

**Assets Under Management**

(As on July 31, 2001)

**Rs. 6,242.07 crores**

July 2001



Dileep Madgavkar  
Chief Investment Officer

**MARKET OVERVIEW**

**Equity Market**

July was a momentous month for the Indian stockmarkets, being the month in which two major changes were introduced in the Indian markets: a) the age-old carryforward mechanism of Badla was discontinued, to be replaced by rolling settlements b) Options on indices and major stocks were introduced.

The markets have started adapting to the new trading and settlement systems. There has been a marked decrease in the volatility over the last 3 months. The high-low difference in the BSE Sensex was 19% in April, which decreased to 8.5% in July. The NSE which clocked total volumes of Rs. 410 billion in June did only Rs. 172 billion in July, the first month of the new settlement system. These facts are indicators of the fact that speculative activity in the market has decreased. Delivery volumes as a percentage of trading activity have correspondingly increased. We are seeing a gradual increase in volumes (from Rs. 45 billion in the 1<sup>st</sup> week of July to Rs. 68 billion in the 3<sup>rd</sup> week - a 48% increase) which shows that market participants are going through the learning phase. As they gain familiarity with the new instruments and systems, volumes should pick up further. The derivatives segment is also picking up steam and we are seeing volumes of derivatives on indices and stocks pick up gradually. The Nifty futures are clocking daily volumes of about Rs. 75 cr. while the stock options segment is clocking about Rs. 35 cr. daily volumes.

Overall during the month, the markets continued to drift, in search of direction and trying to digest results for the June quarter. The BSE Sensex fell 3.7%, the NSE Nifty fell 3.2%, the Probity FMCG Index rose 2.4% and the ET Mindex fell 6.1%. The outperforming sectors were consumers, cement, automobile and pharmaceuticals. The underperformers were telecom, media, petrochem, metals, refineries, banks and software. In the US, the Dow Jones Industrial Average was flat while the NASDAQ Composite fell 6%. Foreign Institutional Investors continued to invest into Indian equities in July and the net purchases for the month were Rs. 722 cr.

Many of the results for the June quarter declared in July were pleasant surprises, especially in the cement, FMCG, pharmaceutical and auto (two-wheelers) sectors. FMCG companies demonstrated their ability to command pricing power and improve efficiencies by improving bottom-lines inspite of harsh demand conditions. Cement companies continued their improved performance with cement prices sustaining at higher levels. Indian pharmaceutical companies continued their performance with good domestic growth and excellent export growth overall. Major Indian software service companies continued to grow albeit at lower rates than in the past, but they overall met expectations. The unpleasant surprises during the month were the sharp decrease in profits reported by software education companies. Overall, it is clear that Indian companies have used the adverse conditions to improve internal efficiencies and are ready to capitalize any upturn in a much more effective fashion.

The markets absorbed the two major incidents during the month viz. The suspension of UTI-64 repurchases and the Agra Summit without much volatility, indicating that the current valuations already discount a lot of negative scenarios. Looking forward, the monsoon seems to be progressing satisfactorily and the area under cultivation has gone up significantly in foodgrains as well as cash crops. If the second half of the season is as good as the

first half, the rural economy should pick up significantly in the second half of this financial year. On the back of a projected normal monsoon, the Center for Monitoring Indian Economy (CMIE) has projected a agricultural growth of 9% for the year. We expect that as the economy feels the trickle-down impact of improved rural demand and sanguine oil prices, industrial and services growth should also pick up third-quarter onwards. We continue to believe that at current levels, the markets offer an attractive investment opportunity for the investor willing to take a medium to long- term view.

**Debt Market**

The fixed income market continued its bullish ways though there were hiccups during the month. Beginning of the month was very bullish with Yields touching all time lows across the curve. The ten-year government securities benchmark touched an all time low of 9.21%. The bullishness however was stemmed by the announcement of Open Market Operations and subsequently some reported adverse remarks by the Deputy Governor of RBI. There was a panic selling in the market as players thought it was the beginning of the end. However sanity was restored with subsequent clarifications from the central bank. Most of the losses were recovered but nervousness persisted on account of political newsflow. Market remained largely listless for the last week of the month.

This month the government borrowed Rs. 12,000 Crores through auctions of three securities in the 10 to 20 year maturity. The supply of long dated government securities coupled with uncertainty put pressure on the yields at the long end. The yields on very long Government Securities actually went up in comparison to a fall in yields in the shorter and mid portion of the curve. With this month's auction the total government-borrowing program is about 60% complete. This augurs well for the market if the slippage is under control. In addition to this there was an Open market sale of securities worth Rs. 5,000 Crores.

Call rates remained benign through out the month except the brief period of outflow on account of Open Market Operations by RBI and Auction of Central Loan. The corporate bonds spreads have widened compared to last month on account of lag effect [Corporate bonds yields usually take their cue from Government Securities and move directionally along with them] and supply from corporates and Central PSUs. There was very limited CP issuance this month as market participants were grappling with the new procedure i.e. dematerialized form. Short term paper saw a lot of action and 90 day rates came down as low as 8-8.10% for highly rated manufacturing companies.

The Macro Economic environment remains favorable. Deposit growth of commercial banks remains robust at 19.5% Year on Year where as the lack of industrial growth is reflected in low Non Food Credit growth at 11.6% Year on Year. Money supply is comfortable at 17.3% growth Year on Year. Inflation is likely to remain benign. The main worry going forward is the extent of fiscal slippage.

Given the above factors our outlook for debt market is stable going forward. The excess liquidity in the system could trigger a mild rally if Central Government borrowing is staggered during the month. In light of the above view we would like to run moderate portfolio duration in line with the fund philosophy for our debt funds.

# PRUICICI

## Income Plan

(Open-ended Debt Fund)

Figures as on 31st July, 2001

### OBJECTIVE

To generate income through investments in a range of debt and money market instruments of various maturities and maintaining the optimum balance of yield, safety and liquidity.

### INVESTMENT HORIZON

Suitable for investors looking for steady returns at relatively low risk across a medium to long term horizon.

### INVESTMENT OPTIONS

Investors under the Prudential ICICI Income Plan have the choice of Growth option, Dividend option or the Dividend Reinvestment option.

