



powerSHARES®
Xchange Traded Funds™

PowerShares India Exchange-Traded Fund Trust 2011 Annual Report to Shareholders

October 31, 2011

PowerShares India Portfolio (PIN)

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The Market Environment

Global equity markets faced headwinds in 2010 and 2011. Notably, several southern European economies, including those of Greece, Spain, Portugal, and Italy, faced solvency concerns amid massive fiscal deficits. The reporting period ended with a market upswing, however, as European leaders took steps to address the Greek sovereign debt issue, expand the bailout fund, and stabilize the banking system.

Market volatility was a common theme during the fiscal year. During mid-2011, Greek sovereign debt concerns and signs of slowing global growth continued to worry investors. In addition, numerous world events caught investors' attention, including the growing unrest in the Middle East and Northern Africa, and the devastating earthquake and tsunami in Japan on March 11th. Renewed credit problems overseas and the market correction that occurred in May, June and August, however, created a more uncertain environment, which prompted many investors to favor safety over risk.

Although Europe's debt status bore the greatest negative macroeconomic heft globally, inflation was the major concern across Asia throughout the year. Fortunately, these concerns started to subside towards the end of the period, with a surprise interest rate decline in Indonesia, inflationary easing in China, and an expected crest in India's inflation rate. The slowdown in inflation rates gave Asian governments the ability to loosen monetary policy as needed to help maintain financial stability and potentially stimulate economic growth. Though inflation rates in China receded from peak levels over the period, China's capacity to continue its economic expansion and serve as the world's growth engine came into question due to a more recent slowdown that negatively affected investor sentiment. The growth numbers in China, however, remained healthy.

In emerging market countries, investors became risk-averse on news of potential defaults in Europe, as well as slowing growth and accounting concerns in China leading to a relatively indiscriminate correction in almost all emerging market countries. Concerns about potential overheating in emerging market economies, coupled with concerns of a potential double-dip recession in developed economies, continued to foster uncertainty about the pace and vigor of a global economic recovery.

India, as measured by the MSCI India GD Index, was down (19.99)% for the fiscal year. This decline was greater than other emerging market countries as India has tended to be more volatile in recent years.

Manager's Analysis

PowerShares India Portfolio (ticker: PIN)

The PowerShares India Portfolio (the "Fund") seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of the Indus India Index (the "Index"). The Fund will invest at least 90% of its total assets in securities that comprise the Index and American depositary receipts and global depositary receipts based on the securities in the Index. The Index is designed to replicate the Indian equity markets as a whole. The India Index has 50 constituents, spread among the following sectors: Information Technology, Health Services, Financial Services, Heavy Industry, Consumer Products and Other. The India Index is supervised by an index committee, comprised of representatives of the Indus Advisors LLC, the Index provider and members of academia specializing in emerging markets.

For the fiscal year ended October 31, 2011, on a share price basis, the Fund returned (21.21)%. On an NAV basis, the Fund returned (20.24)%. Over this same year, the Index returned (18.14)%, while the MSCI India GD Index returned (19.99)% and the BSE SENSEX 30 Index returned (21.44)%.

The Fund suffered from negative performance in the energy, financials and utilities sectors, while benefiting marginally from exposure to consumer discretionary and consumer staples sectors. Reliance Industries Ltd., Indian Oil Corp., Ltd. and Reliance Communications Ltd. were the three biggest contributors to the Funds negative performance, having returned (26.31)%, (34.65)% and (59.19)%, respectively. Six of the portfolio's 60 holdings generated a positive return over the period, but only made a combined contribution of 1.79% to the portfolio.

Sector Breakdown (% of the Fund's Net Assets) as of October 31, 2011

Energy	26.5
Information Technology	17.1
Financial Services	12.0
Materials	8.5
Consumer Staples	8.0
Utilities	8.0
Telecommunication Services	5.5
Industrials	5.3
Health Care	4.9
Consumer Discretionary	4.3
Time Deposit	1.0
Other	(1.1)

Style Allocation (% of the Fund's Net Assets) as of October 31, 2011

Large-Cap Value	56.3
Large-Cap Growth	42.4
Mid-Cap Value	1.3

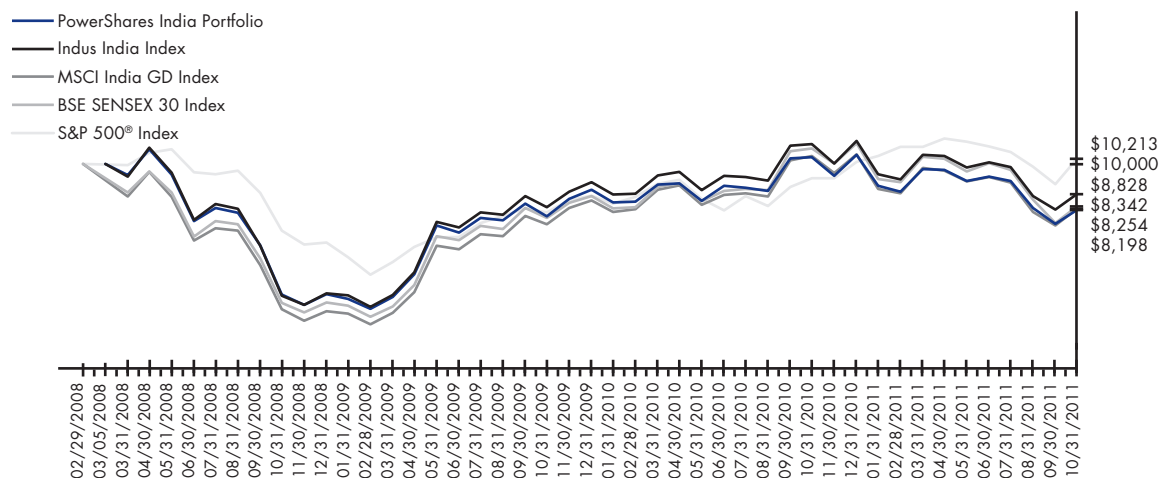
Top Ten Fund Holdings (% of the Fund's Net Assets) as of October 31, 2011

Security	
Reliance Industries, Ltd.	10.8
Infosys, Ltd.	10.4
Oil & Natural Gas Corp., Ltd.	7.9
Hindustan Unilever, Ltd.	4.7
Bharti Airtel, Ltd.	4.1
HDFC Bank, Ltd.	4.0
Tata Consultancy Services, Ltd.	3.9
NTPC, Ltd.	3.5
Indian Oil Corp., Ltd.	2.8
Housing Development Finance Corp.	2.7
Total	54.8

Manager's Analysis (Continued)

