

Annual Report 2010 - 2011



Pramerica

MUTUAL FUND

Trustee Report

Dear Unitholders,

We have pleasure in presenting the first Annual Report of the schemes of Pramerica Mutual Fund ("the Mutual Fund") for the year ended March 31, 2011, along with the audited financial statements of the schemes.

The Mutual Fund received SEBI registration on May 13, 2010, with Pramerica Asset Managers Private Limited ("the AMC") as the investment manager, and commenced its operations in August 2010 with the launch of its first scheme, namely, Pramerica Liquid Fund.

During the financial year ended March 31, 2011, the Mutual Fund launched seven schemes, namely, Pramerica Liquid Fund, Pramerica Ultra Short Term Bond Fund, Pramerica Equity Fund, Pramerica Dynamic Fund, Pramerica Short Term Income Fund, Pramerica Fixed Duration Fund - Series 1, and Pramerica Dynamic Monthly Income Fund.

1. Scheme Performance, Future Outlook and Operations of the Schemes :

A. Scheme Performance:

The performance of the schemes since inception to March 31, 2011, vis-a-vis the respective benchmark indices is given in the table below:

Name of the Scheme	Date of Inception (Initial Allotment)	AUM (₹ in lacs)	NAV (Per Unit ₹) As on March 31, 2011	Performance	
				Scheme Returns (Since Inception)	Benchmark Returns (Since Inception)
Pramerica Liquid Fund	27 August 2010	12,466.22	Daily Dividend Option : 1000.0450 Weekly Dividend Option : 1000.6977 Fortnightly Dividend Option : 1001.2057 Monthly Dividend Option : 1001.2057 Growth Option : 1045.6892	4.57%	4.2668%
Pramerica Ultra Short Term Bond Fund	24 September 2010	44,054.00	Daily Dividend Option : 1000.2300 Weekly Dividend Option : 1000.8263 Fortnightly Dividend Option : 1001.0667 Monthly Dividend Option : 1001.0653 Growth Option : 1042.1018	4.21%	3.7788%
Pramerica Equity Fund	6 December 2010	3,955.72	Dividend Option : 9.58 Growth Option : 9.58	-4.20%	-2.6451%
Pramerica Dynamic Fund	6 December 2010	12,278.75	Dividend Option : 9.78 Growth Option : 9.78	-2.20%	-0.5814%
Pramerica Short Term Income Fund	4 February 2011	4,095.15	Weekly Dividend Option : 1002.2721 Fortnightly Dividend Option : 1002.9569 Monthly Dividend Option : 1002.9594 Growth Option : 1016.7794	1.68%	1.3453%
Pramerica Fixed Duration Fund - Series 1	10 March 2011	2,932.69	Growth Option : 1009.3218	0.93%	0.55%
Pramerica Dynamic Month Income Fund	29 March 2011	10,677.58	Dividend Option : 10.0745 Growth Option : 10.0746	NA*	NA*

Past performance may or may not be sustained in the future.

Note:

- NAVs of Growth Option of the schemes have been considered for calculation of returns. Performance of the Dividend Option for the investor would be net of the applicable distribution tax.
- Since none of the schemes have completed one year of existence, absolute returns have been calculated from the date of allotment of units of the respective schemes upto March 31, 2011.
- * - For Pramerica Dynamic Monthly Income Fund units were allotted on 29 March 2011 at Rs.10. The first NAV was declared on 6 April 2011.

B. Future Outlook:

Fixed Income Market

Inflation emerged amongst the most dominant factor for domestic financial markets in the year to March'11. Reserve Bank of India (RBI) adopted a strong anti-inflationary monetary policy stance and hiked the key policy rates 10 times between March'10 and Jun'11. Following the surprise spike in bank credit in May'10 towards funding of 3G/broadband telecom auction, system liquidity remained negative for rest of FY 10-11. Accordingly, short term rates moved up sharply during this time with 3-months bank CD rates going above 10% in March'11 as compared to around 4% at beginning of previous year. Long term yields were remarkably stable with benchmark 10-year government bond closing at 7.99%, moving by just 16 bps during the year.

RBI was amongst the first major central bank to have started the rates hikes after recovery from the financial crisis of 2008. However, inspite of massive policy response, inflation has remained stubbornly high in recent times (9.44% for June'11), much against an expectation of some moderation in Q1-FY12 due to high base effect and lower rate of food price inflation. More concerning is that non-food manufactured goods prices have increased by 7.3% for June'11 showing demand led inflationary trend. Recent data suggests that corporate profit margins remain strong even though the interest costs have gone up. This is further evidence of continued strong pricing power of manufacturing sector and indicates sustained high inflation in near term.

RBI has suggested in last monetary policy review in June'11 that "notwithstanding both signs of moderation in commodity prices and some deceleration in growth, domestic inflation risks remain high" and sought to maintain an interest rate environment that moderates inflation and anchors inflation expectations. The gap between inflation, even without considering full

impact of a recent increase in domestic fuel prices and current repo rate is still above 200bps. It would imply therefore that RBI may continue to hike policy rates and maintain a tight liquidity stance till such time that inflationary expectations moderate sufficiently. There are three important variables which may affect inflation going forward. Monsoon will have a significant impact on inflation. Last year inflation was driven largely by high food prices which have moderated significantly over the last few months. A normal and timely monsoon will indicate stable food and vegetable prices and have positive impact on inflation. Second critical variable would be global oil prices. After a sharp spike following disturbance in North Africa and Middle East and tsunami in Japan, global crude prices seem to have stabilized. Recent hike in margins on future oil contracts, releases of strategic reserves by International Energy Agency and possibility of reduced demand due to global slowdown should keep oil prices stable though at near current higher levels. Thirdly, previous rate hikes are expected to bring down inflation in coming months and a moderating trend is already seen in both the Index of Industrial production (IIP) and GDP growth. As such, given a strong anti-inflationary policy stance and guidance for maintaining balanced liquidity, expectation is that Reserve Bank of India (RBI) will continue to hike key policy rates further in near term but the tightening cycle may be near an end.

Tight liquidity, strong credit pick up, high inflation and expectation of rate hike kept the money-market rates under continuous pressure last year. Credit-deposit ratio of the banking system was very high resulting in quick upward revision of deposit rates. By March, markets were already discounting such negatives and started pricing in further hikes resulting in widening of spreads between policy rates and market rates near historical highs. Spreads between repo rate and 3M bank CD rate traded above 400 bps in March'11. These spreads narrowed significantly in April'11 as liquidity situation improved with government spending and fresh system flows. With the start of new financial year and in a more balanced liquidity environment, short-term rates (upto 1 year) may already have peaked in the current interest cycle. We expect the spreads now to consolidate over the next few months. Short term rates may now remain range bound between its March high and April lows.

In so far as long term rates are concerned, additional factors of government borrowing program, growth in credit and global bond markets will also play a role. While recent reduction in custom/excise duty on crude oil and poor monsoon may result in higher subsidies, volatility in equity markets may undermine the disinvestment targets. With achievement of fiscal deficit target uncertain and inflation remaining high, long term bond yields may come under some pressure. But with RBI taking strong measures to attack inflation and signals of slowdown in growth, bond markets remain optimistic. Expectation is for these yields to be range-bound in 8.25-8.50% band.

Equity Market:

The past decade has been significant for the Indian economy as it finally broke away from decades of average growth of 5-6% to move beyond the 8%+ growth. This was largely due to the array of effective economic reforms initiatives taken by policy makers helping India unshackle its economy from decades of controls. The result was a rise in private sector investments, domestic and foreign in the manufacturing and services sectors of the economy. Greater investments, improved access to technology and the willing spirit of the Indian entrepreneur translated into greater productivity for Indian businesses. Deficits in physical infrastructure became an opportunity for private sector investments; the Government willingly ceded space with the off-take of numerous public-private partnerships etc in core segments. Rising incomes, aspirations & demographics on the other hand fueled the engine of domestic consumption. Investment and consumption thus emerged as the engines of the Indian economy over the period.

This change in the contours of the economy, emergence of new growth areas were tailwinds for corporate India - new businesses emerged & the older ones evolved. For an investor in the Indian equity markets this translated into a period of opportunity. Indian stock markets delivered and remained resilient notwithstanding intermittent negative developments like the stock market scandal/Dot Com bust at the beginning of year 2000 to the global financial crisis in year 2008 and more recently the corruption scandals & the European debt crisis.

The stock markets moved up nearly 6 times over the past decade. Resilience of the economy and consistent strong corporate earnings growth aided performance and helped the markets scale new highs.

In our opinion the coming decade promises to be equally eventful and challenging. The engines of growth will be the same. Investment and consumption sectors will continue to offer significant opportunities. India's increased integration with the global financial system will be dynamic which will likely throw up even bigger opportunities.

For India, to have a sustainable 9% CAGR GDP growth, the two pillars of growth namely consumption and infrastructure spend should grow in tandem. Consumption demand which has been the single most important factor for India to have recovered from the global crisis is likely to remain strong on the back of increasingly good performance from the agriculture sector, thanks to the overall good monsoons last year and this year as well. But the revival in the investment demand which is expected in the second half of the current fiscal should make the recovery more robust, solid and sustainable.

The Indian economy is currently facing headwinds, both domestically and internationally, triggering monetary tightening which in turn is resulting into a gradual slow down. While high inflation and the interest rate uptrend seem to have taken the sheen out of the economy's strong rebound post the 2008 global financial crisis; internationally economies are grappling with the prospects of a debt crisis in Europe and a shallow economic recovery in the USA. Besides these headwinds the recent spate of corruption/policy paralysis seems to have led to significant entrepreneurial risk aversion, domestically.

However, things are likely to improve from here on. Despite monetary tightening, inflation continues to remain stubbornly high; components of inflation like food prices which are more politically sensitive look to be moderating. This could possibly mark the onset of peaking interest rate cycle. Additionally, the government has been taking serious efforts to revive the economy through various policy measures, such as adopting a more accommodative stance on environmental issues, as required and expediting clearance for coal mining projects, fast tracking road project awards (USD3.5bn in 1QFY12), partial oil price deregulation among others. The forthcoming monsoon session of the parliament could further focus on clearing some of the crucial bills like the amendments to the Land Acquisition Act, Mining Bill, FDI in Retail, Insurance Bill etc. All these steps are likely to once again bring back the confidence in corporate India and kick start the investment demand that has been benign over the past several months.

The stock markets have been very resilient over the past several months and have been moving in a tight range. Corporate profitability is expected to remain under pressure during the first half of FY12 due to high input costs and elevated interest rates. However, softening global commodity prices and operating leverage should help to record better corporate performance in the second half of FY12 and beyond.

The market is trading at 15.5x one year forward earnings which is below the long term averages. Markets are expected to remain volatile in the near term, however in longer term, given the strength and resilience of the domestic economy, the Indian equity markets are likely to provide significant opportunities to long term investors and remain the best hedge in an inflationary environment.

C. Operations of the schemes:

The Mutual Fund has recorded commendable growth in Assets Under Management (AUM), in its first year of operation, despite launching the maiden scheme only in August 2010.

Pramerica Mutual Fund launched its first scheme, Pramerica Liquid Fund, in August 2010, followed by Pramerica Ultra Short Term Bond Fund in September 2010. Both these schemes generated lot of investor interest. In November 2010, the Mutual Fund launched two equity schemes, namely, Pramerica Equity Fund and Pramerica Dynamic Fund. To help investors take advantage of the rising interest rates, the Mutual Fund launched Pramerica Short Term Income Fund in January 2011. And in March 2011, the Mutual Fund launched Pramerica Fixed Duration Fund - Series 1, which is now listed on National State Exchange (NSE) and Pramerica Dynamic Monthly Income Fund. The AUM of the Mutual Fund as on March 31, 2011 was ₹ 904.60 crs. with 20,704 number of folios.

