

ICICI PRUDENTIAL TRUST LIMITED

14TH ANNUAL REPORT AND ACCOUNTS 2006-2007

Directors

E.B. Desai, *Chairman*
Keki Bomi Dadiset
D. J. Balaji Rao
M. S. Parthasarathy
Vishakha Mulye

Auditors

N.M. Rajji & Co.
Chartered Accountants

Registered Office

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

Corporate Office

8th Floor, Peninsula Tower
Peninsula Corporate Park
Ganpatrao Kadam Marg
Off. Senapati Bapat Marg
Lower Parel
Mumbai – 400 013

directors' report

to the members

Your Directors have pleasure in presenting the Fourteenth Annual Report, together with the audited accounts of your Company, for the year ended March 31, 2007.

FINANCIAL RESULTS

The salient features of the Company's financial results for the year ended March 31, 2007 are as follows:

	(Rs. in 000's)	
	Year ended March 31, 2007	Year ended March 31, 2006
Gross Income	3,855.35	4,006.25
Expenses	2,792.90	3,028.92
Profit before Tax	1,062.45	977.32
Provision for Taxation	273.51	282.16
Profit after Tax	788.94	695.16
Balance brought forward	5,890.11	5,838.58
Profit available for appropriation	6,679.05	6,533.74
Proposed Dividend	503.50	503.50
Tax on Dividend	85.57	70.62
Transfer to general reserve	78.89	69.52
Balance carried to Balance Sheet	6,011.08	5,890.11

FINANCIAL PERFORMANCE OF THE COMPANY

Dividend

Your Directors are pleased to recommend payment of dividend at the rate of Rs. 5 per share on 100,700 equity shares of Rs.10 each amounting to Rs. 503,500 for the year ended March 31, 2007 (Previous year dividend was at the rate of Rs. 5 per share).

MUTUAL FUND INITIATIVES

During the Financial year 2006-2007, ICICI Prudential Mutual Fund (the Fund), to which your Company has been acting as the Trustee has launched the following schemes:

Sr. No.	Name of Scheme	Scheme Type	Date of Allotment	Funds Mobilised during NFO (Rs. in 000's)
1	ICICI Prudential Fixed Maturity Plan Series 30 – 13 Months Plan	Close ended debt fund	July 17, 2006	2,225,410,650.56
2	ICICI Prudential Fixed Maturity Plan Series 32 – 3 Months Plan A	Close ended debt fund	June 23, 2006	5,250,941,617.24
3	ICICI Prudential Fixed Maturity Plan Series 32 – 3 Months Plan B	Close ended debt fund	July 28, 2006	1,457,197,565.43

Sr. No.	Name of Scheme	Scheme Type	Date of Allotment	Funds Mobilised during NFO (Rs. in 000's)
4	ICICI Prudential Hybrid Fixed Maturity Plan - 13 Months Plan	Close ended debt fund	August 30, 2006	7,883,140,095.46
5	ICICI Prudential Fixed Maturity Plan Series 32 - 3 Months Plan C	Close ended debt fund	September 29, 2006	7,324,849,486.21
6	ICICI Prudential Fixed Maturity Plan Series 32 - 3 Months Plan D	Close ended debt fund	October 23, 2006	8,796,093,137.36
7	ICICI Prudential Fixed Maturity Plan Series 32 - One Month Plan A	Close ended debt fund	November 10, 2006	1,915,653,000.76
8	ICICI Prudential Fixed Maturity Plan Series 32 - 3 Months Plan E	Close ended debt fund	November 11, 2006	4,603,484,015.20
9	ICICI Prudential Fixed Maturity Plan Series 34 - One Year Plan A	Close ended debt fund	November 11, 2006	1,561,411,336.63
10	ICICI Prudential Fixed Maturity Plan Series 32 - One Month Plan B	Close ended debt fund	November 21, 2006	382,596,035.84
11	ICICI Prudential Fixed Maturity Plan Series 34 - Eighteen Months Plan	Close ended debt fund	November 25, 2006	2,423,885,927.36
12	ICICI Prudential Fixed Maturity Plan Series 32 - One Month Plan D	Close ended debt fund	December 12, 2006	3,063,598,978.93
13	ICICI Prudential Fixed Maturity Plan Series 34 - Seventeen Months Plan	Close ended debt fund	December 23, 2006	654,906,076.50
14	ICICI Prudential Fixed Maturity Plan Series 34 - Three Months Plus Plan A	Close ended debt fund	December 29, 2006	7,901,264,472.13
15	ICICI Prudential Equity & Derivatives Fund	Open Ended Equity Fund	December 30, 2006	21,656,215,127.44
16	ICICI Prudential Fixed Maturity Plan Series 34 - Sixteen Months Plan	Close ended debt fund	January 22, 2007	2,852,139,791.99
17	ICICI Prudential Fixed Maturity Plan Series 35 - Three Months Plan A	Close ended debt fund	January 24, 2007	8,530,340,105.25
18	ICICI Prudential Fixed Maturity Plan Series 35 - Three Months Plan B	Close ended debt fund	February 13, 2007	6,855,435,889.95

