

December 2014



HIGH GROWTH POTENTIAL

TAX BENEFIT*


*Under section 80C of Income Tax act, 1961, the deduction limit for investment in ELSS is upto ₹ 1.5 lakh



**PRINCIPAL
TAX SAVINGS
FUND**

(An open-ended Equity Linked Savings Scheme)


Product Label - This product is suitable for investors who are seeking -

- Long term Capital Growth with a three year lock-in.
- Investment in equity & equity related securities including equity derivatives of companies across market capitalization.
- High Risk.  (BROWN)

~ Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note: Risk may be represented as: Investors understand that their principal will be at Low Risk  (Blue);




Investors understand that their principal will be at Medium Risk  (Yellow);

Investors understand that their principal will be at High Risk  (Brown)

PRODUCT SUITABILITY

Scheme Names	This product is suitable for investors who are seeking ~	Product Label	Pg. No.
Principal Large Cap Fund <i>(An Open-ended Equity Scheme)</i>	• Long term Capital Growth. • Investment in equity & equity related securities including equity derivatives of large capitalization Companies	High Risk  (Brown)	8
Principal Emerging Bluechip Fund <i>(An Open-ended Equity Scheme)</i>	• Long term Capital Growth. • Investment in equity & equity related securities including equity derivatives of mid & small capitalization Companies.	High Risk  (Brown)	9
Principal Growth Fund <i>(An Open-ended Equity Scheme)</i>	• Long term Capital Growth. • Investment in equity & equity related securities including equity derivatives of companies across market capitalization.	High Risk  (Brown)	10
Principal Dividend Yield Fund <i>(An Open-ended Equity Scheme)</i>	• Long term Capital Growth. • Investment in equity & equity related securities including equity derivatives of high dividend yield Companies.	High Risk  (Brown)	11
Principal Index Fund - Nifty <i>(An Open-ended Index Scheme)</i>	• Long term Capital Growth. • Investment in equity securities including equity derivatives of CNX Nifty (NSE) Companies.	High Risk  (Brown)	12
Principal Index Fund - Midcap <i>(An Open-ended Index Scheme)</i>	• Long term Capital Growth. • Investment in equity securities including equity derivatives of CNX Midcap Index.	High Risk  (Brown)	13
Principal SMART Equity Fund <i>(An Open-ended Equity Scheme)</i>	• Long term Capital Growth. • Investment in equity & equity related securities including equity derivatives of large capitalization Companies as well as Debt/Money Market securities through a systematic allocation of Funds between Equity & Debt on the basis of the Price Earnings Ratio of CNX Nifty.	High Risk  (Brown)	14
Principal Personal Tax Saver Fund <i>(An Open-ended Equity Linked Savings Scheme)</i>	• Long term Capital Growth with a three year lock-in. • Investment in equity & equity related securities including equity derivatives of large capitalization Companies.	High Risk  (Brown)	15
Principal Tax Savings Fund <i>(An Open-ended Equity Linked Savings Scheme)</i>	• Long term Capital Growth with a three year lock-in. • Investment in equity & equity related securities including equity derivatives of companies across market capitalization.	High Risk  (Brown)	16
Principal Balanced Fund <i>(An Open-ended Balanced Scheme)</i>	• Income and Long term Capital Growth. • Investment in equity & equity related securities, debt/money market securities as well as derivatives.	Medium Risk  (Yellow)	17
Principal Debt Savings Fund - MIP <i>An Open-ended Income Fund (Monthly Income is not assured and is subject to the availability of distributable surplus)</i>	• Income and Capital Growth over a medium term investment horizon. • Investment primarily in debt/money market securities with exposure in equity & equity related instruments including equity derivatives.	Medium Risk  (Yellow)	18
Principal Government Securities Fund <i>(An Open-ended dedicated Gilt Scheme investing in Government Securities)</i>	• Income over a long term investment horizon. • Investment in Government Securities.	Low Risk  (Blue)	19
Principal Income Fund - Long Term Plan <i>(An Open-ended Income Scheme)</i>	• Income over a long term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk  (Blue)	20
Principal Debt Opportunities Fund - Corporate Bond Plan <i>(An Open-ended Debt Scheme)</i>	• Income over a long term investment horizon. • Investment in Debt & Money Market Instruments of Private & Public Sector Companies.	Low Risk  (Blue)	21
Principal Income Fund - Short Term Plan <i>(An Open-ended Income Scheme)</i>	• Income over a medium term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk  (Blue)	22
Principal Bank CD Fund <i>(An Open-ended Debt Scheme)</i>	• Income over a medium term investment horizon. • Investment in Bank CDs, Debt & Money Market Instruments.	Low Risk  (Blue)	23
Principal Debt Opportunities Fund - Conservative Plan <i>(An Open-ended Debt Scheme)</i>	• Income over a short term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk  (Blue)	24
Principal Cash Management Fund <i>(An Open-ended Liquid Scheme)</i>	• Income over a short term investment horizon. • Investment in Debt & Money Market Instruments, with maturity not exceeding 91 days.	Low Risk  (Blue)	25
Principal Global Opportunities Fund <i>(An Open-ended Fund of Funds Scheme)</i>	• Long term Capital Growth. • Investment in overseas mutual fund schemes.	High Risk  (Brown)	26
Principal Retail Money Manager Fund <i>(An Open-ended Debt Scheme)</i>	• Income over a short term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk  (Blue)	26
Principal Debt Savings Fund - Retail Plan <i>(An Open-ended Income Scheme)</i>	• Income over a long term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk  (Blue)	27

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Note: Risk may be represented as: Investors understand that their principal will be at Low Risk  (Blue);
Investors understand that their principal will be at Medium Risk  (Yellow);
Investors understand that their principal will be at High Risk  (Brown)

Fixed Income Update for December 2014

Key Market Highlights:

- During the month, gilt yields continued to fall, however other asset classes exhibited stable to higher yields. Gilt yields ended the month 20 to 23 bps lower. Money market yields rose while corporate bond yields were flat to lower by 5 bps. Continued fall in CPI and WPI, global crude oil prices, large bond purchases by FIs and stable global bond yields were the primary reasons.
- Brent Crude oil prices continued their downward trend ending the month at USD 56 per barrel as compared to USD 70 per barrel in the previous month.
- INR closed weaker during the month at 63.04 as compared to 62.03 the previous month. For the month of December, FIs continue to remain buyers in the debt market with net debt purchases totaling ₹ 9000 crore approx.
- The benchmark ten yr g-sec closed the month at 7.85%, 24 bps lower than previous month.
- The ten year AAA Corporate bond benchmark closed at 8.59%, 8 bps lower than previous month. The five year AAA corporate bond benchmark closed at 8.67%, flat as compared to previous month.
- 1 year CD rates fell by 6 bps to close at 8.62%. 1 year T-bill rate went up 7 bps to close at 8.30%.
- November WPI data release came 0% as compared to 1.77% as in previous month. CPI for November came lower at 4.38% compared to 5.52% in previous month.
- October industrial production (IIP) growth contracted to -4.2% yoy reflecting further decline in industrial activity.
- Fiscal data released by the government for the period April-November 2014 was ₹ 5.25 lakh crore, or about 99% of the full-year target.

- Liquidity deficit was higher during the month at ₹ 85,000 crore avg as compared to ₹ 44,000 crore average for the previous month combined for daily LAF, term LAF and MSF. Overnight rates remained stable around 8% with brief spikes on few days towards 9% during the month.
- In its Monetary Policy Review announced on December 2nd, RBI kept all key rates unchanged as expected however their stance turned dovish leading to a rise in gilt prices.

Outlook:

- We expect the new ten year benchmark G-sec to trade in a range of 7.75% to 8.10% during the month. Further OMO sales by RBI can lead to bouts of profit taking and higher yields given the current sustained rally. The five year AAA PSU corporate bond benchmark is expected to trade in a range of 8.40 to 8.90%.
- Fiscal concerns could lead to intermittent profit booking and upward pressure on rates.
- Banking system liquidity deficit is expected to go up in the range of ₹ 80,000 crore to 120,000 crore for the month.
- Short term money market yields upto 3 month maturity are expected to remain range bound. We expect the 3 month CD rate to trade 25-50 bps above the repo rate.

Equity Markets

Review of Equity Market for the Month of December 2014

The global environment and sentiment had an impact on Indian markets too during the month of December. While the US economy continued to show signs of recovery, the sharp slowdown in Japan after the sales tax rise, the uncertainty regarding QE by the ECB, the situation in Russia, the fall of the Greek government and finally, the implications of the sharp fall in price of oil on global growth and potential credit defaults weighed on the markets. The MSCI Emerging market Index (in Local Currency) was down 2.7% during the month. Portfolio flows into Emerging Markets suffered their biggest decline since the 'taper tantrum' in mid-2013. Indian markets, which have had a strong run through 2014 (India was among the top 5 markets in 2014) had a bad time too. The FII's turned sellers of Indian equity during the month, selling about \$ 160 million worth of equity, while domestic mutual funds continued to be strong buyers, investing about \$ 1.1 Billion during the month. Insurance companies, however, were sellers of equity (USD 255 million). In all, FIIs have invested over USD 16 Billion in Indian equity through 2014. FIIs were also net investors in debt in December (USD 1.9 Billion). The Indian

Rupee continued to stand out in December and was down about 1.3% during the month while the Dollar Index (DXY) was up about 2.16% during December. The sectoral performance shown below reflected the risk off environment during the month. The FMCG and the Healthcare indices did relatively well during the month while Metals, Capital Goods and Oil and Gas indices did poorly. In case of Oil Marketing companies, the markets were concerned about possible inventory losses in the December quarter, while the realization for crude for upstream companies is expected to come down on account of the sharp fall in its price. The financials however did well, as the markets expected the softening of bond yields to positively affect their cost of borrowing.

In macro news, the inflation numbers have continued to get better (CPI for November was 4.4%, the WPI was at 0%), partly due to the base effect and partly due to reduction in commodity prices. However, the fiscal situation remains difficult, particularly as revenue receipts remain sluggish. (Net tax revenues for the period April to November have only grown 6.5%). The government may likely be tight on spending in the current quarter which could be a drag on growth for the remaining part of the year. The government has been taking steps to unplug the economic levers. The ministries are working in coordination to resolve issues holding back growth. The government has issued ordinances modifying the Land Acquisition law to make it easier to acquire land for infrastructure purposes, facilitating the coal auction and has indicated it would work to resolve some of the issues that PSU banks face. This last issue is critical as once growth returns, the PSU banks would need to have capacity to support it with lending.

In the near term, the market direction could be determined by FII fund flows and corporate earnings. There could be some negative surprises in Q3 numbers especially in the commodity space, as analysts have not yet changed their estimates.

During the month we bought or added to our positions in Abbott India, ABB, Bank of India, Bata India, Bharat Forge Co., Bharti Airtel, Birla Corporation, Britannia Industries, CESC, Cox & Kings, D B Corp, Divis Laboratories, Gujarat State Petronet, Idea Cellular, Tata Communications, Tata Consultancy Services, Tata Motors and Jammu & Kashmir Bank among other stocks.

We sold or reduced our positions in Aditya Birla Nuvo, Apollo Tyres, Arvind Mills, Asian Paints, Bajaj Auto, Bank of Baroda, Bajaj Holding & Investments, Bharat Petroleum Corpn., HCL Technologies, ITC, ICICI Bank, Indiabulls Housing Finance, Indraprastha Gas, Infosys, Jet Airways (India), JK Cement, Oil India, Reliance Industries, Shree Cement and TVS Motors Company among other stocks.

PERFORMANCE AS ON DECEMBER 31, 2014*

	Index	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)
Broad Markets					
CNX Nifty Index	8283	-3.34	3.99	8.82	31.39
S&P BSE Sensex	27499	-3.91	3.26	8.21	29.89
S&P BSE 100	8369	-2.99	4.41	8.09	32.28
S&P BSE 200	3428	-2.20	5.42	9.72	35.47
S&P BSE 500	10722	-2.01	5.39	9.50	36.96
S&P BSE Mid Cap	10373	0.93	8.84	10.59	54.69
S&P BSE Small Cap	11087	-1.53	3.80	8.66	69.24
Sectoral Performance					
S&P BSE Auto	18631	-2.88	4.98	22.18	51.98
S&P BSE Bankex	21458	1.09	21.81	22.79	65.04
S&P BSE CG	15442	-5.33	8.23	-4.68	50.45
S&P BSE CD	9674	0.26	-1.80	9.06	66.18
S&P BSE FMCG	7767	0.40	1.78	16.33	18.27
S&P BSE Metal	10753	-4.60	-5.76	-17.92	7.91
S&P BSE Oil & Gas	9895	-8.77	-7.77	-11.26	12.01
S&P BSE PSU	8227	-2.06	5.71	-4.71	39.21
S&P BSE Teck	5842	-4.83	-1.30	10.93	15.65
S&P BSE HC	14693	-1.66	2.37	28.19	47.43

* Performance for less than one year period are absolute returns and more than one year are compounded annualized returns.

Source - MFI Explorer

Funds at a Glance

Particulars	EQUITY SCHEMES					
	Principal Large Cap Fund	Principal Emerging Bluechip Fund	Principal Growth Fund	Principal Dividend Yield Fund	Principal Index Fund - Nifty	Principal Index Fund - Midcap
Nature of the Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Index Scheme	An Open-ended Index Scheme
Allotment Date - Regular Plan	November 11, 2005	November 12, 2008	October 25, 2000	October 15, 2004	July 27, 1999	May 12, 2014
- Direct Plan	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	May 12, 2014
Investment Plans / Options	Regular Plan & Direct Plan. Both the Plans offer Growth & Half Yearly [§] Dividend Option. Half Yearly Dividend Option under both the Plans offers facility of Payout, Reinvestment and Sweep.				Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plans offers facility of Payout, Reinvestment and Sweep.	
Fund Manager & Managing the Current Fund from	Anupam Tiwari July 2011	Dhimant Shah June 2011	P.V.K. Mohan September 2010	Dhimant Shah December 2011	Rupali Pandit October 2012	Rupali Pandit May 2014
Total Investment Experience	9 years	23 years	21 years	23 years	19 years	19 years
Benchmark	S&P BSE 100 Index	CNX Midcap Index	S&P BSE 200 Index	CNX Dividend Opportunities Index	CNX Nifty Index	CNX Midcap Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000
Cut Off Time[#]	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including SIP / STP / SWP, if available)	If redeemed on or before 1 Year from the date of allotment - 1%		1% - If redeemed within 365 days from the date of allotment. Nil - If redeemed after 365 days from the date of allotment.	If redeemed on or before 1 Year from the date of allotment - 1%	1% - if redeemed on or before 90 days from the date of allotment; Nil - if redeemed after 90 days from the date of allotment.	
SIP / SWP / STP	Available					
Minimum No. & Amt. of SIP/SWP/STP (if available)	6 installments of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.					