2. Brief Background of Sponsor, Fund, Trustee Company and AMC

A. Pramerica Mutual Fund

Pramerica Mutual Fund has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 with Prudential Financial, Inc. ("PFI") as the sponsor and Pramerica Trustees Private Limited (the "Trustee") as the trustee. The Trust Deed has been registered under the Indian Registration Act, 1908 on July 29, 2009 and amended through Deed of Amendment on April 20, 2010. The Mutual Fund has been registered with SEBI on May 13, 2010 under Registration Code MF/065/10/02. The Trustee has entered into an Investment Management Agreement dated 30th July, 2009 read with amendment dated 20th April, 2010 with Pramerica Asset Managers Private Limited (the "AMC") to function as the Investment Manager for all schemes of the Mutual Fund.

B. Sponsor

Pramerica Mutual Fund is sponsored by PFI (the "Sponsor") (www.prudential.com), a company incorporated in the United States of America (U.S.A). Pramerica is a trade name used by the Sponsor and its affiliated companies in select countries outside the U.S.A. PFI is the settlor of the Mutual Fund trust. The Sponsor has entrusted a sum of ₹ 1,00,000/- (Rupees One Lakh only) to the Trustee as the initial contribution towards the corpus of the Mutual Fund. The Sponsor is responsible for discharging its functions and responsibilities towards the Mutual Fund in accordance with SEBI (Mutual Funds) Regulations, 1996, and the various constitutive documents of the Mutual Fund.

PFI and its affiliated companies constitute one of the world's leading financial services groups with approximately US \$ 859 billion (USD) of assets under management as of March 31, 2011 and with over 41,000 employees worldwide. PFI is headquartered in Newark, NJ (USA) and has more than 135 years of financial services experience with operations in the U.S., Asia, Europe, and Latin America. PFI is focused on helping individual and institutional customers grow and protect their wealth and offers a variety of products and services, including life insurance, annuities, retirement-related services, mutual funds, investment management, and real estate services. The firm is ranked 2nd on Fortune Magazine's 2010 List of World's Most Admired Companies in the Insurance: Life and Health Category, 65th on the 2010 Fortune 500 List of America's Largest Corporations and 227th on the 2010 Fortune Global 500 List of the World's Largest Corporations. PFI is not affiliated in any manner with Prudential plc, a company incorporated in the United Kingdom.

C. The Trustee

Pramerica Trustees Private Limited (the "Trustee") is the trustee of Pramerica Mutual Fund.

The Trustee is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Trustee seeks to ensure that the Mutual Fund and the Schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies.

D. The Asset Management Company

Pramerica Asset Managers Private Limited ("the AMC"), has been appointed as the investment manager of Pramerica Mutual Fund by the Trustee under an Investment Management Agreement between the Trustee and the AMC. Further, the AMC has been approved to act as investment manager for Pramerica Mutual Fund by SEBI, vide SEBI's letter no. OW / 5045 / 2010 dated May 13, 2010.

The AMC is wholly owned by PFI, the Sponsor of Pramerica Mutual Fund, through one of PFI's wholly owned 'step-down' subsidiaries, namely, PGLH of Delaware, Inc., a company incorporated and with its principal place of business in the U.S.A.

3. Investment Objectives of the Schemes:

Pramerica Liquid Fund (An Open Ended Liquid Scheme) Investment Objective: To deliver reasonable market related returns with lower risk and higher liquidity through a portfolio of debt and money market instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

Pramerica Ultra Short Term Bond Fund (An Open Ended Debt Scheme) Investment Objective: To provide reasonable returns, commensurate with a low to moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

Pramerica Equity Fund (An Open Ended Equity Scheme) Investment Objective: To achieve long term capital appreciation by investing in an actively managed diversified portfolio consisting of equity and equity related securities including derivatives, debt and money market Instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

Pramerica Dynamic Fund (An Open Ended Dynamic Asset Scheme) Investment Objective: To achieve long term capital appreciation by investing in an actively managed diversified portfolio consisting of equity and equity related securities including derivatives, debt and money market Instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

Pramerica Short Term Income Fund (An Open Ended Income Scheme) Investment Objective: To generate regular returns with moderate level of risk by investing primarily into a portfolio of Debt Securities and Money Market Instruments of short term maturity. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

Pramerica Fixed Duration Fund - Series 1 (A Close Ended Income Scheme) Investment Objective: To provide reasonable returns, commensurate with moderate level of risk, through a portfolio constituted of money market and debt instruments which mature on or before the date of the maturity of the Scheme.

Pramerica Dynamic Monthly Income Fund (An Open Ended Income Scheme) Investment Objective: To generate regular returns through investment in Debt and Money Market Instruments and to generate capital appreciation by investing in equity and equity related instruments. Monthly Income is not assured & is subject to availability of distributable surplus. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

4. Significant Accounting Policies

The Significant Accounting Policies form part of the Notes to the Accounts annexed to the Balance Sheet of the Schemes. The Accounting Policies are in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

5. Unclaimed Dividends and Redemptions

There are no unclaimed dividend or unclaimed redemption amounts under any schemes of the Mutual Fund for the year ended March 31, 2011.

6. Details of Investor Complaints:

The Statement on 'Status of Redressal of Complaints' received against the Mutual Fund during the financial year ended March 31, 2011 is appended below and forms part of the Trustee Report.

Complaint code	Type of Complaint #	(a) No. of complaints pending at the beginning of the year	(b) No. of complaints received during the year	Action on (a) and (b)									
				Resolved				Non Actionable*	Pending				
				Within 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months	
I A	Non receipt of Dividend on Units	-	-	-	-	-	-	-	-	-	-	-	-
I B	Interest on delayed payment of Dividend	-	-	-	-	-	-	-	-	-	-	-	-
I C	Non receipt of Redemption Proceeds	-	3	3	-	-	-	-	-	-	-	-	-
I D	Interest on delayed payment of Redemption	-	-	-	-	-	-	-	-	-	-	-	-
II A	Non receipt of Statement of Account/Unit Certificate	-	31	31	-	-	-	-	-	-	-	-	-
II B	Discrepancy in Statement of Account	-	-	-	-	-	-	-	-	-	-	-	-
II C	Non receipt of Annual Report/Abridged Summary	-	2	2	-	-	-	-	-	-	-	-	-
III A	Wrong switch between Schemes	-	-	-	-	-	-	-	-	-	-	-	-
III B	Unauthorized switch between Schemes	-	-	-	-	-	-	-	-	-	-	-	-
III C	Deviation from Scheme attributes	-	-	-	-	-	-	-	-	-	-	-	-
III D	Wrong or excess charges/load	-	-	-	-	-	-	-	-	-	-	-	-
III E	Non updation of Changes viz. address, PAN, bank details, nomination, etc	-	545	540	5	-	-	-	-	-	-	-	-
IV	Others	-	77	77	-	-	-	-	-	-	-	-	-
	TOTAL	-	658	653	5	-	-	-	-	-	-	-	-

including against its authorized persons/ distributors/ employees. etc.

* Non actionable means the complaint that are incomplete / outside the scope of the mutual fund

7. Statutory Information

- The Sponsor is not responsible or liable for any loss resulting from the operations of the schemes of the Mutual Fund beyond their initial contribution of ₹ 100,000/- for setting up the Mutual Fund, and such other accretions/ additions to the same.
- The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- Full Annual Report shall be disclosed on the website of the Mutual Fund (www.pramerica.com) and shall be available for inspection at the Head Office of the Mutual Fund. Present and prospective unit holders can obtain or copy of the Trust Deed, the full Annual Report of the Fund/AMC at a price.

Acknowledgements

The Trustee thanks the Securities and Exchange Board of India, and the Association of Mutual Funds in India for the guidance provided by them. The Trustee would like to thank all the unit holders for their strong support.

The Trustee also wishes to thank the Mutual Fund's Auditors, Custodian, Registrar & Transfer Agents, Bankers, Distributors, Brokers and all other service providers for their continued support.

For Pramerica Trustee Private Limited

Director

Auditors' Report

To the Board of Directors of
Pramerica Trustees Private Limited
Pramerica Liquid Fund

We have audited the attached Balance Sheet of Pramerica Mutual Fund - Pramerica Liquid Fund ('the Scheme') as at 31 March 2011 and the related Revenue Account for the period 27 August 2010 to 31 March 2011 annexed thereto.

These financial statements are the responsibility of the Board of Directors of Pramerica Trustee Private Limited, Trustee to Pramerica Mutual Fund ('the Fund') and the management of Pramerica Asset Managers Private Limited, being the Investment Manager to the Fund. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 misstatement. 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.

We report thereon as follows :

- We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- The Balance Sheet and the related Revenue Account dealt with by this report are in agreement with the books of account of the Scheme;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period 27 August 2011 to 31 March 2011, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period ended on that date together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - in the case of the Balance Sheet, of the state of affairs of the Scheme as at 31 March 2011; and
 - in the case of the Revenue Account, of the deficit for the period ended on that date.
- In our opinion and to the best of our information and according to the explanations given to us, the methods used to value non-traded/thinly traded securities in good faith are fair and reasonable.

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

Sd/-

Akeel Master
Partner

Mumbai
June 2011

Membership No. : 046768

To the Board of Directors of
Pramerica Trustees Private Limited
Pramerica Ultra Short Term Bond Fund

We have audited the attached Balance Sheet of Pramerica Mutual Fund - Pramerica Ultra Short Term Bond Fund ('the Scheme') as at 31 March 2011 and the related Revenue Account for the period 24 September 2010 to 31 March 2011 annexed thereto.

These financial statements are the responsibility of the Board of Directors of Pramerica Trustee Private Limited, Trustee to Pramerica Mutual Fund ('the Fund') and the management of Pramerica Asset Managers Private Limited, being the Investment Manager to the Fund. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 misstatement. 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.

We report thereon as follows :

- We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- The Balance Sheet and the related Revenue Account dealt with by this report are in agreement with the books of account of the Scheme;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period 24 September 2010 to 31 March 2011, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period ended on that date together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - in the case of the Balance Sheet, of the state of affairs of the Scheme as at 31 March 2011; and
 - in the case of the Revenue Account, of the deficit for the period ended on that date.
- In our opinion and to the best of our information and according to the explanations given to us, the methods used to value non-traded/thinly traded securities in good faith are fair and reasonable.

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

Sd/-

Akeel Master
Partner

Mumbai
June 2011

Membership No. : 046768

Auditors' Report (Contd.)

To the Board of Directors of
Pramerica Trustees Private Limited
Pramerica Equity Fund

We have audited the attached Balance Sheet of Pramerica Mutual Fund - Pramerica Equity Fund ('the Scheme') as at 31 March 2011 and the related Revenue Account for the period 7 December 2010 to 31 March 2011 annexed thereto.

These financial statements are the responsibility of the Board of Directors of Pramerica Trustee Private Limited, Trustee to Pramerica Mutual Fund ('the Fund') and the management of Pramerica Asset Managers Private Limited, being the Investment Manager to the Fund. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 misstatement. 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.

We report thereon as follows :

- We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- The Balance Sheet and the related Revenue Account dealt with by this report are in agreement with the books of account of the Scheme;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period 7 December 2010 to 31 March 2011, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period ended on that date together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the Balance Sheet, of the state of affairs of the Scheme as at 31 March 2011; and
 - in the case of the Revenue Account, of the deficit for the period ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the methods used to value non-traded/thinly traded securities in good faith are fair and reasonable.

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

Sd/-

Akeel Master
Partner

Mumbai
June 2011

Membership No. : 046768

To the Board of Directors of
Pramerica Trustees Private Limited
Pramerica Dynamic Fund

We have audited the attached Balance Sheet of Pramerica Mutual Fund - Pramerica Dynamic Fund ('the Scheme') as at 31 March 2011 and the related Revenue Account for the period 7 December 2010 to 31 March 2011 annexed thereto.