directors' report



Continued

Sr. No.	Name of Scheme	Scheme Type	Date of Allotment	Funds Mobilised during NFO (Rs. in 000's)
19	ICICI Prudential Fixed Maturity Plan Series 35 - One Month Plan	Close ended debt fund	February 26, 2007	3,005,497,974.93
20	ICICI Prudential Fixed Maturity Plan Series 34 - Fifteen Months Plan	Close ended debt fund	February 26, 2007	4,093,291,338.54
21	ICICI Prudential Fixed Maturity Plan Series 35 - Three Months Plan C	Close ended debt fund	February 28, 2007	6,252,731,661.61
22	ICICI Prudential Fixed Maturity Plan Series 34 - Six Months Plan	Close ended debt fund	March 09, 2007	1,756,327,764.63
23	ICICI Prudential Fixed Maturity Plan Series 35 - Thirteen Months Plan A	Close ended debt fund	March 09, 2007	2,499,981,746.13
24	ICICI Prudential Fixed Maturity Plan Series 35 - Thirteen Months Plan B	Close ended debt fund	March 16, 2007	8,025,084,684.69
25	ICICI Prudential Fixed Maturity Plan Series 37 - Three Months Plan A	Close ended debt fund	March 16, 2007	2,201,852,627.70
26	ICICI Prudential Fixed Maturity Plan Series 37 - Three Months Plus Plan A	Close ended debt fund	March 23, 2007	3,499,357,838.70
27	ICICI Prudential Fixed Maturity Plan Series 37 - Fourteen Months Plan	Close ended debt fund	March 23, 2007	2,113,561,610.31
28	ICICI Prudential Fixed Maturity Plan Series 37 - Three Months Plan B	Close ended debt fund	March 29, 2007	4,660,563,682.49
29	ICICI Prudential Fixed Maturity Plan Series 34 - One Year Plan B	Close ended debt fund	March 29, 2007	12,971,314,281.80
30	ICICI Prudential Fixed Maturity Plan Series 37 - One Year Plan A	Close ended debt fund	March 30, 2007	2,706,670,048.00
31	ICICI Prudential Fixed Maturity Plan Series 37 - One Month Plan	Close ended debt fund	March 30, 2007	2,599,089,381.39
32	ICICI Prudential Fusion Fund Series II	Close ended Equity Fund	March 31, 2007	10,236,562,691.38
Total				161,960,450,642.54

These schemes raised an aggregate amount of Rs. 161,960,450,642.54 thousand during the New Fund Offer period.

OPERATIONS DURING THE YEAR

Mutual Fund Business

- Assets Under Management (AUM): During the year under review, the assets under management of ICICI Prudential Mutual Fund crossed Rs. 379,062,395 thousand as on March 31, 2007 as compared to Rs. 235,595,956 thousand as on March 31, 2006.
- Awards bagged by ICICI Prudential Mutual Fund (the Fund): Your Directors are pleased to notify that during the period under review, the following awards were won by the Fund -
 - CNBC TV 18 - CRISIL Mutual Fund of the Year Award 2007** - "ICICI Prudential Infrastructure Fund" (erstwhile Prudential ICICI Infrastructure Fund) won the Emerging Equity Fund of the Year Award for the year 2006.
"ICICI Prudential Monthly Income Plan - Cumulative" (erstwhile Prudential ICICI Monthly Income Plan - Cumulative) won under the Monthly Income Plan - Conservative category for the year 2006.
 - ICRA Mutual Fund Award - 2007**
 - "ICICI Prudential Technology Fund" (erstwhile Prudential ICICI Technology Fund) awarded the Gold Award for Best

Performance in the category of Open Ended Sectoral - Technology for one-year period ended December 31, 2006.