Portfolio			
Name	Agency	Rating	% to NAV
<b>Non Convertible Debentures</b>			
✓ IDBI	CRISIL	AA+	5.92%
✓ Reliance Industries	CRISIL	AAA	5.53%
✓ GE Capital	CRISIL	AAA	4.28%
Reliance Petroleum	CRISIL	AA+	3.25%
State Bank of India	CRISIL	AAA	2.00%
ICICI	ICRA	LAAA	1.90%
Power Finance Corporation	CRISIL	AAA	1.70%
Grasim Industries	CARE	AAA	1.62%
ICICI	CRISIL	AAA	1.58%
Ford India	CRISIL	AAA(SO)	1.47%
Citibank	CRISIL	AAA	1.44%
HDFC	CRISIL	AAA	1.31%
HDFC	ICRA	LAAA	1.30%
Larsen & Toubro	CRISIL	AAA	1.17%
IL & FS	CARE	AAA	1.08%
HPCL	CRISIL	AAA	0.97%
Indian Railway Finance	ICRA	LAAA	0.94%
Citicorp Finance	CRISIL	AAA	0.93%
IPCL	UNRATED		0.87%
Associates India Financial	CRISIL	AAA	0.85%
EXIM Bank	CRISIL	AAA	0.81%
Indian Railway Finance	ICRA	LAAA(SO)	0.78%
Sterilite Optical	CRISIL	AA+	0.78%
Standard Chartered Grindlays Bank	ICRA	LAAA	0.77%
IDFC	CRISIL	AAA	0.76%
Bharti Mobile	CRISIL	AA+	0.76%
Indian Railway Finance	CRISIL	AAA(SO)	0.66%
Gujarat Ambuja	FITCH	INDAAA	0.64%
Birla AT & T Communications	ICRA	A1+	0.58%
Mahavir Spinning Mills	CRISIL	AA-	0.57%
Nirma	ICRA	A1+	0.57%
Tata Finance	CRISIL	AA-	0.56%
Associates India Financial	CRISIL	AAA(FSO)	0.55%
Ramco Industries	ICRA	LAA	0.45%
ABN Amro Bank	CRISIL	AAA	0.41%
TISCO	CRISIL	AA+	0.41%
Hindustan Inks & Resins	CARE	AA+	0.39%
Coromandel Fertilisers	CRISIL	AA	0.38%
Madras Cements	CRISIL	AA	0.38%
Bayer India	UNRATED		0.38%
Great Eastern Shipping	CARE	AAA	0.38%
Gujarat State Fertilisers & Chemicals	ICRA	LAA	0.38%
Sundaram Finance	ICRA	MAAAA	0.38%
Tata Tea	ICRA	LAAA	0.38%
Agrevo India	CARE	AAA	0.38%
Hero Cycles	CRISIL	AA+	0.38%
Honeywell International	UNRATED		0.37%
Reliance Industries	CRISIL	P1+	0.37%
Sterilite Industries	CRISIL	P1+	0.33%
ITC Bhadrachalam Paper@	UNRATED		0.31%
Tata Power	ICRA	LAAA	0.31%
E.I.D. Parry	CRISIL	AA	0.23%
ACC	ICRA	LAA	0.23%
Bank of Baroda	ICRA	LAAA	0.21%
National Aluminium Company	CRISIL	AAA	0.21%
Nirma	CRISIL	AAA	0.20%
Citicorp Finance	CRISIL	P1+	0.20%
GE Capital	UNRATED		0.20%
Gujarat Ambuja	UNRATED		0.19%
Hindalco Industries	CRISIL	AAA	0.19%
Nirma	ICRA	LAAA	0.19%
Rabo India Finance	CRISIL	P1+	0.19%
IL & FS	CRISIL	AAA	0.18%
Tata Tea	ICRA	MAAAA	0.18%
Peoples Financial Services	CRISIL	AAA	0.17%
Gujarat Ambuja	CRISIL	AA+	0.14%
Sterilite Industries	CRISIL	AA	0.12%
IOC	ICRA	LAAA	0.11%
Konkan Railway Corporation	CRISIL	LAAA(SO)	0.08%
TVS Suzuki	CRISIL	AA+	0.07%
Wockhardt Life Science	CRISIL	A	0.05%
Wockhardt	CRISIL	AA+	0.02%
			<b>59.03%</b>
<b>Government Securities</b>			
✓ 11.50% GOI 2011	SOVEREIGN		6.37%
✓ 11.30% GOI 2010	SOVEREIGN		5.18%
11.03% GOI 2012	SOVEREIGN		3.03%
11.40% GOI 2008	SOVEREIGN		3.37%
11.99% GOI 2009	SOVEREIGN		2.12%
11.90% GOI 2007	SOVEREIGN		1.93%
9.39% GOI 2011	SOVEREIGN		1.30%
11.00% GOI 2006	SOVEREIGN		1.24%
11.75% GOI 2001	SOVEREIGN		1.11%
12.32% GOI 2011	SOVEREIGN		1.06%
11.98% GOI 2004	SOVEREIGN		0.82%
12.00% GOI 2008	SOVEREIGN		0.55%
13.05% GOI 2007	SOVEREIGN		0.44%
12.25% GOI 2010	SOVEREIGN		0.42%
13.82% GOI 2002	SOVEREIGN		0.20%
			<b>29.14%</b>
Reverse repos			3.97%
Cash, Call & Other Assets			7.86%
<b>TOTAL</b>			<b>100.00%</b>

Performance Record (Income Plan – Growth Option)			
Dates	Period	NAV (Rs.)	Returns
31-Jul-01		14.69	
31-Jul-00	Last 12 months (365 days)	12.69	15.76% <sup>1</sup>
09-Jul-98	Since allotment (1118 days)	10.00	13.38% <sup>1</sup>

<sup>1</sup> Compounded annualised returns

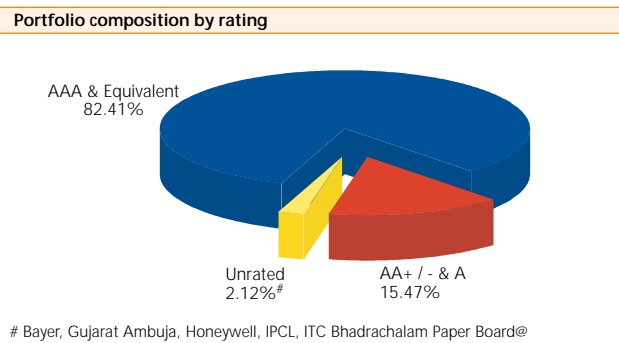
None of the past results shown should be considered a representation of future performance.

Fund Size	
	Rs. 2,720.44 Crores

Dividend History (Income Plan – Dividend Option)			
Record Date	Face Value (Rs.)	NAV (Rs.)	Dividend (Rs.)
30-Jun-99	10.00	11.29	1.08 per unit
16-Mar-00	10.00	11.10	0.84 per unit
25-Sep-00	10.00	10.49	0.35 per unit
22-Mar-01	10.00	10.87	0.55 per unit

Average Portfolio Maturity	
	3.96 years

Rating Profile	
Portfolio Composition	% to NAV
<b>AAA &amp; Equivalent</b>	
Bonds/NCDs	41.44%
GOI Securities	29.14%
Cash, Call & Other Assets	3.97%
Reverse Repos	7.86%
	<b>82.41%</b>
<b>AA+/- &amp; Equivalent</b>	
AA+ Bonds/NCDs	12.12%
AA Bonds/NCDs	2.17%
AA- Bonds/NCDs	1.13%
A Bonds/NCDs	0.05%
	<b>15.47%</b>
Unrated #	2.12%
<b>TOTAL</b>	<b>100.00%</b>



Change in exit load w.e.f. 1st August, 2000	
• Entry Load	: Nil
• Exit Load	: 0.50%, if redeemed within 6 months for purchase transaction upto Rs. 100,000. 0.50%, if redeemed within 3 months for purchase transaction of over Rs. 100,000

Summary	Rs. 100,000 & less	Over Rs. 100,000
Entry Load	NIL	NIL
Exit Load	0.50% if exit within 6 months	0.50% if exit within 3 months

**Note**  
Current guidelines permit disclosure of compounded annualised yield if the scheme has been in existence for more than one year. For funds in existence for less than one year, performance may be published in terms of total returns. In case of liquid plans performance can be published by simple annualisation of yields if performance figures are available for at least 30 days.