Particulars	EQUITY SCHEME	EQUITY LINKED SAVINGS SCHEME (ELSS) [^]		TARGET RISK FUNDS	
	Principal SMART Equity Fund	Principal Personal Tax Saver Fund	Principal Tax Savings Fund	Principal Balanced Fund	Principal Debt Savings Fund - Monthly Income Plan
Nature of the Scheme	An Open-ended Equity Scheme	An Open-ended Equity Linked Savings Scheme	An Open-ended Equity Linked Savings Scheme	An Open-ended Balanced Scheme	An Open-ended Income Fund (Monthly Income is not assured and is subject to the availability of distributable surplus)
Allotment Date - Regular Plan	December 16, 2010	March 31, 1996	March 31, 1996	January 14, 2000	May 23, 2002
- Direct Plan	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013
Investment Plans / Options	Regular Plan & Direct Plan. Both the Plans offer Growth & Half Yearly [§] Dividend Option. Half Yearly Dividend Option under both the Plans offers facility of Payout, Reinvestment and Sweep.	Regular Plan & Direct Plan. Both the Plan do not have any options at present.	Regular Plan & Direct Plan. Both the Plan do not have any options at present.	Regular Plan and Direct Plan. Both the Plans offer Growth & Half Yearly [§] Dividend Option. Half Yearly Dividend Option under both the Plan offers facility of Payout, Reinvestment and Sweep.	Regular Plan & Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequencies - Monthly / Quarterly
Fund Manager & Managing the Current Fund from	Anupam Tiwari July 2011	Anupam Tiwari July 2011	P.V.K. Mohan September 2010	P.V.K. Mohan May 2010	Pankaj Jain January 2012
Total Investment Experience	9 years	9 years	21 years	21 years	12 years
Benchmark	Crisil Balanced Fund Index	S&P BSE 100 Index	S&P BSE 200 Index	Crisil Balanced Fund Index	Crisil MIP Blended Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 500 Existing Investor: ₹ 500	New Investor: ₹ 500 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000
Cut Off Time[#]	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including SIP / STP / SWP, if available)	1% if redeemed within 1 year from the date of allotment.	Nil	Nil	If redeemed on or before 1 Year from the date of allotment - 1%.	
SIP	Available				
SWP / STP	Available	Available after lock-in period		Available	Available
Minimum No. & Amt. of SIP/SWP/STP (if available)	6 installment of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.	6 installments of ₹ 500/- each.		6 installment of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.	

[#] In respect of purchase/switch-in of units in any of the Schemes (other than Liquid Schemes) for an amount equal to or more than ₹ 2 Lakhs, the closing NAV (Net Asset Value) of the day shall be applicable subject to realisation of the funds upto 3.00 p.m. and receipt of application (duly time stamped). [^] Lock-in of 3 years. [§] With effect from January 1, 2015.

Funds at a Glance (Contd.)

DEBT SCHEMES					
Particulars	Principal Government Securities Fund	Principal Income Fund - Long Term Plan	Principal Debt Opportunities Fund - Corporate Bond Plan	Principal Income Fund - Short Term Plan	Principal Bank CD Fund
Nature of the Scheme	An Open-ended dedicated Gilt Scheme investing in Government Securities	An Open-ended Income Scheme	An Open-ended Debt Scheme	An Open-ended Income Scheme	An Open-ended Debt Scheme
Allotment Date - Regular Plan	August 23, 2001	May 09, 2003	September 14, 2004	May 09, 2003	November 6, 2007
- Direct Plan	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013
Investment Plans / Options	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option.				
Dividend Frequencies	Quarterly / Annual	Quarterly / Annual	Monthly	Monthly	Monthly
Fund Manager & Managing the Current Fund from	Bekxy Kuriakose October 2012	Bekxy Kuriakose January 2013	Bekxy Kuriakose January 2013	Gurvinder Singh Wasan April 2011	Gurvinder Singh Wasan April 2011
Total Investment Experience	14 years	14 years	14 years	11 years	11 years
Benchmark	I-Sec Composite Index	Crisil Composite Bond Fund Index	Crisil Liquid Fund Index	CRISIL Short-Term Bond Fund Index	Crisil Liquid Fund Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000
Cut Off Time Subscription[#]	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Redemption	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including SIP/STP/SWP, if available)	Nil	If redeemed on or before 1 Year from the date of allotment - 1%.	0.50% - if redeemed on or before 60 days from the date of allotment; Nil - if redeemed after 60 days from the date of allotment.	If redeemed within 30 days from the date of allotment - 0.50%	1% - if redeemed within 180 days from the date of allotment; 0.50% - if redeemed after 180 days but within 270 days from the date of allotment; 0.25% - if redeemed after 270 days but within 365 days from the date of allotment; Nil - if redeemed after 365 days from the date of allotment.
SIP / SWP / STP	Available				
Minimum number & Amount of SIP/SWP/STP (if available)	6 installments of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.				

[#] In respect of purchase/switch-in of units in any of the Schemes (other than Liquid Schemes) for an amount equal to or more than ₹ 2 Lakhs, the closing NAV (Net Asset Value) of the day shall be applicable subject to realisation of the funds upto 3.00 p.m. and receipt of application (duly time stamped).

Funds at a Glance (Contd.)

Particulars	DEBT SCHEMES	LIQUID SCHEME *	RETAIL SCHEMES		FUND OF FUNDS SCHEME
	Principal Debt Opportunities Fund - Conservative Plan	Principal Cash Management Fund	Principal Retail Money Manager Fund ~	Principal Debt Savings Fund - Retail Plan ~	Principal Global Opportunities Fund
Nature of the Scheme	An Open-ended Debt Scheme	An Open-ended Liquid Scheme	An Open-ended Debt Scheme	An Open-ended Income Fund	An Open-ended Fund of Funds Scheme
Allotment Date - Regular Plan	September 14, 2004	August 30, 2004	December 28, 2007	December 30, 2003	March 29, 2004
- Direct Plan	January 2, 2013	January 1, 2013	January 1, 2013	January 2, 2013	January 2, 2013
Investment Plans/ Options/ Dividend Frequencies	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequency - Daily / Weekly / Monthly	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequency - Daily / Weekly / Monthly	Growth & Dividend Both the Plans offer Dividend & Growth Option. Dividend Frequency - Regular Plan ~: Daily / Weekly / Monthly. Direct Plan: Monthly (Reinvestment)	Regular Plan and Direct Plan. Both the Plans offer Dividend ~ and Growth Option. Dividend Frequency - Monthly / Quarterly	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plan offers facility of Payout, Reinvestment and Sweep.
Fund Manager & Managing the Current Fund from	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Rajat Jain March 2004
Total Investment Experience	12 years	12 years	12 years	12 years	25 years
Benchmark	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Short Term Bond Fund Index	MSCI World Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 10,000 Existing Investor: ₹ 1,000
Cut Off Time Subscription#	3.00 pm	2.00 pm	3.00 pm	3.00 pm	12.30 pm
Redemption	3.00 pm	3.00 pm	3.00 pm	3.00 pm	12.30 pm
Exit Load (including SIP / STP / SWP, if available)	Nil	Nil	Nil	If redeemed on or before 30 days from the date of allotment - 1%.	If redeemed on or before 1 Year from the date of allotment - 1%.
SIP / SWP / STP	Available				
Minimum number & Amount of SIP/ SWP/STP (if available)	6 installments of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.				

* In respect of Liquid Scheme(s) NAV applicable shall be subject to receipt of valid application/switch-in request at the OPT and credit of entire subscription/switch-in amounts into the Bank Account of the concerning Scheme(s)/Plan(s) and funds are available for utilization by the Scheme(s)/Plan(s), within relevant cut-off time as applicable to the relevant Scheme(s)/Plan(s).

In respect of purchase/switch-in of units in any of the Schemes (other than Liquid Schemes) for an amount equal to or more than ₹ 2 Lakhs, the closing NAV (Net Asset Value) of the day shall be applicable subject to realisation of the funds upto 3.00 p.m. and receipt of application (duly time stamped).

~ Subscriptions (by way of purchase / switch in or in any mode) is restricted only for individual investors (including HUFs, Association of Persons & where an individual is an ultimate beneficiary). Further, (a) Daily & Weekly Dividend Option and the Payout & Sweep facility to Monthly Dividend Option under Regular Plan of Principal Retail Money Manager Fund and (b) Dividend Option under Regular Plan of Principal Debt Savings Fund - Retail Plan. Direct Plan under the Scheme do not offer this Options.

Principal Large Cap Fund (An open-ended equity scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 315.17 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 45.91	₹ 45.38
Dividend Option :	₹ 27.73	₹ 27.49

INVESTMENT OBJECTIVE

To provide capital appreciation and /or dividend distribution by predominantly investing in companies having a large market capitalization.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
December 29, 2014	3.5700	30.79	3.6900	31.15
June 24, 2010	1.5000	20.2200	N.A.	N.A.
July 28, 2009	2.0000	17.6700	N.A.	N.A.
February 5, 2008	2.0000	23.5600	N.A.	N.A.
May 15, 2007	1.5000	17.7600	N.A.	N.A.

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

* On face value of ₹ 10.

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation [^] (Annualised)	15.90%
Beta [^]	0.93
Sharpe Ratio [^] (Annualised)	0.88
Portfolio Turnover Ratio ^{**}	0.80
Expense Ratio (Regular Plan) ^{#+}	2.53%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

MARKET CAP ALLOCATION (As on December 31, 2014)

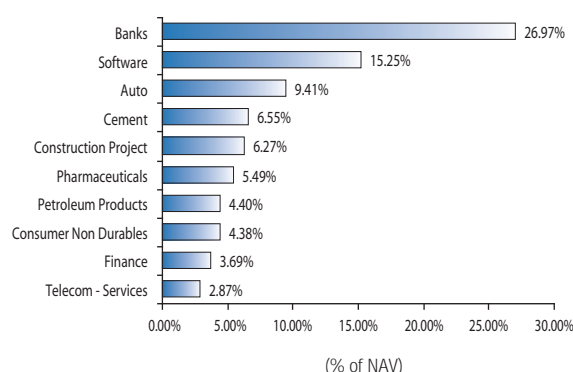
	% of NAV
Equity & Equity Related Instruments of Large Cap Companies	96.44
Equity & Equity Related Instruments of Mid Cap & Other Companies	0.62
Cash and Other Assets	2.94

PORTFOLIO (As on December 31, 2014)

Instrument	Industry	% of NAV
Equity		97.06
ICICI Bank	Banks	6.75
Larsen & Toubro	Construction Project	5.48
Infosys	Software	5.37
State Bank of India	Banks	5.06
Tata Motors	Auto	4.72
Tech Mahindra	Software	4.31
Shree Cements	Cement	4.08
Divi's Laboratories	Pharmaceuticals	3.91

Axis Bank	Banks	3.90
HDFC Bank	Banks	3.87
Housing Development Finance Corpn.	Finance	3.69
Maruti Suzuki India	Auto	2.92
ITC	Consumer Non Durables	2.49
Reliance Industries	Petroleum Products	2.48
HCL Technologies	Software	2.29
Bharat Petroleum Corporation	Petroleum Products	1.92
IndusInd Bank	Banks	1.92
The Federal Bank	Banks	1.87
Crompton Greaves	Industrial Capital Goods	1.81
Indraprastha Gas	Gas	1.79
Tata Consultancy Services	Software	1.74
Motherson Sumi Systems	Auto Ancillaries	1.69
Adani Ports and Special Economic Zone	Transportation	1.61
Abbott India	Pharmaceuticals	1.58
ING Vysya Bank	Banks	1.40
UltraTech Cement	Cement	1.33
Aditya Birla Nuvo	Services	1.26
National Aluminium Company	Non - Ferrous Metals	1.22
Yes Bank	Banks	1.20
Idea Cellular	Telecom - Services	1.06
D.B.Corp	Media & Entertainment	1.05
Asian Paints	Consumer Non Durables	1.02
Bank of Baroda	Banks	1.00
Tata Communications	Telecom - Services	0.96
Bajaj Auto	Auto	0.94
Wipro	Software	0.92
Britannia Industries	Consumer Non Durables	0.87
Bharti Airtel	Telecom - Services	0.85
Tata Motors - A Class	Auto	0.83
Oil India	Oil	0.80
Volta	Construction Project	0.79
Hexaware Technologies	Software	0.62
Birla Corporation	Cement	0.62
The Ramco Cements	Cement	0.52
Bosch	Auto Ancillaries	0.42
Coromandel International	Fertilisers	0.13
Cash and Other Assets		2.94
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on December 31, 2014)



Principal Emerging Bluechip Fund (An open-ended equity scheme)

FUND FEATURES

OAAUM (For the period October to December 2014): ₹ 415.70 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 65.47	₹ 64.63
Dividend Option :	₹ 49.85	₹ 43.70

INVESTMENT OBJECTIVE: To achieve long-term capital appreciation by investing in equity & equity related instruments of Mid Cap & Small Cap companies.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
December 29, 2014	5.5000	48.48	-	-
October 15, 2010	1.0000	27.4300	N.A.	N.A.
June 19, 2009	4.0000	19.3500	N.A.	N.A.

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

* On face value of ₹ 10.

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation [^] (Annualised)	19.13%
Beta [^]	0.84
Sharpe Ratio [^] (Annualised)	1.43
Portfolio Turnover Ratio**	0.76
Expense Ratio (Regular Plan)#+	2.52%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

Calculated as year to date ratio to average AUM, excluding service tax on management fees.