PowerShares India Portfolio (ticker: PIN)

▼ Growth of a \$10,000 Investment Since Inception[†]



▼ Fund Performance History (%)

As of October 31, 2011

		Avg. Ann. ^{††}		Fund Inception [†]	
		1 Year	3 Year	Avg. Ann. ^{††}	Cumulative
Index	Indus India Index	(18.14)%	22.12%	(3.35)%	(11.72)%
	MSCI India GD Index	(19.99)%	24.12%	(5.10)%	(17.46)%
	BSE SENSEX 30 Index	(21.44)%	22.23%	(4.82)%	(16.58)%
	S&P 500 [®] Index	8.07%	11.41%	0.58%	2.13%
Fund	Net Asset Value ("NAV") Return	(20.24)%	18.73%	(5.29)%	(18.02)%
	Share Price Return	(21.21)%	18.18%	(6.10)%	(20.55)%

Fund Inception: March 5, 2008

Performance quoted above represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and Shares, when redeemed, may be worth more or less than their original cost. According to the Fund's most recent prospectus, the expense ratio of 0.78% is expressed as a unitary fee to cover expenses incurred in connection with managing the portfolio. NAV and Share Price returns assume that dividends and capital gain distributions have been reinvested in the Fund at NAV and Share Price, respectively. The returns shown in the table above do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption or sale of Fund Shares. See investcopowershares.com to find the most recent month-end performance numbers.

Index performance results are based upon a hypothetical investment in its constituent securities. Index returns do not represent Fund returns. An investor cannot invest directly in an index. The Index does not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the hypothetical performance shown. In addition, the results actual investors might have achieved would have differed from those shown because of differences in the timing, amounts of their investments, and fees and expenses associated with an investment in the Fund.

The MSCI India GD Index and the BSE SENSEX 30 Index (the "Benchmark Indices") are unmanaged indices used as a measurement of change in stock market conditions based on the average performance of approximately 60 and 30 common stocks, respectively.

[†] Fund and Index returns are based on the inception date of the Fund. Returns for the Benchmark indices are based on the closest month end to the Fund's inception date.

^{††} Average annualized.

Frequency Distribution of Discounts & Premiums

For the Year Ended October 31, 2011

Ticker	Fund Name	Inception	Days	Closing Price Above NAV (bps)					
				0-24	25-49	50-99	100-149	150-199	200+
PIN	PowerShares India Portfolio	03/05/08	924	110	121	179	75	34	27
				Closing Price Below NAV (bps)					
				-0-24	-25-49	-50-99	-100-149	-150-199	-200+
				104	72	119	47	20	16

Fees and Expenses

As a shareholder of the PowerShares India Exchange-Traded Fund Trust (the “Fund”), you incur a unitary management fee. The expense example below is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held through the six-month period ended October 31, 2011.

Actual Expenses

The first line in the following table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading “Expense Paid During the Six-Month Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line in the following table provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed annualized rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only, and do not reflect any transactional costs such as sales charges and brokerage commissions. Therefore the second line in the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value May 1, 2011	Ending Account Value October 31, 2011	Annualized Expense Ratio Based on the Six-Month Period	Expense Paid During the Six-Month Period ⁽¹⁾
Actual	\$1,000.00	\$838.50	0.80%	\$3.71
Hypothetical (5% return before expenses)	\$1,000.00	\$1,021.17	0.80%	\$4.08

- (1) Expenses are calculated using the annualized expense ratio, which represents the ongoing expenses as a percentage of net assets for the six-months ended October 31, 2011. Expenses are calculated by multiplying the Fund’s annualized expense ratio by the average account value for the period; then multiplying the result by 184/365.

Consolidated Schedule of Investments

PowerShares India Portfolio (PIN)

October 31, 2011

Number of Shares	Value	Number of Shares	Value
Common Stocks—100.1%		Common Stocks (Continued)	
<i>India—100.1%</i>		<i>India (Continued)</i>	
Consumer Discretionary—4.3%		Materials—8.5%	
20,050	Bosch, Ltd. \$ 2,856,361	3,427,322	Hindustan Zinc, Ltd. \$ 8,777,870
545,165	Mahindra & Mahindra, Ltd. 9,661,059	552,255	Jindal Steel & Power, Ltd. 6,343,929
1,206,033	Tata Motors, Ltd. 4,867,011	218,202	JSW Steel, Ltd. 2,900,103
	17,384,431	1,380,277	NMDC, Ltd. 6,609,740
Consumer Staples—8.0%		635,572	Sesa Goa, Ltd. 2,700,960
2,447,893	Hindustan Unilever, Ltd. 18,780,256	1,693,648	Steel Authority of India, Ltd. 3,870,989
2,211,788	ITC, Ltd. 9,659,919	1,137,790	Sterlite Industries India, Ltd. 2,977,952
43,141	Nestle India, Ltd. 3,710,478		34,181,543
	32,150,653	Telecommunication Services—5.5%	
Energy—26.5%		2,041,970	Bharti Airtel, Ltd. 16,338,097
213,604	Bharat Petroleum Corp., Ltd. 2,732,394	1,444,425	Idea Cellular, Ltd.(a) 2,784,256
1,055,088	Cairn India, Ltd.(a) 6,401,608	1,865,655	Reliance Communications, Ltd. 3,026,431
874,081	Coal India, Ltd. 5,918,473		22,148,784
1,907,430	Indian Oil Corp., Ltd. 11,388,957	Utilities—8.0%	
5,561,533	Oil & Natural Gas Corp., Ltd. 31,675,428	440,141	GAIL India, Ltd. 3,795,160
183,523	Oil India, Ltd. 4,899,098	5,617,263	NHPC, Ltd. 2,882,795
2,429,789	Reliance Industries, Ltd. 43,374,563	3,777,252	NTPC, Ltd. 13,880,385
	106,390,521	1,487,598	Power Grid Corp. of India, Ltd. 3,204,294
Financial Services—12.0%		314,463	Reliance Infrastructure, Ltd. 2,980,144
180,959	Axis Bank, Ltd. 4,266,918	1,586,954	Reliance Power, Ltd.(a) 3,092,110
1,591,353	HDFC Bank, Ltd. 15,865,588	1,161,670	Tata Power Co., Ltd. 2,381,119
778,647	Housing Development Finance Corp. 10,947,235		32,216,007
368,766	ICICI Bank, Ltd. 6,951,268	Total Common Stocks	
1,388,449	Infrastructure Development Finance Co., Ltd. 3,713,349	(Cost \$338,360,775)	
794,364	Power Finance Corp., Ltd. 2,425,357	401,835,818	
104,283	State Bank of India 4,056,391	Principal	
	48,226,106	Short-Term Instruments—1.0%	
Health Care—4.9%		<i>Time Deposit—1.0%</i>	
717,973	Cipla, Ltd. 4,336,822	\$4,118,517	JPMorgan Chase & Co. 4,118,517
143,337	Dr. Reddy's Laboratories, Ltd. 4,856,699		0.03%, 11/01/11 (Cost \$4,118,517)
299,254	Ranbaxy Laboratories, Ltd. 3,075,764	Total Investments—101.1%	
704,264	Sun Pharmaceutical Industries, Ltd. 7,267,262	(Cost \$342,479,292)	
	19,536,547	Liabilities, less cash and	
Industrials—5.3%		other assets—(1.1%) (4,238,698)	
154,118	ABB, Ltd. 2,231,815	Net Assets—100.0%	
233,242	Adani Enterprises, Ltd. 2,278,586	\$401,715,637	
847,965	Bharat Heavy Electricals, Ltd. 5,505,363	Footnotes to the Consolidated Schedule of Investments:	
1,902,642	Jaiprakash Associates, Ltd. 2,995,898	(a) Non-income producing security.	
127,731	Larsen & Toubro, Ltd. 3,675,238		
250,592	Seimens, Ltd. 4,385,427		
	21,072,327		
Information Technology—17.1%			
717,129	Infosys, Ltd. 41,871,414		
693,693	Tata Consultancy Services, Ltd. 15,792,092		
1,445,337	Wipro, Ltd. 10,865,393		
	68,528,899		