- "ICICI Prudential Gilt Fund - Investment Plan" (erstwhile Prudential ICICI Gilt Fund - Investment Plan) awarded the Gold Award for Best Performance in the category of Open Ended Gilt - Long Term for one year period ended December 31, 2006.
- "ICICI Prudential Dynamic Plan" (erstwhile Prudential ICICI Dynamic Plan) awarded the Gold Award for Best Performance in the category of Open Ended Diversified Equity - Defensive for one-year period ended December 31, 2006.

3. Lipper Fund Award 2007

- Best Overall Fund Group over 3 years, out of 9 eligible fund houses qualifying for Overall Group (3 years) category.
- "ICICI Prudential Long Term Plan-Cumulative" (erstwhile Prudential ICICI Long Term Plan-Cumulative) was declared the best fund over 3 years in the Bond INR General category.

PERFORMANCE OF THE SCHEMES OF ICICI PRUDENTIAL MUTUAL FUND

Your Company acts as the Trustee for eleven close-ended schemes and twenty-four open-ended schemes of ICICI Prudential Mutual Fund. The details about the Net Asset Value of the schemes are given below:

Close-ended Funds

Scheme Name	Date of Allotment	Net Assets as on March 31, 2007 (Rs. in '000s)	Net Assets Value per unit as on March 31, 2007 (Rs.) For Growth option	Compounded Annualized Return (%) from the date of allotment of units till March 31, 2007 - For Growth option
ICICI Prudential Fixed Maturity Plan - Series 28 - 16 Months Plan	January 27, 2006	1,443,818	10.7009	6.01
ICICI Prudential Fusion Fund	March 25, 2006	6,405,089	11.3800	13.60
ICICI Prudential Fixed Maturity Plan - Series 28	March 30, 2006	7,038,775	10.8146	8.10
ICICI Prudential Fixed Maturity Plan Series 30 - 13 Months Plan	July 17, 2006	2,258,927	10.5190	5.19*
ICICI Prudential Hybrid Fixed Maturity Plan - 13 Months Plan	August 30, 2006	8,206,174	10.3892	3.89*
ICICI Prudential Fixed Maturity Plan Series 34 - One Year Plan A	November 11, 2006	1,597,607	10.2284	2.28*
ICICI Prudential Fixed Maturity Plan Series 34 - Eighteen Months Plan	November 25, 2006	2,419,971	10.0465	0.47*
ICICI Prudential Fixed Maturity Plan Series 34 - Seventeen Months Plan	December 23, 2006	659,207	10.0563	0.56*
ICICI Prudential Fixed Maturity Plan Series 34 - Three Months Plus Plan A	December 29, 2006	7,971,348	10.0027	2.24*
ICICI Prudential Fixed Maturity Plan Series 34 - Sixteen Months Plan	January 22, 2007	2,872,297	10.0648	0.65*
ICICI Prudential Fixed Maturity Plan Series 35 - Three Months Plan A	January 24, 2007	8,600,564	10.1690	1.69*
ICICI Prudential Fixed Maturity Plan Series 35 - Three Months Plan B	February 13, 2007	6,702,500.13	10.1235	1.24*