+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

MARKET CAP ALLOCATION (As on December 31, 2014)

	% of NAV
Equity and equity related instruments of Mid Cap Companies	88.10
Equity and equity related instruments of Small Cap Companies	5.81
Equity and equity related instruments of Companies other than Mid & Small Cap	3.30
Cash and Money Market / Fixed Income Securities (including MIBOR Linked Short Term Papers & Securitised Debt)	0.84
Mutual Funds	0.76
Derivatives	1.19

Market Cap Range for CNX Midcap Stocks
As on Sept. 30, 2014

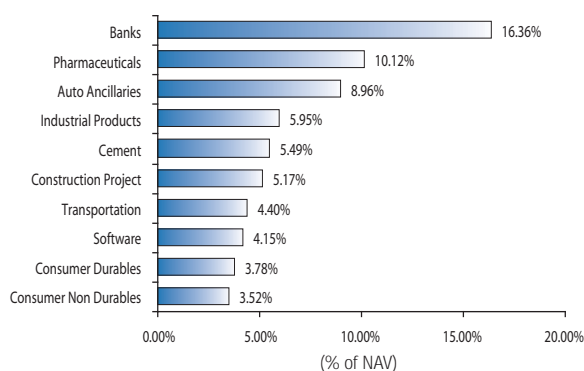
₹ 88,426.03 Cr – ₹ 2,971.67 Crs

PORTFOLIO (As on December 31, 2014)

Instrument	Industry	% of NAV
Equity		97.21
Motherson Sumi Systems	Auto Ancillaries	3.89
Eicher Motors	Auto	3.41
ICICI Bank	Banks	3.30
The Federal Bank	Banks	3.13
Tech Mahindra	Software	2.99
Sadbhav Engineering	Construction Project	2.99
Amara Raja Batteries	Auto Ancillaries	2.88
Aurobindo Pharma	Pharmaceuticals	2.84
Shree Cements	Cement	2.62
Gateway Distriparks	Transportation	2.43
Yes Bank	Banks	2.28
Symphony	Consumer Durables	2.20
Divi's Laboratories	Pharmaceuticals	2.16
Britannia Industries	Consumer Non Durables	2.00
IndusInd Bank	Banks	1.94

Bharat Forge	Industrial Products	1.94
ING Vysya Bank	Banks	1.79
Hindustan Petroleum Corporation	Petroleum Products	1.76
Cummins India	Industrial Products	1.73
Glenmark Pharmaceuticals	Pharmaceuticals	1.73
Power Finance Corporation	Finance	1.72
JK Cement	Cement	1.61
Bata India	Consumer Durables	1.58
UPL	Pesticides	1.54
Kaveri Seed Company	Consumer Non Durables	1.52
AIA Engineering	Industrial Capital Goods	1.48
Aditya Birla Nuvo	Services	1.46
The Jammu & Kashmir Bank	Banks	1.38
Finolex Cables	Industrial Products	1.35
National Buildings Construction Corpn.	Construction	1.33
SRF	Textile Products	1.31
Kalpataru Power Transmission	Power	1.31
Orient Cement	Cement	1.26
Karur Vysya Bank	Banks	1.25
Oriental Bank of Commerce	Banks	1.25
NCC	Construction Project	1.23
Tata Chemicals	Chemicals	1.22
JK Tyre & Industries	Auto Ancillaries	1.22
IPCA Laboratories	Pharmaceuticals	1.20
SKS Microfinance	Finance	1.20
CESC	Power	1.18
Pidilite Industries	Chemicals	1.18
Cyient	Software	1.16
Torrent Pharmaceuticals	Pharmaceuticals	1.12
Oil India	Oil	1.10
Lupin	Pharmaceuticals	1.07
Arvind	Textile Products	1.07
Transport Corporation of India	Transportation	1.06
Atul	Chemicals	1.01
Tata Communications	Telecom - Services	0.99
MBL Infrastructures	Construction	0.98
Dynamic Technologies	Auto Ancillaries	0.97
Crompton Greaves	Industrial Capital Goods	0.96
Volta	Construction Project	0.95
Ramkrishna Forgings	Industrial Products	0.93
D.B.Corp	Media & Entertainment	0.91
Cox & Kings	Transportation	0.91
Hindustan Zinc	Non - Ferrous Metals	0.85
Gujarat State Petronet	Gas	0.69
Texmaco Rail & Engineering	Industrial Capital Goods	0.65
Bank of Baroda	Banks	0.04
Derivatives		1.19
Bank of Baroda Jan 2015	Stock Futures	0.66
LIC Housing Finance Jan 2015	Stock Futures	0.53
Investment Funds/Mutual Funds		0.76
Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	0.76
Cash and Other Assets		0.84
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on December 31, 2014)



Principal Growth Fund (An open-ended equity scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):

₹ 382.01 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 94.31	₹ 93.23
Dividend Option :	₹ 40.11	₹ 37.33

INVESTMENT OBJECTIVE

To achieve long-term capital appreciation.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
December 29, 2014	4.8800	41.86	2.6200	42.36
December 31, 2007	2.5000	37.1400	N.A.	N.A.
March 20, 2006	2.5000	24.6400	N.A.	N.A.

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

* On face value of ₹ 10.

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation [^] (Annualised)	18.34%
Beta [^]	1.06
Sharpe Ratio [^] (Annualised)	1.08
Portfolio Turnover Ratio ^{**}	1.08
Expense Ratio (Regular Plan) ^{#+}	2.52%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on December 31, 2014)

Instrument	Industry	% of NAV
Equity		98.39
ICICI Bank	Banks	5.33
State Bank of India	Banks	4.08
Maruti Suzuki India	Auto	3.28
Infosys	Software	2.63
PC Jeweller	Consumer Durables	2.52
HDFC Bank	Banks	2.49
ITC	Consumer Non Durables	2.48
The Federal Bank	Banks	2.42
Axis Bank	Banks	2.39
Tata Motors	Auto	2.36
HCL Technologies	Software	2.30
Bharat Forge	Industrial Products	2.30
Housing Development Finance Corpn.	Finance	2.28
Lupin	Pharmaceuticals	2.24
Britannia Industries	Consumer Non Durables	2.21
Tata Communications	Telecom - Services	2.14
Bank of Baroda	Banks	2.14
Reliance Industries	Petroleum Products	2.05
JK Cement	Cement	2.05

Tata Motors - A Class	Auto	2.03
Aurobindo Pharma	Pharmaceuticals	2.00
Tata Consultancy Services	Software	1.90
Cipla	Pharmaceuticals	1.79
Tech Mahindra	Software	1.68
Dewan Housing Finance Corporation	Finance	1.66
Bajaj Auto	Auto	1.53
Motherson Sumi Systems	Auto Ancillaries	1.51
Firstsource Solutions	Software	1.49
Sesa Sterlite	Minerals/Mining	1.43
Andhra Bank	Banks	1.42
National Aluminium Company	Non - Ferrous Metals	1.41
Bank of India	Banks	1.39
Crompton Greaves	Industrial Capital Goods	1.36
Aditya Birla Nuvo	Services	1.33
Hindustan Zinc	Non - Ferrous Metals	1.32
Jain Irrigation Systems	Industrial Products	1.29
Cyient	Software	1.27
UltraTech Cement	Cement	1.27
Hindustan Construction Company	Construction Project	1.25
Oriental Bank of Commerce	Banks	1.23
KPIT Technologies	Software	1.21
The Ramco Cements	Cement	1.21
Abbott India	Pharmaceuticals	1.20
The India Cements	Cement	1.19
Indraprastha Gas	Gas	1.19
Larsen & Toubro	Construction Project	1.14
TVS Motor Company	Auto	1.14
Tata Steel	Ferrous Metals	1.13
UPL	Pesticides	1.10
Prestige Estates Projects	Construction	1.03
KEC International	Construction Project	1.01
Century Textiles & Industries	Cement	0.98
Wipro	Software	0.97
Bharat Petroleum Corporation	Petroleum Products	0.96
RattanIndia Power	Power	0.84
Union Bank of India	Banks	0.82
Mile Stone Global	Construction	0.02

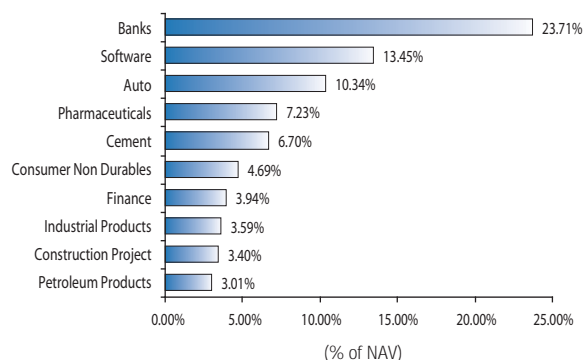
Investment Funds/Mutual Funds

Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	0.93
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Cash and Other Assets

Net Assets	100.00
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SECTOR ALLOCATION (TOP 10) (As on December 31, 2014)



Principal Dividend Yield Fund (An open-ended equity scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 126.96 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 36.39	₹ 36.00
Dividend Option :	₹ 24.12	₹ 23.36

INVESTMENT OBJECTIVE

To provide capital appreciation and / or dividend distribution by investing predominantly in a well-diversified portfolio of companies that have a relatively high dividend yield.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
December 29, 2014	3.2000	26.47	2.7400	26.76
October 12, 2007	1.5000	15.4400	N.A.	N.A.
April 24, 2006	1.5000	15.7200	N.A.	N.A.
October 3, 2005	0.7500	13.5100	N.A.	N.A.
April 20, 2005	0.5000	11.0900	N.A.	N.A.

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation [^] (Annualised)	18.50%
Beta [^]	0.89
Sharpe Ratio [^] (Annualised)	0.74
Portfolio Turnover Ratio**	0.47
Expense Ratio (Regular Plan) ^{#+}	2.66%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

Calculated as year to date ratio to average AUM, excluding service tax on management fees.

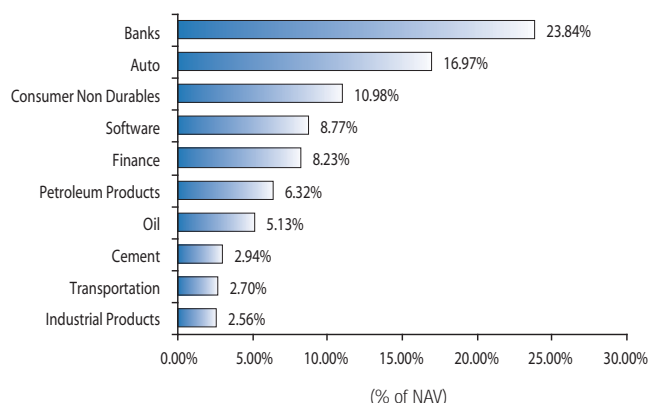
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on December 31, 2014)

Instrument	Industry	% of NAV
Equity		98.97
Hero MotoCorp	Auto	5.69
Bank of Baroda	Banks	5.20
ICICI Bank	Banks	5.12
State Bank of India	Banks	4.56
Tata Motors - A Class	Auto	4.15
Hindustan Unilever	Consumer Non Durables	3.76
Oil & Natural Gas Corporation	Oil	3.66
Bajaj Auto	Auto	3.65
Bajaj Holdings & Investment	Finance	2.97
Tech Mahindra	Software	2.93
Tata Consultancy Services	Software	2.72
Gateway Distriparks	Transportation	2.70
Cummins India	Industrial Products	2.56
Colgate Palmolive (India)	Consumer Non Durables	2.53
VST Industries	Consumer Non Durables	2.38

The Federal Bank	Banks	2.30
Power Finance Corporation	Finance	2.20
Rural Electrification Corporation	Finance	2.05
Castrol India	Petroleum Products	2.01
SML Isuzu	Auto	1.99
Hindustan Petroleum Corporation	Petroleum Products	1.88
The Jammu & Kashmir Bank	Banks	1.85
Karur Vysya Bank	Banks	1.80
HDFC Bank	Banks	1.80
National Buildings Construction Corpn.	Construction	1.77
ACC	Cement	1.50
Maruti Suzuki India	Auto	1.49
Oil India	Oil	1.47
Century Textiles & Industries	Cement	1.44
Bharat Petroleum Corporation	Petroleum Products	1.43
ITC	Consumer Non Durables	1.37
Gujarat State Petronet	Gas	1.34
Cyient	Software	1.27
Oriental Bank of Commerce	Banks	1.21
PI Industries	Pesticides	1.04
IDFC	Finance	1.01
Aurobindo Pharma	Pharmaceuticals	1.00
Reliance Industries	Petroleum Products	1.00
Tata Chemicals	Chemicals	1.00
HCL Technologies	Software	0.99
Hindustan Zinc	Non - Ferrous Metals	0.95
Tata Global Beverages	Consumer Non Durables	0.94
D.B.Corp	Media & Entertainment	0.90
National Aluminium Company	Non - Ferrous Metals	0.88
Aurionpro Solutions	Software	0.86
Welspun India	Textile Products	0.86
Kolte - Patil Developers	Construction	0.79
Derivatives		0.55
Apollo Tyres Jan 2015	Stock Futures	0.55
Cash and Other Assets		0.48
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on December 31, 2014)



Principal Index Fund - Nifty (An open-ended index scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):

₹ 14.09 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 57.4325	₹ 56.9238
Dividend Option :	₹ 33.7526	₹ 33.4553

INVESTMENT OBJECTIVE

To invest principally in securities that comprise CNX Nifty (NSE) and subject to tracking errors endeavour to attain results commensurate with the Nifty.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
December 24, 2008	3.7500	15.7934

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation [^] (Annualised)	15.72%
Beta [^]	0.99
Sharpe Ratio [^] (Annualised)	0.69
Portfolio Turnover Ratio ^{**}	0.52
Expense Ratio (Regular Plan) ^{#+}	1.00%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM.

⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

TRACKING DEVIATION

0.41%*

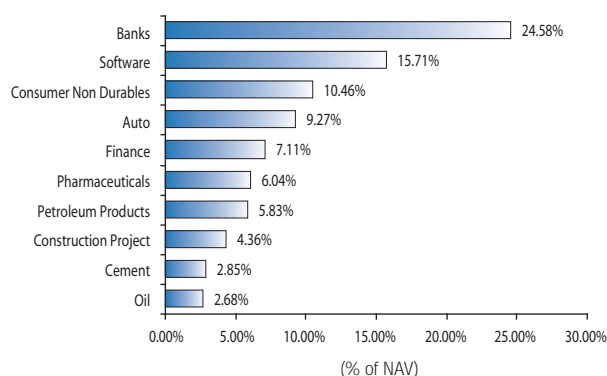
* Trailing 12 months ended December 31, 2014 (Annualized).

PORTFOLIO (As on December 31, 2014)

Instrument	Industry	% of NAV
Equity		99.87
ITC	Consumer Non Durables	7.33
ICICI Bank	Banks	7.30
Infosys	Software	6.80
Housing Development Finance Corpn.	Finance	6.37
HDFC Bank	Banks	6.36
Reliance Industries	Petroleum Products	5.24
Tata Consultancy Services	Software	4.67
Larsen & Toubro	Construction Project	4.36
State Bank of India	Banks	3.44
Tata Motors	Auto	3.18
Axis Bank	Banks	3.01
Sun Pharmaceuticals Industries	Pharmaceuticals	2.22
Oil & Natural Gas Corporation	Oil	2.19
Mahindra & Mahindra	Auto	2.04
Kotak Mahindra Bank	Banks	1.94
Hindustan Unilever	Consumer Non Durables	1.92

Bharti Airtel	Telecom - Services	1.74
Maruti Suzuki India	Auto	1.57
HCL Technologies	Software	1.54
Dr. Reddy's Laboratories	Pharmaceuticals	1.47
Tech Mahindra	Software	1.40
Hero MotoCorp	Auto	1.32
Wipro	Software	1.30
IndusInd Bank	Banks	1.23
Lupin	Pharmaceuticals	1.22
Asian Paints	Consumer Non Durables	1.21
Bajaj Auto	Auto	1.16
Cipla	Pharmaceuticals	1.13
Power Grid Corporation of India	Power	1.08
NTPC	Power	1.06
UltraTech Cement	Cement	0.98
Tata Steel	Ferrous Metals	0.95
Coal India	Minerals/Mining	0.89
Bharat Heavy Electricals	Industrial Capital Goods	0.85
Sesa Sterlite	Minerals/Mining	0.85
Grasim Industries	Cement	0.77
IDFC	Finance	0.74
Zee Entertainment Enterprises	Media & Entertainment	0.74
GAIL (India)	Gas	0.74
Bank of Baroda	Banks	0.72
Hindalco Industries	Non - Ferrous Metals	0.72
Ambuja Cements	Cement	0.63
Bharat Petroleum Corporation	Petroleum Products	0.59
Punjab National Bank	Banks	0.58
Tata Power Company	Power	0.53
Cairn India	Oil	0.49
ACC	Cement	0.47
NMDC	Minerals/Mining	0.41
DLF	Construction	0.22
Jindal Steel & Power	Ferrous Metals	0.20
Cash and Other Assets		0.13
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on December 31, 2014)



Principal Index Fund - Midcap (An open-ended index scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):

₹ 12.97 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 13.9028	₹ 13.8553
Dividend Option :	₹ 13.9028	₹ 13.8553

INVESTMENT OBJECTIVE

To invest principally in securities that comprise CNX Midcap Index and subject to tracking errors endeavour to attain results commensurate with the CNX Midcap Index.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Portfolio Turnover Ratio**	0.57
Expense Ratio (Regular Plan)#+	1.00%

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

Calculated as year to date ratio to average AUM.