These financial statements are the responsibility of the Board of Directors of Pramerica Trustee Private Limited, Trustee to Pramerica Mutual Fund ('the Fund') and the management of Pramerica Asset Managers Private Limited, being the Investment Manager to the Fund. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 misstatement. 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.

We report thereon as follows:

- We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- The Balance Sheet and the related Revenue Account dealt with by this report are in agreement with the books of account of the Scheme;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period 7 December 2010 to 31 March 2011, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period ended on that date together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the Balance Sheet, of the state of affairs of the Scheme as at 31 March 2011; and
 - in the case of the Revenue Account, of the deficit for the period ended on that date.
- In our opinion and to the best of our information and according to the explanations given to us, the methods used to value non-traded/thinly traded securities in good faith are fair and reasonable.

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

Sd/-

Akeel Master
Partner

Mumbai
June 2011

Membership No. : 046768

Auditors' Report (Contd.)

To the Board of Directors of
Pramerica Trustees Private Limited
Pramerica Short Term Income Fund

We have audited the attached Balance Sheet of Pramerica Mutual Fund - Pramerica Short Term Income Fund ('the Scheme') as at 31 March 2011 and the related Revenue Account for the period 4 February 2010 to 31 March 2011 annexed thereto.

These financial statements are the responsibility of the Board of Directors of Pramerica Trustee Private Limited, Trustee to Pramerica Mutual Fund ('the Fund') and the management of Pramerica Asset Managers Private Limited, being the Investment Manager to the Fund. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 misstatement. 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.

We report thereon as follows:

- We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- The Balance Sheet and the related Revenue Account dealt with by this report are in agreement with the books of account of the Scheme;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period 4 February 2010 to 31 March 2011, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period ended on that date together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the Balance Sheet, of the state of affairs of the Scheme as at 31 March 2011; and
 - in the case of the Revenue Account, of the surplus for the period ended on that date.
- In our opinion and to the best of our information and according to the explanations given to us, the methods used to value non-traded/thinly traded securities in good faith are fair and reasonable.

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

Sd/-

Akeel Master
Partner

Mumbai
June 2011

Membership No. : 046768

To the Board of Directors of
Pramerica Trustees Private Limited
Pramerica Dynamic Monthly Income Fund

We have audited the attached Balance Sheet of Pramerica Mutual Fund - Pramerica Dynamic Monthly Income Fund ('the Scheme') as at 31 March 2011 and the related Revenue Account for the period 22 March 2011 to 31 March 2011 annexed thereto.

These financial statements are the responsibility of the Board of Directors of Pramerica Trustee Private Limited, Trustee to Pramerica Mutual Fund ('the Fund') and the management of Pramerica Asset Managers Private Limited, being the Investment Manager to the Fund. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 misstatement. 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.

We report thereon as follows:

- We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- The Balance Sheet and the related Revenue Account dealt with by this report are in agreement with the books of account of the Scheme;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period 22 March 2011 to 31 March 2011, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period ended on that date together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the Balance Sheet, of the state of affairs of the Scheme as at 31 March 2011; and
 - in the case of the Revenue Account, of the surplus for the period ended on that date.
- In our opinion and to the best of our information and according to the explanations given to us, the methods used to value non-traded/thinly traded securities in good faith are fair and reasonable.

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

Sd/-

Akeel Master
Partner

Mumbai
June 2011

Membership No. : 046768

Auditors' Report (Contd.)

To the Board of Directors of
Pramerica Trustees Private Limited
Pramerica Fixed Duration Fund - Series 1

We have audited the attached Balance Sheet of Pramerica Mutual Fund - Pramerica Fixed Duration Fund- Series 1 ('the Scheme') as at 31 March 2011 and the related Revenue Account for the period 10 March 2011 to 31 March 2011 annexed thereto.

These financial statements are the responsibility of the Board of Directors of Pramerica Trustee Private Limited, Trustee to Pramerica Mutual Fund ('the Fund') and the management of Pramerica Asset Managers Private Limited, being the Investment Manager to the Fund. Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 misstatement. 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.

We report thereon as follows:

- We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
- The Balance Sheet and the related Revenue Account dealt with by this report are in agreement with the books of account of the Scheme;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period 10 March 2010 to 31 March 2011, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable;
- In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet as at 31 March 2011 and the related Revenue Account for the period ended on that date together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - in the case of the Balance Sheet, of the state of affairs of the Scheme as at 31 March 2011; and
 - in the case of the Revenue Account, of the surplus for the period ended on that date.
- In our opinion and to the best of our information and according to the explanations given to us, the methods used to value non-traded/thinly traded securities in good faith are fair and reasonable.

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

Sd/-

Akeel Master
Partner

Mumbai
June 2011

Membership No. : 046768

Balance Sheet

as at 31 March 2011
(Currency : Indian ₹)

<i>Schedules</i>	Pramerica Liquid Fund	Pramerica Ultra Short Term Bond Fund	Pramerica Equity Fund	Pramerica Dynamic Fund	Pramerica Short Term Income Fund	Pramerica Dynamic Monthly Income Fund	Pramerica Fixed Duration Fund - Series 1	
	31 March 2011	31 March 2011	31 March 2011	31 March 2011	31 March 2011	31 March 2011	31 March 2011	
LIABILITIES								
Unit capital	3	1,209,298,169	4,333,616,447	412,876,115	1,254,919,346	404,922,102	1,059,842,656	290,560,000
Reserves and surplus	4	37,323,781	71,783,523	(17,303,872)	(27,044,013)	4,593,201	7,915,528	2,708,548
Current liabilities and provisions	5	3,900,719	35,084,671	12,572,087	15,645,157	498,388	1,600,329	96,032
		<u>1,250,522,669</u>	<u>4,440,484,641</u>	<u>408,144,330</u>	<u>1,243,520,490</u>	<u>410,013,691</u>	<u>1,069,358,513</u>	<u>293,364,580</u>
ASSETS								
Investments	6	1,197,594,550	4,352,957,766	389,824,641	1,191,306,073	404,002,835	1,041,166,565	293,080,131
Deposits	7	48,200,000	52,000,000	-	-	-	-	-
Current assets	8	4,728,119	35,526,875	18,319,689	52,214,417	6,010,856	28,191,948	284,449
		<u>1,250,522,669</u>	<u>4,440,484,641</u>	<u>408,144,330</u>	<u>1,243,520,490</u>	<u>410,013,691</u>	<u>1,069,358,513</u>	<u>293,364,580</u>
Net Asset Value per unit								
Daily Dividend Option		1,000.0450	1,000.2300	-	-	-	-	-
Dividend Option		-	-	9.58	9.78	-	-	-
Weekly Dividend Option		1,000.6977	1,000.8263	-	-	1,002.2721	-	-
Fortnightly Dividend Option		1,001.2057	1,001.0667	-	-	1,002.9569	-	-
Monthly Dividend Option		1,001.2057	1,001.0653	-	-	1,002.9594	10.0745*	-
Quarterly Dividend Option		-	-	-	-	-	-	-
Growth Option		1,045.6892	1,042.1018	9.58	9.78	1,016.7794	10.0746*	1,009.3218

* Units were allotted on 29 March 2011 at ₹ 10. The first NAV was declared on 6 April 2011

Significant accounting policies 2

Notes to financial statements 11

The schedules referred to above form an integral part of this Balance sheet.

As per our attached report of even date.

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

For Pramerica Asset Managers Private Limited

For Pramerica Trustees Private Limited

Sd/-
Akeel Master
Partner
Membership No: 046768

Sd/-
Vijai Mantri
Managing Director
& Chief Executive Officer

Sd/-
Ravi K Kumar
Director

Sd/-
John Praveen
Director

Sd/-
Sujal Shah
Director

Sd/-
Mahendra Jajoo
Fund Manager

Sd/-
Ravi Gopalakrishnan
Fund Manager

Mumbai
28 June 2011

Mumbai
28 June 2011

Mumbai
28 June 2011

Revenue Account

for the period ended 31 March 2011
(Currency: Indian ₹)

Schedules	Pramerica Liquid Fund	Pramerica Ultra Short Term Bond Fund	Pramerica Equity Fund	Pramerica Dynamic Fund	Pramerica Short Term Income Fund	Pramerica Dynamic Monthly Income Fund	Fixed Duration Fund - Series 1
	27 August 2010 to 31 March 2011	24 September 2010 to 31 March 2011	7 December 2010 to 31 March 2011	7 December 2010 to 31 March 2011	4 February 2011 to 31 March 2011	22 March 2011 to 31 March 2011	10 March 2011 to 31 March 2011
INCOME AND GAINS							
Dividend	-	-	702,332	1,437,158	-	76,875	-
Interest and discount income ⁹	325,526,532	210,535,269	838,886	10,139,285	5,008,520	1,691,349	1,649,250
Profit on sale / redemption of investments (other than inter-scheme transfer / sale of investments)	5,728,860	6,466,153	139,794	1,385,325	164,135	164,050	-
Profit on inter-scheme transfer / sale of investments	37,513	49,836	-	-	-	-	-
Load income	-	-	23,588	106,584	-	-	-
Other income	24,212	-	11,087	157,027	25,654	-	-
	<u>331,317,117</u>	<u>217,051,258</u>	<u>1,715,687</u>	<u>13,225,379</u>	<u>5,198,309</u>	<u>1,932,274</u>	<u>1,649,250</u>
EXPENSES AND LOSSES							
Loss on sale / redemption of investments (other than inter-scheme transfer / sale of investments)	932,827	562,436	3,249,163	6,193,574	-	-	-
Loss on inter-scheme transfer / sale of investments	19,885	78,563	456,478	-	13,097	-	-
Management fees	3,499,393	3,131,951	1,585,676	4,468,962	165,373	95,941	16,783
Service tax on management fees	360,437	322,591	163,325	460,303	17,033	9,882	1,729
Registrar and transfer agents fees and expenses	1,180,416	931,753	109,695	318,844	19,059	-	2,345
Custodian fees and transaction charges	320,084	224,362	21,914	68,450	5,665	576	3,775
Trusteeship fees	472,457	285,757	13,992	40,528	5,481	945	1,851
Brokerage and commission	3,397,468	2,782,316	800,730	2,953,324	65,607	42,715	-
Audit fees	131,257	131,257	121,330	121,330	56,253	-	28,678
Other operating expenses ¹⁰	429,214	444,070	354,693	630,241	37,703	47,769	34,825
Provision for depreciation in value of investments	-	-	13,626,411	23,123,558	-	-	-
	<u>10,743,438</u>	<u>8,895,056</u>	<u>20,503,407</u>	<u>38,379,114</u>	<u>385,271</u>	<u>197,828</u>	<u>89,986</u>
Less: Expenses borne by the AMC	(505,370)	(1,163,400)	-	-	(30,846)	(17,283)	(48,029)
	<u>10,238,068</u>	<u>7,731,656</u>	<u>20,503,407</u>	<u>38,379,114</u>	<u>354,425</u>	<u>180,545</u>	<u>41,957</u>
Surplus / (deficit) for the period	321,079,049	209,319,602	(18,787,720)	(25,153,735)	4,843,884	1,751,729	1,607,293
Add / (less): Transfer from equalisation reserve	(208,745,266)	22,632,158	1,160,563	(2,370,157)	1,192,879	-	-
Surplus / (deficit) Appropriation	<u>112,333,783</u>	<u>231,951,760</u>	<u>(17,627,157)</u>	<u>(27,523,892)</u>	<u>6,036,763</u>	<u>1,751,729</u>	<u>1,607,293</u>
Income distributed (including distribution tax)	75,062,355	161,032,795	-	-	2,113,942	-	-
Retained surplus / (deficit) carried forward to the balance sheet	<u>37,271,428</u>	<u>70,918,965</u>	<u>(17,627,157)</u>	<u>(27,523,892)</u>	<u>3,922,821</u>	<u>1,751,729</u>	<u>1,607,293</u>
Significant accounting policies ²							
Notes to financial statements ¹¹							

The schedules referred to above form an integral part of this revenue account.