# PRUICICI Growth Plan

Figures as on 31st July, 2001

(Open-ended Equity Fund)

## OBJECTIVE

To seek to generate long-term capital appreciation from a portfolio that is invested predominantly in equity and equity related securities.

## INVESTMENT HORIZON

Suitable for investors seeking long-term capital appreciation through investments in equity and equity related securities.

## INVESTMENT OPTIONS

Investors under the Prudential ICICI Growth Plan have the choice of a Growth option, Dividend option or Dividend Reinvestment option.

### Performance (Growth Plan – Growth Option)

Date	Period	NAV (Rs.)	Returns	Relative to NSE50
31-Jul-01		17.15		
31-Jul-00	Last 12 months (365 days)	21.31	-19.52% <sup>1</sup>	-0.01%
31-Jul-98	Last 36 months (1096 days)	10.19	18.93%	14.11%
09-Jul-98	Since allotment (1118 days)	10.00	19.26% <sup>1</sup>	15.60%

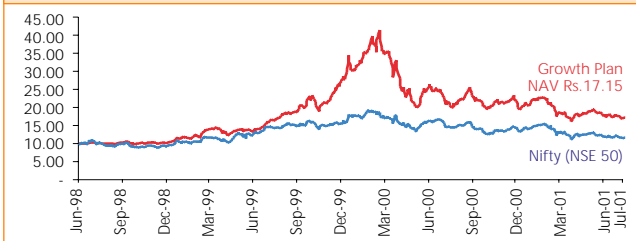
<sup>1</sup>Compounded Annualised Returns

None of the past results shown should be considered representation of future performance

### Dividend History (Growth Plan - Dividend Option)

Record Date	NAV (Rs.)	Face Value (Rs.)	Dividend (Rs.)
30-Jun-99	14.07	10.00	1.80 per unit
16-Mar-00	30.05	10.00	10.00 per unit
01-Mar-01	12.54	10.00	1.20 per unit

### Performance of Growth Plan (Growth Option) Vs Nifty



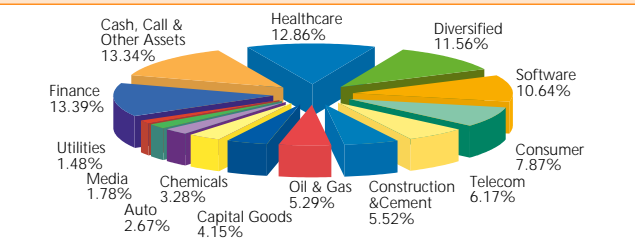
### Top 10 holdings

Company	Sector	% to NAV
Dr. Reddys Laboratories	Healthcare	5.95%
Larsen & Toubro	Diversified	5.82%
Grasim Industries	Diversified	5.74%
ITC	Consumer	5.50%
Digital Equipments	Software	5.37%
Bharat Petroleum	Oil & Gas	5.29%
State Bank of India	Finance	4.51%
Bharat Heavy Electricals	Capital Goods	4.15%
HCL Technologies	Software	4.08%
ACC	Construction & Cement	3.94%
Other Equities		36.31%
Reverse Repo		13.22%
Cash, Call & Other Assets		0.12%
<b>TOTAL</b>		<b>100.00%</b>

### Fund size

Rs. 315.08 crores

### Sectoral Allocation



# PRUICICI FMCG Fund

Figures as on 31st July, 2001

(Open-ended FMCG Sectoral Fund)

## OBJECTIVE

To seek to generate long-term capital appreciation from a portfolio that is invested predominantly in equities of companies in the FMCG sector.

## INVESTMENT HORIZON

Sectoral fund, suitable for investors seeking an exposure to the FMCG Sector.

## INVESTMENT OPTIONS

Investors under the Prudential ICICI FMCG Fund have the choice of a Growth option, Dividend option or Dividend Reinvestment option.

### Performance (FMCG Fund – Growth Option)

Dates	Period	NAV (Rs.)	Returns	Relative**
31-Jul-01		8.75		
31-Jul-00	Last 12 months (365 days)	10.02	-12.67% <sup>1</sup>	1.85%
31-Mar-99	Since allotment (853 days)	10.00	-5.55% <sup>1</sup>	1.07%

\*\* Relative to Indiainfoline FMCG Index

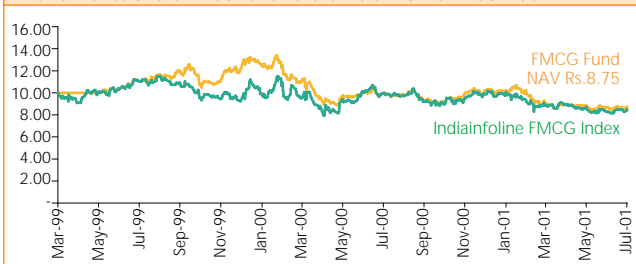
<sup>1</sup>Compounded Annualised Returns

None of the past results shown should be considered representation of future performance.

### Dividend history (FMCG Fund – Dividend Option)

Record Date	NAV (Rs.)	Face Value (Rs.)	Dividend (Rs.)
16-Mar-00	11.45	10.00	1.00 per unit

### Performance of the FMCG Fund vs. the Indiainfoline FMCG Index



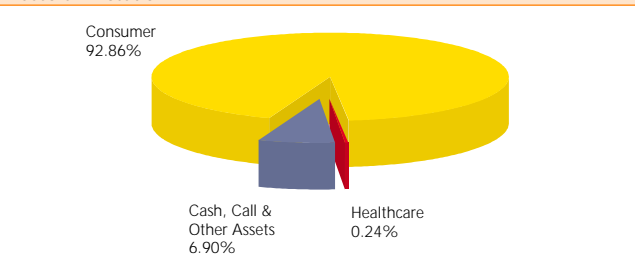
### Top 10 holdings

Name	Sector	% to NAV
Hindustan Lever	Consumer	17.83%
ITC	Consumer	15.48%
Smithkline Beecham Cons Health	Consumer	8.84%
Nestle	Consumer	7.85%
Colgate Palmolive	Consumer	7.63%
Godrej	Consumer	5.99%
Dabur	Consumer	5.58%
Britannia Industries	Consumer	4.97%
United Breweries	Consumer	4.37%
Cadbury	Consumer	4.27%
Other Equities		10.29%
Cash, Call & Other Assets		6.90%
<b>TOTAL</b>		<b>100.00%</b>

### Fund size

Rs. 57.85 crores

### Sectoral Allocation



# PRUICICI Gilt Fund

Figures as on 31st July, 2001

(Gilt – Treasury: Open-ended Short-term Gilt Fund; Gilt – Investment: Open-ended Medium-term Gilt Fund)

## OBJECTIVE

To generate steady and consistent returns from a basket of Government Securities across various maturities.