See Notes to Consolidated Financial Statements.

Consolidated Statement of Assets and Liabilities

PowerShares India Portfolio (PIN)

October 31, 2011

ASSETS:

Investments, at value	\$405,954,335
Foreign currencies, at value	14,640,769
Receivables:	
Dividends	<u>163,203</u>
Total Assets	<u>420,758,307</u>

LIABILITIES:

Payables:	
Investments purchased	17,771,198
Shares repurchased	996,131
Accrued unitary management fee	228,634
Accrued tax expense	<u>46,707</u>
Total Liabilities	<u>19,042,670</u>

NET ASSETS

\$401,715,637

NET ASSETS CONSIST OF:

Shares of beneficial interest	\$404,478,374
Undistributed net investment income (loss)	(942,398)
Undistributed net realized gain (loss)	(65,295,985)
Net unrealized appreciation	<u>63,475,646</u>

Net Assets

\$401,715,637

Shares of beneficial interest outstanding (unlimited shares of \$0.01 par value authorized)	20,050,000
Net asset value	<u>\$ 20.04</u>

Share price	<u>\$ 19.86</u>
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Investments, at cost	<u>\$342,479,292</u>
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Foreign currencies, at cost	<u>\$ 14,625,487</u>
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See Notes to Consolidated Financial Statements.

Consolidated Statement of Operations

PowerShares India Portfolio (PIN)

For the Year Ended October 31, 2011

INVESTMENT INCOME:

Dividend income	\$ 6,970,798
Interest income	<u>611</u>
Total Income	<u>6,971,409</u>

EXPENSES:

Unitary management fee	3,859,570
Tax Expense	<u>46,707</u>
Total Expenses	<u>3,906,277</u>
Net Investment Income	<u>3,065,132</u>

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:

Net realized gain (loss) from:	
Investments	(34,946,198)
Foreign currencies	<u>(523,579)</u>
Net realized gain (loss)	<u>(35,469,777)</u>
Net change in net unrealized appreciation (depreciation) from:	
Investments	(79,692,012)
Foreign currencies	<u>906</u>
Net change in unrealized appreciation (depreciation)	<u>(79,691,106)</u>
Net realized and unrealized gain (loss)	<u>(115,160,883)</u>
Net increase (decrease) in net assets resulting from operations	<u><u>\$(112,095,751)</u></u>

See Notes to Consolidated Financial Statements.

Consolidated Statement of Changes in Net Assets

PowerShares India Portfolio (PIN)

	For the Year Ended October 31,	
	2011	2010
OPERATIONS:		
Net investments income	\$ 3,065,132	\$ 2,380,038
Net realized gain (loss)	(35,469,777)	(10,485,576)
Net change in unrealized appreciation (depreciation)	(79,691,106)	101,910,603
Net increase (decrease) in net assets resulting from operations	<u>(112,095,751)</u>	<u>93,805,065</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM:		
Net investment income	(3,453,100)	(2,018,433)
Return of capital	(776,861)	—
Total distributions to shareholders	<u>(4,229,961)</u>	<u>(2,018,433)</u>
SHAREHOLDER TRANSACTIONS:		
Proceeds from shares sold	211,790,056	281,433,021
Value of shares repurchased	(243,639,656)	(83,842,168)
Transaction fees	1,737,244	1,449,573
Net increase in net assets resulting from shares transactions	<u>(30,112,356)</u>	<u>199,040,426</u>
Increase (Decrease) in Net Assets	(146,438,068)	290,827,058
NET ASSETS:		
Beginning of year	548,153,705	257,326,647
End of year	<u>\$ 401,715,637</u>	<u>\$ 548,153,705</u>
Accumulated net investment income (loss) at end of year	<u>\$ (942,398)</u>	<u>\$ (272,401)</u>
CHANGES IN SHARES OUTSTANDING:		
Shares sold	9,800,000	12,500,000
Shares repurchased	(11,400,000)	(3,900,000)
Shares outstanding, beginning of year	21,650,000	13,050,000
Shares outstanding, end of year	<u>20,050,000</u>	<u>21,650,000</u>

See Notes to Consolidated Financial Statements.

Financial Highlights

PowerShares India Portfolio (PIN)

	For the Year Ended October 31,			For the Period
	2011	2010	2009	March 4, 2008 ^(a) through October 31, 2008
PER SHARE OPERATING PERFORMANCE:				
Net asset value at beginning period	\$ 25.32	\$ 19.72	\$ 12.18	\$ 25.00
Net investment income ^(b)	0.14	0.13	0.12	0.12
Net realized and unrealized gain (loss)	(5.31)	5.51	7.39	(13.01)
Total from investment operations	(5.17)	5.64	7.51	(12.89)
Distributions to shareholders from:				
Net investment income	(0.15)	(0.12)	(0.07)	(0.09)
Return of capital	(0.04)	—	—	0.00 ^(c)
Total distributions	(0.19)	(0.12)	(0.07)	(0.09)
Transaction fees ^(b)	0.08	0.08	0.10	0.16
Net asset value at end of period	\$ 20.04	\$ 25.32	\$ 19.72	\$ 12.18
Share price at end of period ^(d)	19.86	\$ 25.40	\$ 19.31	\$ 12.24
NET ASSET VALUE, TOTAL RETURN ^(e)	(20.24)%	29.09%	62.56%	(51.04)%
SHARE PRICE, TOTAL RETURN ^(e)	(21.21)%	32.25%	58.40%	(50.81)%
RATIOS/SUPPLEMENTAL DATA:				
Net assets at end of period (000's omitted)	\$401,716	\$548,154	\$257,327	\$48,765
Ratio to average net assets of:				
Expenses	0.79%	0.78%	0.78%	0.78% ^(f)
Net investment income	0.62%	0.60%	0.69%	0.98% ^(f)
Portfolio turnover rate ^(g)	82%	40%	32%	22%
Undistributed net investment income (loss) included in price of units issued and redeemed ^(b)	\$ (0.04)			

(a) Commencement of investment operations.