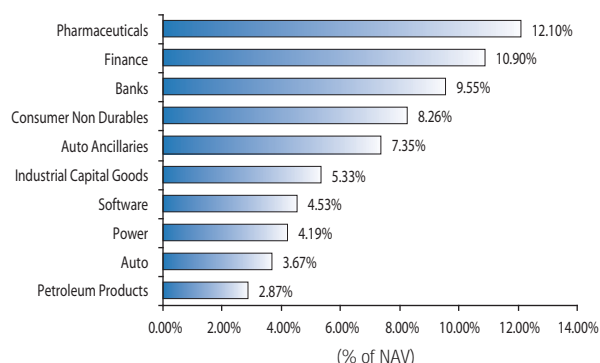
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on December 31, 2014)

Instrument	Industry	% of NAV
Equity		99.53
Aurobindo Pharma	Pharmaceuticals	2.52
Eicher Motors	Auto	2.47
Bharti Infratel	Telecom - Equipment & Accessories	2.40
Motherson Sumi Systems	Auto Ancillaries	2.30
Indiabulls Housing Finance	Finance	1.94
Bharat Forge	Industrial Products	1.94
Divi's Laboratories	Pharmaceuticals	1.82
Britannia Industries	Consumer Non Durables	1.80
Power Finance Corporation	Finance	1.79
Glenmark Pharmaceuticals	Pharmaceuticals	1.79
UPL	Pesticides	1.73
Container Corporation of India	Transportation	1.67
ING Vysya Bank	Banks	1.57
MRF	Auto Ancillaries	1.54
Aditya Birla Nuvo	Services	1.52
Hindustan Petroleum Corporation	Petroleum Products	1.50
Mahindra & Mahindra Financial Services	Finance	1.49
Apollo Hospitals Enterprise	Healthcare Services	1.43
Steel Authority of India	Ferrous Metals	1.41
Pidilite Industries	Chemicals	1.38
Indian Oil Corporation	Petroleum Products	1.37
Cadila Healthcare	Pharmaceuticals	1.37
Shree Cements	Cement	1.35
Exide Industries	Auto Ancillaries	1.35
Oil India	Oil	1.35
Siemens	Industrial Capital Goods	1.34
Bajaj Finserv	Finance	1.29
Tata Chemicals	Chemicals	1.27
MindTree	Software	1.26
Ashok Leyland	Auto	1.20
Oracle Financial Services Software	Software	1.20
Reliance Infrastructure	Power	1.15
ABB India	Industrial Capital Goods	1.14
GlaxoSmithKline Consumer Healthcare	Consumer Non Durables	1.12
Karur Vysya Bank	Banks	1.12
Piramal Enterprises	Pharmaceuticals	1.12
Crompton Greaves	Industrial Capital Goods	1.12
Amara Raja Batteries	Auto Ancillaries	1.11
Havells India	Consumer Durables	1.09
Bank of India	Banks	1.07
Canara Bank	Banks	1.06
Apollo Tyres	Auto Ancillaries	1.05
The Indian Hotels Company	Hotels	1.05
Petronet LNG	Gas	1.04
Tata Global Beverages	Consumer Non Durables	1.00

Bajaj Finance	Finance	1.00
Union Bank of India	Banks	1.00
Bharat Electronics	Industrial Capital Goods	0.98
Voltas	Construction Project	0.93
Reliance Capital	Finance	0.92
United Breweries	Consumer Non Durables	0.92
Procter & Gamble Hygiene and Health Care	Consumer Non Durables	0.91
Torrent Pharmaceuticals	Pharmaceuticals	0.90
Max India	Finance	0.83
IPCA Laboratories	Pharmaceuticals	0.83
Emami	Consumer Non Durables	0.81
The Ramco Cements	Cement	0.78
Jubilant Foodworks	Consumer Non Durables	0.75
Thermax	Industrial Capital Goods	0.75
CRISIL	Finance	0.73
Reliance Power	Power	0.72
JSW Energy	Power	0.70
CESC	Power	0.70
Oriental Bank of Commerce	Banks	0.69
Strides Arcolab	Pharmaceuticals	0.69
Arvind	Textile Products	0.69
Hindustan Zinc	Non - Ferrous Metals	0.66
Bata India	Consumer Durables	0.66
The South Indian Bank	Banks	0.63
The Great Eastern Shipping Company	Transportation	0.63
Sun TV Network	Media & Entertainment	0.62
Jaiprakash Associates	Construction	0.61
IRB Infrastructure Developers	Construction	0.57
The Jammu & Kashmir Bank	Banks	0.56
Just Dial	Software	0.55
Kansai Nerolac Paints	Consumer Non Durables	0.54
Sanofi India	Pharmaceuticals	0.54
Gujarat State Petronet	Gas	0.54
Mphasis	Software	0.53
Indraprastha Gas	Gas	0.53
Biocon	Pharmaceuticals	0.52
Tata Communications	Telecom - Services	0.52
KPIT Technologies	Software	0.52
Allahabad Bank	Banks	0.49
NHPC	Power	0.49
Century Textiles & Industries	Cement	0.48
L&T Finance Holdings	Finance	0.48
CMC	Software	0.47
The Karnataka Bank	Banks	0.46
IDBI Bank	Banks	0.46
GMR Infrastructure	Construction Project	0.44
Syndicate Bank	Banks	0.44
Torrent Power	Power	0.43
IFCI	Finance	0.43
Godrej Industries	Consumer Non Durables	0.41
Unitech	Construction	0.38
Jain Irrigation Systems	Industrial Products	0.37
TV18 Broadcast	Media & Entertainment	0.32
Housing Development and Infrastructure	Construction	0.30
Bhushan Steel	Ferrous Metals	0.12
Cash and Other Assets		0.47
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on December 31, 2014)



Principal SMART Equity Fund (An open-ended equity scheme)

FUND FEATURES

QAAUM (For the period October to December 2014): ₹ 68.40 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 16.45	₹ 16.20
Dividend Option :	₹ 15.94	₹ 14.90

INVESTMENT OBJECTIVE: The primary objective of the scheme is to seek to generate long term capital appreciation with relatively lower volatility through systematic allocation of funds into equity; and in debt /money market instruments for defensive purposes. The Scheme will decide on allocation of funds into equity assets based on equity market Price Earning Ratio (PE Ratio) levels. When the markets become expensive in terms of 'Price to Earnings' Ratio; the Scheme will reduce its allocation to equities and move assets into debt and/or money market instruments and vice versa.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
December 29, 2014	1.2900	16.13	0.5100	16.38

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

* On face value of ₹ 10.

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation [^] (Annualised)	13.39%
Beta [^]	1.14
Sharpe Ratio [^] (Annualised)	0.89
Portfolio Turnover Ratio**	0.93
Expense Ratio (Regular Plan) ^{#+}	2.70%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM.

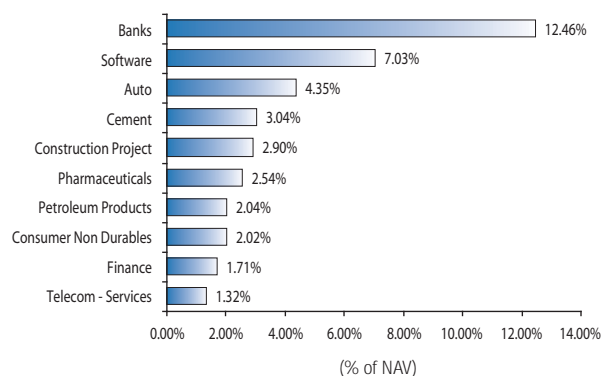
⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on December 31, 2014)

Instrument	Industry/ Rating	% of NAV	% of NAV Derivatives
Equity		44.87	
HDFC Bank	Banks	1.79	
Reliance Industries	Petroleum Products	1.15	
ICICI Bank	Banks	3.12	
Larsen & Toubro	Construction Project	2.53	
Infosys	Software	2.49	
State Bank of India	Banks	2.34	
Tata Motors	Auto	2.18	
Tech Mahindra	Software	1.99	
Shree Cements	Cement	1.88	
Divi's Laboratories	Pharmaceuticals	1.81	
Axis Bank	Banks	1.80	
Housing Development Finance Corporation	Finance	1.71	
Maruti Suzuki India	Auto	1.35	
ITC	Consumer Non Durables	1.15	
HCL Technologies	Software	1.06	
Bharat Petroleum Corporation	Petroleum Products	0.89	
IndusInd Bank	Banks	0.89	

The Federal Bank	Banks	0.86
Crompton Greaves	Industrial Capital Goods	0.84
Indraprastha Gas	Gas	0.83
Tata Consultancy Services	Software	0.78
Motherson Sumi Systems	Auto Ancillaries	0.78
Adani Ports and Special Economic Zone	Transportation	0.75
Abbott India	Pharmaceuticals	0.73
ING Vysya Bank	Banks	0.65
UltraTech Cement	Cement	0.62
Aditya Birla Nuvo	Services	0.58
National Aluminium Company	Non - Ferrous Metals	0.57
Yes Bank	Banks	0.55
Idea Cellular	Telecom - Services	0.49
D.B.Corp	Media & Entertainment	0.48
Asian Paints	Consumer Non Durables	0.47
Bank of Baroda	Banks	0.46
Tata Communications	Telecom - Services	0.44
Bajaj Auto	Auto	0.44
Wipro	Software	0.42
Britannia Industries	Consumer Non Durables	0.40
Bharti Airtel	Telecom - Services	0.39
Tata Motors - A Class	Auto	0.38
Oil India	Oil	0.37
Voltas	Construction Project	0.37
Birla Corporation	Cement	0.30
Hexaware Technologies	Software	0.29
The Ramco Cements	Cement	0.24
Bosch	Auto Ancillaries	0.20
Coromandel International	Fertilisers	0.06
Cash Future Arbitrage		21.20 -21.40
HDFC Bank	Banks	6.68
HDFC Bank Jan 2015	Stock Futures	-6.75
Reliance Industries	Petroleum Products	7.16
Reliance Industries Jan 2015	Stock Futures	-7.21
Lupin	Pharmaceuticals	7.36
Lupin Jan 2015	Stock Futures	-7.44
Certificate of Deposit		6.94
Corporation Bank	A1+	6.94
Commercial Paper		20.74
Cox & Kings	A1+	13.81
Reliance Jio Infocomm	A1+	6.93
Cash and Other Assets		6.26
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on December 31, 2014)



The chart represents the unhedged equities positions only.

Principal Personal Tax Saver Fund (An open-ended equity linked savings scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 371.89 crore

NAV per unit (As on December 31, 2014)

Direct Plan : ₹ 151.27

Regular Plan : ₹ 149.61

INVESTMENT OBJECTIVE

To provide long term growth of capital. The Investment Manager will aim to achieve a return on assets in excess of the performance of S&P BSE 100 Index.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
March 25, 2008	40.0000	124.66
February 26, 2008	20.0000	172.57
December 31, 2007	11.0000	221.26
October 30, 2007	11.0000	190.53
March 13, 2006	10.0000	118.96
November 2, 2005	40.0000	124.43

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation [^] (Annualised)	16.01%
Beta [^]	0.94
Sharpe Ratio [^] (Annualised)	0.89
Portfolio Turnover Ratio**	0.80
Expense Ratio (Regular Plan) ^{#+}	2.52%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

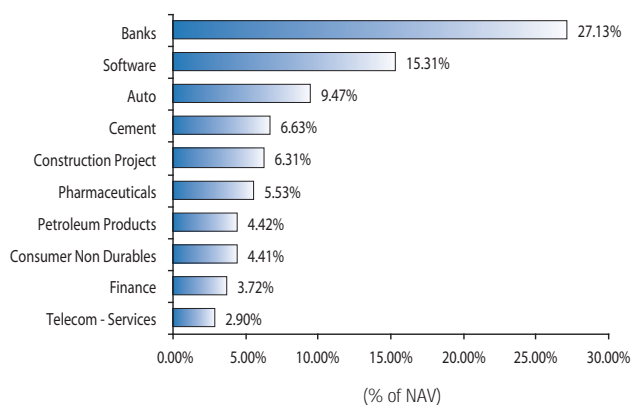
⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on December 31, 2014)

Instrument	Industry	% of NAV
Equity		97.68
ICICI Bank	Banks	6.79
Larsen & Toubro	Construction Project	5.51
Infosys	Software	5.41
State Bank of India	Banks	5.10
Tata Motors	Auto	4.75
Tech Mahindra	Software	4.34
Shree Cements	Cement	4.10
Divi's Laboratories	Pharmaceuticals	3.94
Axis Bank	Banks	3.92
HDFC Bank	Banks	3.89
Housing Development Finance Corpn.	Finance	3.72
Maruti Suzuki India	Auto	2.94
ITC	Consumer Non Durables	2.51
Reliance Industries	Petroleum Products	2.49
HCL Technologies	Software	2.31
Bharat Petroleum Corporation	Petroleum Products	1.93

