic Oxides Limited – The erstwhile Bank of Madura (the Bank) granted lease finance of US \$ 72,00,000 (INR Rs. 2578.00 lakhs) to the company on May 22, 1997 for import of capital goods from IPTE, Inc., USA. At the request of IPTE, USA, the entire lease finance was placed in FCNR deposits with EBOM in the name of ETKIF America Inc., Chennai, an Overseas Corporate Body. EBOM marked lien on these deposits towards adjustment of lease finance and remitted balance proceeds to ORJ towards equity participation by IPTE, USA. Later it was found on the investigations conducted by DRI Officials of Customs, that Capital Goods imported were of Indian origin and the machineries were manufactured and exported from India and the same machineries were imported in the same container with inflated value.

Based on DRI's Report, Commissioner of Customs adjudicated and imposed fine of Rs.10.0 Mn on the Bank for alleged violation of Customs Act. On our appeal Customs Tribunal remanded the matter to another Commissioner for fresh adjudication. The Commissioner imposed Customs duty of Rs.12,86,61,198/- payable by Bank and ORJ jointly and severally, and increased penalty to Rs.5,00,00,000/- on the Bank. We filed an appeal before Customs Tribunal and obtained interim stay and waiver of pre-deposits. As the interim stay obtained by ORJ still continues and Customs Dept. is yet to take steps for vacating stay and inspired our contentions before CESTAT to go ahead with the appeal filed by us, CESTAT adjourned the matter to September 26, 2009

Enforcement Directorate initiated proceedings under FERA against our Bank and Official and imposed fine of Rs.1.0 Mn and Rs.0.1 Mn on the Bank and the Official respectively. We filed an appeal before the FERA Appellate Tribunal and obtained conditional stay. We also challenged the conditional order by filing a writ petition before MHC and obtained stay of further proceedings. The appeal filed by the Bank alongwith other appeals are being reposted

CBI initiated criminal proceedings and filed charge sheet against our Official and others. We filed an application for quashing and obtained interim stay of the proceedings

Commissioner of Income Tax initiated proceedings against our Bank and disallowed depreciation under Lease Finance and levied Rs.15,83,42,475/-as Income Tax arrears. We filed an appeal before the Income Tax Appellate Tribunal against the order which is pending.

Sundaram Finance Ltd filed an application No.2035 of 2007 before High Court, Madras in the arbitration proceedings initiated against ETK Softek Private Limited and obtained Pro-Order dated February 23, 2007 against deposits held by us in the name of ETKIF America Inc and ETKIF Export Consultants. We entered appearance through our Advocate in the above application. The FCNR deposits held by us in the name of ETKIF America Inc has already been lien marked in our favour for the Income Tax liability and Sundaram Finance has no locus standi to claim the deposits in the name of ETKIF America Inc. The HC was pleased to consider our arguments and directed the Bank vide its order dated August 27, 2007 not to release the deposits in the name of ETK Export Consultants on account of Sundaram Finance ETK Export Consultants have filed an Appeal for setting aside the above order on January 2, 2008 with an application for condonation of delay. We have received the Court Summons only on Octobe 24, 2008. We have entered appearance through our Counsel. The matter is yet to be listed

4. Ms. Nivedita Sharma had filed a consumer complaint before the State Consumer Disputes Redressal Commission, Delhi against ICICI Bank (the Bank) through Mr. K V Kamath, MD & CEO, Mumbai and 3 others¹. (CC No. 09/06). She has alleged that ICICI Bank & other banks have purchased the confidential information pertaining to her & other subscribers from the mobile service providers indulging in tele-marketing activities leading to invasion of her right to privacy under Article 21 of Constitution. She had claimed compensation to the tune of Rs. 34.5 Lacs.

The Bank took a preliminary objection stating that she is not a "Consumer" of the Bank, as provided for in the Consumer Protection Act, as she has not been provided any services by the Bank. Further, the Bank has denied purchasing any such confidential information of the subscribers.