## INVESTMENT HORIZON

Suitable for investors looking for steady returns at relatively low risk across: short to medium term horizon – Treasury Plan, medium to long term horizon – Investment Plan.

## INVESTMENT OPTIONS

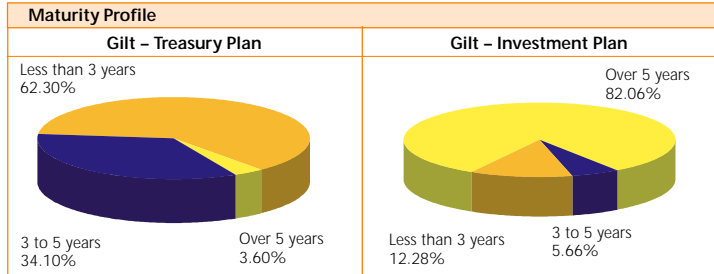
Investors under the Prudential ICICI Gilt Fund have the choice of a Growth option, Dividend option or Dividend Reinvestment option.

Performance (Gilt Fund – Growth Option)					
Date	Period	Treasury Plan		Investment Plan	
		NAV	Returns	NAV	Returns
31-Jul-01		12.6631		13.4923	
31-Jul-00	Last 12 months (365 days)	11.1346	13.73% <sup>1</sup>	11.1589	20.91% <sup>1</sup>
19-Aug-99	Since allotment (712 days)	10.0000	12.87% <sup>1</sup>	10.0000	16.60% <sup>1</sup>

<sup>1</sup> Compounded Annualised Returns

None of the past results shown should be considered representation of future performance.

Portfolio			
Treasury Plan		Investment Plan	
Name	% to NAV	Name	% to NAV
11.98% GOI 2004	23.93%	11.50% GOI 2011	21.47%
13.82% GOI 2002	19.76%	11.40% GOI 2008	18.08%
11.75% GOI 2001	13.94%	11.30% GOI 2010	15.17%
11.10% GOI 2003	9.63%	11.03% GOI 2012	11.13%
364 Day Treasury Bill	8.22%	11.99% GOI 2009	6.01%
11.19% GOI 2005	6.87%	11.00% GOI 2006	5.66%
13.05% GOI 2007	3.60%	9.39% GOI 2011	5.12%
11.00% GOI 2006	3.30%	12.00% GOI 2008	2.78%
11.15% GOI 2002	1.92%	12.32% GOI 2011	1.94%
12.69% GOI 2002	1.41%	13.82% GOI 2002	1.88%
Cash, Call & Other Assets	7.42%	11.15% GOI 2002	1.83%
		9.81% GOI 2013	0.36%
		Reverse Repo	3.50%
		Cash, Call & Other Assets	5.07%
<b>TOTAL</b>	<b>100.00%</b>	<b>TOTAL</b>	<b>100.00%</b>



Fund Size			
Treasury Plan	Rs. 170.02 crores	Investment Plan	Rs. 297.29 crores
Average Maturity			
Treasury Plan	1.90 years	Investment Plan	7.79 years
Dividend history (Gilt Fund – Treasury Plan – Dividend Option)			
Record Date	NAV (Rs.)	Face Value (Rs.)	Dividend (Rs.)
18-Feb-00	10.5655	10.0000	0.290 per unit
19-May-00	10.5433	10.0000	0.300 per unit
18-Aug-00	10.2177	10.0000	0.120 per unit
17-Nov-00	10.3803	10.0000	0.190 per unit
20-Feb-01	10.5269	10.0000	0.250 per unit
07-Jun-01	10.5582	10.0000	0.2899 per unit
Dividend history (Gilt Fund – Investment Plan – Dividend Option)			
Record Date	NAV (Rs.)	Face Value (Rs.)	Dividend (Rs.)
18-Feb-00	10.9973	10.0000	0.625 per unit
18-Aug-00	10.4788	10.0000	0.330 per unit
20-Feb-01	11.1520	10.0000	0.600 per unit

# PRUICICI Liquid Plan

Figures as on 31 July, 2001

(Open-ended Liquid Income Fund)

## OBJECTIVE

To generate reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments in money market and debt securities.

## INVESTMENT HORIZON

Suitable for investors looking for short-term investment at relatively low risk.

## INVESTMENT OPTIONS

Investors under the Prudential ICICI Liquid Plan have the choice of a Growth option or Dividend Reinvestment option.

Performance (Liquid Plan – Growth Option)			
Date	Period	NAV (Rs.)	Returns
31-Jul-01		13.2870	
29-Jun-01	Last 1 month (32 days)	13.1968	7.80% <sup>1</sup>
30-Apr-01	Last 3 months (92 days)	13.0144	8.31% <sup>1</sup>
31-Jan-01	Last 6 months (181 days)	12.7408	8.65% <sup>1</sup>
24-Jun-98	Since allotment (1133 days)	10.0000	9.59% <sup>2</sup>

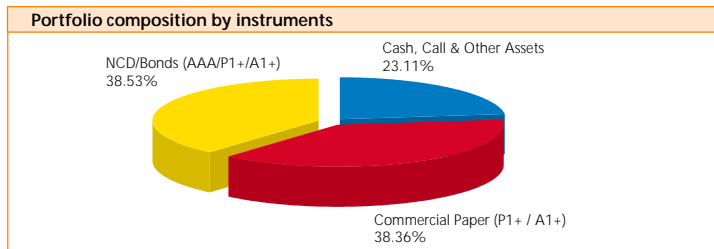
<sup>1</sup>Annualized Returns <sup>2</sup>Compounded Annualized Returns

Note: 30th June 01 was not a Business Day

None of the past results shown should be considered representation of future performance.

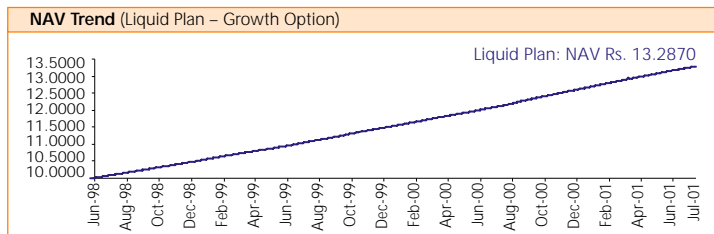
Fund size
Rs. 1441.68 crores

Dividend History (Liquid Plan – Dividend Reinvestment Option) (Last 4 months)			
Record date	Face Value (Rs.)	NAV (Rs.)	Dividend (Rs.)
03-Apr-01	10.0000	11.8404	0.01920
09-Apr-01	10.0000	11.8358	0.01540
16-Apr-01	10.0000	11.8363	0.01580
23-Apr-01	10.0000	11.8353	0.01500
01-May-01	10.0000	11.8385	0.01780
08-May-01	10.0000	11.8357	0.01540
14-May-01	10.0000	11.8344	0.01430
21-May-01	10.0000	11.8391	0.01820
28-May-01	10.0000	11.8378	0.01710
05-Jun-01	10.0000	11.8382	0.01910
11-Jun-01	10.0000	11.8324	0.01380
18-Jun-01	10.0000	11.8343	0.01590
25-Jun-01	10.0000	11.8341	0.01590
02-Jul-01	10.0000	11.8367	0.01700
09-Jul-01	10.0000	11.8359	0.01620
16-Jul-01	10.0000	11.8373	0.01700
23-Jul-01	10.0000	11.8356	0.01600
30-Jul-01	10.0000	11.8349	0.01530



Rating Profile	
AAA & Equivalent	
Bonds / NCDs	38.53%
Commercial Paper	38.36%
Reverse Repo	4.59%
Cash, Call & Other Assets	18.52%
	<b>100.00%</b>

Average Portfolio Maturity
1 month 19 days



# PRUICICI Tax Plan

(Open-ended Equity Linked Saving Scheme)

Figures as on 31st July, 2001

## OBJECTIVE

To seek to generate long-term capital appreciation from a portfolio that is invested predominantly in equity and equity related securities.