IndusInd Bank	Banks	1.93
The Federal Bank	Banks	1.88
Crompton Greaves	Industrial Capital Goods	1.82
Indraprastha Gas	Gas	1.80
Tata Consultancy Services	Software	1.71
Motherson Sumi Systems	Auto Ancillaries	1.70
Adani Ports and Special Economic Zone	Transportation	1.62
Abbott India	Pharmaceuticals	1.59
ING Vysya Bank	Banks	1.41
UltraTech Cement	Cement	1.34
Aditya Birla Nuvo	Services	1.27
National Aluminium Company	Non - Ferrous Metals	1.23
Yes Bank	Banks	1.21
Idea Cellular	Telecom - Services	1.07
D.B.Corp	Media & Entertainment	1.05
Asian Paints	Consumer Non Durables	1.02
Bank of Baroda	Banks	1.00
Tata Communications	Telecom - Services	0.97
Bajaj Auto	Auto	0.95
Wipro	Software	0.92
Britannia Industries	Consumer Non Durables	0.88
Bharti Airtel	Telecom - Services	0.86
Tata Motors - A Class	Auto	0.83
Oil India	Oil	0.80
Voltas	Construction Project	0.80
Birla Corporation	Cement	0.67
Hexaware Technologies	Software	0.62
The Ramco Cements	Cement	0.52
Bosch	Auto Ancillaries	0.43
Coromandel International	Fertilisers	0.13
Cash and Other Assets		2.32
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on December 31, 2014)



Principal Tax Savings Fund (An open-ended equity linked savings scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):

₹ 261.10 crore

NAV per unit (As on December 31, 2014)

Direct Plan : ₹ 138.95

Regular Plan : ₹ 137.61

INVESTMENT OBJECTIVE

To build a high quality growth-oriented portfolio to provide long-term capital gains to the investors. The scheme aims at providing returns through capital appreciation.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
November 30, 2008	8.0000	90.1200
January 15, 2007	5.0000	83.6600

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation [^] (Annualised)	18.28%
Beta [^]	1.05
Sharpe Ratio [^] (Annualised)	1.09
Portfolio Turnover Ratio ^{**}	1.07
Expense Ratio (Regular Plan) ^{#+}	2.55%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on December 31, 2014)

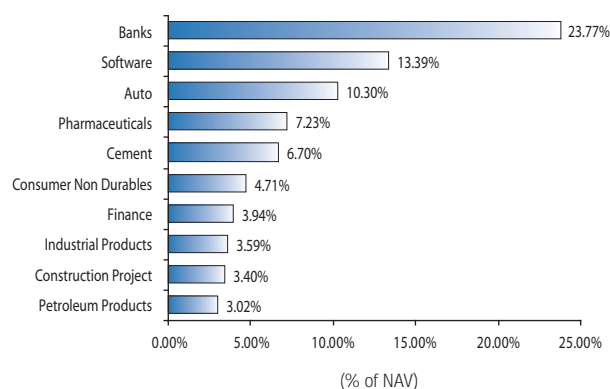
Instrument	Industry	% of NAV
Equity		98.34
ICICI Bank	Banks	5.34
State Bank of India	Banks	4.09
Maruti Suzuki India	Auto	3.28
Infosys	Software	2.63
PC Jeweller	Consumer Durables	2.53
HDFC Bank	Banks	2.50
ITC	Consumer Non Durables	2.49
The Federal Bank	Banks	2.43
Axis Bank	Banks	2.40
Tata Motors	Auto	2.36
HCL Technologies	Software	2.31
Bharat Forge	Industrial Products	2.30
Housing Development Finance Corpn.	Finance	2.28
Lupin	Pharmaceuticals	2.24
Britannia Industries	Consumer Non Durables	2.22
Bank of Baroda	Banks	2.14
Tata Communications	Telecom - Services	2.14
Reliance Industries	Petroleum Products	2.06
JK Cement	Cement	2.05
Tata Motors - A Class	Auto	2.03
Aurobindo Pharma	Pharmaceuticals	2.00

Tata Consultancy Services	Software	1.85
Cipla	Pharmaceuticals	1.79
Tech Mahindra	Software	1.69
Dewan Housing Finance Corporation	Finance	1.66
Bajaj Auto	Auto	1.54
Motherson Sumi Systems	Auto Ancillaries	1.51
Firstsource Solutions	Software	1.50
Sesa Sterlite	Minerals/Mining	1.43
Andhra Bank	Banks	1.42
National Aluminium Company	Non - Ferrous Metals	1.41
Bank of India	Banks	1.39
Crompton Greaves	Industrial Capital Goods	1.37
Hindustan Zinc	Non - Ferrous Metals	1.33
Aditya Birla Nuvo	Services	1.33
Jain Irrigation Systems	Industrial Products	1.29
Cyient	Software	1.27
UltraTech Cement	Cement	1.27
Hindustan Construction Company	Construction Project	1.25
Oriental Bank of Commerce	Banks	1.23
KPIT Technologies	Software	1.21
The Ramco Cements	Cement	1.21
Abbott India	Pharmaceuticals	1.20
The India Cements	Cement	1.19
Indraprastha Gas	Gas	1.19
Larsen & Toubro	Construction Project	1.14
Tata Steel	Ferrous Metals	1.13
TVS Motor Company	Auto	1.09
UPL	Pesticides	1.05
Prestige Estates Projects	Construction	1.03
KEC International	Construction Project	1.01
Century Textiles & Industries	Cement	0.98
Bharat Petroleum Corporation	Petroleum Products	0.96
Wipro	Software	0.93
RattanIndia Power	Power	0.84
Union Bank of India	Banks	0.83

Cash and Other Assets **1.66**

Net Assets **100.00**

SECTOR ALLOCATION (TOP 10) (As on December 31, 2014)



Principal Balanced Fund (An open-ended balanced scheme)

FUND FEATURES

OAAUM (For the period October to December 2014):

₹ 23.10 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 50.30	₹ 49.47
Dividend Option :	₹ 25.06	₹ 22.67

INVESTMENT OBJECTIVE: To provide long term appreciation and current income by investing in a portfolio of equity, equity related securities and fixed income securities.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
December 29, 2014	2.3200	24.83	0.3900	25.28
March 24, 2008	2.5000	14.9200	N.A.	N.A.
November 5, 2007	6.0000	23.9000	N.A.	N.A.
November 9, 2005	3.2000	16.4100	N.A.	N.A.

Past performance may or may not be sustained in the future. * On face value of ₹ 10.
Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on December 31, 2014)

Standard Deviation ^ (Annualised)	12.94%
Beta ^	1.09
Sharpe Ratio ^ (Annualised)	1.01
Portfolio Turnover Ratio**	0.74
Expense Ratio (Regular Plan)#+	2.70%

Note: ^ The above measures have been calculated by taking rolling returns for a 3 year period with 8.311% risk free rate of return (91 days - T Bill Rate as on Dec. 31, 2014).

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

Calculated as year to date ratio to average AUM, excluding service tax on management fees.

+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

AVERAGE MATURITY (As on December 31, 2014)

7.4 years

MODIFIED DURATION (As on December 31, 2014)

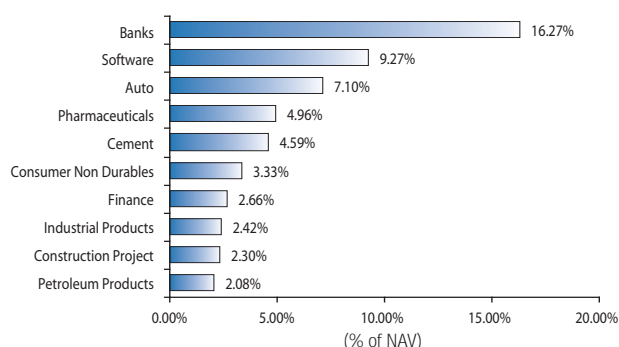
3.62 years

PORTFOLIO (As on December 31, 2014)

Instrument	Industry / Rating	% of NAV
Equity		67.45
ICICI Bank	Banks	3.69
State Bank of India	Banks	2.82
Maruti Suzuki India	Auto	2.27
Infosys	Software	1.82
PC Jeweller	Consumer Durables	1.76
ITC	Consumer Non Durables	1.74
HDFC Bank	Banks	1.67
The Federal Bank	Banks	1.64
Tata Motors	Auto	1.63
Axis Bank	Banks	1.63
Britannia Industries	Consumer Non Durables	1.59
Bharat Forge	Industrial Products	1.57
HCL Technologies	Software	1.54
Lupin	Pharmaceuticals	1.53
Housing Development Finance Corpn.	Finance	1.51
Bank of Baroda	Banks	1.50
Tata Communications	Telecom - Services	1.46
JK Cement	Cement	1.45

Reliance Industries	Petroleum Products	1.44
Aurobindo Pharma	Pharmaceuticals	1.42
Tata Motors - A Class	Auto	1.40
Tata Consultancy Services	Software	1.29
Cipla	Pharmaceuticals	1.24
Tech Mahindra	Software	1.21
Dewan Housing Finance Corporation	Finance	1.15
Firstsource Solutions	Software	1.05
Motherson Sumi Systems	Auto Ancillaries	1.04
Bajaj Auto	Auto	1.00
Andhra Bank	Banks	1.00
National Aluminium Company	Non - Ferrous Metals	0.98
Sesa Sterlite	Minerals/Mining	0.96
Bank of India	Banks	0.93
Hindustan Zinc	Non - Ferrous Metals	0.93
Aditya Birla Nuvo	Services	0.92
Crompton Greaves	Industrial Capital Goods	0.91
Cyient	Software	0.87
Oriental Bank of Commerce	Banks	0.86
Jain Irrigation Systems	Industrial Products	0.85
UltraTech Cement	Cement	0.85
The India Cements	Cement	0.83
Hindustan Construction Company	Construction Project	0.81
KPIT Technologies	Software	0.81
The Ramco Cements	Cement	0.81
Indraprastha Gas	Gas	0.81
TVS Motor Company	Auto	0.80
Larsen & Toubro	Construction Project	0.79
Abbott India	Pharmaceuticals	0.77
Tata Steel	Ferrous Metals	0.75
UPL	Pesticides	0.73
KEC International	Construction Project	0.70
Prestige Estates Projects	Construction	0.68
Wipro	Software	0.68
Century Textiles & Industries	Cement	0.65
Bharat Petroleum Corporation	Petroleum Products	0.64
RattanIndia Power	Power	0.54
Union Bank of India	Banks	0.53
Commercial Paper		12.95
Cox & Kings	A1+	12.95
Treasury Bill		0.17
T-Bill 91 Day 2015	Sovereign	0.17
Sovereign		4.99
9.23% GOI -M- 23-DEC-2043	Sovereign	4.99
Bonds & NCDs		11.25
Steel Authority of India	AAA	9.03
Housing Development Finance Corpn.	AAA	2.22
Cash and Other Assets		3.19
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on December 31, 2014)



Principal Debt Savings Fund (An open-ended income fund)

- Monthly Income Plan (Monthly Income is not assured and is subject to the availability of distributable surplus.)

FUND FEATURES

QAAUM (For the period October to December 2014):

₹ 25.25 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 27.9973	₹ 27.5690
Dividend Option (Monthly) :	₹ 11.0843	₹ 10.8854
Dividend Option (Quarterly) :	₹ 12.5550	₹ 12.2927

INVESTMENT OBJECTIVE

To generate regular income through investments in fixed income securities so as to make periodical income distribution to the Unitholders and also to generate long-term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
December 24, 2014	0.0104	10.8358	0.0174	11.0391
November 24, 2014	0.2026	11.028	0.1095	11.1312
October 22, 2014	0.0738	10.8869	0.0786	10.9855
Quarterly Dividend (Last 3 Quarters)				
December 24, 2014	0.3504	12.5757	0.3802	12.8645
September 24, 2014	0.3005	12.5012	0.1175	12.5748
June 24, 2014	0.4923	12.6638	0.5853	12.8054

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIO (As on December 31, 2014)

Portfolio Turnover Ratio**

–

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

AVERAGE MATURITY OF THE DEBT PORTFOLIO (As on December 31, 2014)

15.21 years

MODIFIED DURATION OF THE DEBT PORTFOLIO (As on December 31, 2014)

6.24 years

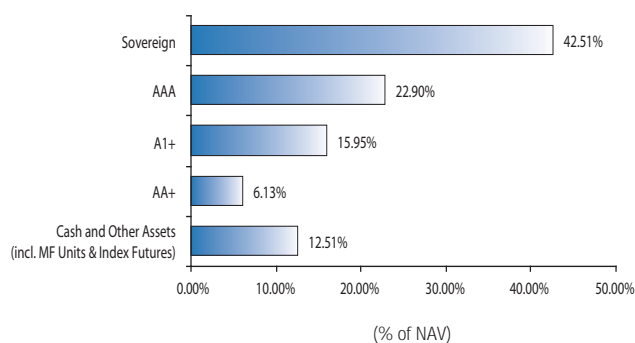
PORTFOLIO (As on December 31, 2014)

Instrument	Industry/Rating	% of NAV
Derivatives		
NIFTY Index Future Jan 2015	Index Futures	2.03
Certificate of Deposit		
IFMR Capital Finance Private	A1+	15.95
Treasury Bill		
T-Bill 91 Day 2015	Sovereign	1.00
Sovereign		
9.23% GOI -M- 23-DEC-2043	Sovereign	41.51
Bonds & NCDs		
Steel Authority of India	AAA	12.52
Rural Electrification Corporation	AAA	6.29
Fullerton India Credit Company Ltd	AA+	6.13
LIC Housing Finance	AAA	4.09
Investment Funds/Mutual Funds		
Principal Index Fund - Direct - Growth Plan	Mutual Funds	10.16
Cash and Other Assets		
Net Assets		
		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Industry / Ratings	% of NAV
Sovereign	41.51
Bonds & NCDs	29.03
Commercial Paper	15.95
Investment Funds/Mutual Funds	10.16
Derivatives	2.03
Treasury Bill	1.00
Cash and Other Assets	0.32

RATING PROFILE (As on December 31, 2014)



Principal Government Securities Fund

(An open-ended dedicated gilt scheme investing in government securities)

FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 46.37 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 27.4008	₹ 27.1287
Dividend Option (Quarterly) :	₹ 11.9554	₹ 11.9228
Dividend Option (Annual) :	₹ 14.4627	₹ 14.0235

INVESTMENT OBJECTIVE

To generate return through investment in sovereign securities and thus provide capital gains and income distribution to its Unitholders.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Quarterly Dividend Option (Last 3 Quarters)				
December 24, 2014	0.7755	12.6199	0.7930	12.6694
September 24, 2014	0.2602	12.0872	0.2747	12.1324
June 24, 2014	0.0717	11.8658	0.1317	11.9551
Annual Dividend Option (Last 3 Years)				
September 24, 2014	1.1532	14.2079	1.2578	14.7028
September 24, 2013	0.7559	13.7794	0.4192	13.8300
September 24, 2012	0.8000	14.1275	-	-

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

AVERAGE MATURITY (As on December 31, 2014)

15.43 years

MODIFIED DURATION (As on December 31, 2014)

7.81 years

MATURITY PROFILE

Period	Portfolio (%)
Less than 3 years	0.67
10 - 15 years	43.54
Above 15 years	47.76
Cash and Other Assets	8.03