The final hearing in this matter was held on November 27, 2006 and the final orders were reserved. Neither the date for pronouncement was provided nor was the matter listed on the Board of the Commission. On January 15, 2007, Commission came out with a Press Note and subsequent to that, we have obtained a copy of the final order dated December 26, 2006, whereby the penalty of Rs. 25 Lacs has been jointly imposed upon ICICI Bank and other bank (the Bank's share Rs. 12.5 lacs) and also awarded a compensation of Rs. 50,000/- payable equally by all the four parties (the Bank's share Rs. 12,500/-). The Bank had filed a writ before the Delhi High Court; in which the Delhi High Court was pleased to stay the order of the State Commission vide its order-dated September 11, 2007. The Delhi High Court has further adjourned the matter in light of the fact that there is a similar matter pending in the Supreme Court (Harsh Pathak PIL). Next date of hearing on December 21, 2009.

In the interim, the claimant had filed an application for execution of the order of the State Commission, which was dismissed by the State Commission on September 7, 2007 in light of the High Court order. The claimant has filed an application for restoration of the contempt petition under Section 151 of CPC wherein the State Commission has held that the application shall be heard as an execution petition confining only with respect to the prohibitory order of the State Commission. This matter has been disposed off.

5. Ms. Nivedita Sharma has filed a Consumer Complaint before the State Consumer Disputes Redressal Commission, Delhi, against (1) ICICI Bank Ltd. (the Bank), thru Mr. K.V. Kamath, MD & CEO, Mumbai (2) Regional Office, Delhi, ICICI Bank, thru Zonal Sales Manager, Pragati Vihar, New Delhi and (3) Ms. Satinder Kaur, DGM – Head Service Quality, ICICI Bank, Mumbai (Opposite Parties) (CC No. 13/06).

She has alleged in her complaint that Customer Care Executive offered a credit card to the Complainant. That the representative of the Bank collected the required documents. That subsequently the same representative came back to the Complainant's office and returned the application to her, stating that the same had been rejected because of the IT Return showed that the complainant is a lawyer. The said representative returned the complainant's application form, which carried a note stating "Designation–Negative Profile." She has further alleged that her being an Advocate was the basis for refusal to issue a credit card. She had asked for compensation to the tune of Rs. 49 lacs from the Opposite Party. The State Commission has passed judgment on the same on February 6, 2008. ICICI Bank was directed to pay a compensation of Rs.50,000/- to the complainant and punitive damages of Rs.10 Lacs.

ICICI Bank took a preliminary objection stating that she is not a consumer of the bank, as provided for in the Consumer Protection Act. Further, there is no service provided, therefore, the question of "deficiency of service" does not arise. We further replied that the documents as submitted were returned with a note "negative profile, this does not reflect

¹ COAI, Bharti Televentures & American Express Bank

upon the personality of the applicant and there has been no communication whatsoever to undermine the position of the complainant". We have filed an appeal in the National Consumer Disputes Redressal Forum and obtained a stay against the order of the State Commission. We have made payment of Rs. 50,000 for the same.