## INVESTMENT HORIZON

Suitable for investors seeking tax rebate under Section 88 of the Income-tax Act, 1961.

## INVESTMENT OPTIONS

Investors under the Prudential ICICI Tax Plan have the choice of a Growth option, Dividend option or Dividend Reinvestment option.

### Performance (Tax Plan - Growth Option)

Date	Period	NAV	Returns	Relative*
31-Jul-01		9.96		
31-Jul-00	Last 12 months (365 days)	12.19	-18.29% <sup>1</sup>	-1.05%
19-Aug-99	Since allotment (712 days)	10.00	-0.21% <sup>1</sup>	10.74%

<sup>1</sup>Compounded Annualized Returns \*Relative to NSE50

None of the past results shown should be considered representation of future performance.

### Dividend History (Tax Plan - Dividend Option)

Record Date	NAV (Rs.)	Face Value (Rs.)	Dividend (Rs.)
16-Mar-00	22.06	10.00	6.00 per unit

### Performance of Tax Plan (Growth Option) Vs Nifty



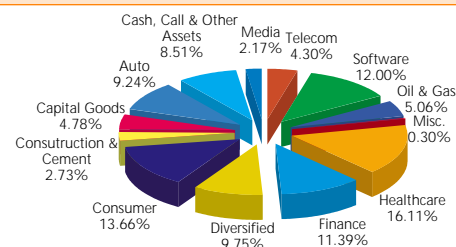
### Portfolio (Top 10 holdings)

Name	Sector	% to NAV
Dr. Reddys Laboratories	Healthcare	5.68%
Larsen & Toubro	Diversified	5.54%
ITC	Consumer	5.19%
BPCL	Oil & Gas	5.06%
Bajaj Auto	Auto	4.97%
Bharat Heavy Electricals	Capital Goods	4.78%
HDFC	Finance	4.77%
Digital Equipments	Software	4.73%
State Bank of India	Finance	4.69%
VSNL	Telecom	4.30%
Other equities		41.78%
Reverse Repo		7.88%
Cash, Call & Other Assets		0.63%
<b>TOTAL</b>		<b>100.00%</b>

### Fund Size

Rs. 53.51 crores

### Sectoral Allocation



# PRUICICI Balanced Fund

(Open-ended Balanced Fund)

Figures as on 31st July, 2001

## OBJECTIVE

To seek to generate long-term capital appreciation and current income from a portfolio that is invested in equity and equity related securities as well as in fixed income & money market securities.

## INVESTMENT HORIZON

Suitable for investors seeking long term capital appreciation and current income.

## INVESTMENT OPTIONS

Investors under the Prudential ICICI Balanced Fund have the choice of a Growth option, Dividend option or Dividend Reinvestment option.

### Performance (Balanced Fund - Growth Option)

Date	Period	NAV (Rs.)	Returns
31-Jul-01		8.44	
31-Jul-00	Last 12 months (365 days)	9.45	-10.69% <sup>1</sup>
03-Nov-99	Since allotment (636 days)	10.00	-9.27% <sup>1</sup>

<sup>1</sup> Compounded Annualised Returns

None of the past results shown should be considered representation of future performance.

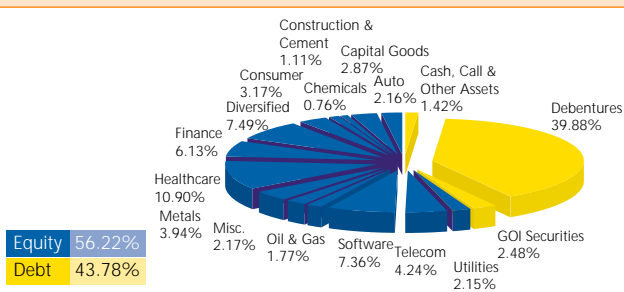
### Fund Size

Rs. 232.20 crores

### Dividend History (Balanced Fund - Dividend Option)

Record Date	NAV (Rs.)	Face Value (Rs.)	Dividend (Rs.)
16-Mar-00	14.17	10.00	1.00 per unit

### Sectoral Allocation



### Top 5 Equity holdings

Name	Sector	% to NAV
Dr. Reddys Laboratories	Healthcare	4.95%
Grasim Industries	Diversified	4.76%
Digital Equipments	Software	3.45%
Bharat Heavy Electricals	Capital Goods	2.87%
Larsen & Toubro	Diversified	2.73%
<b>TOTAL</b>		<b>18.76%</b>

### Top 5 Debt holdings

Name	Rating	Agency	% to NAV
HPCL	CRISIL	AAA	8.76%
Reliance Industries	CRISIL	AAA	6.63%
11.99% GOI 2009	Sovereign		2.48%
IL&FS	CARE	AAA	2.32%
Indian Railway Finance	ICRA	LAAA	2.28%
<b>TOTAL</b>			<b>22.47%</b>

### NAV Trend (Balanced Fund - Growth Option)



# PRUICICI Technology Fund

(Open-ended Equity Fund)

Figures as on 31st July, 2001

## OBJECTIVE

To generate long-term capital appreciation by investing in equity & equity related securities of technology intensive companies.

## INVESTMENT HORIZON

Suitable for investors who seek an exposure to IT, Telecom, Life Sciences and Media sectors.

## INVESTMENT OPTIONS

Investors under the Prudential ICICI Technology Fund have the choice of a Growth option, Dividend option or Dividend Reinvestment option.

### Performance Records (Technology Fund - Growth Option)

Dates	Period	NAV (Rs.)	Returns	Relative to MINDEX*
31-Jul-01		2.79		
31-Jul-00	Last 12 months(365 days)	5.54	-49.64% <sup>1</sup>	4.51%
03-Mar-00	Since allotment (515 days)	10.00	-59.54% <sup>1</sup>	8.68%

<sup>1</sup>CAGR \* An index created by the Economic Times

None of the past results shown should be considered representation of future performance.