As per our attached report of even date.

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

For Pramerica Asset Managers Private Limited

For Pramerica Trustees Private Limited

Sd/-
Akeel Master
Partner
Membership No: 046768

Sd/-
Vijai Mantri
Managing Director
& Chief Executive Officer

Sd/-
Ravi K Kumar
Director

Sd/-
John Praveen
Director

Sd/-
Sujal Shah
Director

Sd/-
Mahendra Jajoo
Fund Manager

Sd/-
Ravi Gopalakrishnan
Fund Manager

Mumbai
28 June 2011

Mumbai
28 June 2011

Mumbai
28 June 2011

Schedules to the financial statements for the period ended 31 March 2011 (Currency: Indian ₹)

1. Background

Pramerica Mutual Fund (the Mutual Fund) has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 with Prudential Financial, Inc. ("Pramerica") as the Sponsor and Pramerica Trustees Private Limited as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908 on July 29, 2009 and amended through Deed of amendment on April 20, 2010. The Mutual Fund has been registered with SEBI on May 13, 2010 under Registration Code MF/065/10/02.

Pramerica Liquid Fund

Pramerica Liquid Fund is an open-ended liquid scheme. The scheme seeks to deliver reasonable market related returns with lower risk and higher liquidity through a portfolio of debt and money market instruments.

Pramerica Ultra Short Term Bond Fund

Pramerica Ultra Short Term Bond Fund is an open-ended debt scheme. The objective of the scheme is to provide reasonable returns, commensurate with a low to moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments.

Pramerica Equity Fund

Pramerica Equity Fund is an open-ended equity scheme. The scheme seeks to achieve long term capital appreciation by investing in an actively managed diversified portfolio consisting of equity and equity related securities including derivatives, debt and money market instruments.

Pramerica Dynamic Fund

Pramerica Dynamic Fund is an open-ended dynamic asset scheme. The scheme seeks to achieve long term capital appreciation by investing in an actively managed diversified portfolio consisting of equity and equity related securities including derivatives, debt and money market instruments.

Pramerica Short Term Income Fund

Pramerica Short Term Income Fund is an open-ended income scheme. The objective of the scheme is to generate regular returns with moderate level of risk by investing primarily into a portfolio of Debt Securities and Money Market Instruments of short term maturity.

Pramerica Dynamic Monthly Income Fund

Pramerica Dynamic Monthly Income Fund is an open-ended income scheme. The Objective of the scheme is to generate regular returns through investment in Debt and Money Market instruments and to generate capital appreciation by investing in equity and equity related instruments.

Pramerica Fixed Duration Fund-Series 1

Pramerica Fixed Duration Fund-Series 1 is a close-ended income scheme. The objective of the scheme is to provide reasonable returns, commensurate with moderate level of risk, through a portfolio constituted of money market and debt instruments which mature on or before the date of the maturity of the Scheme.

The following table depicts the launch date and allotment date:

Scheme	New Fund Offer Launch Date	Allotment Date
Pramerica Liquid Fund	23 August 2010	27 August 2010
Pramerica Ultra Short Term Bond Fund	16 September 2010	24 September 2010
Pramerica Equity Fund	19 November 2010	6 December 2010
Pramerica Dynamic Fund	19 November 2010	6 December 2010
Pramerica Short Term Income Fund	27 January 2011	4 February 2011
Pramerica Dynamic Monthly Income fund	8 March 2011	29 March 2011
Pramerica Fixed Duration Fund-Series 1	8 March 2011	10 March 2011

Please note there has been change in Face value for Pramerica Liquid Fund and Pramerica Ultra Short Term Bond Fund from ₹10 to ₹ 1,000 (w.e.f. 15 October 2010).

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention, as modified for investments which are 'marked-to-market', on the accrual basis of accounting and in accordance with the accounting policies and standards specified in the Ninth Schedule of the Regulations, and the accounting standards and guidance notes issued by the Institute of Chartered Accountants of India ('ICAI').

2.2 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and

assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Investments

Basis of accounting

- Transactions for purchase and sale of investments are recorded on trade date. The cost of investments includes all costs incurred in acquiring the investments and incidental to acquisition of investments. Any front end-discount on privately placed investments is reduced from the cost of such investments.
- Bonus entitlements are recognized as investments on the 'ex-bonus date'. Rights entitlements are recognized as investments on the 'ex-rights date'.
- Broken period interest paid/received is not included in the cost of purchase.
- Inter-scheme purchase/sale of securities is recorded at prevailing market rates for equity instruments and at previous day's closing price for debt instruments.

Valuation

- Investments for the purpose of valuation are classified as traded and non-traded in accordance with the provisions of the Regulations.
- Equity securities awaiting listing are valued at a price at which they have been allotted.
- Investments are stated at market/fair value as follows:

Traded equity securities

Traded equity securities are valued at the last quoted price on the National Stock Exchange of India Limited ('NSE'). However, if the securities are not listed on the NSE, the securities are valued at the price quoted at the exchange where it is principally traded. When on a particular valuation day, a security has not been traded on NSE but has been traded on another stock exchange; the value at which it was traded on that stock exchange is used provided it is not more than thirty days prior to the valuation date.

Traded debt securities

Government securities

- Government securities are valued at the average of prices provided by two agencies (CRISIL Limited and ICRA limited) approved by the Association of Mutual Funds of India (AMFI).

Other traded debt and money market securities

- Traded debt securities (other than Government securities) are valued at the last quoted closing price on NSE or the last quoted closing price on the principal exchange on which the security is traded.

Non-traded/ thinly traded equity and equity related securities

- If the equity securities are not traded on any stock exchange for a period of thirty days prior to the valuation date, the securities are treated as 'non-traded' securities.
- When trading in an equity/equity related security (such as convertible debentures, equity warrants, etc.) in a month is less than ₹ 5 lacs or the total volume is less than 50,000 shares, it is considered as a thinly traded security.
- Thinly traded, non-traded and unlisted equity and equity related securities are valued "in good faith" on the basis of net worth per share and earnings capitalization as prescribed by the Regulations.

Non Traded Debt /Money Market Securities

- Non traded debt securities (other than Government securities) are securities that are not traded on any stock exchange for a period of fifteen days prior to the valuation date.
- Debt and money market securities of over 91 days to maturity: Non traded/ thinly traded/ unlisted debt and money market securities are valued in good faith by the investment manager on the basis of valuation principles laid down by the SEBI. The approach in valuation of such securities is based on the concept of using spreads over the benchmark rate to arrive at the yields for the pricing the security.
- Debt and money market securities of upto 91 days to maturity: Non-traded/ thinly traded/unlisted debt and money market securities of upto 91 days to maturity are valued at cost or last valuation price (in case of securities having

Schedules to the financial statements for the period ended 31 March 2011 (Contd.)

(Currency: Indian ₹)

maturity period more than 91 days at the time of purchase) plus difference between the redemption value and the cost or last valuation price spread uniformly over the remaining maturity period of the security. In case of floating rate securities with floor and caps on coupon rate and residual maturity of upto 91 days are valued on amortization basis taking the coupon rate as floor.

Debt securities with put/call options

- Securities with call option are valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option. In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is taken as the value of the instrument.
- Securities with put option are valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option. In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is taken as the value of the instruments.
- The securities with both Put and Call option on the same day would be deemed to mature on the Put/Call day and would be valued at prevailing market price.

Repos

- Instruments bought on 'repo' basis are valued at the resale price after deduction of applicable interest upto date of resale.

Collateralized Borrowings and Lending Obligations (CBLO)

- CBLO is valued at cost plus accrued interest.

2.4 Revenue recognition

Dividend income is recognized on ex-dividend date. Interest income is recorded on a period proportionate basis.

Profit or loss on sale / redemption of investments represents sale proceeds less weighted average cost and is recognised on a trade date basis.

In accordance with the Guidance Note on 'Accounting for Investments in the Financial Statements of Mutual funds' issued by the ICAI (pursuant to the Eleventh Schedule of the Regulations), net unrealized appreciation/depreciation in value of investments and derivatives is determined for each category of investments and derivatives, wherein

the cost is compared with the market/fair value and the resultant appreciation is credited to Unrealized Appreciation Reserve and any depreciation is charged to the revenue account.

2.5 Computation of Net Asset Value (NAV)

The NAV of a scheme is computed separately for units issued under the various options of the relevant plans, although the corresponding scheme's investments and other net assets are managed as a single portfolio. For computing the NAV for various plans/options, daily income earned, including realized and unrealized gains or losses in the value of investments and expenses incurred by the corresponding scheme are allocated to the plans/options in proportion to the net assets of each plan/option.

2.6 Unit premium reserve

When units are issued or redeemed, the net premium or discount to the face value is transferred to the unit premium reserve, after an appropriate portion of the issue proceeds and redemption payout is credited or debited respectively to the equalization reserve. Unit premium reserve is treated at par with unit capital and is not utilized for the determination of distributable surplus.

2.7 Equalisation reserve

The net distributable income (after providing for the net unrealized depreciation in the value of investments) relating to units issued/redeemed is transferred to equalisation reserve for determining the net surplus/deficit, from unit premium reserve.

2.8 Load

Pursuant to SEBI Circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated 30 June, 2009 with effect from August 01, 2009, no entry load is charged. Exit load up to 1% of the redemption value charged to the unit holder by the Scheme on redemption/switch-outs of units is retained by each of the Schemes in a separate account and is utilized for payment of commissions to the distributors and other marketing/selling expenses. Any amount in excess of 1% of the redemption value charged to the unit holder as exit load is credited to the respective Scheme on the date of recording of transaction.

2.9 New Fund Offer expenses

New Fund Offer expenses for Pramerica Liquid Fund, Pramerica Ultra Short Term Bond Fund, Pramerica Equity Fund, Pramerica Dynamic Fund, Pramerica Short Term Income Fund, Pramerica Fixed Duration Fund-Series 1 and Pramerica Dynamic Monthly Income Fund have been borne by the AMC.