Scheme Name	Date of Allotment	Net Assets as on March 31, 2007 (Rs. in '000s)	Net Assets Value per unit as on March 31, 2007 (Rs.) For Growth option	Compounded Annualized Return (%) from the date of allotment of units till March 31, 2007 - For Growth option	Scheme Name	Date of Allotment	Net Assets as on March 31, 2007 (Rs. in '000s)	Net Assets Value per unit as on March 31, 2007 (Rs.) - For Growth option	Compounded Annualized Return (%) from the date of allotment of units till March 31, 2007 - For Growth option
ICICI Prudential Fixed Maturity Plan Series 34 - Fifteen Months Plan	February 26, 2007	4,124,077.86	10.0704	0.70*	ICICI Prudential Gilt Fund - Treasury Plan	August 19, 1999	659,624	17.9335	5.80
ICICI Prudential Fixed Maturity Plan Series 35 - Three Months Plan C	February 28, 2007	6,160,764.15	10.0910	0.91*	ICICI Prudential Balanced Fund	November 3, 1999	4,526,860	33.5600	29.16
ICICI Prudential Fixed Maturity Plan Series 34 - Six Months Plan	March 09, 2007	1,767,473.87	10.0606	0.61*	ICICI Prudential Technology Fund	March 3, 2000	1,663,769	15.1100	6.01
ICICI Prudential Fixed Maturity Plan Series 35 - Thirteen Months Plan A	March 09, 2007	2,513,376.64	10.0510	0.51*	ICICI Prudential Monthly Income Plan	November 10, 2000	6,110,788	18.8506	9.87
ICICI Prudential Fixed Maturity Plan Series 35 - Thirteen Months Plan B	March 16, 2007	7,361,492.45	10.0414	0.41*	ICICI Prudential Child Care Plan - Gift Plan	August 31, 2001	1,049,547	39.3400	28.39
ICICI Prudential Fixed Maturity Plan Series 37 - Three Months Plan A	March 16, 2007	2,212,164.33	10.0439	0.44*	ICICI Prudential Child Care Plan - Study Plan	August 31, 2001	291,132	19.7516	12.62
ICICI Prudential Fixed Maturity Plan Series 37 - Three Months Plus Plan A	March 23, 2007	3,508,842.38	10.0240	0.24*	ICICI Prudential Short Term Plan	October 25, 2001	2,140,546	14.2255	6.47
ICICI Prudential Fixed Maturity Plan Series 37 - Fourteen Months Plan	March 23, 2007	2,119,467.78	10.0248	0.25*	ICICI Prudential Index Fund	February 26, 2002	199,424	34.0365	27.20
ICICI Prudential Fixed Maturity Plan Series 37 - Three Months Plan B	March 29, 2007	4,660,563.68	---	---	ICICI Prudential Sweep Plan	March 6, 2002	4,014,803	12.7256	7.38
ICICI Prudential Fixed Maturity Plan Series 34 - One Year Plan B	March 29, 2007	12,971,349.28	---	---	ICICI Prudential Long Term Plan	March 28, 2002	76,965	15.6284	9.17
ICICI Prudential Fixed Maturity Plan Series 37 - One Year Plan A	March 30, 2007	2,706,670.05	---	---	ICICI Prudential Flexible Income Plan	September 27, 2002	20,101,032	13.7376	7.30
ICICI Prudential Fixed Maturity Plan Series 37 - One Month Plan	March 30, 2007	2,599,089.38	---	---	ICICI Prudential Dynamic Plan	October 31, 2002	20,154,082	63.0180	51.75
ICICI Prudential Fusion Fund Series II	March 31, 2007	10,267,267.89	---	---	Sensex Prudential ICICI Exchange Traded Fund	January 10, 2003	7,219	134.3135	38.89
					ICICI Prudential Floating Rate Plan	March 28, 2003	9,060,710	11.6297	5.69
					ICICI Prudential Gilt Fund - Investment Plan- PF Option	November 19, 2003	781,537	11.7373	4.88
					ICICI Prudential Advisor Series- Aggressive Plan	December 18, 2003	78,807	20.6102	24.63
					ICICI Prudential Advisor Series- Cautious Plan	December 18, 2003	48,833	13.5870	9.78
					ICICI Prudential Advisor Series- Moderate Plan	December 18, 2003	101,257	17.1522	17.85
					ICICI Prudential Advisor Series- Very Aggressive Plan	December 18, 2003	83,388	24.1866	30.85
					ICICI Prudential Advisor Series- Very Cautious Plan	December 18, 2003	54,266	11.9501	5.57
					ICICI Prudential Gilt Fund - Treasury Plan -PF Option	February 11, 2004	329,201	11.4314	4.37
					ICICI Prudential Income Multiplier Fund	March 30, 2004	4,666,306	14.3915	12.89
					ICICI Prudential Fixed Maturity Plan - Series 25 - 15 months Plan	August 10, 2004	2,530,088	11.4801	5.68
					ICICI Prudential Discovery Fund	August 16, 2004	8,731,324	24.3100	40.38
					ICICI Prudential Long Term Floating Rate Plan	September 15, 2004	1,132,613	11.5166	6.17
					ICICI Prudential Emerging S.T.A.R. (Stocks Targeted At Returns) Fund	October 28, 2004	10,584,205	26.6100	49.86
					ICICI Prudential Fixed Maturity Plan - Yearly- Series 12	December 14, 2004	1,135,323	11.4991	6.64
					ICICI Prudential Fixed Maturity Plan - Yearly- Series 5	December 31, 2004	599,863	11.4913	6.80
					ICICI Prudential Blended Plan - Plan A	May 31, 2005	4,950,081	11.5395	8.13
					ICICI Prudential Blended Plan - Plan B	May 31, 2005	585,351	11.2411	6.60