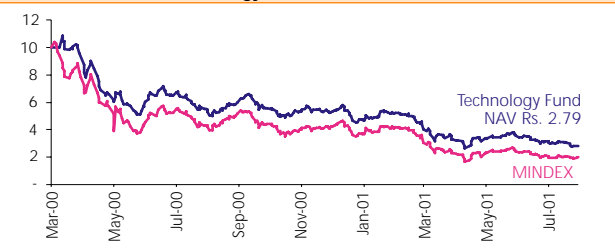
### Dividend History – Technology Fund (Dividend Option)

Dividend has not been declared in the Technology Fund

### Fund size

Rs. 149.60 crores

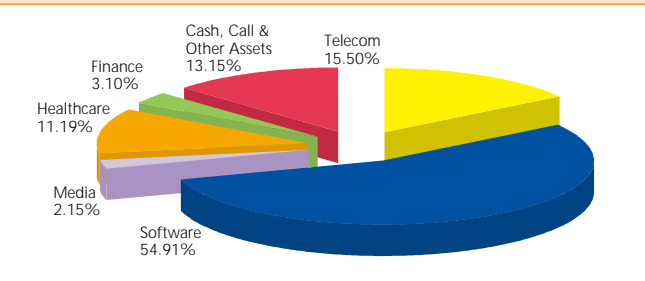
### Performance of the Technology Fund vs. The Economic Times MINDEX



### Top 10 holdings

Name	Sector	% to NAV
Digital Equipments	Software	12.72%
HCL Technologies	Software	9.79%
Satyam Computer	Software	8.21%
Infosys Technologies	Software	7.61%
Hughes Software Systems	Software	6.61%
VSNL	Telecom	5.95%
Dr. Reddys Laboratories	Healthcare	4.40%
Ranbaxy Laboratories	Healthcare	4.26%
Aksh Optifibre	Telecom	3.17%
MTNL	Telecom	2.90%
Other Equities		21.23%
Cash Call & Other Assets		13.15%
<b>TOTAL</b>		<b>100.00%</b>

### Sectoral Allocation



# PRUICICI Monthly Income Plan\*

(\* An Open-ended Income Fund with no assured returns)

Figures as on 31st July, 2001

## OBJECTIVE

Seeks to generate regular income through investments in fixed income securities

## INVESTMENT HORIZON

Suitable for investors seeking regular income over the medium to long term

## INVESTMENT OPTIONS

Investors under the MIP\* have the choice of Cumulative option, Monthly / Quarterly / Half-yearly Dividend option, Dividend Re-investment option and the Automatic Encashment Plan.

### Portfolio

Name	Agency	Rating	% to NAV
<b>NCDs/Bonds</b>			
Reliance Industries	CRISIL	AAA	7.54%
Reliance Petroleum	CRISIL	AA+	6.41%
GE Capital Services	CRISIL	AAA	5.58%
IDBI	ICRA	LAAA	5.57%
Birla At & T Communications	ICRA	A1+	5.56%
HPCL	CRISIL	AAA	5.48%
Bharti Mobile	CRISIL	AA+	5.26%
HDFC	ICRA	LAAA	5.17%
People Financial Services	CRISIL	AAA	3.46%
Gujarat Ambuja Cement	FITCH	INDAAA	3.18%
Gujarat Ambuja Cement	CRISIL	AA+	3.16%
People Financial Services	CRISIL	AAA(SO)	2.47%
Power Finance Corporation	CRISIL	AAA	2.35%
Hindalco Industries	CRISIL	AAA	2.17%
Tata Power Company	ICRA	LAAA	2.09%
Hero Cycles	CRISIL	AA+	2.05%
Associates India Financial	CRISIL	AAA	2.03%
Indian Railway Finance	CRISIL	AAA(SO)	2.02%
Citicorp Finance	CRISIL	P1+	1.31%
Citicorp-Maruti Finance	CRISIL	P1+	1.31%
IOC	ICRA	LAAA	1.09%
			<b>75.26%</b>
<b>Government Securities</b>			
11.50% GOI 2011	Sovereign		5.82%
11.15% GOI 2002	Sovereign		2.18%
			<b>8.00%</b>
Cash, Call & Other Assets			16.74%
<b>TOTAL</b>			<b>100.00%</b>

### Dividend History (MIP\* – Monthly Dividend Option) (Last 3 months)

Record Date	Face Value (Rs)	NAV (Rs.)	Dividend/Unit
31-Jul-01	10.0000	10.2775	0.077
29-June-01	10.0000	10.2491	0.077
31-May-01	10.0000	10.2246	0.077

### Dividend History (MIP\* – Quarterly Dividend Option)

Record Date	Face Value (Rs)	NAV (Rs.)	Dividend/Unit
31-May-01	10.0000	10.4079	0.230
28-Feb-01	10.0000	10.4953	0.300

### Dividend History (MIP\* – Half-Yearly Dividend Option)

Record Date	Face Value (Rs)	NAV (Rs.)	Dividend/Unit
28-Feb-01	10.0000	10.4953	0.30

### Performance Records (MIP\* – Cumulative)

Date	Period	NAV	Returns#
31-Jul-01		11.0225	
10-Nov-00	Since allotment (263 days)	10.0000	10.23%

### # Absolute Returns

None of the past results shown should be considered representation of future performance.

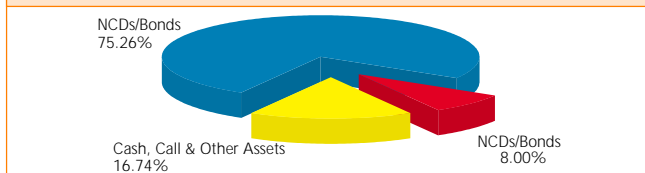
### Fund size

Rs. 99.64 crores

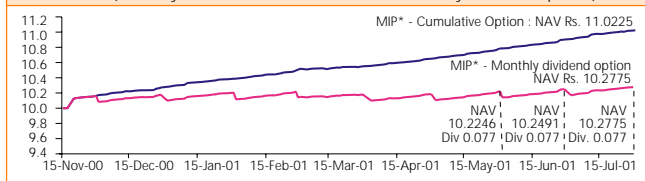
### Average Maturity

1.79 years

### Sectoral Allocation



### NAV Trend (Monthly Income Plan\* - Cumulative & Monthly Dividend options)



# PRUICICI

## Fixed Maturity Plan

(Open-ended Debt Fund)

Figures as on 31st July, 2001

### OBJECTIVE

To seek to generate regular returns through investments in debt securities

### INVESTMENT HORIZON

Suitable for investors who have a fixed investment horizon of approximately 90 days, 182 days and 379 days.

### INVESTMENT OPTIONS

Investors under the Fixed Maturity Plan have the choice of Cumulative option, Dividend option or the Dividend Reinvestment option.