6. Mr. Tapan Bose, a defaulting customer, has filed a consumer complaint with the Delhi State Consumer Commission (DSCC). The Complainant's vehicle was given as security to ICICI Bank (the Bank) & had been earlier repossessed. A claim for compensation of Rs.47 lacs has been made & the said Forum admitted the complaint on March 14, 2007. The said complaint has been preferred against ICICI Bank and others. The DSCC by their order dated November 2, 2007 directed the Bank to pay compensation of Rs. 5 lacs and further punitive damages of Rs. 50 lacs to be deposited in form of "State Consumer Welfare Fund" (Legal Aid). The Bank had filed a writ petition in the Delhi High Court and obtained stay on November 30, 2007 on the said order. Delhi High Court disposed off the writ petition and directed the bank to approach the National Commission. The appeal has been filed before National Commission and heard on May 11, 2009, when a stay has been granted on the judgment of DSCC on deposit of Rs. 5 lacs without prejudice to the right of the Bank and subject to outcome of the Appeal
7. Regional Apprenticeship Advisor and Registrar, Baroda has filed a case against ICICI Bank (C.C.No.1927 of 2005) for violation of provisions of Apprenticeship Act, 1951 by not hiring apprentices in 2004-2005. Matter was taken up with the Principal Secretary, Gujarat Govt. to amicably settle the issue out of the Court. Matter is pending for disposal.
8. Regional Apprenticeship Advisor and Registrar, Baroda has filed a case against ICICI Bank (C.C.No.1212 of 2005) for violation of provisions of Apprenticeship Act, 1951 by not hiring apprentices in 2004-2005. Matter was taken up with the Principal Secretary, Gujarat Govt. to amicably settle the issue out of the Court. Matter is pending for disposal
9. ICICI Bank has received a show cause notice dated April 09, 2009 from the RBI alleging violation of extant guidelines / instructions issued by it vide its circular on "Know your Customer" norms (DBOD No. AML BC 58/14.01.001/2004-05) dated November 29, 2004. The alleged violation pertains to a savings bank account opened at the Mysore (Ram Vilas Road) branch of ICICI Bank. RBI conducted a scrutiny of the account opening process followed in respect of the said account and thereafter issued the said notice alleging inter alia that at the time of account opening, ICICI Bank has not obtained proof of present / permanent address from the customer, no verification of either of the addresses was carried out, the personal information sheet of the customer was not completed, no monitoring of remittances into the account was done despite the customer not having any regular source of income etc. ICICI Bank has replied to the notice vide its letter dated April 29, 2009 wherein it has pointed out that the requirements of the aforesaid circular have been followed at the time of account opening. Further, ICICI Bank has brought to the notice of the RBI the process of monitoring of transactions from an Anti Money Laundering (AML) / Combating of Financing of Terrorism perspective followed by it. Finally ICICI Bank has also informed the RBI that the established processes relating to "Know your Customer" norms as well as transaction monitoring have been followed by it, and has provided an assurance to the RBI that it shall make every effort to further strengthen the relevant processes relating to KYC / AML. The response of RBI is awaited in the matter
10. ICICI Bank has received a show cause notice from the RBI dated July 6, 2009 under Foreign Exchange Management Act (FEMA), 1999 for funding Compulsory Convertible Preference Shares (CCPS) into Indian companies from overseas branches/subsidiaries. The major violations cited in the show cause notice are as follows:
 - a. SPVs created for investing in CCPS of companies in India
 - b. Bypassing External Commercial Borrowing (ECB) guidelines
 - c. Bypassing RBI approval for pledge by creating Non-Disposal Undertaking (NDU)/Power of Attorney (POA)

d. Put option considered as a equity derivative and hence not permitted

ICICI Bank has replied to the aforesaid notice on July 17, 2009 informing RBI that the Bank had stopped undertaking funding of CCPS transactions to India since January 2008 based on discussions with RBI and :

- a. Based on clarifications received from RBI, overseas branches need not follow FEMA.
- b. All the structures were based on legal opinions received and were in the nature of Foreign Direct Investment (FDI) and not as debt.
- c. NDU/POA is not pledge and the matter has been referred to Department of Banking Operations and Development (DBOD).

The Bank further informed RBI that it has acted in a bonafide manner, in belief that the Bank's overseas branches and subsidiaries have not violated provisions of the FEMA or the guidelines and regulations. The response from RBI is awaited in the matter. ICICI Bank has requested for a personal hearing and implored to RBI that no penalty may be imposed by it under section 11(3) of FEMA

11. ICICI Bank has received a show cause notice from the RBI dated April 28, 2009 for alleged violation of the Foreign Exchange Management Act, 1999 and extant instructions thereunder. The said notice was sent by the RBI pursuant to a scrutiny carried out by it of ICICI Bank's foreign exchange operations. The alleged violations as detailed by the RBI in the said notice inter alia are as follows:

- a. As per extant FEMA Regulations relating to foreign exchange derivative contracts, in case of forward contracts booked on a "past performance" basis, importers and exporters are required to provide a declaration to AD Category-I banks regarding amounts booked with other AD Category-I banks under this facility. ICICI Bank has failed to obtain this declaration from all relevant importers and exporters.
- b. ICICI Bank has not received documentary evidence / supporting documents for forward contracts booked with several large clients and its policy of allowing 30 days for submission of documents is not in compliance with extant FEMA Regulations.
- c. ICICI Bank has rebooked forward contracts which were earlier booked with other AD Category-I banks without ensuring that the contract already booked with the other AD Category-I bank has been cancelled, which responsibility rests with the bank carrying out the rebooking.
- d. Extant FEMA Regulations provided that the limit for booking forward contracts on "past performance" basis would be inclusive of option transactions and ICICI Bank was not adhering to the same.

Bank has replied to the aforesaid notice on May 20, 2009 providing its explanation to the allegations raised as aforesaid and informing RBI that it has acted in a bona fide manner, in belief of being in compliance with the extant regulatory guidelines. In light of the same ICICI Bank has requested for a personal hearing and implored to RBI that no penalty may be imposed by it under the FEMA, pursuant to the notice, Bank was given a personal hearing in the matter to explain the steps taken. The Bank assured RBI of the corrective measures being undertaken. Further, response from RBI is awaited in the matter

Closed cases :

1. A case (no. 35 of 2006) has been filed by Mr. P.S. More, Inspector S & E, in the Court of the Additional Chief Metropolitan Magistrate, Mumbai against ICICI Bank and others for non renewal of license of the Capital Markets Branch, Fort, Mumbai, under the Bombay Shops & Establishments Act, 1958. We filed a writ petition in Hon'ble High Court, Bombay (BHC) which vide its order dated May 5, 2008 directed the Bank to pay Rs. 60,000/- in the court of the Additional Chief Metropolitan Magistrate, 19th court, Esplanade. Accordingly, we

deposited Rs. 60,000/-. In view of the same , the Hon'ble Magistrate Court has closed the case against the Bank and disposed off the complaint against the others.

2. Brihan Mumbai Municipal Corporation had filed complaints for running eating house without Licence from the BMC which amounts to breach of section 394(1) (e) (1) read with section 471 of the BMC Act. The Bank admitted the offence and paid a fine of Rs. 51,000/-.
3. Show cause notice sent on November 16, 2007 has been addressed to Prabhadevi Branch of ICICI Bank by Inspector, Legal Metrology under the sections 24, 25 & 33 of the Standards Weight & Measures Act 1985 (the "Act") read along with the rules 47, 55 & 51 of the Standard Weights and Measures (Packaged Commodities) Rules ("Rules"), for non-compliance with Rule 6 of the Rules regarding declarations to be made on the gold packet sold at Prabhadevi branch of ICICI Bank. The concerned branch has on November 26, 2007 submitted the application for compounding of the offence pursuant to which the Compounding Order has been passed by the authorities on December 15, 2007 directing the Bank to make a payment of Rs. 99000/-
4. ICICI bank among other products also sells gold in form of gold coins through its branches; the gold coins are sold at different weights and prices. The packages containing such gold coins bears a sticker which includes the Manufacturer's and Importer's name and address, quantity, name of commodity, month and year and the price etc. However, the price as detailed on the packages did not state 'inclusive of all taxes' , due to which ICICI bank was penalized for breach of section 39 of The Standards Of Weights And Measures Act, 1976 read with Rule 2(r) and Rule 6(1) (f) The Standards of Weights and Measures (Packaged commodities) Rules, 1977. In violation of the above provisions we were penalized for Rs. 36,000/- The penalty was paid and a discharge order was obtained from the standard weights and measures authorities. The matter stand resolved
5. Labour Enforcement officer had filed a complaint under Section 23 & 24 of the Contract Labour (Regulation & Abolition) Act before Chief Judicial Magistrate, Moradabad. This complaint was based on inspection report dated 27.11.2008 in relation to our Moradabad branch. The branch had filed the compliance report on 15.12.2008. Complainant inter alia prayed for fines on account of cost of inspection. The court ordered for payment of Rs.2000 as fine. Branch has confirmed that payment is made
6. The office of Superintendent of Financial Institutions at Canada (OSFI) has imposed penalties on the late and erroneous submission of regulatory returns at various points in time during 2007-08 (so far) amounting to CAD 18,250. These penalties are imposed under the Late and Erroneous Filing Penalty (LEFP) framework of OSFI. All the penalties have been paid by the Bank and steps are being taken to prevent the recurrence of the same
7. Mrs. Prakash Kaur, had availed a loan of INR 800,000/- (Rupees Eight Hundred Thousand only) from the Bank in May 2002 for purchase of a Tata truck. The customer failed to regularize the account despite several written notices sent by the Bank. The Bank took possession of the hypothecated truck by following the procedure. The customer approached the police to lodge a complaint against the Bank's senior management including the MD and CEO alleging conspiracy to cheat and defraud. As the police did not entertain her complaint, she approached the Allahabad High Court. The Allahabad High Court, without giving an opportunity to the Bank to state its case, passed an ex-parte order dated December 7, 2006, directing the police to investigate and book the culprits. The Bank appealed against the Allahabad HC order in the Supreme Court. In appeal filed by the Bank, Supreme Court's by their order dated February 26, 2007 set aside the Allahabad HC order and also quashed the criminal proceedings against the senior management of the Bank, and required the Bank to release the vehicle back to the customer on the customer's immediate payment of Rs. 50,000/- with balance amount payable in installments. The order also contained certain comments & observations that can considered to be obiter dicta i.e. in the nature of general observations not having the force of law