Schedules to the financial statements (Contd.)

as at 31 March 2011
(Currency: Indian ₹)

	Pramerica Liquid Fund		Pramerica Ultra Short Term Bond Fund		Pramerica Equity Fund		Pramerica Dynamic Fund	
	31 March 2011	Amounts	31 March 2011	Amounts	31 March 2011	Amounts	31 March 2011	Amounts
	(Units)		(Units)		(Units)		(Units)	
3 UNIT CAPITAL								
Issued and subscribed:								
Units of ₹ 10 each fully paid up (₹ 1,000 each fully paid up for Pramerica Liquid Fund, Pramerica Ultra Short Term Bond Fund, Pramerica Short Term Income Fund and Pramerica Fixed Duration Fund - Series 1)								
Daily Dividend Option								
Units issued, initial offer	172,208,699.900	172,208,699.900	105,258,889.079	105,258,889.079	-	-	-	-
Units issued during the period	426,074,905.808	426,074,905.808	207,726,147.036	207,726,147.036	-	-	-	-
Units repurchased during the period	(597,908,748.909)	(597,908,748.909)	(310,949,809.565)	(310,949,809.565)	-	-	-	-
Units outstanding, end of the period	374,856.799	374,856.799	2,035,226.550	2,035,226.550	-	-	-	-
Dividend Option								
Units issued, initial offer	-	-	-	-	14,367,834.964	143,678,350	50,091,248.567	500,912,486
Units issued during the period	-	-	-	-	2,792,465.541	27,924,655	5,593,262.507	55,932,625
Units repurchased during the period	-	-	-	-	(984,615.881)	(9,846,159)	(6,879,441.280)	(68,794,413)
Units outstanding, end of the period	-	-	-	-	16,175,684.624	161,756,846	48,805,069.794	488,050,698
Weekly Dividend Option								
Units issued, initial offer	6,647,001.000	6,647,001.000	1,225,885.808	1,225,885.808	-	-	-	-
Units issued during the period	29,761,248.569	29,761,248.569	10,787,309.487	10,787,309.487	-	-	-	-
Units repurchased during the period	(36,395,347.182)	(36,395,347.182)	(11,469,118.147)	(11,469,118.147)	-	-	-	-
Units outstanding, end of the period	12,902.387	12,902.387	544,077.148	544,077.148	-	-	-	-
Fortnightly Dividend Option								
Units issued, initial offer	287,800.000	287,800.000	1,341,000.000	1,341,000.000	-	-	-	-
Units issued during the period	12,737.185	12,737.185	244,285.656	244,285.656	-	-	-	-
Units repurchased during the period	(300,162.450)	(300,162.450)	(1,533,980.493)	(1,533,980.493)	-	-	-	-
Units outstanding, end of the period	374.735	374.735	51,305.163	51,305.163	-	-	-	-
Monthly Dividend Option								
Units issued, initial offer	708,850.000	708,850.000	938,525.814	938,525.814	-	-	-	-
Units issued during the period	90,433.416	90,433.416	310,152.288	310,152.288	-	-	-	-
Units repurchased during the period	(794,319.115)	(794,319.115)	(1,227,026.069)	(1,227,026.069)	-	-	-	-
Units outstanding, end of the period	4,964.301	4,964.301	21,652.033	21,652.033	-	-	-	-
Growth Option								
Units issued, initial offer	485,598,900.000	485,598,900.000	231,167,446.456	231,167,446.456	26,273,378.306	262,733,783	61,825,856.974	618,258,570
Units issued during the period	3,213,718,320.809	3,213,718,320.809	130,355,695.460	130,355,695.460	7,849,215.730	78,492,157	20,772,614.494	207,726,145
Units repurchased during the period	(3,698,501,020.862)	(3,698,501,020.862)	(359,841,786.363)	(359,841,786.363)	(9,010,667.095)	(90,106,671)	(5,911,606.600)	(59,116,066)
Units outstanding, end of the period	816,199.947	816,199.947	1,681,355.553	1,681,355.553	25,111,926.941	251,119,269	76,686,864.868	766,868,649
Total								
Units issued, initial offer	665,451,250.900	665,451,250.900	339,931,747.157	339,931,747.157	40,641,213.270	406,412,133	111,917,105.541	1,119,171,055
Units issued during the period	3,669,657,645.787	3,669,657,645.787	349,423,589.927	349,423,589.927	10,641,681.271	106,416,812	26,365,877.001	263,658,770
Units repurchased during the period	(4,333,899,598.518)	(4,333,899,598.518)	(685,021,720.637)	(685,021,720.637)	(9,995,282.976)	(99,952,830)	(12,791,047.880)	(127,910,479)
Units outstanding, end of the period	1,209,298.169	1,209,298.169	4,333,616.447	4,333,616.447	41,287,611.565	412,876,115	125,491,934.662	1,254,919,346

Schedules to the financial statements (Contd.)

as at 31 March 2011

(Currency: Indian ₹)

	Pramerica Short Term Income Fund		Pramerica Dynamic Monthly Income Fund		Pramerica Fixed Duration Fund - Series 1	
	31 March 2011 (Units)	Amounts	31 March 2011 (Units)	Amounts	31 March 2011 (Units)	Amounts
3 UNIT CAPITAL						
Issued and subscribed:						
Units of ₹ 10 each fully paid up (₹ 1,000 each fully paid up for Pramerica Liquid Fund, Pramerica Ultra Short Term Bond Fund, Pramerica Short Term Income Fund and Pramerica Fixed Duration Fund - Series 1)						
Daily Dividend Option						
Units issued, initial offer	-	-	-	-	-	-
Units issued during the period	-	-	-	-	-	-
Units repurchased during the period	-	-	-	-	-	-
Units outstanding, end of the period	-	-	-	-	-	-
Dividend Option						
Units issued, initial offer	-	-	-	-	-	-
Units issued during the period	-	-	-	-	-	-
Units repurchased during the period	-	-	-	-	-	-
Units outstanding, end of the period	-	-	-	-	-	-
Weekly Dividend Option						
Units issued, initial offer	21,162.590	21,162,590	-	-	-	-
Units issued during the period	6,365.161	6,365,161	-	-	-	-
Units repurchased during the period	(605.331)	(605,331)	-	-	-	-
Units outstanding, end of the period	26,922.420	26,922,420	-	-	-	-
Fortnightly Dividend Option						
Units issued, initial offer	10.000	10,000	-	-	-	-
Units issued during the period	14,145.982	14,145,982	-	-	-	-
Units repurchased during the period	(10.000)	(10,000)	-	-	-	-
Units outstanding, end of the period	14,145.982	14,145,982	-	-	-	-
Monthly Dividend Option						
Units issued, initial offer	125,000.000	125,000,000	22,481,307.100	224,813,071	-	-
Units issued during the period	1,914.481	1,914,481	-	-	-	-
Units repurchased during the period	(10,050.691)	(10,050,691)	-	-	-	-
Units outstanding, end of the period	116,863.790	116,863,790	22,481,307.100	224,813,071	-	-
Growth Option						
Units issued, initial offer	98,576.588	98,576,588	83,502,958.545	835,029,585	290,560.000	290,560,000
Units issued during the period	148,428.322	148,428,322	-	-	-	-
Units repurchased during the period	(15.000)	(15,000)	-	-	-	-
Units outstanding, end of the period	246,989.910	246,989,910	83,502,958.545	835,029,585	290,560.000	290,560,000
Total						
Units issued, initial offer	244,749.178	244,749,178	105,984,265.645	1,059,842,656	290,560.000	290,560,000
Units issued during the period	170,853.946	170,853,946	-	-	-	-
Units repurchased during the period	(10,681.022)	(10,681,022)	-	-	-	-
Units outstanding, end of the period	404,922.102	404,922,102	105,984,265.645	1,059,842,656	290,560.000	290,560,000

Schedules to the financial statements (Contd.)

as at 31 March 2011

(Currency : Indian ₹)

	Pramerica Liquid Fund	Pramerica Ultra Short Term Bond Fund	Pramerica Equity Fund	Pramerica Dynamic Fund	Pramerica Short Term Income Fund	Pramerica Dynamic Monthly Income Fund	Pramerica Fixed Duration Fund - Series 1
	31 March 2011	31 March 2011	31 March 2011	31 March 2011	31 March 2011	31 March 2011	31 March 2011
4 RESERVES AND SURPLUS							
Unit premium reserve							
Additions / (redemptions) during the period	(208,721,867)	22,705,117	1,386,192	(2,109,112)	1,267,890	-	-
Transfer to equalisation reserve	208,745,266	(22,632,158)	(1,160,563)	2,370,157	(1,192,879)	-	-
Closing balance	23,399	72,959	225,629	261,045	75,011	-	-
Equalisation reserve							
Additions during the period	(208,745,266)	22,632,158	1,160,563	(2,370,157)	1,192,879	-	-
Transferred to revenue account	208,745,266	(22,632,158)	(1,160,563)	2,370,157	(1,192,879)	-	-
Closing balance	-	-	-	-	-	-	-
Unrealised appreciation reserve							
Additions during the period	28,954	791,599	97,656	218,834	595,369	6,163,799	1,101,255
Closing balance	28,954	791,599	97,656	218,834	595,369	6,163,799	1,101,255
Retained surplus / (deficit)							
transferred from revenue account	37,271,428	70,918,965	(17,627,157)	(27,523,892)	3,922,821	1,751,729	1,607,293
	37,323,781	71,783,523	(17,303,872)	(27,044,013)	4,593,201	7,915,528	2,708,548
Reserves and surplus for each option are							
Growth Option	25,553,479	28,550,198	(10,524,668)	(16,526,131)	2,816,769	6,236,515	2,708,548
Dividend Option	-	-	(6,779,203)	(10,517,882)	-	-	-
Daily Dividend Option	11,223,693	33,170,503	-	-	-	-	-
Weekly Dividend Option	386,566	8,872,758	-	-	302,653	-	-
Fortnightly Dividend Option	11,233	836,881	-	-	159,133	-	-
Monthly Dividend Option	148,810	353,184	-	-	1,314,646	1,679,013	-
Quarterly Dividend Option	-	-	-	-	-	-	-
	37,323,781	71,783,523	(17,303,872)	(27,044,013)	4,593,201	7,915,528	2,708,548
5 CURRENT LIABILITIES AND PROVISIONS							
Management fees payable	508,936	489,581	409,369	1,196,009	99,989	95,239	16,660
Payable for units repurchased	-	419,686	1,375,271	6,516,463	-	-	-
Switch out payable	70,408	4,000	8,329,162	2,389,012	-	-	-
Commission payable	1,492,641	1,918,689	1,759,978	4,170,076	92,248	42,715	-
Subscription pending allotment	-	30,000,000	-	-	-	-	-
Tax deducted at source payable	164,038	152,873	79,563	192,081	21,508	11,608	7,710
Distribution income payable	96,801	809,932	-	-	171,063	-	-
Audit fees payable	131,257	131,257	121,330	121,330	56,253	-	28,678
Registrar and transfer agent fees payable	1,180,416	931,753	109,695	318,844	19,059	-	2,345
Other liabilities	256,222	226,900	387,719	741,342	38,268	1,450,767	40,639
	3,900,719	35,084,671	12,572,087	15,645,157	498,388	1,600,329	96,032

Schedules to the financial statements (Contd.)

11. Notes to accounts

11.1 Investment management fees

The schemes have paid or provided for investment management fees in accordance with the agreement with the AMC as amended from time to time and the Offer Document. In terms of the Offer Document, the AMC is entitled to receive such fee upto an annual rate of 1.25% of the scheme's average daily net assets on the first Rs 100 crores and @ 1% on the excess amount over Rs 100 crores. For the current period, the schemes have accrued investment management fees at a percentage of average daily net assets as follows:

Scheme Name	Average daily net assets (₹)	Management fees	
		Current period Amount (₹)	Percentage*
Pramerica Liquid Fund	7,197,202,898	3,499,393	0.08%
Pramerica Ultra Short Term Bond Fund	5,006,282,507	3,131,951	0.12%
Pramerica Equity Fund	399,103,244	1,585,676	1.25%
Pramerica Dynamic Fund	1,156,144,431	4,468,962	1.22%
Pramerica Short Term Income Fund	324,669,516	165,373	0.33%
Pramerica Dynamic Monthly Income Fund	1,051,140,720	95,941	1.11%
Pramerica Fixed Duration Fund-Series 1	291,693,667	16,783	0.10%

*Annualized from the date of allotment for respective schemes.

11.2 Trustee fees

The schemes have paid or provided for trustee fees in accordance with the agreement with the Trustee as amended from time to time and the Offer Document. In terms of the Offer Document, the Trustee is entitled to receive such fee upto an annual rate of 0.01% of the scheme's average daily net assets

11.3 Custodian fees

Citibank N.A. provides custodian services to the schemes for which it receives custodian fees as per the terms of the custodian agreement.

11.4 Income tax

No accounting for income tax has been made as the schemes qualify as a recognised Mutual Fund under section 10 (23D) of the Income Tax Act, 1961 and the Direct Tax Laws (Amendment) Act, 1988.