** NAV and absolute return is not calculated as the units were allotted on March 31, 2007.

Open-ended Funds

Scheme Name	Date of Allotment	Net Assets as on March 31, 2007 (Rs. in '000s)	Net Assets Value per unit as on March 31, 2007 (Rs.) - For Growth option	Compounded Annualized Return (%) from the date of allotment of units till March 31, 2007 - For Growth option
ICICI Prudential Power	October 1, 1994	13,578,136	77.4900	17.80
ICICI Prudential Liquid Plan	June 24, 1998	84,609,625	18.3525	5.81
ICICI Prudential Growth Plan	July 9, 1998	4,306,441	89.1800	28.49
ICICI Prudential Income Plan	July 9, 1998	2,259,942	21.4374	5.69
ICICI Prudential FMCG Fund	March 31, 1999	854,047	39.0700	18.56
ICICI Prudential Tax Plan	August 19, 1999	6,034,770	82.5000	31.92
ICICI Prudential Gilt Fund - Investment Plan	August 19, 1999	1,039,480	22.4096	11.18

directors' report



Continued

Scheme Name	Date of Allotment	Net Assets as on March 31, 2007 (Rs. in '000s)	Net Assets Value per unit as on March 31, 2007 (Rs.) - For Growth option	Compounded Annualized Return (%) from the date of allotment of units till March 31, 2007 - For Growth option
ICICI Prudential Infrastructure Fund	August 31, 2005	15,834,213	17.6500	43.34
ICICI Prudential Services Industries Fund	November 30, 2005	4,659,787	14.9600	35.41
ICICI Prudential Equity & Derivatives Fund - Income Optimiser Plan	December 30, 2006	9,286,522	10.2400	2.40*
ICICI Prudential Equity & Derivatives Fund - Wealth Optimiser Plan	December 30, 2006	11,001,608	10.1500	1.50*
Total		259,913,516		

*Absolute returns

During the period from April 1, 2006 to March 31, 2007, the Nifty and SENSEX changed as set out below:

Indices Value & Performance

Index	March 30, 2007*	April 03, 2006*	% Change
BSE Sensex	13,072.10	11,564.36	13.04%
S & P CNX Nifty	3,821.55	3,583.30	10.03%

* April 1, 2006 and March 31, 2007 being Saturday i.e. a non-business day the performance is provided for the next business day and previous business day respectively.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE ETC.

Your Company has neither incurred any expenditure nor earned any income in foreign exchange. Since the Company does not own any manufacturing facility, the other requirements of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Since the Company does not own any manufacturing facility, the disclosure under this head is not applicable. Further, the other requirements in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are also not applicable.

FIXED DEPOSITS

During the year, the Company has not accepted any deposits from the public under Section 58-A of the Companies Act, 1956.

DIRECTORS

In terms of the provisions of the Articles of Association, M.S. Parthasarathy is liable to retire at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment.

AUDITORS

The Auditors, N.M. Rajji and Company, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for re-appointment.

EMPLOYEES

The Company has no employees on its roles. The provisions of Section 217 (2A) of the Companies Act, 1956, are therefore, not applicable.

CHANGE OF NAME OF THE COMPANY

The name of the company has been changed to ICICI PRUDENTIAL TRUST LIMITED. SEBI has vide its letter no IMD/PM/84968/07 dated January 23, 2007 conveyed its no objection to the said change of name of the Company. The Ministry of Company Affairs has also approved the change of name.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed. No material departures have been made during the year under review;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere thanks to the investors for their continued support and patronage to the products of ICICI Prudential Mutual Fund.