8. It was observed by RBI that the issue of ADR had not been reported to RBI in Annexure C till date. RBI had observed that, in terms of para 4(2) of Schedule 1 to Notification No. FEMA.20/2000-RB dated May 3, 2000 an Indian Company issuing Global Depository Receipts/American Depository Receipts (GDRs/ADRs) is required to be furnished to RBI in Annexure 'C' within 30 days from the date of closing of the issue. Accordingly, RBI issued a Show Cause Notice on December 18, 2007, to the Bank in relation to reporting of ADR/GDR issued in Annexure 'C', wherein the Bank was called upon to show cause why penalty should not be imposed against the Bank under Section 13 of the Foreign Exchange Management Act, 1999. The Bank had submitted its response to the Show Cause Notice vide letter dated December 27, 2007. Subsequent to the Bank's reply, RBI has written a letter No. FE.CO.FID/18680/10.04.038/2007-08 dated February 7, 2008 informing the Bank that the action of not reporting the ADR issue within the stipulated time has been recorded as a contravention of the extant Regulations on the part of the Bank and has advised the Bank that any recurrences of such lapses in future shall be viewed seriously by RBI and the Bank should ensure that such irregularities are avoided in future.
9. ICICI Bank (the Bank) had sanctioned External Commercial Borrowing (ECB) facility to a customer on February 5, 2004 from its Singapore Branch. It was observed by RBI that since the customer was engaged in "retail" sector, the sanction of the ECB facility is not in compliance with the guidelines of RBI dated January 31, 2004. RBI had observed that, as per these guidelines, ECB could be sanctioned only to customers who are engaged in "real sector comprising of the industrial and especially the infrastructure sector in India". Accordingly, RBI issued a Show Cause Notice on June 22, 2006, to the Bank for non-compliance with the extant rules/regulations/directions under the Foreign Exchange Management, Act 1999. The Bank had submitted its detailed response to the Show Cause Notice vide letter dated June 30, 2006 stating that the sanction of the facility was undertaken, as the Bank understood that the "retail sector" fell under the category of the "real sector" and that the "real estate sector" was the only ineligible sector as per the RBI guidelines. Certain additional information was also submitted to RBI. Subsequently, the Bank had made an oral submission to the Executive Director of RBI on August 4, 2006 explaining its earlier submissions in detail. RBI has advised that the guidelines issued by RBI be adhered to both in letter and spirit, and the lapses do not recur.
10. A show cause notice was issued on July 5, 2007 to ICICI Bank and its employees Mr. Rajesh Rajah and Mr. Vinod Panicker by the Directorate of Revenue Intelligence, New Marine Lines, Mumbai in the case of misuse of EPGC license by M/s Mars Enterprises and others. The allegations against us and our employees are that despite we and our officers being aware that the BMW car in question was imported under EPGC scheme and that as per the said scheme neither possession nor ownership was transferable, we facilitated the sale of the car. We and our employees were to show cause in writing within 30 days of receipt of the notice before the Commissioner of Customs, Export, Jawahar Custom House, Nhava Sheva, Uran, Maharashtra, as to why penalty under Section 112(A) & (B) of the Customs Act, 1962 should not be imposed on them. Replies on behalf of the Bank and its employees have been filed. Thereafter, we received a notice requiring personal hearing of the Bank and its employees on October 7, 2008. The same has been duly responded to and attended by our advocates in the matter
11. Central Bank of Sri Lanka (CBSL) has imposed penalty of LKR 865 (INR 400) on Sri Lanka Branch for breach on the maintenance of the Statutory Reserve Requirement (SRR). This happened on the last day of the reporting week due to a shortfall in the balance to be maintained with CBSL. The Bank has paid the amount to the regulator and steps are being taken to prevent recurrence of such events in future by improving co-ordination between the treasury official at the Branch with the officials of CBSL during the reserves squaring hours.
12. The Bombay Municipal Corporation through their legal assistant Mr. Ramesh Desai had filed 6 complaints against ICICI Bank (case no. 11277, 11278, 11279, 11280, 11281, 11282). The complaint pertained to Eating Houses in the ICICI Bank premises. The complaints were