Portfolio [Fixed Maturity Plan - Quarterly (Series 1)]			
Name	Agency	Rating	% to NAV
<b>NCDs/Bonds</b>			
GE Capital Services	CRISIL	AAA	12.77%
IDBI	ICRA	LAAA	4.36%
Mahindra & Mahindra	CRISIL	P1+	3.98%
Tata SSL	CRISIL	P1+	3.96%
Nirma	ICRA	A1+	3.96%
			<b>29.03%</b>
<b>Commercial Paper</b>			
IOC	CRISIL	P1+	17.95%
HDFC	CRISIL	P1+	11.70%
Sony India	CRISIL	P1+	7.80%
BASF	CRISIL	P1+	7.80%
IPCL	CRISIL	P1+	7.76%
Bharat Heavy Electricals	CRISIL	P1+	3.93%
E.I.Dupont India	CRISIL	P1+	3.91%
Sun Pharmaceuticals	CRISIL	P1+	3.90%
Indian Aluminium Company	CRISIL	P1+	3.12%
Ciba Speciality	CRISIL	P1+	2.34%
			<b>70.21%</b>
Cash Call & Other Assets			0.76%
<b>TOTAL</b>			<b>100.00%</b>

Portfolio [Fixed Maturity Plan - Quarterly (Series 3)]			
Name	Agency	Rating	% to NAV
<b>NCDs/Bonds</b>			
Citifinancial Retail	ICRA	A1+	10.24%
IDBI	CRISIL	AA+	10.06%
			<b>20.30%</b>
<b>Commercial Paper</b>			
HDFC	CRISIL	P1+	14.03%
Bharat Heavy Electricals	CRISIL	P1+	10.04%
Sun Pharmaceuticals	CRISIL	P1+	10.03%
Dabur India	CRISIL	P1+	10.02%
ACC	ICRA	A1+	10.02%
Citicorp Finance	CRISIL	P1+	10.01%
Larsen & Toubro	CRISIL	P1+	9.99%
IOCL	CRISIL	P1+	3.00%
			<b>77.14%</b>
Cash Call & Other Assets			2.56%
<b>TOTAL</b>			<b>100.00%</b>

Portfolio [Fixed Maturity Plan - Half Yearly (Series 2)]			
Name	Agency	Rating	% to NAV
Call, Cash & Other Assets			100.00%
<b>TOTAL</b>			<b>100.00%</b>

Portfolio [Fixed Maturity Plan - Yearly (Series 1)]			
Name	Agency	Rating	% to NAV
<b>NCDs/Bonds</b>			
IL&FS	ICRA	LAAA	13.54%
Citicorp-Maruti Finance	CRISIL	P1+	12.50%
Citicorp Finance	CRISIL	P1+	12.50%
Nirma	ICRA	LAAA	10.48%
HPCL	CRISIL	AAA	10.46%
HDFC	CRISIL	AAA	10.30%
Sterlite Industries	CRISIL	P1+	10.07%
GE Capital Services	CRISIL	AAA	9.83%
IDBI	CRISIL	AA+	9.51%
			<b>99.19%</b>
Cash Call & Other Assets			0.81%
<b>TOTAL</b>			<b>100.00%</b>

Portfolio [Fixed Maturity Plan - Yearly (Series 2)]			
Name	Agency	Rating	% to NAV
<b>NCDs/Bonds</b>			
Reliance Petroleum	CRISIL	AA+	13.80%
Citicorp Finance	CRISIL	P1+	12.53%
IDBI	CRISIL	AAA	11.01%
Indian Railway Finance	ICRA	LAAA(SO)	10.69%
IL&FS	ICRA	LAAA	10.56%
Punjab National Bank	ICRA	LAAA	8.85%
Citicorp-Maruti Finance	CRISIL	AAA	7.31%
Reliance Industries	CRISIL	AAA	5.25%
Mahindra & Mahindra	CRISIL	P1+	4.13%
			<b>84.13%</b>
<b>Government Securities</b>			
11.15% GOI 2002	Sovereign		10.97%
Cash Call & Other Assets			4.90%
<b>TOTAL</b>			<b>100.00%</b>

Performance Records				
Date	FMP Plan (Cumulative Option)	Period	NAV (Rs)	Absolute Returns
22-Dec-00	Qtly-Sr 1	Since allotment (221 days)	10.0077	6.21%
22-Dec-00	Yrly Sr 1	Since allotment (221 days)	10.0143	7.09%
22-Feb-01	Qtly-Sr 3	Since allotment (159 days)	10.0025	5.06%
23-Mar-01	Half Yrly Sr 2	Since allotment (130 days)	9.9998	2.75%
23-Mar-01	Yrly Sr 2	Since allotment (130 days)	10.0235	4.16%

None of the past results shown should be considered representation of future performance.

NAV as of 31st July, 2001		
Scheme Name	Cumulative Option NAVs in Rs.	Dividend Option NAVs in Rs.
FMP- Qtly-Sr 1	10.6296	10.0969
FMP Yrly Sr 1	10.7246	NA
FMP Qtly-Sr 3	10.5083	10.2723
FMP Haly Yearly Sr 2	10.2749	NA
FMP Yrly Sr 2	10.4403	NA

Dividend History [Fixed Maturity Plan - Quarterly (Series 1)]			
Record Date	NAV (Rs)	Face Value	Dividend (Rs)
19-Mar-01	10.2387	10.00	0.1950 per unit
18-Jun-01	10.2678	10.00	0.243 per unit

Dividend History [Fixed Maturity Plan - Quarterly (Series 2)]			
Record Date	NAV (Rs)	Face Value	Dividend (Rs)
19-Apr-01	10.2315	10.00	0.1891 per unit
19-Jul-01	10.2250	10.00	0.2042 per unit

Dividend History [Fixed Maturity Plan - Quarterly (Series 3)]			
Record Date	NAV (Rs)	Face Value	Dividend (Rs)
18-May-01	10.2258	10.0000	0.1875 per unit

Dividend History [Fixed Maturity Plan - Half Yearly (Series 1)]			
Record Date	NAV (Rs)	Face Value	Dividend (Rs)
18-Jun-01	10.2315	10.0000	0.4397 per unit

Fund Size	
	Rs. 465.19

# Wouldn't you like your investments to be just as well looked after ?



She's most comfortable in your arms – she feels secure in the knowledge that you care for her and would do anything to protect her. Wouldn't you like your investments to be equally well looked after?

That's where our Income Plan comes in. After thorough research, our experienced fund managers invest your hard-earned money in various kinds of debt securities (bonds, debentures, gilts, etc.) to create the ideal balance between maximising your returns and yet minimising risk. Since the Income Plan invests only in debt securities, you don't have to worry about the volatility of the stock markets. Also, as it is an open-ended debt fund, you can get your money back whenever you want it.

The Income Plan, one of the largest debt funds in the country is brought to you by Prudential ICICI Mutual Fund – the largest private sector mutual fund\*, managing assets of over Rs. 5,600 crores# and the trust of over 3 lakh investors.

So invest in our Income Plan. You can be sure your money is well looked after.

**PRUDENTIAL**  
*Income Plan*

\* According to Credence Analytics (India) Pvt. Ltd. Prudential ICICI Mutual Fund is the largest private sector mutual fund based on information available on April 30th, 2001.

# As on May 31st, 2001.

## Customer Service Centres

### Ahmedabad :

401, Sears Towers,  
Nr. Panchwati, Gulbai Tekra,  
Ahmedabad 380 006.  
Tel: (079) 656 6165, 656 6371.