(b) Based on average shares outstanding.

(c) Amount represents less than \$0.005.

(d) The mean between the last bid and ask prices.

(e) Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption on the last day of the period. Share price total return is calculated assuming an initial investment made at the share price at the beginning of the period, reinvestment of all dividends and distributions at share price during the period and sale at the share price on the last day of the period. Total investment return calculated for a period of less than one year is not annualized. The net asset value total return from Fund inception on March 5, 2008 (first day of exchange trading) to October 31, 2008 was (51.02)%. The share price total return from Fund inception to October 31, 2008 was (51.87)%.

(f) Annualized.

(g) Portfolio turnover rate is not annualized for periods less than one year and does not include securities received or delivered from processing creations or redemptions.

See Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

PowerShares India Exchange-Traded Fund Trust

October 31, 2011

Note 1. Organization

PowerShares India Exchange-Traded Fund Trust (the “Trust”) was organized as a Massachusetts business trust on August 3, 2007 and is authorized to have multiple series of portfolios. The Trust is an open-end management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”). The Trust currently consists of one portfolio, the PowerShares India Portfolio (PIN), an exchange-traded index fund (the “Portfolio”). The Portfolio carries out its investment strategy by investing substantially all of its assets in PowerShares Mauritius, a wholly-owned subsidiary organized in Mauritius (the “Subsidiary”). The Subsidiary invests at least 90% of its total assets in securities that comprise the Indus India Index (or “Underlying Index”), American depository receipts (“ADRs”) and global depository receipts (“GDRs”) based on securities in the Underlying Index. Invesco PowerShares Capital Management LLC (the “Adviser”) serves as the investment adviser to both the Portfolio and the Subsidiary (collectively the “Fund”). Through such investment structure, the Fund expects to obtain benefits from a tax treaty between Mauritius and India. To obtain benefits under the treaty, the Subsidiary must meet certain tests and conditions, including the establishment of Mauritius tax residence.

The Portfolio’s shares (“Shares”) are listed on the NYSE Arca, Inc. The Fund’s market price may differ to some degree from the net asset value (“NAV”) of the Shares of the Fund. Unlike conventional mutual funds, the Fund issues and redeems Shares on a continuous basis, at NAV, only in a large specified number of Shares, each called a “Creation Unit.” Creation Units are issued and redeemed generally for cash. Except when aggregated in Creation Units by Authorized Participants, Shares are not individually redeemable securities of the Fund.

The investment objective of the Fund is to seek investment results that correspond (before fees and expenses) generally to the price and yield of the Underlying Index.

Note 2. Significant Accounting Policies

The financial statements are prepared on a consolidated basis in conformity with Generally Accepted Accounting Principles (“GAAP”) in the United States of America, which requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements, including estimates and assumptions related to taxation. Actual results could differ from those estimates. In addition, the Fund monitors for material events or transactions that may occur or become known after the period end date and before the date the financial statements are released to print. All inter-company accounts and transactions have been eliminated in consolidation. The following is a summary of the significant accounting policies followed by the Fund in preparation of its consolidated financial statements.

A. Security Valuations

Securities, including restricted securities, are valued according to the following policies.

A security listed or traded on an exchange (except convertible bonds) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. Listed options, if no closing price is available, are valued at the mean between the last bid and ask prices from the exchange on which they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and ask prices.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

October 31, 2011

Investments in open-end registered investment companies not traded on an exchange are valued at the end of day NAV per share.

Debt obligations (including convertible bonds) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate, yield, quality, type of issue, coupon rate, maturity, individual trading characteristics and other market data. Debt securities are subject to interest rate and credit risks. In addition, all debt securities involve some risk of default with respect to interest and/or principal payments.

Foreign securities (including foreign exchange contracts) are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the London world markets. If market quotations are available and reliable for foreign exchange traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the New York Stock Exchange ("NYSE"), closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, ADRs and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economical upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources.

Securities for which market quotations are not readily available or are unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust's officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/ask quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security's fair value.

Valuations change in response to many factors, including the historical and prospective earnings of the issuer, the value of the issuer's assets, general economic conditions, interest rates, investor perceptions and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the consolidated financial statements may materially differ from the value received upon actual sale of those investments.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

October 31, 2011

B. Other Risks

Replication Management Risk. Unlike many investment companies, the Fund does not utilize an investing strategy that seeks returns in excess of the Fund's respective Underlying Index. Therefore, the Fund would not necessarily sell a security unless that security is removed from the Underlying Index.

Non-Diversified Fund Risk. The Fund is considered non-diversified and can invest a greater portion of its assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single investment could cause greater fluctuations in Share price than would occur in a diversified fund. This may increase the Fund's volatility and cause the performance of a relatively smaller number of issuers to have a greater impact on the Fund's performance.

Concentration Risk. If the Fund, through its subsidiaries, concentrates its investments in an industry or group of industries, the value of the Fund's Shares may rise and fall more than the value of shares of a fund that invests in a broader range of securities.

Non-Correlation Risk. The Fund's return may not match the return of the Underlying Index for a number of reasons. For example, the Fund and Subsidiary incur operating expenses not applicable to the Underlying Index, and incur costs in buying and selling securities, especially when rebalancing the Subsidiary's securities holdings to reflect changes in the composition of the Underlying Index. Because the Fund issues and redeems Creation Units principally for cash, the Subsidiary will incur higher costs in buying and selling securities than if the Fund issued and redeemed Creation Units principally in-kind. In addition, the performance of the Fund and the Underlying Index may vary due to asset valuation differences and differences between the Subsidiary's portfolio and the Underlying Index resulting from legal restrictions, cost or liquidity constraints.