filed against Mr. Sanjay Nambiar, Mr. Madhukar, Mr. Sunil Joshi, Ms. Asha Joshi, and Mr. Ratnakar Shetty for running eating house without Licence from the Municipal Commissioner under section 394(1) (e) (1) read with section 471 of the BMC Act. The six cases were placed for hearing on July 14, 2009 and stand disposed off as the Accused pleaded guilty and paid a penalty of Rs 10,000/- each person as directed by the Hon'ble Magistrate. Mr Sunil Joshi and Mr Madhukar were present in the Court. Therefore the total amount of penalty paid was Rs. 3,00,000/-

13. ICICI Bank was penalised by the Weights and Measures authorities of Shamli, District Muzaffarnagar and was charged with breach of section 22 (5) of Uttar Pradesh Standards Of Weights And Measures (Enforcement) Rules, 1990. The provision mandates all users to keep physical weights of one tenth of the total capacity of the weighing machine used to weigh gold. In violation of the above provisions we were penalized for an amount of Rs. 1,000/- (one thousand only). The penalty was paid and an acknowledgment receipt was obtained from the standard weights and measures authorities. The matter stand resolved
 14. We had received a Notice bearing no. 259 dated August 18, 2007 from the Inspector of Metrology Dept., Rourkela wherein ICICI Bank, Rourkela Branch had been requested to present the instruments being totalizing machines for counting currency notes for re-verification and stamping in accordance with the provisions laid down under Section 24 of the Standards of Weights and Measures (Enf.) Act, 1985 and Rule 14 of the Orissa Standards of Weights and Measures (Enf.) Rules 1993. In compliance with the above instructions received from Office of the Inspector Legal Metrology, Rourkela, the Bank had vide its letter dated October 11, 2007 taken necessary steps and deposited the requisite fees with the Metrology Dept., under protest and with a request to kindly reconsider the applicability of the aforesaid Act and Rules on totalizing machines for counting cash and in absence of inclusion of such totalizing machines in the Index of Schedules to the Standards of Weights and Measures (General) Rules, 1987 and the Orissa Standards of Weights and Measures (Enforcement) Rules, 1993. ICICI Bank has also made a representation before the concerned Government department seeking certain clarifications.
- 3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.**
- a. ICICI Bank had received a complaint dated October 8,2007 from J.G. Finance Pvt. Limited addressed to the Securities and Exchange Board of India (SEBI) alleging illegal Public issue of unsecured bonds in the nature of Debentures aggregating to Rs.5000.0 Mn of ICICI Bank Limited which was opened on September 29, 2007. The Complainant has alleged fraudulent suppression and non-disclosure of substantial default and/or outstanding of the Bank in the Prospectus and the application form. We have replied to SEBI stating that under the SEBI (Disclosure and Investor Protection) Guidelines, 2000 pending litigations against the issuer need to be disclosed in prospectus relating to public issues of bonds. However the suit mentioned by the Complainant in the aforesaid complaint (Civil Suit No.832 of 1995) has not been disclosed in the prospectus for the public issue of Bonds by ICICI Bank ("Prospectus") since the High Court of Madras has dismissed the said suit on September 15, 2006. Moreover ICICI Bank has made a full and final settlement of the amounts required to be paid by it to the Company as per its calculations and detailed statements in this regard were sent to the Company along with the calculations by ICICI Bank. The Company has not initiated any action in any court of law in relation to this claim made by it and there is thus no outstanding litigation in this regard that needs to be disclosed by ICICI Bank