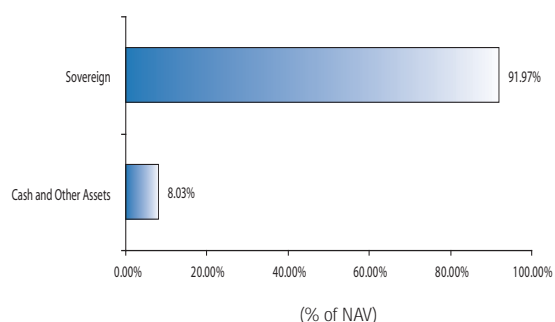
PORTFOLIO (As on December 31, 2014)

Instrument	Rating	% of NAV
Sovereign		91.97
8.60% GOI -M- 02-JUN-2028	Sovereign	32.08
9.20% GOI -M- 30-SEP-2030	Sovereign	31.12
9.23% GOI -M- 23-DEC-2043	Sovereign	16.64
8.24% GOI -M- 15-FEB-2027	Sovereign	11.46
7.02% Karnataka Bank -SDL-M- 13-JAN-2015	Sovereign	0.67
Cash and Other Assets		8.03
Net Assets		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Ratings	% of NAV
Sovereign	91.97
Cash and Other Assets	8.03

RATING PROFILE (As on December 31, 2014)



Principal Income Fund - Long Term Plan (An open-ended income scheme)

FUND FEATURES

OAAUM (For the period October to December 2014):
₹ 70.47 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 23.6786	₹ 23.3190
Dividend Option (Quarterly) :	₹ 13.1271	₹ 13.0726
Dividend Option (Annual) :	₹ 12.2368	₹ 11.8847

INVESTMENT OBJECTIVE

To generate regular income and capital appreciation/accretion through investment in debt instruments and related securities besides preservation of capital.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Quarterly Dividend Option (Last 3 Quarters)				
December 24, 2014	0.7125	13.7085	0.7353	13.7839
September 24, 2014	0.2291	13.2017	0.2495	13.2729
June 24, 2014	0.3918	13.3283	0.5050	13.4906
Annual Dividend Option (Last 3 Years)				
September 24, 2014	0.9630	12.1429	1.0896	12.5807
September 24, 2013	0.7029	11.8468	0.4597	11.9117
September 24, 2012	1.0000	12.3525	-	-

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

AVERAGE MATURITY (As on December 31, 2014)

13.33 years

MODIFIED DURATION (As on December 31, 2014)

6.95 years

MATURITY PROFILE

Period	Portfolio (%)
Less than 1 year	0.56
1 - 3 years	7.21
5 - 10 years	18.48
Above 10 years	65.55
Cash and Others Assets	8.20

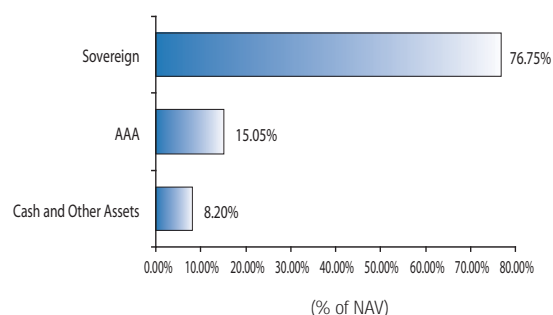
PORTFOLIO (As on December 31, 2014)

Instrument	Rating	% of NAV
Sovereign		
9.20% GOI -M- 30-SEP-2030	Sovereign	27.43
8.60% GOI -M- 02-JUN-2028	Sovereign	17.20
9.23% GOI -M- 23-DEC-2043	Sovereign	13.70
8.24% GOI -M- 15-FEB-2027	Sovereign	7.22
7.16% GOI -M- 20-MAY-2023	Sovereign	6.72
08.83% GOI -M- 25-NOV-2023	Sovereign	4.48
Bonds & NCDs		15.05
Power Grid Corporation of India	AAA	7.28
Tata Sons	AAA	7.21
Rural Electrification Corporation	AAA	0.56
Cash and Other Assets		8.20
Net Assets		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Ratings	% of NAV
Sovereign	76.75
Bonds & NCDs	15.05
Cash and Other Assets	8.20

RATING PROFILE (As on December 31, 2014)



Principal Debt Opportunities Fund - Corporate Bond Plan

(An open-ended debt scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):

₹ 105.85 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 2122.6626	₹ 2100.7519
Dividend Option (Monthly) :	₹ 1240.4754	₹ 1237.4273

INVESTMENT OBJECTIVE

The primary objective is to generate income and capital gains through investments in a portfolio of securities issued by Private and Public Sector Companies.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
December 24, 2014	9.4183	1244.9368	9.6466	1248.1105
November 24, 2014	10.4641	1245.9826	10.8746	1249.3385
October 22, 2014	13.0724	1248.5909	13.1706	1251.6345

* On face value of ₹ 1,000/-.

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

All Dividend (₹/Unit) figures are Gross Dividend.

AVERAGE MATURITY (As on December 31, 2014)

88 days

MODIFIED DURATION (As on December 31, 2014)

84 days

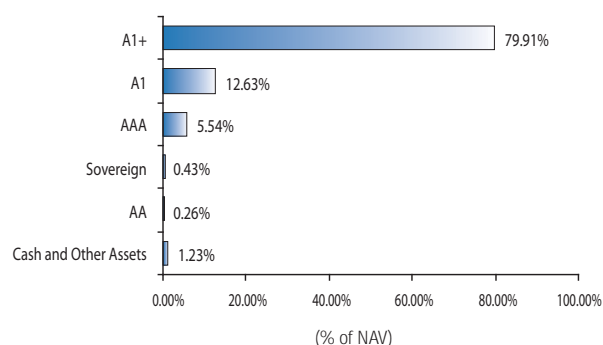
PORTFOLIO (As on December 31, 2014)

Instrument	Rating	% of NAV
Commercial Paper		92.54
JK Lakshmi Cement	A1+	25.45
SKS Microfinance	A1+	20.11
KEC International	A1	12.63
Housing Development Finance Corporation	A1+	12.58
Vardhman Special Steels	A1+	11.19
Bilt Graphic Paper Products Ltd	A1+	10.23
Vodafone India	A1+	0.35
Treasury Bill		0.43
T-Bill 91 Day 2015	Sovereign	0.43
Bonds & NCDs		5.80
Power Finance Corporation	AAA	2.67
Tata Sons	AAA	2.61
Cholamandalam Investment and Finance Company	AA	0.26
Rural Electrification Corporation	AAA	0.26
Cash and Other Assets		1.23
Net Assets		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Industry / Ratings	% of NAV
Commercial Paper	92.54
Bonds & NCDs	5.80
Treasury Bill	0.43
Cash and Other Assets	1.23

RATING PROFILE (As on December 31, 2014)



Principal Income Fund - Short Term Plan (An open-ended income scheme)

FUND FEATURES

OAAUM (For the period October to December 2014):
₹ 104.36 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 24.2536	₹ 23.9305
Dividend Option (Monthly) :	₹ 12.8870	₹ 12.8527

INVESTMENT OBJECTIVE

To generate regular income and capital appreciation/ accretion through investment in debt instruments and related securities besides preservation of capital and has been designed to achieve stable returns over shorter-term investment horizons.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
December 24, 2014	0.0915	12.9109	0.0996	12.9514
November 24, 2014	0.1455	12.9649	0.1546	13.0064
October 22, 2014	0.1329	12.9523	0.1399	12.9917

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

AVERAGE MATURITY (As on December 31, 2014)

2.45 years

MODIFIED DURATION (As on December 31, 2014)

2.22 years

PORTFOLIO (As on December 31, 2014)

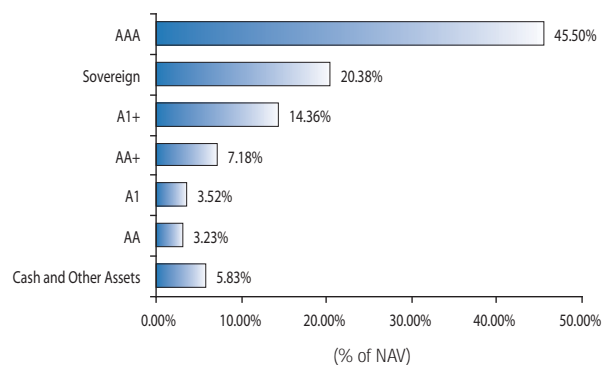
Instrument	Rating	% of NAV
Certificate of Deposit		2.30
Bank of India	A1+	0.88
Canara Bank	A1+	1.42
Commercial Paper		15.58
IFMR Capital Finance Private	A1+	4.94
Cox & Kings	A1+	3.56
Bilt Graphic Paper Products Ltd	A1+	3.56
KEC International	A1	3.52
Treasury Bill		4.38
T-Bill 364 DAY 2015	Sovereign	3.53
T-Bill 91 DAY 2015	Sovereign	0.85

Sovereign		16.00
8.27% GOI -M- 09-JUN-2020	Sovereign	7.27
8.12% GOI -M- 10-DEC-2020	Sovereign	7.22
08.83% GOI -M- 25-NOV-2023	Sovereign	1.51
Bonds & NCDs		55.91
Rural Electrification Corporation	AAA	15.68
LIC Housing Finance	AAA	10.90
Power Grid Corporation of India	AAA	7.33
Tata Motors	AA+	7.18
Power Finance Corporation	AAA	4.41
Housing Development Finance Corporation	AAA	3.59
IDFC	AAA	3.59
Cholamandalam Investment and Finance Company	AA	3.23
Cash and Other Assets		5.83
Net Assets		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Ratings	% of NAV
Bonds & NCDs	55.91
Sovereign	16.00
Commercial Paper	15.58
Treasury Bill	4.38
Certificate of Deposit	2.30
Cash and Other Assets	5.83

RATING PROFILE (As on December 31, 2014)



Principal Bank CD Fund (An open-ended debt scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 124.09 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1764.4746	₹ 1749.8002
Dividend Option (Monthly) :	₹ 1127.7149	₹ 1126.4747

INVESTMENT OBJECTIVE

The objective is to generate returns by primarily investing in Bank CDs. Bank CDs provide liquidity and a relatively lower credit risk.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
December 24, 2014	6.6634	1131.2895	7.2754	1132.9981
November 24, 2014	8.4470	1133.0731	9.1235	1134.8462
October 22, 2014	7.6355	1132.2616	8.2090	1133.9317

* On face value of ₹ 1,000/-

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

All Dividend (₹/Unit) figures are Gross Dividend.

AVERAGE MATURITY (As on December 31, 2014)

66 days

MODIFIED DURATION (As on December 31, 2014)

65 days

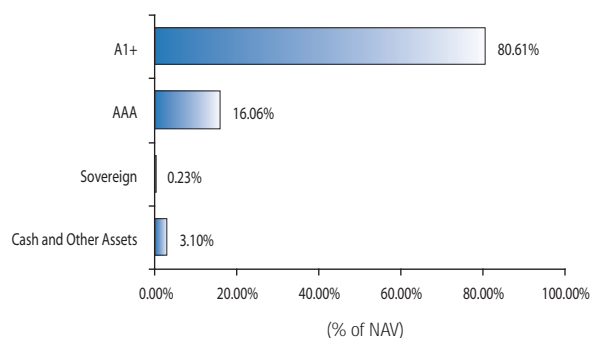
PORTFOLIO (As on December 31, 2014)

Instrument	Rating	% of NAV
Certificate of Deposit		
Canara Bank	A1+	25.27
Bank of Baroda	A1+	22.66
The Jammu & Kashmir Bank	A1+	11.20
Union Bank of India	A1+	10.53
Bank of India	A1+	9.53
Indian Overseas Bank	A1+	1.32
The Ratnakar Bank	A1+	0.10
Treasury Bill		
T-Bill 91 Day 2015	Sovereign	0.23
Bonds & NCDs		
Kotak Mahindra Prime	AAA	10.71
Small Industries Development Bank of India	AAA	5.35
Cash and Other Assets		
Net Assets		
		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Ratings	% of NAV
Certificate of Deposit	80.61
Bonds & NCDs	16.06
Treasury Bill	0.23
Cash and Other Assets	3.10

RATING PROFILE (As on December 31, 2014)



Principal Debt Opportunities Fund - Conservative Plan

(An open-ended debt scheme)



FUND FEATURES

OAAUM (For the period October to December 2014):

₹ 542.16 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 2183.2042	₹ 2154.0895
Dividend Option (Daily) :	₹ 1001.8554	₹ 1001.6170
Dividend Option (Weekly) :	₹ 1004.3061	₹ 1002.1626
Dividend Option (Monthly) :	₹ 1143.2010	₹ 1141.0355

INVESTMENT OBJECTIVE

To generate regular income and capital appreciation through investments in debt securities and money market instruments.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
December 24, 2014	7.0110	1146.1303	7.9082	1148.9821
November 24, 2014	8.3925	1147.5118	9.3335	1150.4074
October 22, 2014	7.5059	1146.6252	8.3475	1149.4214

* On face value of ₹ 1,000/-.

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

All Dividend (₹/Unit) figures are Gross Dividend.

AVERAGE MATURITY (As on December 31, 2014)

119 days

MODIFIED DURATION (As on December 31, 2014)

115 days

PORTFOLIO (As on December 31, 2014)

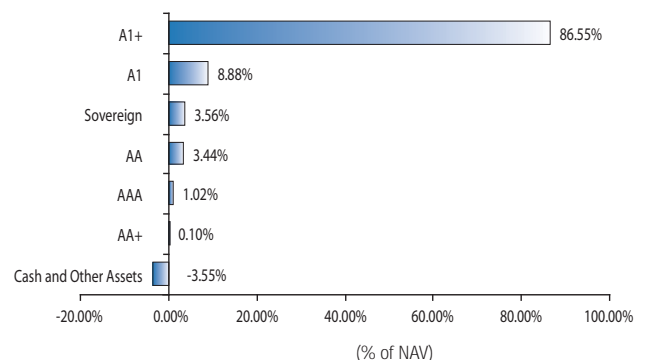
Instrument	Rating	% of NAV
Certificate of Deposit		
		30.64
Canara Bank	A1+	9.90
Dena Bank	A1+	9.86
Oriental Bank of Commerce	A1+	4.96
Corporation Bank	A1+	4.83
Indian Bank	A1+	0.79
Bank of India	A1+	0.20
The Jammu & Kashmir Bank	A1+	0.10
		64.79
Commercial Paper		
Cox & Kings	A1+	9.90
Edelweiss Financial Services	A1+	9.84
Dewan Housing Finance Corporation	A1+	9.71
SKS Microfinance	A1+	6.09

IFMR Capital Finance Private	A1+	5.29
Hero Cycles	A1+	5.00
Reliance Jio Infocomm	A1+	4.96
Au Housing Finance	A1	4.95
STCI Finance	A1+	4.69
KEC International	A1	3.93
Vodafone India	A1+	0.43
Treasury Bill		3.56
T-Bill 91 DAY 2015	Sovereign	2.44
T-Bill 91 DAY 2015	Sovereign	1.12
BONDS & NCDs		4.56
Shriram City Union Finance	AA	2.02
Cholamandalam Investment and Finance Company	AA	1.42
Housing Development Finance Corporation	AAA	1.02
Lafarge India Pvt. Ltd.	AA+	0.10
Cash and Other Assets		-3.55
Net Assets		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Ratings	% of NAV
Commercial Paper	64.79
Certificate of Deposit	30.64
BONDS & NCDs	4.56
Treasury Bill	3.56
Cash and Other Assets	-3.55

RATING PROFILE (As on December 31, 2014)



Past performance is no guarantee of future result. (** for rating methodology please refer page 35.)