Index Rebalancing Risk. Pursuant to the methodology of the index provider used to calculate and maintain the Fund's Underlying Index, when a security in the Underlying Index reaches its limitation on foreign ownership, it will be removed from the Underlying Index that day. As a result, the Fund may be forced to sell securities at inopportune times or for prices other than at current market values or may elect not to sell such securities on the day that they are removed from the Underlying Index, due to market conditions or otherwise. Due to these factors, the variation between the Fund's annual return and the return of its Underlying Index may increase significantly.

Cash Transaction Risk. Unlike most exchange-traded funds ("ETFs"), the Fund currently effects creations and redemptions primarily for cash, rather than primarily in-kind because of the nature of the Fund's investments. As such, investments in the Fund's Shares may be less tax efficient than investments in conventional ETFs.

Currency Risk. The Fund, through the Subsidiary, invests in rupee denominated equity securities of Indian issuers. Because the Fund's net asset value ("NAV") is determined in U.S. dollars, the Fund's NAV could decline if the rupee depreciates against the U.S. dollar, even if the value of the Subsidiary's holdings, measured in rupees, increases.

Indian Securities Risk. Investment in Indian securities involves risks not typically associated with investments in securities of issuers in more developed countries, which may adversely affect the value of the Fund's assets. Such heightened risks include, among others, political and legal uncertainty, greater government control over the economy, currency fluctuations or blockage and the risk of nationalization or

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

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exportation of assets. In addition, religious and border disputes persist in India. Certain restrictions on foreign investment may decrease the liquidity of the Fund's portfolio or inhibit the Fund's ability to track the Underlying Index. The Fund's investment in securities of issuers located or operating in India as well as its ability to track the Underlying Index may be limited or prevented, at times, due to the limits on foreign ownership imposed by the Reserve Bank of India ("RBI").

Small and Medium Capitalization Company Risk. Investing in securities of small and medium capitalization companies involves greater risk than is customarily associated with investing in larger, more established companies. These companies' securities may be more volatile and less liquid than those of more established companies. These securities may have returns that vary, sometimes significantly, from the overall securities market. Often small and medium capitalization companies and the industries in which they are focused are still evolving and this may make them more sensitive to changing market conditions.

Regulatory Risk. The Adviser is a qualified foreign institutional investor ("FII") with the Securities and Exchange Board of India ("SEBI") and the Subsidiary is registered as a sub-account with the SEBI in order to obtain certain benefits relating to the Fund's ability to make and dispose of investments. There can be no assurances that the Indian regulatory authorities will continue to grant such qualifications, and the loss of such qualifications could adversely impact the ability of the Fund to make investments in India.

The Subsidiary's investments will be made in accordance with investment restrictions prescribed under the FII regulation. If new policy announcements or regulations in India are made which require retrospective changes in the structure or operations of the Fund, these may adversely impact the performance of the Fund.

C. Foreign Currency

Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts based upon the prevailing exchange rates on the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the respective dates of such transactions. Unrealized gains and losses on investments which result from changes in foreign currency exchange rates have been included in the unrealized appreciation (depreciation) of investments. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date of investment securities transactions, foreign currency transactions and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amount actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale date are not segregated in the Consolidated Statement of Operations from the effects of changes in market prices of those securities but are included in realized gains and losses on investment securities sold.

D. Federal Income Taxes

The Fund intends to continue to comply with the provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of the Fund's taxable earnings to its shareholders. As such, the Fund will not be subject to Federal income taxes on otherwise taxable income (including net realized gains) that is distributed to the shareholders. Therefore, no provision for Federal income taxes is recorded in the financial statements.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

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Income and capital gain distributions are determined in accordance with Federal income tax regulations, which may differ from GAAP. These differences are primarily due to differing book and tax treatments for in-kind transactions, losses deferred due to wash sales and passive foreign investment company adjustments, if any.

The Fund files tax returns in the United States Federal jurisdiction and certain other jurisdictions. Generally, the Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

The Subsidiary continues to: (i) comply with the requirements of the tax treaty; (ii) be a tax resident of Mauritius; and (iii) maintain its central management and control in Mauritius, and therefore expects to be able to obtain the benefits of the treaty. As a result, after considering the benefit of the tax treaty, with respect to Indian taxes, the Fund is not expected to be subject to capital gains tax in India on the sale of Indian securities but is expected to be subject to Indian withholding tax on interest earned on Indian debt securities at rates that may vary from 10% to 42.23%, depending on the nature of the underlying debt security. Dividends from Indian companies are paid to the Fund free of Indian tax. With respect to Mauritian taxes, the Fund is expected to be subject to an effective rate of tax of 3% of its net dividend and interest income and is not expected to be subject to taxes on capital gains. There is no assurance that the terms of the treaty will not be subject to re-negotiation or a different interpretation of the treaty in the future or that the Subsidiary will continue to be deemed a tax resident by Mauritius, allowing favorable tax treatment. Any change in the provisions of this treaty or in its applicability to the Subsidiary could result in the imposition of withholding and other taxes on the Subsidiary by India, which would reduce the return to the Fund on its investment.

E. Investment Income and Investment Transactions

Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Investment transactions are recorded on the trade date. Realized gains and losses from the sale or disposition of securities are calculated on the specified identified cost basis. Corporate actions (including cash dividends) are recorded net of non-reclaimable foreign tax withholdings on the ex-dividend date.

F. Expenses

The Fund has agreed to pay the Adviser an annual unitary management fee. The Adviser has agreed to pay for substantially all expenses of the Fund, including the cost of transfer agency, custody, fund administration, legal, audit and other services, except for distribution fees, if any, brokerage expenses, taxes, interest and other extraordinary expenses.

G. Dividends and Distributions to Shareholders

The Fund declares and pays dividends from net investment income, if any, to its shareholders quarterly and records on ex-dividend date. The Fund distributes net realized taxable capital gains, if any, generally annually in cash and records on ex-dividend date. Such distributions on a tax basis are determined in conformity with income tax regulations which may differ from GAAP. Distributions in excess of tax basis earnings and profits, if any, are reported in the Fund's consolidated financial statements as return of capital.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

October 31, 2011

Note 3. Investment Advisory Agreement and Other Agreements

The Trust has entered into an Investment Advisory Agreement with the Adviser, pursuant to which the Adviser has overall responsibility as the Fund's investment adviser for the selection and ongoing monitoring of the Fund's investments, managing the Fund's business affairs and providing certain clerical, bookkeeping and other administrative services.

The Fund has agreed to pay the Adviser an annual unitary management fee 0.78% of its average daily net assets, and the Adviser has agreed to pay for substantially all expenses of the Fund, including the cost of transfer agency, custody, fund administration, legal, audit and other services, distribution fees, if any, brokerage expenses, taxes, interest and other extraordinary expenses.