11.5 Aggregate value of purchases and sales

The aggregate value of investments purchased and sold (including redeemed) during the period and these amounts as a percentage of average daily net assets are as follows:

Scheme	Current period	
	Purchases* (₹)	Percentage
Pramerica Liquid Fund	69,323,558,645	963.20%
Pramerica Ultra Short Term Bond Fund	38,437,383,989	767.78%
Pramerica Equity Fund	441,991,552	110.75%
Pramerica Dynamic Fund	1,808,899,756	156.46%
Pramerica Short Term Income Fund	1,052,347,174	324.13%
Pramerica Dynamic Monthly Income fund	1,078,902,547	102.64%
Pramerica Fixed Duration Fund-Series 1	457,725,350	156.92%

11.8 Income and expenditure

The total income (net of loss on sale of investments and net change in unrealised depreciation in value of investments) and expenditure and these amounts as a percentage of the scheme's average daily net assets :

Scheme Name	Average Daily Net Assets (₹)	Expenses		Income	
		Current period		Current period	
		Amount (₹)	Percentage*	Amount (₹)	Percentage**
Pramerica Liquid Fund	7,197,202,898	9,285,356	0.22%	330,364,405	4.59%
Pramerica Ultra Short Term Bond Fund	5,006,282,507	7,090,659	0.27%	216,410,259	4.32%
Pramerica Equity Fund	399,103,244	3,171,354	2.50%	(15,616,366)	(3.91%)
Pramerica Dynamic Fund	1,156,144,431	9,061,983	2.47%	(16,091,753)	(1.39%)
Pramerica Short Term Income Fund	324,669,516	341,330	0.69%	5,185,212	1.60%
Pramerica Dynamic Monthly Income fund	1,051,140,720	180,545	2.09%	1,932,274	0.18%
Pramerica Fixed Duration Fund-Series 1	291,693,667	41,956	0.25%	1,649,250	0.57%

*Annualized from the date of allotment for respective schemes.

** Annualized from the date of commencement of investment activities for respective schemes.

Scheme	Current period	
	Sales* (₹)	Percentage
Pramerica Liquid Fund	68,666,741,583	954.08%
Pramerica Ultra Short Term Bond Fund	34,274,465,735	684.63%
Pramerica Equity Fund	35,072,206	8.79%
Pramerica Dynamic Fund	594,664,459	51.44%
Pramerica Short Term Income Fund	654,025,153	201.44%
Pramerica Dynamic Monthly Income fund	45,590,150	4.34%
Pramerica Fixed Duration Fund-Series 1	167,278,950	57.35%

* Excludes CBO, reverse repos and fixed deposits and calculated from the date of commencement of investment activities for respective schemes.

11.6 Appreciation/depreciation on investments

The aggregate appreciation and depreciation in the value of investments is as follows:

Scheme / category of investment	As at 31 March 2011	
	Appreciation (₹)	Depreciation (₹)
Pramerica Liquid Fund		
Certificate of deposits	29,079	123
Commercial papers	-	-
Pramerica Ultra Short Term Bond Fund		
Commercial papers	647,030	4
Certificate of deposits	148,322	3,749
Pramerica Equity Fund		
Equity shares	6,365,151	19,991,563
Corporate bonds	97,656	-
Pramerica Dynamic Fund		
Equity shares	15,373,566	38,492,534
Corporate bonds	218,834	-
Certificate of deposits	82,691	87,281
Pramerica Short Term Income Fund		
Commercial papers	323,468	-
Certificate of deposits	271,914	14
Pramerica Dynamic Monthly Income Fund		
Equity shares	5,418,800	268,792
Commercial papers	646,937	-
Certificate of deposits	366,860	6
Pramerica Fixed Duration Fund-Series 1		
Certificate of deposits	1,101,255	-

11.7 Non-traded investments

The aggregate fair value of non-traded/thinly traded investments (as defined by the Regulations) is as follows:

Scheme	As at 31 March 2011
Pramerica Liquid Fund	1,197,594,550
Pramerica Ultra Short Term Bond Fund	4352,957,766
Pramerica Equity Fund	-
Pramerica Dynamic Fund	351,135,760
Pramerica Short Term Income Fund	404,002,835
Pramerica Dynamic Monthly Income fund	853,181,158
Pramerica Fixed Duration Fund-Series 1	293,080,131

For details of non-traded / thinly traded investments which individually exceed 5% of the NAV at the end of the year refer note in Annexure A.

Schedules to the financial statements *(Contd.)*

11.9 Disclosure under regulation 25(8) of SEBI Regulations

- a) No brokerage / commission has been paid to associates/related parties/group companies of Sponsor/AMC.
 b) There are no investments made by the schemes during the year in the issues lead managed by associate companies.

11.10 Disclosure under regulation 25(11) of the Regulations - Details of investment in companies that hold more than 5% of NAV of any scheme of the Fund:

Company Name	Schemes invested in by the Company	Investment made by schemes of Pramerica Mutual Fund in the company/subsidiary	Aggregate cost of acquisition during the period ended 31st Mar 2011	Outstanding as at 31st March 2011 (At Market / Fair Value)
ACC Limited	Pramerica Ultra Short Term Bond Fund	Pramerica Dynamic Fund	10,688,680	10,809,973
		Pramerica Dynamic Monthly Income Fund	6,013,110	6,200,154
		Pramerica Equity Fund	5,255,743	5,265,295
Bank of India	Pramerica Liquid Fund	Pramerica Liquid Fund	994,643,250	-
		Pramerica Ultra Short Term Bond Fund	249,746,750	-
Corporation Bank	Pramerica Liquid Fund	Pramerica Liquid Fund	493,317,250	-
		Pramerica Ultra Short Term Bond Fund	941,479,850	-
EXIM Bank Limited	Pramerica Liquid Fund	Pramerica Liquid Fund	1,606,964,797	-
		Pramerica Ultra Short Term Bond Fund	711,844,246	-
HDFC Bank Limited	Pramerica Liquid Fund	Pramerica Dynamic Fund	40,742,107	43,046,348
		Pramerica Equity Fund	19,723,859	20,197,769
		Pramerica Liquid Fund	297,410,400	-
		Pramerica Ultra Short Term Bond Fund	590,415,400	-
		Pramerica Dynamic Monthly Income Fund	9,839,717	10,180,989
Hindalco Industries Limited	Pramerica Liquid Fund Pramerica Ultra Short Term Bond Fund Pramerica Short Term Income Fund	Pramerica Dynamic Fund	17,827,742	-
		Pramerica Equity Fund	8,013,377	-
		Pramerica Dynamic Monthly Income Fund	4,001,984	-
Housing Development Finance Corporation Limited	Pramerica Liquid Fund	Pramerica Dynamic Fund	34,955,841	35,613,948
		Pramerica Equity Fund	16,634,901	16,751,668
		Pramerica Dynamic Monthly Income Fund	9,954,189	10,461,904
IDBI Bank Limited	Pramerica Liquid Fund	Pramerica Liquid Fund	994,974,000	-
		Pramerica Ultra Short Term Bond Fund	797,808,550	49,949,600
		Pramerica Dynamic Fund	4,318,929	-
		Pramerica Equity Fund	2,022,974	-
		Pramerica Short Term Income Fund	49,256,300	-
Infrastructure Leasing and Financial Services Limited	Pramerica Liquid Fund	Pramerica Liquid Fund	249,653,000	-
ILandFS Financial Services Limited	Pramerica Liquid Fund	Pramerica Liquid Fund	295,649,700	-
		Pramerica Ultra Short Term Bond Fund	644,675,800	-
Infrastructure Development Finance Company Limited	Pramerica Liquid Fund Pramerica Ultra Short Term Bond Fund	Pramerica Liquid Fund	248,985,000	-
		Pramerica Dynamic Fund	86,511,711	7,767,104
		Pramerica Equity Fund	4,050,475	3,614,548
Jindal Saw Limited	Pramerica Liquid Fund Pramerica Ultra Short Term Bond Fund	Pramerica Liquid Fund	248,265,500	-
		-	-	-
Punjab National Bank	Pramerica Liquid Fund	Pramerica Dynamic Fund	17,267,176	17,305,229
		Pramerica Equity Fund	8,315,386	8,222,106
		Pramerica Liquid Fund	2,763,419,650	249,695,750
		Pramerica Ultra Short Term Bond Fund	2,668,957,912	497,238,750
		Pramerica Dynamic Monthly Income Fund	201,076,481	201,808,040
		Pramerica Fixed Duration Fund- Series 1	17,739,306	-
		Pramerica Short Term Income Fund	97,610,400	48,875,500
Reliance Capital Limited	Pramerica Ultra Short Term Bond Fund	Pramerica Liquid Fund	742,942,250	-
Religare Finvest Limited	Pramerica Liquid Fund	Pramerica Liquid Fund	2,942,631,713	-
		Pramerica Ultra Short Term Bond Fund	2,127,544,882	90,348,800
		Pramerica Dynamic Monthly Income Fund	89,495,900	90,348,800
		Pramerica Short Term Income Fund	54,730,740	45,174,400
Sun Pharmaceuticals Industries Limited	Pramerica Liquid Fund	Pramerica Dynamic Fund	13,115,752	13,151,100
		Pramerica Equity Fund	6,254,104	6,252,525
		Pramerica Dynamic Monthly Income Fund	6,082,590	5,982,600
Union Bank of India	Pramerica Liquid Fund	Pramerica Liquid Fund	892,569,000	-
		Pramerica Ultra Short Term Bond Fund	887,327,350	248,020,500

Schedules to the financial statements *(Contd.)*

11.11 Details of large holdings

Details of unit holdings over 25% of the net assets as at 31 March 2011: Nil

11.12 Portfolio holding (market / fair value) as at 31 March 2011:

Refer Annexure A

11.13 Unpaid redemption and unclaimed dividend

As at 31 March 2011, unpaid redemption and unclaimed dividend aggregate ₹ NIL.

11.14 Other Income

Other income includes plan wise recovery from Registrar and Transfer Agent towards back dated transactions.

11.15 Prior period comparatives

The schemes were launched during the current financial period and hence, there are no prior period comparatives.

For B S R & Co.