 - b. Kuldip Singh Virk, a debenture holder of Unimers India Limited (formerly known as Herdillia Unimers Limited) sent an email dated March 3, 2008 to the Chairman of SEBI

alleging that SEBI had not taken any strict action against defaulting companies who had defaulted in making payments of interest on debentures as well as of redemption values of debentures on maturity on the due dates. Shri Virk alleged that SEBI had merely forwarded the complaints to the defaulting companies. Moreover Shri Virk also alleged that the defaulting companies (including but not limited to Unimers India Limited) had kept extending the period of debentures without obtaining the written consent of the debenture holders. ICICI Bank Ltd (in the capacity of Debenture Trustees for Unimers India Ltd) had responded immediately by writing to the CFO of Unimers India Limited (attaching former communications with the Company) requesting the Company to immediately reply to the debenture holder and resolve the complaint

c. The AMC had received a show cause notice dated September 07, 2009 from SEBI addressed to the Trustee Company, the AMC and its CEO (the noticees), in connection with performance advertisement of one of the schemes of the Fund. In this regard the SEBI has issued an order dated March 17, 2010 wherein while disposing the proceedings initiated vide the said show cause notice, the Mutual Fund and the AMC have been directed to ensure that they abide strictly by the stipulations on advertisements by mutual funds, issued by the SEBI from time to time, both in letter and spirit.

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

There are no outstanding or pending litigations or suits or proceedings, pertaining to matters incidental to the business of Mutual Fund whose outcome could have a material effect on us. However, at June 30, 2009, the following are the outstanding or pending litigations or suits or proceedings against ICICI Bank involving a claim of Rs. 10 crores and more, and criminal complaints or cases against us and our directors. The compiled position of claims against us (excluding tax related matters) involving an amount of less than Rs. 10 crores has been provided separately as under.

CLAIMS AGAINST ICICI BANK AS ON JUNE 30, 2009 WHERE THE CLAIM AMOUNT IS LESS THAN RS. 10 CRORES & CASES WITH NO MONETARY CLAIMS

	Nature of claim	Cases with Monetary Claim less than Rs. 10 cr		Cases with no monetary claim
		Number	Amount in Crs	Number
1	Suits filed by shareholders/bond holders of the Bank.	98	1.6918	110
2	Suits filed by debenture holders against the Bank as Debenture Trustees.	14	0.0645	1
3	Suits filed by lessees/hirers seeking injunction against the Bank	0	0.0000	0
4	Counter claims filed by Borrower/s or Guarantor/s.	6	13.6850	0
5	Suits/Cases filed by other persons	9	9.1730	2
6	Writ Petitions filed by employees/ex employees	7	0.3144	16
7	Writ Petitions filed by other persons	1	0.0010	5
8	Cases filed before the Banking Ombudsman	7	0.3675	159
9	Suits pertaining to fraudulent transactions / theft / deceit / misrepresentation or similar conduct	25	3.1300	2