The Trust has entered into a Distribution Agreement with Invesco Distributors, Inc. (the "Distributor"), which serves as the distributor of Creation Units of the Fund on an agency basis. The Distributor does not maintain a secondary market in Shares. The Distributor is an affiliate of the Adviser.

The Adviser has entered into a licensing agreement for the Fund with the Indus Advisors LLC (the "Licensor"). The Underlying Index name trademark is owned by the Licensor. The trademark has been licensed to the Adviser for use with the Fund. The Fund is entitled to use the underlying Index pursuant to the Trust's sub-licensing agreement with the Adviser. The Fund is not sponsored, endorsed, sold or promoted by the Licensor and the Licensor makes no representation regarding the advisability of investing in the Fund. The Fund is not a party to the licensing agreement.

The Trust has entered into service agreements whereby Brown Brothers Harriman & Co. serves as administrator, custodian, fund accounting and transfer agent for the Fund.

Note 4. Additional Valuation Information

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3) generally when the market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 – Prices are determined using quoted prices in an active market for identical assets.

Level 2 – Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 – Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

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The following is a summary of the tiered valuation input levels, as of October 31, 2011. The level assigned to the securities valuations may not be an indication of risk of liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

Category	Level 1*	Level 2*	Level 3	Total
Common Stock:				
Consumer Discretionary	\$ —	\$ 17,384,431	\$—	\$ 17,384,431
Consumer Staples	—	32,150,653	—	32,150,653
Energy	19,020,449	87,370,072	—	106,390,521
Financial Services	—	48,226,106	—	48,226,106
Health Care	—	19,536,547	—	19,536,547
Industrials	—	21,072,327	—	21,072,327
Information Technology	—	68,528,899	—	68,528,899
Materials	2,977,952	31,203,591	—	34,181,543
Telecommunication Services	—	22,148,784	—	22,148,784
Utilities	—	32,216,007	—	32,216,007
Time Deposit	—	4,118,517	—	4,118,517
Total Investments	\$21,998,401	\$383,955,934	\$—	\$405,954,335

* Transfers occurred between level 1 and 2 due to foreign fair value adjustments.

Note 5. Distributions to Shareholders and Tax Components of Net Assets

Tax Character of Distributions to Shareholders Paid During the Fiscal Years Ended October 31, 2011 and 2010:

	2011	2010
Ordinary Income	\$3,453,100	\$2,018,433
Return of Capital	776,861	—

Tax Components of Net Assets at Fiscal Year Fund:

Undistributed Ordinary Income	Net Unrealized Appreciation —Investments	Net Unrealized Appreciation —Other Investments	Shares of Capital Loss Carryforward	Beneficial Interest	Total Net Assets
\$—	\$18,244,779	\$603	\$(21,008,119)	\$404,478,374	\$401,715,637

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Fund to utilize. The ability to utilize capital loss carryforward in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

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Capital loss carryforward amount as of October 31, 2011, which expire on October 31 of each year as follows:

<u>Expiration</u>	<u>Capital Loss Carryforward*</u>
October 31, 2016	\$ 477,398
October 31, 2017	2,620,805
October 31, 2018	2,587,911
October 31, 2019	<u>15,322,005</u>
Total Capital loss carryforward	<u>\$21,008,119</u>

* Capital loss carryforward as of date listed is reduced for limitations, if any, to the extent required by the Internal Revenue Code.

Federal and Other Taxes. It is the Trust's policy to comply with the federal income and excise tax requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Accordingly, the Fund intends to distribute substantially all of its income and net realized gains on investments, if any, to shareholders each year. Therefore, no federal income tax provision is required in the Funds' financial statements. Under the applicable foreign tax laws, a withholding tax may be imposed on interest, dividends and capital gains at various rates.

Note 6. Reclassification of Permanent Differences

Primarily as a result of differing book/tax treatment of foreign currency activity, on October 31, 2011, undistributed net investment income (loss) was decreased by \$282,029, undistributed net realized gain (loss) was increased by \$424,757 and shares of beneficial interest was decreased by \$142,728. These reclassifications had no effect on the net assets of the Fund.

Note 7. Investment Transactions

For the fiscal year ended October 31, 2011, the cost of securities purchased and proceeds from sales of securities, excluding short-term securities and in-kind transactions, were \$404,768,163 and \$436,832,299, respectively. Gains on in-kind transactions are generally not considered taxable gains for Federal income tax purposes.

At October 31, 2011, the aggregate cost and the net unrealized appreciation of investments for tax purposes were as follows:

<u>Cost</u>	<u>Net Unrealized Appreciation</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized (Depreciation)</u>
\$387,709,556	\$18,244,779	\$88,077,951	\$(69,833,172)

Note 8. Trustees' Fees

The Fund compensates each Trustee who is not an "interested person" as defined in the 1940 Act (an "Independent Trustee"). The Adviser, as a result of the unitary management fee, pays for such compensation. The Non-Independent Trustees of the Trust do not receive any Trustees' fees.

The Trust has adopted a deferred compensation plan (the "Plan"). Under the Plan, an Independent Trustee who has executed a Deferred Fee Agreement (a "Participating Trustee") may defer receipt of all or a portion of his compensation ("Deferral Fees"). Such Deferral Fees are deemed to be invested in select

Notes to Consolidated Financial Statements (Continued)

PowerShares India Exchange-Traded Fund Trust

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PowerShares Funds. The Deferral Fees payable to the Participating Trustee are valued as of the date such Fees would have been paid to the Participating Trustee. The value increases with contributions or with increases in the value of the Shares selected, and the value decreases with distributions or with declines in the value of the Shares selected.

Note 9. Capital

Shares are created and redeemed by the Trust only in Creation Unit size aggregations of 50,000 shares. Only Authorized Participants are permitted to purchase or redeem Creation Units from the Fund. Such transactions are generally for cash only. If an in-kind transaction is permitted, there will be a balancing cash component to equate the transaction to the NAV per Share of the Fund on the transaction date. Cash may be substituted equivalent to the value of certain securities generally when they are not available in sufficient quantity for delivery, not eligible for trading by the Authorized Participant or as a result of other market circumstances. Transactions in capital shares for the Fund is disclosed in detail on the Statement of Changes in Net Assets.

The Fund charges fixed and variable transaction fees for creations and redemptions which are treated as increases in capital.