Chartered Accountants

Firm's Registration No: 101248W

Sd/-
Akeel Master

Partner

Membership No: 046768

Mumbai
28 June 2011

For Pramerica Asset Managers Private Limited

Sd/-
Vijai Mantri
Managing Director
& Chief Executive Officer

Sd/-
Mahendra Jajoo
Fund Manager

Mumbai
28 June 2011

For Pramerica Trustees Private Limited

Sd/-
John Praveen
Director

Sd/-
Sujal Shah
Director

Mumbai
28 June 2011

KEY STATISTICS FOR THE YEAR/PERIOD ENDED 31.03.11

	Pramerica Liquid Fund*	Pramerica Ultra Short Term Bond Fund*	Pramerica Equity Fund	Pramerica Dynamic Fund	Pramerica Short Term Income Fund	Pramerica Dynamic Monthly Income Fund**	Pramerica Fixed Duration Fund - Series 1
	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11
1. NAV per unit (Rs.)							
Open							
Dividend Option	NA	NA	NA	NA	NA	NA	NA
Daily Dividend Option	NA	NA	NA	NA	NA	NA	NA
Weekly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Fortnightly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Monthly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	NA	NA	NA	NA	NA	NA	NA
High							
Dividend Option	NA	NA	10.25	10.19	NA	NA	NA
Daily Dividend Option	1,000.0450	1,000.4054	NA	NA	NA	NA	NA
Weekly Dividend Option	1,001.4130	NA	NA	NA	1,002.5371	NA	NA
Fortnightly Dividend Option	1,003.3332	1,003.4238	NA	NA	1,003.7895	NA	NA
Monthly Dividend Option	1,006.7241	1,006.7169	NA	NA	1,006.6588	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,045.6892	1,042.1018	10.25	10.19	1,016.7794	NA	1,009.3218
Low							
Dividend Option	NA	NA	8.66	9.08	NA	NA	NA
Daily Dividend Option	1,000.0000	1,000.0000	NA	NA	NA	NA	NA
Weekly Dividend Option	1,000.0000	NA	NA	NA	1,000.0000	NA	NA
Fortnightly Dividend Option	1,000.0000	1,000.0000	NA	NA	1,000.0001	NA	NA
Monthly Dividend Option	1,000.0000	1,000.0000	NA	NA	1,000.0000	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,000.1571	1,000.7050	8.66	9.08	1,000.9619	NA	1,001.3292
End							
Dividend Option	NA	NA	9.58	9.78	NA	10.0745	NA
Daily Dividend Option	1,000.0450	1,000.2300	NA	NA	NA	NA	NA
Weekly Dividend Option	1,000.6977	1,000.8263	NA	NA	1,002.2721	NA	NA
Fortnightly Dividend Option	1,001.2057	1,001.0667	NA	NA	1,002.9569	NA	NA
Monthly Dividend Option	1,001.2057	1,001.0653	NA	NA	1,002.9594	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,045.6892	1,042.1018	9.58	9.78	1,016.7794	10.0746	1,009.3218
2. Repurchase Price per unit (Rs.)							
Open							
Dividend Option	NA	NA	NA	NA	NA	NA	NA
Daily Dividend Option	NA	NA	NA	NA	NA	NA	NA
Weekly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Fortnightly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Monthly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	NA	NA	NA	NA	NA	NA	NA
High							
Dividend Option	NA	NA	10.15	10.09	NA	NA	NA
Daily Dividend Option	1,000.0450	1,000.4054	NA	NA	NA	NA	NA
Weekly Dividend Option	1,001.4130	NA	NA	NA	1,000.0308	NA	NA
Fortnightly Dividend Option	1,003.3332	1,003.4238	NA	NA	1,001.2800	NA	NA
Monthly Dividend Option	1,006.7241	1,006.7169	NA	NA	1,004.1422	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,045.6892	1,042.1018	10.15	10.09	1,014.2375	NA	1,009.3218
Low							
Dividend Option	NA	NA	8.57	8.99	NA	NA	NA
Daily Dividend Option	1,000.0000	1,000.0000	NA	NA	NA	NA	NA
Weekly Dividend Option	1,000.0000	NA	NA	NA	997.5000	NA	NA
Fortnightly Dividend Option	1,000.0000	1,000.0000	NA	NA	997.5001	NA	NA
Monthly Dividend Option	1,000.0000	1,000.0000	NA	NA	997.5000	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,000.1571	1,000.7050	8.57	8.99	998.4595	NA	1,001.3292
End							
Dividend Option	NA	NA	9.48	9.68	NA	NA	NA
Daily Dividend Option	1,000.0450	1,000.2300	NA	NA	NA	NA	NA
Weekly Dividend Option	1,000.6977	1,000.8263	NA	NA	999.7664	NA	NA
Fortnightly Dividend Option	1,001.2057	1,001.0667	NA	NA	1,000.4495	NA	NA
Monthly Dividend Option	1,001.2057	1,001.0653	NA	NA	1,000.4520	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,045.6892	1,042.1018	9.48	9.68	1,014.2375	NA	1,009.3218

KEY STATISTICS FOR THE YEAR/PERIOD ENDED 31.03.11 (Contd.)

	Pramerica Liquid Fund*	Pramerica Ultra Short Term Bond Fund*	Pramerica Equity Fund	Pramerica Dynamic Fund	Pramerica Short Term Income Fund	Pramerica Dynamic Monthly Income Fund**	Pramerica Fixed Duration Fund - Series 1
	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11	Period Ended 31.03.11
3. Resale Price per unit (Rs.)							
Open							
Dividend Option	NA	NA	NA	NA	NA	NA	NA
Daily Dividend Option	NA	NA	NA	NA	NA	NA	NA
Weekly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Fortnightly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Monthly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	NA	NA	NA	NA	NA	NA	NA
High							
Dividend Option	NA	NA	10.25	10.19	NA	NA	NA
Daily Dividend Option	1,000.0450	1,000.4054	NA	NA	NA	NA	NA
Weekly Dividend Option	1,001.4130	NA	NA	NA	1,002.5371	NA	NA
Fortnightly Dividend Option	1,003.3332	1,003.4238	NA	NA	1,003.7895	NA	NA
Monthly Dividend Option	1,006.7241	1,006.7169	NA	NA	1,006.6588	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,045.6892	1,042.1018	10.25	10.19	1,016.7794	NA	1,009.3218
Low							
Dividend Option	NA	NA	8.66	9.08	NA	NA	NA
Daily Dividend Option	1,000.0000	1,000.0000	NA	NA	NA	NA	NA
Weekly Dividend Option	1,000.0000	NA	NA	NA	1,000.0000	NA	NA
Fortnightly Dividend Option	1,000.0000	1,000.0000	NA	NA	1,000.0010	NA	NA
Monthly Dividend Option	1,000.0000	1,000.0000	NA	NA	1,000.0000	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,000.1571	1,000.7050	8.66	9.08	1,000.9619	NA	1,001.3292
End							
Dividend Option	NA	NA	9.58	9.78	NA	NA	NA
Daily Dividend Option	1,000.0450	1,000.2300	NA	NA	NA	NA	NA
Weekly Dividend Option	1,000.6977	1,000.8263	NA	NA	1,002.2721	NA	NA
Fortnightly Dividend Option	1,001.2057	1,001.0667	NA	NA	1,002.9569	NA	NA
Monthly Dividend Option	1,001.2057	1,001.0653	NA	NA	1,002.9594	NA	NA
Quarterly Dividend Option	NA	NA	NA	NA	NA	NA	NA
Growth Option	1,045.6892	1,042.1018	9.58	9.78	1,016.7794	NA	1,009.3218
* Refers to computed NAV as the Face Value was changed from Rs.10 to Rs.1000 w.e.f 15 October 2011							
** Units were allotted on 29 March 2011 at Rs.10.The first NAV was declared on 6 April 2011.Hence the High /Low data is not applicable							
2. Closing Assets Under Management (Rs. in Lakhs)							
End	12,466.22	44,054.00	3,955.72	12,278.75	4,095.15	10,677.58	2,932.69
Average (AAUM)	71,972.03	50,062.83	3,991.03	11,561.44	3,246.70	10,607.76	2,916.94
3. Gross income as % of AAUM	4.59%	4.32%	-3.91%	-1.39%	1.60%	0.18%	0.57%
4. Expense Ratio:							
a. Total Expense as % of AAUM	0.22%	0.27%	2.50%	2.47%	0.69%	2.09%	0.25%
b. Management Fee as % of AAUM	0.08%	0.12%	1.25%	1.22%	0.33%	1.11%	0.10%
5. Net Income as % of AAUM	4.46%	4.18%	-4.71%	-2.18%	1.49%	0.17%	0.55%
6. Portfolio turnover ratio	NA	NA	0.09%	0.05%	NA	NA	NA
7. Total Dividend per unit distributed during the year / period							
Individual & HUF							
Daily Dividend Option	28.259993	32.543030	-	-	-	-	-
Weekly Dividend Option	28.056436	32.358721	-	-	12.437371	-	-
Fortnightly Dividend Option	27.681830	32.175248	-	-	10.574518	-	-
Monthly Dividend Option	29.793651	35.409085	-	-	11.867437	-	-
Quarterly Dividend Option	-	-	-	-	-	-	-
Others							
Daily Dividend Option	28.259993	30.331167	-	-	-	-	-
Weekly Dividend Option	28.056436	30.159387	-	-	11.591782	-	-
Fortnightly Dividend Option	27.681830	29.987722	-	-	9.855579	-	-
Monthly Dividend Option	29.793651	33.001697	-	-	11.060595	-	-
Quarterly Dividend Option	-	-	-	-	-	-	-
8. Returns:							
a. Last One Year							
Scheme #	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Benchmark #	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
b. Since Inception							
Scheme *	4.57%	4.21%	-4.20%	-2.20%	1.68%	0.75%	0.93%
Benchmark *	4.27%	3.81%	-2.65%	-0.58%	1.39%	0.27%	0.55%
Benchmark Index	CRISIL Liquid Fund Index	CRISIL Liquid Fund Index	S&P CNX Nifty Index	S&P CNX Nifty Index (50%) and CRISIL MIP Blended Index (50%)	CRISIL Short Term Bond Fund Index	CRISIL MIP Blended Index	CRISIL Short Term Bond Fund Index
* Since all Schemes have not completed one year, returns are computed in absolute terms from the date of launch.							
# Since all Schemes have not completed one year, no returns given for last one year							

Annexure A
Portfolio holding (market / fair value)

as at 31 March 2011

(Currency: Indian ₹)

	Pramerica Liquid Fund		Pramerica Ultra Short Term Bond Fund		Pramerica Equity Fund		Pramerica Dynamic Fund	
	Amount (₹)	%	Amount (₹)	%	Amount (₹)	%	Amount (₹)	%
Equity Shares								
Auto:								
Bajaj Auto Limited	-	-	-	-	3,950,775	1.01	8,340,525	0.99
Mahindra & Mahindra Limited	-	-	-	-	7,899,948	2.03	16,745,369	1.99
Tata Motors Limited	-	-	-	-	9,387,592	2.41	20,435,490	2.43
Banks:								
HDFC Bank Limited	-	-	-	-	20,197,769	5.18	43,046,348	5.12
ICICI Bank Limited	-	-	-	-	32,660,012	8.37	69,985,740	8.33
State Bank of India	-	-	-	-	8,129,982	2.09	17,476,696	2.08
Punjab National Bank	-	-	-	-	8,222,106	2.11	17,305,229	2.06
Axis Bank Limited	-	-	-	-	10,795,607	2.77	23,682,950	2.82
Cement:								
ACC Limited	-	-	-	-	5,265,295	1.35	10,809,973	1.29
Construction:								
Larsen & Toubro Limited	-	-	-	-	24,018,626	6.15	51,555,799	6.14
Consumer Durables:								
Blue Star Limited	-	-	-	-	3,582,635	0.92	7,272,991	0.87
Consumer Non Durables:								
ITC Limited	-	-	-	-	13,755,834	3.53	29,121,432	3.47
Radico Khaitan Limited	-	-	-	-	3,358,106	0.86	6,703,447	0.80
Agro Tech Foods Limited	-	-	-	-	2,012,605	0.52	4,241,205	0.50
Jubilant Foodworks Limited	-	-	-	-	1,951,723	0.50	4,189,196	0.50
Ferrous Metals:								
Tata Steel Limited	-	-	-	-	15,487,803	3.97	33,439,715	3.98
Bhushan Steel Limited	-	-	-	-	4,008,447	1.03	7,885,899	0.94
Fertilisers:								
Coromandel International Limited	-	-	-	-	2,837,364	0.73	6,087,069	0.72
Tata Chemicals Limited	-	-	-	-	1,894,680	0.49	4,059,540	0.48
Finance:								
Housing Development Finance Corporation Limited	-	-	-	-	16,751,668	4.30	35,613,948	4.24
Infrastructure Development Finance Company Limited	-	-	-	-	3,614,548	0.93	7,767,104	0.92
Rural Electrification Corporation Limited	-	-	-	-	3,229,601	0.83	6,915,862	0.82
Gas:								
GAIL (India) Limited	-	-	-	-	9,187,200	2.36	19,474,080	2.32
Industrial Capital Goods:								
Bharat Heavy Electricals Limited	-	-	-	-	9,426,311	2.42	19,861,257	2.36
Crompton Greaves Limited	-	-	-	-	9,726,265	2.50	20,530,711	2.44
Industrial Products:								
Jain Irrigation Systems Limited	-	-	-	-	1,604,733	0.41	3,436,669	0.41
Media & Entertainment:								
Dish TV India Limited	-	-	-	-	2,053,931	0.53	4,396,392	0.52
Jagran Prakashan Limited	-	-	-	-	-	-	8,128,806	0.97
Non Ferrous Metals:								
Hindalco Industries Limited	-	-	-	-	7,495,936	1.92	16,759,190	2.00
Oil:								
Oil & Natural Gas Corporation Limited	-	-	-	-	12,922,068	3.32	27,294,810	3.25
Cairn India Limited	-	-	-	-	8,296,458	2.13	17,645,766	2.10
Pesticides:								
Rallis India Limited	-	-	-	-	5,821,950	1.49	13,112,500	1.56
Petroleum Products:								
Reliance Industries Limited	-	-	-	-	31,347,108	8.04	67,771,860	8.07
Pharmaceuticals:								
Sun Pharmaceuticals Industries Limited	-	-	-	-	6,252,525	1.60	13,151,100	1.57
Dr. Reddy's Laboratories Limited	-	-	-	-	3,999,282	1.03	8,424,717	1.00
Lupin Limited	-	-	-	-	5,670,607	1.46	12,024,519	1.43

Annexure A (Contd.)