Your Directors wish to place on record their appreciation of the support and cooperation received from the Securities and Exchange Board of India, the Reserve Bank of India, Prudential plc. and the Company's bankers, ICICI Bank Limited.

Your Directors thank Computer Age Management Services Private Limited, the Registrar and Transfer Agent to the Schemes of the Fund, and the Custodians to the Fund, for the support provided by them in carrying out the operations in an efficient manner.

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

On behalf of the Board

Mumbai, April 19, 2007

E.B. DESAI
Chairman

auditors' report

to the Members of ICICI Prudential Trust Limited (Formerly known as Prudential ICICI Trust Limited)

We have audited the attached Balance Sheet of ICICI Prudential Trust Limited (Formerly known as Prudential ICICI Trust Limited) as at March 31, 2007 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books.

3. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt herewith comply with the AS referred to in Section 211 (3C) of the Companies Act, 1956.
5. On the basis of the written representations received from the Directors and taken on records by the company, we report that none of the Directors are disqualified, as at the balance sheet date, from being appointed as Directors in terms of Section 274 (1) (g) of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2007;
 - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For N. M. RAJI & CO.
Chartered Accountants

J. M. GANDHI
Partner

Membership No.: 37924

Mumbai, April 19, 2007

annexure to the auditors' report

annexure to Auditors' Report of even date for the year ended – March 31, 2007

With reference to the annexure referred to in paragraph 3 of the auditor's report to the members of ICICI Prudential Trust Limited on the financial statements for the year ended March 31, 2007 we report the following:

- i. The Company does not own any fixed assets and hence no comment is called for in respect of clause i of the Order;
- ii. The nature of the Company's activities is such that, the provisions relating to inventories as mentioned in clause ii of the said order are not applicable;
- iii. During the year, the Company has not granted or taken any loans to / from parties listed in the register maintained under Section 301 of the Companies Act, 1956;
- iv. In our opinion and according to the information and explanations provided to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the services rendered by it;
- v. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no contracts or arrangements referred to in Section 301 of the Act during the year that need to be entered in the register maintained under that section;
- vi. The Company has not accepted any deposits from the public;
- vii. In our opinion, the company has an internal audit system commensurate with its size and nature of its business;
- viii. The nature of the Company's activities is such that, the provisions relating to clause (d) of sub-section (1) of Section 209 of the Act is not applicable;
- ix. A) According to the records, information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, income tax, service tax and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at March 31, 2007 for a period of more than six months from the date they became payable;
B) As at the Balance Sheet date, the Company does not have any unpaid disputed dues of sales tax, income tax, service tax, excise duty, customs duty, wealth tax, cess.
- x. The Company neither has accumulated losses at the end of the financial year nor has incurred cash losses during the year and in the immediately preceding financial year;

- xi. The Company has not taken any loans from financial institutions or banks or debenture holders and hence no question of default in repayment;
- xii. According to the information and explanations given to us and based on our examination of records, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
- xiii. The Company is not a chit fund/nidhi/mutual benefit fund/society and hence, clause xiii of the Order is not applicable;
- xiv. The Company does not have dealing or trading in shares, securities, debentures and other investments;
- xv. On the basis of the information and explanations given to us the Company has not given any guarantee for loans taken by others from bank or financial institutions;
- xvi. Based on the information and explanations given to us, the Company has no borrowed funds and hence clause xvi and xvii of the order are not applicable;
- xvii. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956;
- xviii. The Company has not issued any Debentures; hence the clause xix of the order is not applicable;
- xix. During the year the Company has not raised funds by way of public issue, hence the clause xx of the order is not applicable;
- xx. Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported.