Note 10. Indemnification

Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. Each Independent Trustee is also indemnified against certain liabilities arising out of the performance of his duties to the Trust pursuant to an Indemnification Agreement between the Independent Trustee and the Trust. Additionally, in the normal course of business, the Trust enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these agreements is unknown, as this would involve, future claims that may be made against the Trust that have not yet occurred. However, based on experience, the Trust believes the risk of loss to be remote.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of PowerShares India Exchange-Traded Fund Trust:

In our opinion, the accompanying consolidated statement of assets and liabilities, including the consolidated schedule of investments, and the related consolidated statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of PowerShares India Portfolio (a portfolio of PowerShares India Exchange-Traded Fund Trust), and its subsidiary (the "Fund") at October 31, 2011, and the results of their operations, the changes in their net assets and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at October 31, 2011 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
New York, New York
December 27, 2011

Tax Information

Form 1099-DIV, Form 1042-S and other year-end tax information provide shareholders with actual calendar year amounts that should be included in their tax returns. Shareholders should consult their tax advisers.

The following distribution information is being provided as required by the Internal Revenue Code or to meet a specific state's requirement.

The Fund designates the following amounts or, if subsequently determined to be different, the maximum amount allowable for its fiscal year ended October 31, 2011:

Federal Income Tax Information

The percentages of investment income (dividend income plus short-term gains, if any) qualify as follows:

<u>Qualified Dividend Income*</u>	<u>Dividends-Received Deduction*</u>
100.00%	0.00%

* The above percentages are based on ordinary income dividends paid to shareholders during the Fund's fiscal year.

Trustees and Officers

The Independent Trustees, the three Trustees who are affiliated with the Adviser and the Trustee who has been deemed “interested” because of his business relationship with the Adviser (the “Non-Independent Trustees”) and the executive officers of the Trust, their term of office and length of time served. Their principal business occupations during the past five years, the number of portfolios in the Fund Complex overseen by each Trustee and the other directorships, if any, held by a Trustee, are shown below.

The Trustee and Officers information is current as of October 31, 2011.

Name, Address and Age of Independent Trustees	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex** Overseen by Independent Trustees	Other Directorships Held by Independent Trustees
Ronn R. Bagge (53) c/o Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL, 60187	Trustee	Since 2008	Founder and Principal, YQA Capital Management LLC (July 1998-Present); formerly, Owner/CEO of Electronic Dynamic Balancing Co., Inc. (high-speed rotating equipment service provider)	112	None

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At October 31, 2011, the Fund Complex consists of the Trust’s one portfolio and three other exchange-traded fund trusts with 111 portfolios advised by the Adviser.

Trustees and Officers (Continued)

Name, Address and Age of Independent Trustees	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex** Overseen by Independent Trustees	Other Directorships Held by Independent Trustees
Todd J. Barre (53) c/o Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL, 60187	Trustee	Since 2010	Assistant Professor of Business, Trinity Christian College (2010-Present); formerly, Vice President and Senior Investment Strategist (2001-2008); Director of Open Architecture and Trading (2007-2008); Head of Fundamental Research (2004-2007); and Vice President and Senior Fixed Income Strategist (1994-2001); BMO Financial Group/Harris Private Bank	112	None

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At October 31, 2011, the Fund Complex consists of the Trust's one portfolio and three other exchange-traded fund trusts with 111 portfolios advised by the Adviser.

Trustees and Officers (Continued)

Name, Address and Age of Independent Trustees	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex** Overseen by Independent Trustees	Other Directorships Held by Independent Trustees
Marc M. Kole (51) c/o Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL, 60187	Trustee	Since 2008	Chief Financial Officer, Hope Network (social services) (2008-Present); formerly, Assistant Vice President and Controller, Priority Health (health insurance) (2005-2008); Senior Vice President of Finance, United Healthcare (health insurance) (2004-2005); Senior Vice President of Finance, Oxford Health Plans (2000-2004)	112	None
Philip M. Nussbaum (49) c/o Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL, 60187	Trustee	Since 2008	Chairman, Performance Trust Capital Partners (2004-Present)	112	None

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At October 31, 2011, the Fund Complex consists of the Trust's one portfolio and three other exchange-traded fund trusts with 111 portfolios advised by the Adviser.

Trustees and Officers (Continued)

Name, Address and Age of Independent Trustees	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex** Overseen by Independent Trustees	Other Directorships Held by Independent Trustees
Donald H. Wilson (51) c/o Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL, 60187	Trustee	Since 2008	Chairman and Chief Executive Officer, Stone Pillar Advisers, Ltd. (2010-Present); formerly, Operating Officer, AMCORE Financial, Inc. (bank holding company) (2007-2009); Executive Vice President and Chief Financial Officer, AMCORE Financial, Inc. (2006-2007); Senior Vice President and Treasurer, Marshall & Ilsley Corp. (bank holding company) (1995-2006)	112	None

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At October 31, 2011, the Fund Complex consists of the Trust's one portfolio and three other exchange-traded fund trusts with 111 portfolios advised by the Adviser.

Trustees and Officers (Continued)

The Non-Independent Trustees and the executive officers of the Trust, their term of office and length of time served, their principal business occupations during the past five years, the number of portfolios in the Fund Complex overseen by the Non-Independent Trustees and the other directorships, if any, held by the Trustees are shown below.

Name, Address and Age of Non-Independent Trustees	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex** Overseen by Non-Independent Trustees	Other Directorships Held by Non-Independent Trustees
H. Bruce Bond (48) Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL, 60187	Chairman of the Board and Trustee	Since 2007	Chairman, Invesco PowerShares Capital Management LLC (2009-present); formerly Managing Director, Invesco PowerShares Capital Management LLC (2002-2009); Manager, Nuveen Investments (1998-2002)	112	None

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At October 31, 2011, the Fund Complex consists of the Trust's one portfolio and three other exchange-traded fund trusts with 111 portfolios advised by the Adviser.

Trustees and Officers (Continued)

Name, Address and Age of Non-Independent Trustees	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex** Overseen by Non-Independent Trustees	Other Directorships Held by Non-Independent Trustees
Kevin M. Carome (55) Invesco Ltd. Two Peachtree Pointe 1555 Peachtree St., N.E. Suite 1800 Atlanta, GA 30309	Trustee	Since 2010	Senior Managing Director and General Counsel, Invesco Ltd. (2006-Present); formerly, Senior Vice President and General Counsel, Invesco Advisors, Inc. (2003-2005); Senior Vice President and General Counsel, Liberty Financial Companies, Inc. (2000-2001); General Counsel of certain investment management subsidiaries of Liberty Financial Companies, Inc. (1998-2000); Associate General Counsel, Liberty Financial Companies, Inc. (1993-1998); Associate, Ropes & Gray LLP	112	None
Kapil Dev Joory (59) c/o Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL 60187	Trustee	Since 2009	Director, International Financial Services Limited (international tax and business advisory services) (1993-Present)	1	Director of various Global Business companies

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At October 31, 2011, the Fund Complex consists of the Trust's one portfolio and three other exchange-traded fund trusts with 111 portfolios advised by the Adviser.