10	Suits pertaining to foreign exchange regulations	0	0.0000	0
11	Suits pertaining to products /facilities provided by the Bank	1848	76.5866	3776
12	Suits/proceedings/investigations by statutory/regulatory authorities	0	0.0000	0
13	MRTP Investigations	3	0.2900	27
14	Suits pertaining to interest charges	3	2.0239	0
15	Suits pertaining to property disputes	2	0.8394	44
16	Suits where the bank is impleaded as Proforma Defendant	2	0.0108	20
17	Suits/Cases in respect of labour related matters	1	0.0031	19
18	Criminal cases against the Bank	34	0.6604	278
19	Cases pertaining to economic offences including stamp duty matters	0	0.0000	0
20	Suits in relation to securities law	0	0.0000	0
21	Cases filed under Sec. 138 of Negotiable Instruments Act	0	0.0000	0
22	Suits against Government of India (SDFC cases)	0	0.0000	0
23	Miscellaneous suits/legal proceedings in the course of business.	741	64.7553	298
24	Criminal cases against the Directors of the Bank	0	0.0000	22
25	Criminal cases against other Officials of the Bank	1	0.0010	0
26	Civil cases against the Directors of the Bank	7	0.9390	37
27	Civil cases against other Officials of the Bank	0	0.0000	0
28	Cases against Nominee Directors of the bank	0	0.0000	1
	TOTAL	2809	174.5367	4817

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed. – Nil

GENERAL INFORMATION

- Power to make Rules**
 Subject to the Regulations, the Trustee may, from time to time, prescribe such terms and make such rules for the purpose of giving effect to the Scheme with power to the AMC to add to, alter or amend all or any of the terms and rules that may be framed from time to time.
- Power to remove Difficulties**
 If any difficulties arise in giving effect to the provisions of the Scheme, the Trustee may, subject to the Regulations, do anything not inconsistent with such provisions, which appears to it to be necessary, desirable or expedient, for the purpose of removing such difficulty.
- Scheme to be binding on the Unitholders:**
 Subject to the Regulations, the Trustee may, from time to time, add or otherwise vary or alter all or any of the features of investment plans and terms of the Scheme after obtaining the prior permission of SEBI and Unitholders (where necessary), and the same shall be binding on all the Unitholders of the Scheme and any person or persons claiming through or under them as if

each Unitholder or such person expressly had agreed that such features and terms shall be so binding.

GENERAL INFORMATION

- **Power to make Rules**
Subject to the Regulations, the Trustee may, from time to time, prescribe such terms and make such rules for the purpose of giving effect to the Scheme with power to the AMC to add to, alter or amend all or any of the terms and rules that may be framed from time to time.
- **Power to remove Difficulties**
If any difficulties arise in giving effect to the provisions of the Scheme, the Trustee may, subject to the Regulations, do anything not inconsistent with such provisions, which appears to it to be necessary, desirable or expedient, for the purpose of removing such difficulty.
- **Scheme to be binding on the Unitholders:**
Subject to the Regulations, the Trustee may, from time to time, add or otherwise vary or alter all or any of the features of investment plans and terms of the Scheme after obtaining the prior permission of SEBI and Unitholders (where necessary), and the same shall be binding on all the Unitholders of the Scheme and any person or persons claiming through or under them as if each Unitholder or such person expressly had agreed that such features and terms shall be so binding.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

Note: The Scheme under this Scheme Information Document was approved by the Directors of ICICI Prudential Trust Limited by circulation on July 29, 2002

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

Sd/-
Nimesh Shah
Managing Director

Place : Mumbai
Date : April 13, 2011