For N. M. RAJI & CO.
Chartered Accountants

J. M. GANDHI
Partner

Membership No.: 37924

Mumbai, April 19, 2007

balance sheet

profit and loss account



as at March 31, 2007

for the year ended March 31, 2007

	Schedule (Rs. in 000's)	March 31, 2006	Schedule (Rs. in 000's)	March 31, 2006
I. SOURCES OF FUNDS:				
(1) Shareholders' Fund				
Share Capital	1	1,007	1,007	
Reserves and Surplus	2	7,380	7,180	
(2) Loan Funds				
Secured Loans		—	—	
Unsecured Loans		—	—	
Total		8,387	8,187	
II. APPLICATION OF FUNDS:				
(1) Fixed Assets				
(2) Investments				
(3) Current Assets, Loans & Advances				
a) Current Assets	4	2,090	5,171	
b) Loans & Advances	5	3,707	3,104	
	(A)	5,797	8,275	
<i>Less: Current Liabilities & Provisions</i>				
a) Current Liabilities	6	1,665	2,759	
b) Provisions	7	4,170	3,776	
	(B)	5,835	6,536	
Net Current Assets (A-B)		(38)	1,740	
Total		8,387	8,187	
Significant Accounting Policies & Notes Forming Part of Accounts	11			

INCOME				
Income from Operations	8	3,500	3,500	
Other Income	9	284	215	
Profit on Sale of Investment		71	291	
	(A)	3,855	4,006	
<i>Less: EXPENDITURE</i>				
Establishment Expenses & Other Expenses	10	2,793	3,029	
	(B)	2,793	3,029	
Profit Before Taxation (A-B)		1,062	977	
<i>Less: Provision for Taxation - Current</i>				
		273	282	
Profit After Tax		789	695	
<i>Add: Balance brought forward</i>				
		5,890	5,839	
Profit Available for Appropriation		6,679	6,534	
Appropriations				
Dividend @50%		503	503	
Corporate Dividend Tax		86	71	
Transfer to General Reserve		79	70	
Balance carried to Balance Sheet		6,011	5,890	
		6,679	6,534	
Earnings per Share of face value of Rs. 10 each - Basic and Diluted		7.83	6.90	

As per our attached report.

For N. M. RAJI & CO.
Chartered Accountants

J. M. GANDHI
Partner
Membership No.: 37924

Mumbai, April 19, 2007

For and on behalf of the Board of Directors of
ICICI Prudential Trust Limited

E. B. DESAI D. J. BALAJI RAO
Chairman Director

VISHAKHA MULYE
Director

cash flow statement

for the year ended March 31, 2007

(Rs. in 000's)

	2007	2006
Cash Flows from Operating Activities		
Net profit before taxation	1,062	977
Adjustment for:		
Interest on Bank Deposit	(88)	(73)
Investment income (dividend)	(196)	(139)
Interest on IT refunds	—	(3)
(Profit)/Loss on sale of investments (net)	(71)	(291)
	<u>(355)</u>	<u>(506)</u>
Operating Profit before working capital changes	707	471
(Increase)/ Decrease in Sundry debtors	3,641	(3,641)
(Increase)/ Decrease in Loans and advances	—	(216)
Increase/(Decrease) in current liabilities and provisions	(989)	1,033
Cash generated from working capital changes	<u>2,652</u>	<u>(2,824)</u>
Interest on IT refunds	—	3
Income Tax paid net of income tax refunds	(603)	47
	<u>2,049</u>	<u>(2,774)</u>
Net Cash generated from/(Used in) operating activities (A)	2,756	(2,303)
Cash Flow from Investing Activities		
Dividend Received	196	139
Interest Received	72	70
Purchase of mutual fund units	(2,696)	(139)
Proceeds from sale of Investments	790	2,800
Investment in Term Deposits	(1,496)	(1,424)
Proceeds from maturity of Term Deposits	<u>1,424</u>	<u>1,354</u>
Net Cash generated from/(used in) Investing activities (B)	(1,710)	2,800
Cash Flow from Financing Activities		
Dividend Paid	(503)	(503)
Tax on Dividend	(71)	(71)
	<u>(574)</u>	<u>(574)</u>
Net Cash used in financing activities (C)	(574)	(574)
Net increase in Cash and Cash equivalents (A) + (B) + (C)	472	(77)
Cash and Cash equivalents at beginning of the Year		
Balance with Schedule Bank in Current Account	<u>43</u>	<u>120</u>
	<u>43</u>	<u>120</u>
Cash and Cash equivalents at end of the year		
Balance with Schedule Bank in Current Account	<u>515</u>	<u>43</u>
	<u>515</u>	<u>43</u>

As per our attached report.