Trustees and Officers (Continued)

Name, Address and Age of Non-Independent Trustees	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex** Overseen by Non-Independent Trustees	Other Directorships Held by Non-Independent Trustees
Graeme J. Proudfoot (47) c/o London Office Invesco Ltd. 30 Finsbury Square London, EC2A 1AG United Kingdom	Trustee	Since 2008	Head of Specialist Funds Division, Invesco Ltd. (1999-Present); Head of London Office, Invesco Ltd. (2007-Present)	1	Director, Invesco UK Limited, Invesco Asset Management Limited and various other group companies (1999-Present)

* This is the date the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

** Fund Complex includes all open-end funds (including all of their portfolios) advised by the Adviser. At October 31, 2011, the Fund Complex consists of the Trust's one portfolio and three other exchange-traded fund trusts with 111 portfolios advised by the Adviser.

Trustees and Officers (Continued)

Name, Address and Age of Officers	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years
Andrew Schlossberg (37) Invesco Management Group, Inc. 11 Greenway Plaza Suite 2500 Houston, TX 77046	President	Since 2009	Managing Director, U.S. head of business strategy and Chief Marketing officer for Invesco Ltd. in the United States (2008-Present); formerly, Mr. Schlossberg served in multiple roles within Invesco, including head of corporate development, as well as Global leadership roles in strategy and product development in the Company's North American Institutional and Retirement division (2002-2007)
Benjamin Fulton (50) Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL 60187	Vice President	Since 2009	Executive Vice President – Global Product Development, Invesco PowerShares Capital Management LLC (2005-Present); formerly, principal of Clermont Consulting, a consulting firm focused on the Creation and development of retail investment products (2003-2005); President and a founding partner of Claymore Securities, a financial Services firm in the Chicago land area (2001-2003); Managing Director of Structured Investments at Nuveen Investments (1998-2001)
Peter Hubbard (30) Invesco PowerShares Capital Management LLC 301 W. Roosevelt Rd., Wheaton, IL 60187	Vice President	Since 2009	Vice President and Director of Portfolio Management – Invesco PowerShares Capital Management LLC (2008-Present); formerly, Portfolio Manager, Invesco PowerShares Capital Management LLC (2007-2008); Research Analyst, Invesco PowerShares Capital Management LLC (2005-2007); Research Analyst and Trader, Ritchie Capital, a hedge fund operator (2003-2005)
David Warren (54) Invesco Trimark Ltd. 5140 Yonge Street Suite 900 Toronto, ON M2X 6X7	Vice President	Since 2009	Director, Executive Vice President and Chief Financial Officer, Invesco Canada Ltd. (formerly Invesco Trimark Ltd.) and Chief Administrative Officer, North American Retail, Invesco Ltd. (2007-Present); formerly, Director, Executive Vice President and Chief Financial Officer, Invesco Canada Ltd. (formerly Invesco Trimark Ltd.) (2000-2006)

* This is the date the officers began serving the Trust. Each officer serves an indefinite term, until his successor is elected.

Trustees and Officers (Continued)

Name, Address and Age of Officers	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years
Todd Spillane (52) Invesco Management Group, Inc. 11 Greenway Plaza Suite 2500 Houston, TX 77046	Chief Compliance Officer	Since 2010	Senior Vice President, Invesco Management Group, Inc.; Chief Compliance Officer, Invesco Private Capital Investments, Inc. (holding company), Invesco Private Capital, Inc. (registered investment adviser) and Invesco Senior Secured Management, Inc. (registered investment adviser); Chief Compliance Officer and Senior Vice President, Invesco Advisers, Inc. (formerly Invesco Institutional (N.A.), Inc. – registered investment adviser) and Vice President, Invesco Distributors, Inc. and Invesco Investment Services, Inc.; formerly Chief Compliance Officer, Invesco Global Asset Management (N.A.), Inc. (registered investment adviser) and Invesco Advisers, Inc. (formerly Invesco Institutional (N.A.), Inc. – registered investment adviser); Senior Vice President and Chief Compliance Officer, Invesco Advisers, Inc. Invesco Capital Management, Inc. and Invesco Private Asset Management, Inc.; Vice President, Invesco Capital Management, Inc. and Fund Management Company
Steven M. Hill (47) Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Treasurer	Since 2011	Treasurer, PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Fund Trust II, PowerShares India Exchange-Traded Fund Trust, and PowerShares Actively Managed Exchange-Traded Fund Trust; Head of Global ETF Operations, Invesco PowerShares Capital Management LLC; formerly, Senior Managing Director and Chief Financial Officer, Destra Capital Management LLC and its Subsidiaries (2010-2011); Chief Financial Officer, Destra Investment Trust and Destra Investment Trust II (2010-2011); Senior Managing Director, Claymore Securities, Inc. (2003-2010); and Chief Financial Officer, Claymore Sponsored mutual funds (2003-2010)

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Trustees and Officers (Continued)

Name, Address and Age of Officers	Position(s) with Trust	Length of Time Served*	Principal Occupation(s) During Past 5 Years
Anna Paglia (37) Invesco PowerShares Capital Management LLC 301 West Roosevelt Road Wheaton, IL 60187	Secretary	Since 2011	Head of Legal, Invesco PowerShares Capital Management LLC (2010-Present); formerly Partner, K&L Gates LLP (formerly, Bell Boyd & Lloyd LLP) (2007-2010). Associate Counsel at Barclays Global Investors Ltd. (2004-2006)

Availability of Additional Information About the Trustees

The Statement of Additional Information includes additional information about the Trustees and is available, without charge, upon request at (800) 983-0903.

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PROXY VOTING POLICIES AND PROCEDURES

A description of the Trust's proxy voting policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available, without charge and upon request, by calling (800) 983-0903. This information is also available on the Securities and Exchange Commission's (the "Commission") website at www.sec.gov.

Information regarding how the Fund voted proxies for portfolio securities, if applicable, during the most recent 12-month period ended June 30, is available, without charge and upon request, by (i) calling (800) 983-0903; or (ii) accessing the Trust's Form N-PX on the Commission's website at www.sec.gov.

QUARTERLY PORTFOLIOS

The Trust files its complete schedule of portfolio holdings for the Fund with the Commission for the first and third quarters of each fiscal year on Form N-Q. The Form N-Q is available on the Commission's website at www.sec.gov. The Trust's Form N-Qs may also be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

This report must be preceded or accompanied
by the most recent fund prospectus.

301 West Roosevelt Road
Wheaton, IL 60187
800.983.0903
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