Portfolio holding (market / fair value)

as at 31 March 2011

(Currency: Indian ₹)

	Pramerica Liquid Fund		Pramerica Ultra Short Term Bond Fund		Pramerica Equity Fund		Pramerica Dynamic Fund	
	Amount (₹)	%	Amount (₹)	%	Amount (₹)	%	Amount (₹)	%
Cadila Healthcare Limited	-	-	-	-	2,085,336	0.54	4,178,571	0.50
Glenmark Pharmaceuticals Limited	-	-	-	-	1,588,720	0.41	3,395,889	0.40
Power:								
CESC Limited	-	-	-	-	1,926,963	0.49	4,151,814	0.49
Software:								
Infosys Technologies Limited	-	-	-	-	31,602,675	8.10	67,548,692	8.04
Tata Consultancy Services Limited	-	-	-	-	17,367,813	4.46	37,742,732	4.49
Educomp Solutions Limited	-	-	-	-	3,271,320	0.84	6,966,234	0.83
Telecom - Services:								
Bharti Airtel Limited	-	-	-	-	6,197,316	1.59	13,241,670	1.58
Textiles - Cotton:								
Grasim Industries Limited	-	-	-	-	5,650,870	1.45	11,596,568	1.38
Transportation:								
IL&FS Transportation Networks Limited	-	-	-	-	3,218,875	0.83	6,435,409	0.77
Total	0.00	0.00	0.00		389,726,985	100.00	839,951,479	100.00
Debentures/bonds								
Pharmaceuticals:								
9.25% Dr. Reddy's Laboratories Limited	-	-	-	-	97,656	100.00	218,834	100.00
Total	-	-	-	-	97,656	100.00	218,834	100.00
Commercial Papers								
Non Banking Financial Companies (NBFC)								
India Infoline Limited	-	-	247,419,000*	63.88	-	-	-	-
Religare Finvest Limited	-	-	90,348,800	23.33	-	-	-	-
India Bulls Securities Limited	-	-	49,549,850	12.79	-	-	-	-
Total	-	0.00	387,317,650	100.00	-	-	-	-
Certificate of Deposits								
Banks								
Punjab National Bank	249,695,750*	20.85	497,238,750*	12.54	-	-	-	-
Canara Bank	494,132,500*	41.26	449,275,350*	11.33	-	-	46,901,100	13.36
Vijaya Bank	198,228,400*	16.55	119,486,050	3.01	-	-	29,969,550	8.54
Central Bank of India	255,537,900*	21.34	99,116,300	2.50	-	-	-	-
Axis Bank Limited	-	-	548,539,646*	13.83	-	-	-	-
State Bank of India	-	-	496,083,500*	12.51	-	-	-	-
Bank of Maharashtra	-	-	249,624,500*	6.29	-	-	-	-
Union Bank of India	-	-	248,020,500*	6.25	-	-	-	-
Allahabad Bank	-	-	493,322,000*	12.44	-	-	-	-
UCO Bank	-	-	295,782,350*	7.46	-	-	48,758,100	13.89
Federal Bank Limited	-	-	199,504,400*	5.03	-	-	-	-
State Bank of Bikaner & Jaipur	-	-	219,697,170*	5.54	-	-	133,001,960*	37.88
IDBI Bank Limited	-	-	49,949,600	1.26	-	-	-	-
Tamilnad Mercantile Bank Limited	-	-	-	-	-	-	-	-
ICICI Bank Limited	-	-	-	-	-	-	-	-
Kotak Mahindra Bank Limited	-	-	-	-	-	-	-	-
State Bank of Patiala	-	-	-	-	-	-	45,648,950	13.00
Bank of Baroda	-	-	-	-	-	-	46,856,100	13.34
Total	1,197,594,550	100.00	3,965,640,116	100.00	-	-	351,135,760	100.00
TOTAL INVESTMENTS	1,197,594,550		4,352,957,766		389,824,641		1,191,306,073	

Note : *

In Pramerica Liquid Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹ 119,75,94,550.00

In Pramerica Ultra Short Term Bond Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹ 3,944,504,166.00

In Pramerica Equity Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹ Nil

In Pramerica Dynamic Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹ 133,001,960.00

In Pramerica Short Term Income Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹ 404,002,835.00

In Pramerica Dynamic Monthly Income Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹ 788,266,220.00

In Pramerica Fixed Duration Fund-1, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹ 293,080,131.00

Annexure A (Contd.)

Portfolio holding (market / fair value)

as at 31 March 2011

(Currency: Indian ₹)

	Pramerica Short Term Income Fund		Pramerica Dynamic Monthly Income Fund		Pramerica Fixed Duration Fund-Series 1	
	Amount (₹)	%	Amount (₹)	%	Amount (₹)	%
Equity Shares						
Auto:						
Bajaj Auto Limited	-	-	4,155,630	2.21	-	-
Mahindra & Mahindra Limited	-	-	4,118,058	2.19	-	-
Tata Motors Limited	-	-	4,094,588	2.18	-	-
Banks:						
HDFC Bank Limited	-	-	10,180,989	5.42	-	-
ICICI Bank Limited	-	-	10,146,258	5.40	-	-
State Bank of India	-	-	8,019,370	4.27	-	-
Punjab National Bank	-	-	6,306,040	3.35	-	-
Axis Bank Limited	-	-	6,078,671	3.23	-	-
Cement:						
ACC Limited	-	-	6,200,154	3.30	-	-
Construction:						
Larsen & Toubro Limited	-	-	10,060,071	5.35	-	-
Consumer Durables:						
Blue Star Limited	-	-	-	-	-	-
Consumer Non Durables:						
ITC Limited	-	-	10,192,137	5.42	-	-
Radico Khaitan Limited	-	-	-	-	-	-
Agro Tech Foods Limited	-	-	-	-	-	-
Jubilant Foodworks Limited	-	-	-	-	-	-
Ferrous Metals:						
Tata Steel Limited	-	-	8,114,140	4.32	-	-
Bhushan Steel Limited	-	-	-	-	-	-
Fertilisers:						
Coromandel International Limited	-	-	-	-	-	-
Tata Chemicals Limited	-	-	-	-	-	-
Finance:						
Housing Development Finance Corporation Limited	-	-	10,461,904	5.57	-	-
Infrastructure Development Finance Company Limited	-	-	-	-	-	-
Rural Electrification Corporation Limited	-	-	-	-	-	-
Gas:						
GAIL (India) Limited	-	-	4,120,320	2.19	-	-
Industrial Capital Goods:						
Bharat Heavy Electricals Limited	-	-	7,879,323	4.19	-	-
Crompton Greaves Limited	-	-	-	-	-	-
Industrial Products:						
Jain Irrigation Systems Limited	-	-	-	-	-	-
Media & Entertainment:						
Dish TV India Limited	-	-	-	-	-	-
Jagran Prakashan Limited	-	-	-	-	-	-
Non Ferrous Metals:						
Hindalco Industries Limited	-	-	4,049,144	2.15	-	-
Oil:						
Oil & Natural Gas Corporation Limited	-	-	6,225,081	3.31	-	-
Cairn India Limited	-	-	5,962,641	3.17	-	-
Pesticides:						
Rallis India Limited	-	-	-	-	-	-
Petroleum Products:						
Reliance Industries Limited	-	-	16,365,960	8.71	-	-
Pharmaceuticals:						
Sun Pharmaceuticals Industries Limited	-	-	5,982,600	3.18	-	-
Dr. Reddy's Laboratories Limited	-	-	4,195,968	2.23	-	-
Lupin Limited	-	-	-	-	-	-
Cadila Healthcare Limited	-	-	-	-	-	-
Glenmark Pharmaceuticals Limited	-	-	-	-	-	-

Annexure A (Contd.)

Portfolio holding (market / fair value)

as at 31 March 2011

(Currency : Indian ₹)

	Pramerica Short Term Income Fund		Pramerica Dynamic Monthly Income Fund		Pramerica Fixed Duration Fund-Series 1	
	Amount (₹)	%	Amount (₹)	%	Amount (₹)	%
Power:						
CESC Limited	-	-	-	-	-	-
Software:						
Infosys Technologies Limited	-	-	14,456,198	7.69	-	-
Tata Consultancy Services Limited	-	-	10,524,871	5.60	-	-
Educomp Solutions Limited	-	-	-	-	-	-
Telecom - Services:						
Bharti Airtel Limited -	-	-	6,115,114	3.25	-	-
Textiles - Cotton:						
Grasim Industries Limited	-	-	3,980,178	2.12	-	-
Transportation:						
IL&FS Transportation Networks Limited	-	-	-	-	-	-
Total	-	-	187,985,407	100.00	-	-
Debentures/bonds						
Pharmaceuticals:						
9.25% Dr. Reddy's Laboratories Limited	-	-	-	-	-	-
Total	-	-	-	-	-	-
Commercial Papers						
Non Banking Financial Companies (NBFC)						
India Infoline Limited	-	-	-	-	-	-
Religare Finvest Limited	45,174,400*	100.00	90,348,800*	100.00	-	-
India Bulls Securities Limited	-	-	-	-	-	-
Total	45,174,400	100.00	90,348,800	100.00	-	-
Certificate of Deposits						
Banks						
Punjab National Bank	48,875,500*	13.62	195,502,000*	25.63	-	-
Canara Bank	-	-	-	-	-	-
Vijaya Bank	-	-	-	-	-	-
Central Bank of India	87,987,150*	24.52	-	-	-	-
Axis Bank Limited	-	-	-	-	87,820,704*	29.96
State Bank of India	-	-	-	-	-	-
Bank of Maharashtra	-	-	-	-	-	-
Union Bank of India	-	-	-	-	-	-
Allahabad Bank	-	-	-	-	-	-
UCO Bank	97,646,700*	27	293,070,600*	38	-	-
Federal Bank Limited	-	-	-	-	45,850,300*	15.64
State Bank of Bikaner & Jaipur	73,989,850*	21	118,024,220*	15	-	-
IDBI Bank Limited	-	-	-	-	-	-
Tamilnad Mercantile Bank Limited	50,329,235*	14	-	-	86,932,315*	29.66
ICICI Bank Limited	-	-	19,265,988	2.53	72,476,812*	24.73
Kotak Mahindra Bank Limited	-	-	91,320,600*	11.97	-	-
State Bank of Patiala	-	-	45,648,950	5.98	-	-
Bank of Baroda	-	-	-	-	-	-
Total	358,828,435	100.00	762,832,358	100.00	293,080,131	100.00
TOTAL INVESTMENTS	404,002,835		1,041,166,565		293,080,131	

Note : *

In Pramerica Liquid Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹119,75,94,550.00

In Pramerica Ultra Short Term Bond Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹. 3,944,504,166.00

In Pramerica Equity Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹ Nil

In Pramerica Dynamic Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹133,001,960.00

In Pramerica Short Term Income Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹404,002,835.00

In Pramerica Dynamic Monthly Income Fund, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹788,266,220.00

In Pramerica Fixed Duration Fund-1, the aggregate value of non traded / thinly traded investments which individually exceed 5% of the NAV as at 31 March 2011 is ₹293,080,131.00



Pramerica

MUTUAL FUND

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