For N. M. RAJI & CO.
Chartered Accountants

J. M. GANDHI
Partner
Membership No.: 37924

Mumbai, April 19, 2007

For and on behalf of the Board of Directors of
ICICI Prudential Trust Limited

E. B. DESAI D. J. BALAJI RAO
Chairman Director

VISHAKHA MULYE
Director

schedules

forming part of the financial statements

Continued

SCHEDULE 11

SIGNIFICANT ACCOUNTING POLICIES

- The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 and generally accepted accounting principles and practices in India.
- Revenue Recognition
 - Trusteeship fees are recognized on accrual basis as per the Trusteeship Agreement.
 - Interest income is accounted on accrual basis.
- Investments are stated at cost less any permanent diminution in value.
- Trusteeship Fees are shown net of service tax.

NOTES FORMING PART OF ACCOUNTS

- Trusteeship being the core and only activity of the company, the same is considered as Reportable Segment for the purpose of AS-17 "Segment Reporting". In view of this, there are no other reportable segments other than that mentioned here above.
- EPS is computed in accordance with AS-20 issued by the Institute of Chartered Accountants of India (ICAI).

	(Rs. in 000's)	
	March 31, 2007	March 31, 2006
Profit after taxation (Rupees in Thousands)	788.944	695.159
Number of equity shares issued and paid (in units)	100,700	100,700
Basic and diluted EPS of face value Of Rs.10 each (in Rs.)	7.83	6.90

3. Related Party Information

- Related parties where control exists
ICICI Bank Limited – Holding Company
- Other related parties with whom transactions have taken place during the year.
Prudential Plc, England – Holds significant influence in the Company.
ICICI Prudential Asset Management Company Limited – Fellow Subsidiary
ICICI Venture Funds Management Company Limited – Fellow Subsidiary

Nature of Transactions	Holding company	Fellow subsidiary companies	Party with Significant influence	Key Management personnel	Relatives of Key Management Personnel	Total
Interest earned on Term Deposit	87.822	–	–	–	–	87.822
<i>(Previous Year)</i>	<i>(72.910)</i>	–	–	–	–	<i>(72.910)</i>
Interest accrued but not due on Term Deposit	79.171	–	–	–	–	79.171
<i>(Previous Year)</i>	<i>(63.030)</i>	–	–	–	–	<i>(63.030)</i>
Dividend Paid	255.785	–	246.715	–	–	502.500
<i>(Previous Year)</i>	<i>(149.545)</i>	<i>(76.030)</i>	<i>(276.925)</i>	–	–	<i>(502.500)</i>
Expenses paid on our behalf	–	4,301.802	–	–	–	4,301.802
<i>(Previous Year)</i>	–	<i>(2,909.719)</i>	–	–	–	<i>(2,909.719)</i>
Amount Payable against expenses paid on our behalf	–	1,665.099	–	–	–	1,665.099
<i>(Previous Year)</i>	–	<i>(2,402.329)</i>	–	–	–	<i>(2,402.329)</i>
Term Deposit	1,495.755	–	–	–	–	1,495.755
<i>(Previous Year)</i>	<i>(1,424.074)</i>	–	–	–	–	<i>(1,424.074)</i>

- An amount of Rs. NIL (*Previous year Rs. 76.030*) was paid to ICICI Venture Fund Management Company Limited towards final dividend FY 2005-06.
 - An amount of Rs. 4,301.802 (*Previous year Rs. 2,909.719*) has been paid by ICICI Prudential Asset Management Company Limited towards expenses on behalf of the company. An amount of Rs 1,665.099 (*Previous year Rs. 2,402.329*) is payable to ICICI Prudential Asset Management Company Limited.
- During the year the Board of Directors of the Company have proposed a final dividend of 50% (*Previous year 50%*). The amount transferred to general reserve is 10% of the profits for the year.
 - Auditors remuneration for the current year has been provided as follows:

	2006-2007	2005-2006
Audit Fees	19.101	17.000
Tax matters	–	–
Others	–	–
Total	19.101	17.000
 - Previous years figures have been re-grouped wherever necessary.

As per our attached report.

For N. M. RAJI & CO.
Chartered Accountants

J. M. GANDHI
Partner
Membership No.: 37924

Mumbai, April 19, 2007

For and on behalf of the Board of Directors of
ICICI Prudential Trust Limited

E. B. DESAI D. J. BALAJI RAO
Chairman Director

VISHAKHA MULYE
Director