### Chandigarh :

S.C.O. 16-17, 2nd Floor,  
Sector 9-D, Madhya Marg,  
Chandigarh 160 017.  
Tel: (0172) 745 302/3.

### Jaipur :

305, 3rd Floor,  
Ganpati Plaza, M.I. Road,  
Jaipur 302 001.  
Tel: (0141) 388 724/362 257.

### Ludhiana :

SCO 147, 4th Floor,  
Feroze Gandhi Market,  
Ludhiana 141 001.  
Tel: (0161) 413 101/102

### Patna :

306, Ashiana Harnivas,  
Dak Buglow Road,  
Patna 800 001  
Tel: (0612) 230 483

### Bangalore :

15/16, Vayudooth Chambers,  
Ground Floor, Trinity Circle,  
M G Road, Bangalore-560001  
Tel: (080) 5323789, 5323675

### Chennai :

No. 22/4, Aashika Chambers,  
Chamiers Road, Teynampet,  
Chennai 600 018.  
Tel: (044) 433 8228/9.

### Kanpur :

206 Krishna Tower, 2<sup>nd</sup> Floor,  
15/63 Civil Lines, Opp. U.P. Stock  
Exchange, Kanpur 208001.  
Tel: (0512) 558 455, 303 520/523

### Mangalore :

C/o. ICICI Bank  
Bharat Building, 1st Floor,  
P.M. Road, Mangalore 575 001.  
Tel: 98450 48638

### Pune :

2nd Floor, Office No.6, Ashok  
Vijay Complex, 326, M.G. Road,  
Pune 411 001.  
Tel: (020) 400 2180/81.

### Baroda :

Midas Business Centre, 3rd Floor,  
Landmark Building, Race Course  
Circle, Baroda 390 007.  
Tel: (0265) 357101-04, 339343

### Goa :

Shop No. 7, Ground Floor, Kamat  
Chambers, Opp. Hotel Neptune,  
Menezes Braganza Road, Panjim  
403 001. Tel: (0832) 424520/511

### Kochi :

No.6, 3rd Floor,  
Emgee Square, M.G. Road,  
Kochi 682 035.  
Tel: (0484) 353 199/374 687.

### Mumbai :

3rd Floor, Sai Nara, North Avenue &  
Linking Road Junction, Santacruz (W),  
Mumbai 400 054.  
Tel: (022) 605 2153/54, 604 0211.

### Calcutta :

124, Lords, 1st Floor,  
7/1, Lord Sinha Road,  
Calcutta 700 071.  
Tel: (033) 282 4077/82.

### Hyderabad :

L B Bhavan, 6-3-550 Somajiguda  
(Opp. Medinova),  
Hyderabad 500082.  
Tel: (040) 651 0099/100.

### Lucknow :

Office No. 6, Ground floor,  
Saran Chambers-I, 5 Park  
Road, Lucknow 226 001.  
Tel: (0522) 237 716/17.

### New Delhi :

206, Ashoka Estate, 2nd Floor,  
24, Barakhamba Road,  
New Delhi 110 001.  
Tel: (011) 375 2515/16/17/18.

**Bhubaneshwar** : 9861054007, **Coimbatore** : 9843070899,  
**Guwahati** : 9864025593, **Jamshedpur** : 9835039771,  
**Ranchi** : 9835039770, **Trivandrum** : 9847012200, **Vijayawada** : (0866)  
576729, 9848050868, **Vishakapatnam** : 9848194249, (0891) 666 333.

### CORPORATE OFFICE

3rd Floor, Contractor Building, 41, R. Kamani Marg, Ballard Estate, Mumbai 400 038.  
Tel: 269 7989; Fax: 267 9677 Website: www.prudentialicimc.com E-mail: enquiry@iciciamc.com Pruphone (Mumbai): 269 2929

**Statutory Details:** Prudential ICICI Mutual Fund (The Fund) has been set up as a Trust sponsored by Prudential Corporation plc (through its wholly owned subsidiary Prudential Corporation Holdings Limited) and ICICI Limited. Prudential ICICI Trust Limited is the Trustee to the Fund and Prudential ICICI Asset Management Company Limited is the Investment Manager to the Fund. **Risk Factors:** Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Schemes will be achieved. As with any securities investment, the NAV of the Units issued under the Schemes can go up or down, depending on the factors and forces affecting the capital markets. Past performance of the Sponsors, AMC/Fund does not indicate the future performance of the Schemes of the Fund. The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes beyond the contribution of an amount of Rs.22.2 lacs, collectively made by them towards setting up the Fund and such other accretions and additions to the corpus set up by the Sponsors. **Growth Plan** (objective is to generate long term capital appreciation), Entry Load: 1.75%, Exit Load: Nil; **Income Plan** (objective is to generate income through investments in debt securities), Entry Load: Nil, Exit Load: 0.50% for purchase transactions upto Rs.1 lac, if the investment is redeemed within 6 months of investments or for purchase transactions over Rs.1 lac, if the investment is redeemed within 3 months of investment; **Liquid Plan** (objective is to generate reasonable returns while providing high levels of liquidity), Entry Load: Nil, Exit Load: 0.25%, if the investment is redeemed within 5 days; **FMCG Fund** (objective is to generate long term capital appreciation), Entry Load: 1.75%, Exit Load: Nil; **Tax Plan** (objective is to generate long term capital appreciation), Entry Load: 1.75%, Exit Load: Nil; **Gilt Fund – Treasury Plan** (objective is to generate regular returns through investments made in gilts), Entry Load: Nil, Exit Load: 0.25% if the investment is redeemed within 1 month; **Gilt Fund – Investment Plan** (objective is to generate regular returns through investments made in gilts), Entry Load: Nil, Exit Load: 0.50% if the investment is redeemed within 90 days; **Balanced Fund** (objective is to generate long term capital appreciation and current income), Entry Load: 1.75%, Exit Load: Nil; **Technology Fund** (objective is to generate long term capital appreciation), Entry Load: 1.75%, Exit Load: Nil; **Monthly Income Plan** (to generate regular income through investments in fixed income securities), Entry Load: Nil, Exit Load: 0.50% if the investment is redeemed before 6 months and **Fixed Maturity Plan – Quarterly Series 1, Fixed Maturity Plan – Quarterly Series 2, Fixed Maturity Plan – Quarterly Series 3, Fixed Maturity Plan – Half Yearly Series 1, Fixed Maturity Plan – Half yearly Series 2, Fixed Maturity Plan – Yearly Series 1, Fixed Maturity Plan – Yearly Series 2 & Fixed Maturity Plan – Yearly Series 3** (objective is to generate regular returns through investments in debt securities), Entry Load: Nil, Exit Load: Quarterly Plan: 0.50% if investment redeemed before 3 months, Half yearly Plan: 1% if investment redeemed before 6 months, Yearly Plan: 2% if investment redeemed before 1 year, are the names of the Schemes and do not in any manner indicate either the quality of the Schemes or their future prospects and returns. Please refer to the Offer Document for scheme-specific risk factors before investing.

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MUTUAL FUND