Principal Cash Management Fund (An open-ended liquid scheme)



FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 1,481.96 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1332.2354	₹ 1329.7640
Dividend Option (Daily) :	₹ 1000.3870	₹ 1000.3037
Dividend Option (Weekly) :	₹ 1008.3954	₹ 1007.6688
Dividend Option (Monthly) :	₹ 1024.4128	₹ 1024.3826

INVESTMENT OBJECTIVE

To provide investors with as high a level of income available from short-term investments as is considered consistent with preservation of capital and maintenance of liquidity, by investing in a portfolio of money market and investment grade debt instruments.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
December 24, 2014	7.0823	1029.8067	7.1417	1029.8829
November 24, 2014	7.8838	1030.6082	7.9493	1030.6905
October 22, 2014	6.8650	1029.5894	6.9202	1029.6614

* On face value of ₹ 1,000/-.

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

All Dividend (₹/Unit) figures are Gross Dividend.

AVERAGE MATURITY (As on December 31, 2014)

44 days

MODIFIED DURATION (As on December 31, 2014)

44 days

PORTFOLIO (As on December 31, 2014)

Instrument	Rating	% of NAV
Certificate of Deposit		31.99
Corporation Bank	A1+	4.69
Syndicate Bank	A1+	4.68
Canara Bank	A1+	4.59
Punjab & Sind Bank	A1+	3.53
HDFC Bank	A1+	3.52
Oriental Bank of Commerce	A1+	3.28
Indian Bank	A1+	2.35
IDBI Bank	A1+	2.34
The South Indian Bank	A1+	1.90
Indian Overseas Bank	A1+	1.11
Commercial Paper		45.21
Reliance Jio Infocomm	A1+	5.62
Tata Motors	A1+	4.69

Aditya Birla Finance	A1+	4.68
Dewan Housing Finance Corporation	A1+	4.68
L&T Fincorp	A1+	4.54
JK Cement	A1+	3.51
Indostar Capital Finance Private	A1+	2.36
Kotak Mahindra Prime	A1+	2.36
Ballarpur Industries	A1+	2.35
Au Financiers (India)	A1+	2.34
Reliance Capital	A1+	2.34
Kotak Commodity Services	A1+	1.41
Bilt Graphic Paper Products Ltd	A1+	1.18
Religare Housing Development Financial Corporation	A1+	1.18
Edelweiss Financial Services	A1+	1.17
Cox & Kings	A1+	0.80

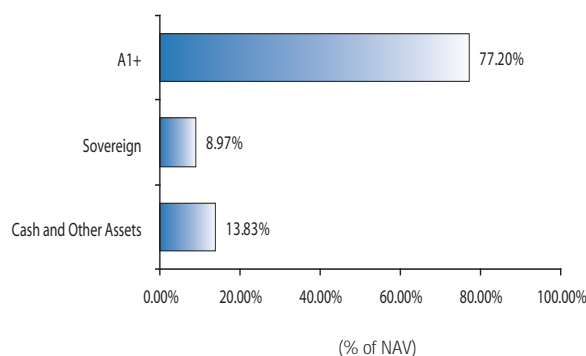
Treasury Bill		8.97
T-Bill 91 DAY 2015	Sovereign	2.33
T-Bill 182 DAY 2015	Sovereign	1.87
T-Bill 91 DAY 2015	Sovereign	1.73
T-Bill 364 DAY 2015	Sovereign	1.64
T-Bill 91 DAY 2015	Sovereign	1.17
T-Bill 364 DAY 2015	Sovereign	0.23

Cash and Other Assets	13.83
Net Assets	100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Ratings	% of NAV
Commercial Paper	45.21
Certificate of Deposit	31.99
Treasury Bill	8.97
Cash and Other Assets	13.83

RATING PROFILE (As on December 31, 2014)



Past performance is no guarantee of future result. (** for rating methodology please refer page 35.)

Principal Global Opportunities Fund (An open-ended Fund of Funds scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 21.58 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 22.3591	₹ 22.1956
Dividend Option:	₹ 22.3591	₹ 22.1956

INVESTMENT OBJECTIVE

To provide long term capital appreciation by predominantly investing in overseas mutual fund schemes, and a certain portion of its corpus in Money Market Securities and/or units of Money Market / Liquid Schemes of Principal Mutual Fund.

PORTFOLIO (As on December 31, 2014)

Instrument	% of NAV
Foreign Securities	
I. Units of Mutual Fund / Unit Trust	99.25
Principal Global Investors Funds - Emerging Markets Equity Fund	
II. Cash and Other Current Assets	0.75
Net Assets	100.00

Principal Retail Money Manager Fund (An open-ended debt scheme)

FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 26.06 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1547.8528	₹ 1544.7921
Dividend Option (Daily) :	N.A.	₹ 1005.4300
Dividend Option (Weekly) :	N.A.	₹ 1014.1115
Dividend Option (Monthly) :	₹ 1060.7344	₹ 1060.6810

INVESTMENT OBJECTIVE

To generate regular income & capital appreciation through investments in debt securities and money market instruments.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
December 24, 2014	7.9010	1066.7302	7.9765	1066.8451
November 24, 2014	8.4338	1067.2630	8.5316	1067.4002
October 22, 2014	7.2978	1066.1270	7.3793	1066.2479

* On face value of ₹ 1,000/-.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

AVERAGE MATURITY (As on December 31, 2014)

53 days

MODIFIED DURATION (As on December 31, 2014)

53 days

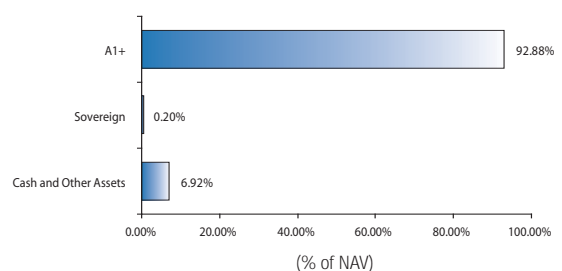
PORTFOLIO (As on December 31, 2014)

Instrument	Rating	% of NAV
Certificate of Deposit		43.90
Canara Bank	A1+	23.94
Oriental Bank of Commerce	A1+	19.96
Commercial Paper		48.98
SKS Microfinance	A1+	13.01
Cox & Kings	A1+	12.04
L&T Fincorp	A1+	11.97
Vardhman Special Steels	A1+	11.96
Treasury Bill		0.20
T-Bill 91 Day 2015	Sovereign	0.20
Cash and Other Assets		6.92
Net Assets		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Ratings	% of NAV
Commercial Paper	48.98
Certificate of Deposit	43.90
Treasury Bill	0.20
Cash and Other Assets	6.92

RATING PROFILE (As on December 31, 2014)



Principal Debt Savings Fund (An open-ended income fund)

- Retail Plan

FUND FEATURES

OAAUM (For the period October to December 2014):

₹ 23.05 crore

NAV per unit (As on December 31, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 24.3035	₹ 23.9078
Dividend Plan (Monthly) :	N.A.	₹ 10.2706
Dividend Plan (Quarterly) :	₹ 11.9566	₹ 11.8854

INVESTMENT OBJECTIVE

To seek to generate stable returns and capital appreciation through investment in Debt instruments and related securities over medium to long term investment horizon.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
December 24, 2014	0.0554	10.3024	-	-
November 24, 2014	0.1066	10.3536	-	-
October 22, 2014	0.0985	10.3455	-	-
Quarterly Dividend (Last 3 Quarters)				
December 24, 2014	0.2850	12.1430	0.3077	12.2348
September 24, 2014	0.2332	12.0730	0.2557	12.1627
June 24, 2014	0.2491	12.0679	0.2714	12.1556

* On face value of ₹ 10.

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

Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIO (As on December 31, 2014)

Portfolio Turnover Ratio** -

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

AVERAGE MATURITY (As on December 31, 2014)

1.56 years

MODIFIED DURATION (As on December 31, 2014)

1.28 years

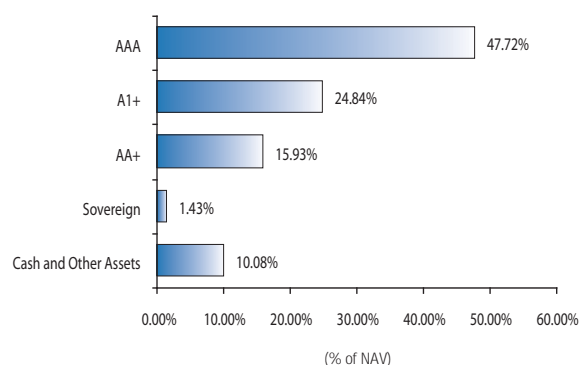
PORTFOLIO (As on December 31, 2014)

Instrument	Rating	% of NAV
Certificate of Deposit		
The Jammu & Kashmir Bank	A1+	12.18
Commercial Paper		
Cox & Kings	A1+	8.47
IFMR Capital Finance Private	A1+	4.19
Treasury Bill		
T-Bill 91 Day 2015	Sovereign	1.43
Bonds & NCDs		
Housing Development Finance Corporation	AAA	19.46
Power Finance Corporation	AAA	17.29
Fullerton India Credit Company Ltd	AA+	10.74
Rural Electrification Corporation	AAA	8.82
Bajaj Finance	AA+	4.33
Power Grid Corporation of India	AAA	2.15
Lafarge India Pvt. Ltd.	AA+	0.86
Cash and Other Assets		
		10.08
Net Assets		100.00

COMPOSITION BY ASSETS (As on December 31, 2014)

Industry / Ratings	% of NAV
Bonds & NCDs	63.65
Commercial Paper	12.66
Certificate of Deposit	12.18
Treasury Bill	1.43
Cash and Other Assets	10.08

RATING PROFILE (As on December 31, 2014)



SCHEMES MANAGED BY MR. ANUPAM TIWARI

PRINCIPAL LARGE CAP FUND

Performance Date	Scheme Returns				Scheme's Benchmark (S&P BSE 100 Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	43.43	14342.60	44.19	14418.97	32.28	13228.45	31.39	13138.80
31-Dec-12 to 31-Dec-13	3.03	10302.83	N.A.	N.A.	5.87	10587.34	6.76	10675.52
30-Dec-11 to 31-Dec-12	33.99	13398.78	N.A.	N.A.	29.96	12995.80	27.70	12769.72
Since Inception 11-Nov-05 to 31-Dec-14	17.99	45380.00	N.A.	N.A.	13.68	32283.00	13.76	32498.38
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	21.33	14705.32	17.45	13781.25	17.61	13820.05

PRINCIPAL PERSONAL TAX SAVER FUND

Performance Date	Scheme Returns				Scheme's Benchmark (S&P BSE 100 Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	43.58	14357.97	44.34	14434.16	32.28	13228.45	31.39	13138.80
31-Dec-12 to 31-Dec-13	3.32	10332.18	N.A.	N.A.	5.87	10587.34	6.76	10675.52
30-Dec-11 to 31-Dec-12	34.83	13482.62	N.A.	N.A.	29.96	12995.80	27.70	12769.72
Since Inception 31-Mar-96 to 31-Dec-14	22.39	443193.50	N.A.	N.A.	12.63	93139.88	12.01	84062.72
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	21.52	14750.85	17.45	13781.25	17.61	13820.05

PRINCIPAL SMART EQUITY FUND

Performance Date	Scheme Returns				Scheme's Benchmark (Crisil Balanced Fund Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	34.11	13410.60	35.06	13505.75	25.34	12534.46	31.39	13138.80
31-Dec-12 to 31-Dec-13	5.41	10541.01	N.A.	N.A.	6.05	10604.69	6.76	10675.52
30-Dec-11 to 31-Dec-12	30.67	13067.27	N.A.	N.A.	21.28	12127.97	27.70	12769.72
Since Inception 16-Dec-10 to 31-Dec-14	12.67	16200.00	N.A.	N.A.	8.86	14094.79	8.53	13923.43
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	19.04	14156.63	14.72	13151.17	17.61	13820.05

SCHEMES MANAGED BY MR. RAJAT JAIN

PRINCIPAL GLOBAL OPPORTUNITIES FUND

Performance Date	Scheme Returns				Scheme's Benchmark (MSCI World Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	-2.62	9737.94	-2.22	9778.23	7.71	10770.53	31.39	13138.80
31-Dec-12 to 31-Dec-13	5.39	10539.24	N.A.	N.A.	26.25	12625.21	6.76	10675.52
30-Dec-11 to 31-Dec-12	21.47	12147.24	N.A.	N.A.	13.07	11306.68	27.70	12769.72
Since Inception 29-Mar-04 to 31-Dec-14	7.69	22195.60	N.A.	N.A.	4.50	16055.08	15.46	47006.04
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	1.06	10211.59	15.49	13327.27	17.61	13820.05

SCHEMES MANAGED BY RUPALI PANDIT

PRINCIPAL INDEX FUND - NIFTY

Performance Date	Scheme Returns				Scheme's Benchmark (CNX Nifty Index)		Additional Benchmark (S&P BSE Sensex)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	31.15	13115.21	31.81	13180.88	31.39	13138.80	29.89	12989.39
31-Dec-12 to 31-Dec-13	7.71	10771.15	N.A.	N.A.	6.76	10675.52	8.98	10897.72
30-Dec-11 to 31-Dec-12	27.24	12723.80	N.A.	N.A.	27.70	12769.72	25.70	12569.92
Since Inception 27-Jul-99 to 31-Dec-14	11.92	56923.80	N.A.	N.A.	12.69	63233.96	12.29	59869.46
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	18.56	14043.82	17.61	13820.05	18.16	13949.01

PRINCIPAL INDEX FUND - MIDCAP#

Performance Date	^Returns (%)				Scheme's Benchmark (CNX Midcap Index)	Additional Benchmark (CNX Nifty Index)
	Plan - Regular		Plan - Direct			
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)		
Since Inception 12-May-14 to 31-Dec-14	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Past performance may or may not be sustained in future. Since Inception Returns (in %) are calculated on Compounded Annualised Basis.

§ PTP (Point to Point) Returns is based on standard investment of ₹ 10,000/- made at the beginning of relevant period.

Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

^ Growth Option

As the scheme has not completed one year, the performance/returns for this scheme is not provided

SCHEMES MANAGED BY MR. DHIMANT SHAH

PRINCIPAL EMERGING BLUECHIP FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CNX Midcap Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	80.18	18017.84	81.31	18130.71	55.91	15590.86	31.39	13138.80
31-Dec-12 to 31-Dec-13	5.84	10584.24	N.A.	N.A.	-5.10	9489.95	6.76	10675.52
30-Dec-11 to 31-Dec-12	54.66	15503.20	N.A.	N.A.	38.91	13915.75	27.70	12769.72
Since Inception 12-Nov-08 to 31-Dec-14	35.54	64630.00	N.A.	N.A.	22.28	34368.96	19.00	29077.92
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	37.96	18998.84	20.79	14575.52	17.61	13820.05

PRINCIPAL DIVIDEND YIELD FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CNX Dividend Opportunities Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	44.93	14492.75	45.62	14561.82	33.57	13356.74	31.39	13138.80
31-Dec-12 to 31-Dec-13	-5.30	9470.07	N.A.	N.A.	-7.18	9281.94	6.76	10675.52
30-Dec-11 to 31-Dec-12	41.94	14193.72	N.A.	N.A.	30.53	13053.16	27.70	12769.72
Since Inception 15-Oct-04 to 31-Dec-14	13.36	36000.00	N.A.	N.A.	N.A.	N.A.	16.15	46143.18
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	16.82	13634.32	10.46	12195.27	17.61	13820.05

SCHEMES MANAGED BY BEKXY KURIAKOSE

PRINCIPAL GOVERNMENT SECURITIES FUND

Performance Date	Scheme Returns				Scheme's Benchmark (I-Sec Composite Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	15.65	11564.70	16.23	11622.67	15.12	11511.76	14.14	11414.28
31-Dec-12 to 31-Dec-13	2.30	10230.09	N.A.	N.A.	4.12	10411.73	-0.68	9932.21
30-Dec-11 to 31-Dec-12	9.42	10941.58	N.A.	N.A.	11.09	11108.51	10.67	11066.79
Since Inception 23-Aug-01 to 31-Dec-14	7.75	27128.70	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	9.04	11884.25	9.24	11928.36	6.27	11290.54

PRINCIPAL DEBT OPPORTUNITIES FUND - CORPORATE BOND PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (Crissil Composite Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	9.70	10970.47	10.29	11029.03	14.31	11430.70	14.14	11414.28
31-Dec-12 to 31-Dec-13	7.03	10702.64	N.A.	N.A.	3.79	10378.55	-0.68	9932.21
30-Dec-11 to 31-Dec-12	9.37	10936.76	N.A.	N.A.	9.38	10938.34	10.67	11066.79
Since Inception 14-Sep-04 to 31-Dec-14	7.47	21007.52	N.A.	N.A.	6.58	19283.00	5.43	17245.69
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	8.80	11832.53	8.78	11828.15	6.27	11290.54

PRINCIPAL INCOME FUND - LONG TERM PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (Crissil Composite Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	13.43	11343.36	14.33	11432.53	14.31	11430.70	14.14	11414.28
31-Dec-12 to 31-Dec-13	4.06	10405.70	N.A.	N.A.	3.79	10378.55	-0.68	9932.21
30-Dec-11 to 31-Dec-12	11.18	11118.25	N.A.	N.A.	9.38	10938.34	10.67	11066.79
Since Inception 09-May-03 to 31-Dec-14	7.54	23319.00	N.A.	N.A.	6.18	20112.96	5.42	18496.40
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	9.28	11936.16	8.78	11828.15	6.27	11290.54

Past performance may or may not be sustained in future. Since Inception Returns (in %) are calculated on Compounded Annualised Basis.

§ PTP (Point to Point) Returns is based on standard investment of ₹ 10,000/- made at the beginning of relevant period.

Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

^ Growth Option

SCHEMES MANAGED BY MR. P.V.K. MOHAN

PRINCIPAL GROWTH FUND

Performance	Scheme Returns				Scheme's Benchmark (S&P BSE 200 Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
Date								
31-Dec-13 to 31-Dec-14	49.36	14935.92	50.22	15022.30	35.47	13546.66	31.39	13138.80
31-Dec-12 to 31-Dec-13	8.31	10831.16	N.A.	N.A.	4.38	10438.05	6.76	10675.52
30-Dec-11 to 31-Dec-12	46.01	14600.96	N.A.	N.A.	30.98	13098.46	27.70	12769.72
Since Inception 25-Oct-00 to 31-Dec-14	17.04	93230.00	N.A.	N.A.	16.18	84036.23	14.69	69961.15
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	26.89	16080.14	18.02	13916.37	17.61	13820.05

PRINCIPAL TAX SAVINGS FUND

Performance	Scheme Returns				Scheme's Benchmark (S&P BSE 200 Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
Date								
31-Dec-13 to 31-Dec-14	49.45	14944.62	50.07	15007.02	35.47	13546.66	31.39	13138.80
31-Dec-12 to 31-Dec-13	8.55	10854.65	N.A.	N.A.	4.38	10438.05	6.76	10675.52
30-Dec-11 to 31-Dec-12	46.51	14651.12	N.A.	N.A.	30.98	13098.46	27.70	12769.72
Since Inception 31-Mar-96 to 31-Dec-14	17.54	207584.30	N.A.	N.A.	13.01	99249.86	12.01	84062.72
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	26.94	16093.35	18.02	13916.37	17.61	13820.05

PRINCIPAL BALANCED FUND

Performance	Scheme Returns				Scheme's Benchmark (Crisil Balanced Fund Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
Date								
31-Dec-13 to 31-Dec-14	34.94	13494.27	36.06	13605.63	25.34	12534.46	31.39	13138.80
31-Dec-12 to 31-Dec-13	7.22	10722.43	N.A.	N.A.	6.05	10604.69	6.76	10675.52
30-Dec-11 to 31-Dec-12	34.18	13418.37	N.A.	N.A.	21.28	12127.97	27.70	12769.72
Since Inception 14-Jan-00 to 31-Dec-14	11.27	49470.00	N.A.	N.A.	N.A.	N.A.	11.50	51041.13
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	20.60	14529.17	14.72	13151.17	17.61	13820.05

SCHEMES MANAGED BY MR. GURVINDER SINGH WASAN

PRINCIPAL BANK CD FUND

Performance	Scheme Returns				Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
Date								
31-Dec-13 to 31-Dec-14	8.86	10885.56	9.49	10949.36	9.21	10921.45	8.56	10855.81
31-Dec-12 to 31-Dec-13	9.07	10907.23	N.A.	N.A.	9.03	10903.13	5.86	10586.45
30-Dec-11 to 31-Dec-12	9.37	10936.87	N.A.	N.A.	8.54	10854.31	8.11	10810.71
Since Inception 06-Nov-07 to 31-Dec-14	8.13	17498.00	N.A.	N.A.	7.59	16882.81	6.11	15290.76
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	9.41	11964.52	9.13	11902.93	7.15	11477.35

PRINCIPAL INCOME FUND - SHORT TERM PLAN

Performance	Scheme Returns				Scheme's Benchmark (CRISIL Short-Term Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
Date								
31-Dec-13 to 31-Dec-14	9.87	10987.07	10.65	11065.36	10.47	11046.80	14.14	11414.28
31-Dec-12 to 31-Dec-13	7.83	10782.90	N.A.	N.A.	8.27	10827.20	-0.68	9932.21
30-Dec-11 to 31-Dec-12	10.22	11021.73	N.A.	N.A.	9.15	10914.85	10.67	11066.79
Since Inception 09-May-03 to 31-Dec-14	7.77	23930.50	N.A.	N.A.	6.93	21831.42	5.42	18496.40
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	9.52	11989.46	9.35	11951.33	6.27	11290.54

Past performance may or may not be sustained in future. Since Inception Returns (in %) are calculated on Compounded Annualised Basis.

§ PTP (Point to Point) Returns is based on standard investment of ₹ 10,000/- made at the beginning of relevant period.

Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

^ Growth Option

SCHEMES MANAGED BY MR. PANKAJ JAIN

PRINCIPAL DEBT OPPORTUNITIES FUND - CONSERVATIVE PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	8.39	10839.44	9.37	10937.33	9.21	10921.45	8.56	10855.81
31-Dec-12 to 31-Dec-13	8.98	10898.32	N.A.	N.A.	9.03	10903.13	5.86	10586.45
30-Dec-11 to 31-Dec-12	9.93	10993.17	N.A.	N.A.	8.54	10854.31	8.11	10810.71
Since Inception 14-Sep-04 to 31-Dec-14	7.73	21540.90	N.A.	N.A.	7.05	20169.68	5.78	17848.03
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	9.40	11961.81	9.13	11902.93	7.15	11477.35

PRINCIPAL DEBT SAVINGS FUND - MONTHLY INCOME PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (Crisil MIP Blended Index)		Additional Benchmark (Crisil 10 year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	12.80	11280.42	13.65	11365.17	16.83	11682.80	14.14	11414.28
31-Dec-12 to 31-Dec-13	1.24	10123.90	N.A.	N.A.	4.41	10441.40	-0.68	9932.21
30-Dec-11 to 31-Dec-12	10.28	11027.79	N.A.	N.A.	12.12	11211.77	10.67	11066.79
Since Inception 23-May-02 to 31-Dec-14	8.37	27569.00	N.A.	N.A.	8.76	28835.71	6.55	22260.51
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	7.43	11536.72	10.21	12140.54	6.27	11290.54

PRINCIPAL DEBT SAVINGS FUND - RETAIL PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Short-Term Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	9.40	10939.83	10.22	11022.20	10.47	11046.80	14.14	11414.28
31-Dec-12 to 31-Dec-13	6.11	10610.65	N.A.	N.A.	8.27	10827.20	-0.68	9932.21
30-Dec-11 to 31-Dec-12	11.88	11188.30	N.A.	N.A.	9.15	10914.85	10.67	11066.79
Since Inception 30-Dec-03 to 31-Dec-14	8.24	23907.80	N.A.	N.A.	6.99	21039.89	4.89	16907.35
Since Inception 02-Jan-13 to 31-Dec-14	N.A.	N.A.	8.51	11769.82	9.35	11951.33	6.27	11290.54

PRINCIPAL CASH MANAGEMENT FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	6.77	10676.69	6.83	10683.46	6.94	10693.90	6.15	10615.45
31-Dec-12 to 31-Dec-13	9.17	10917.45	N.A.	N.A.	9.03	10903.13	5.86	10586.45
30-Dec-11 to 31-Dec-12	9.71	10970.87	N.A.	N.A.	8.54	10854.31	8.11	10810.71
Since Inception 30-Aug-04 to 31-Dec-14	7.57	21276.22	N.A.	N.A.	7.03	20200.52	5.77	17862.69
Since Inception 01-Jan-13 to 31-Dec-14	N.A.	N.A.	9.23	11927.47	9.13	11905.55	7.19	11487.49

PRINCIPAL RETAIL MONEY MANAGER FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
31-Dec-13 to 31-Dec-14	7.01	10701.16	7.09	10709.17	6.94	10693.90	6.15	10615.45
31-Dec-12 to 31-Dec-13	9.78	10978.23	N.A.	N.A.	9.03	10903.13	5.86	10586.45
30-Dec-11 to 31-Dec-12	10.06	11006.17	N.A.	N.A.	8.54	10854.31	8.11	10810.71
Since Inception 28-Dec-07 to 31-Dec-14	6.40	15447.92	N.A.	N.A.	7.61	16722.24	6.17	15219.30
Since Inception 01-Jan-13 to 31-Dec-14	N.A.	N.A.	9.72	12036.25	9.13	11905.55	7.19	11487.49

Past performance may or may not be sustained in future. Since Inception Returns (in %) are calculated on Compounded Annualised Basis.

^ PTP (Point to Point) Returns is based on standard investment of ₹ 10,000/- made at the beginning of relevant period.

Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

^ Growth Option

Tax Rates for Mutual Fund Investors¹ as per the Finance (No.2) Act, 2014 – SNAPSHOT



EQUITY ORIENTED FUNDS (SUBJECT TO STT³)

Financial Year	Short Term Capital Gains Tax (STCG) ²		Long Term Capital Gains Tax (LTCG) ²		Dividend Income		Tax on Distributed Income		TDS on Capital Gains ⁷	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15
Resident Individual / HUF / AOP / BOI	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
Resident Partnership Firms	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
Domestic Companies	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
NRIs ⁴	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil
FIs ^{4 & 10}	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶
QFI ^{4 & 10} (Individual / HUF)	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil
QFI ^{4 & 10} (Companies)	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil
FPI ^{4 & 10}	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶

OTHER THAN EQUITY ORIENTED FUNDS (including Infrastructure Debt Funds⁸)

	Short Term Capital Gains Tax ^{2 & 13}		Long Term Capital Gains Tax ^{2 & 13}		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains ⁷	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14 ¹¹	2014-15 ^{11&12}	2013-14 ¹¹	2014-15 ^{11&12}	2013-14	2014-15
Resident Individual / HUF	As per slab rates	As per slab rates	10% (20% with Indexation)	20% (With Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014)	Exempt	Exempt	12.50% (from 1-4-2013 to 31-5-2013) 25% (from 1-6-2013 onwards)	25%	25%	25%	Nil	Nil
AOP/BOI	As per slab rates	As per slab rates	10% (20% with Indexation)	20% (With Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014)	Exempt	Exempt	30%	30%	30%	30%	Nil	Nil
Domestic Companies / Firms	30%	30%	10% (20% with Indexation)	20% (With Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014)	Exempt	Exempt	30%	30%	30%	30%	Nil	Nil
NRIs ⁴	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ⁵	Listed Units - 20% (with Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014) Unlisted Units - 10% (without Indexation) ⁵	Exempt	Exempt	12.50% (from 1-4-2013 to 31-5-2013) 25% (from 1-6-2013 onwards) 5% for IDFs (from 1-6-2013 onwards)	25% 5% for IDFs	25%	25%	STCG - 30% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵	STCG - 30% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵

(Contd. on next page)

Tax Rates for Mutual Fund Investors¹ as per the Finance (No.2) Act, 2014 – SNAPSHOT



OTHER THAN EQUITY ORIENTED FUNDS (including Infrastructure Debt Funds⁸) [Contd.]

	Short Term Capital Gains Tax ^{2 & 13}		Long Term Capital Gains Tax ^{2 & 13}		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains ⁷	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14 ¹¹	2014-15 ^{11&12}	2013-14 ¹¹	2014-15 ^{11&12}	2013-14	2014-15
FII ^{4 & 10}	30%	30%	10% without Indexation	10% without Indexation	Exempt	Exempt	30%	30%	30%	30%	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶
QFI ^{4 & 10} (Individual/HUF)	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ³	Listed Units - 20% (with Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014) Unlisted Units - 10% (without Indexation) ³	Exempt	Exempt	12.50% (from 1-4-2013 to 31-5-2013) 25% (from 1-6-2013 onwards) 5% for IDFs (from 1-6-2013 onwards)	25% 5% for IDFs	25%	25%	STCG - 30% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵	STCG - 30% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵
QFI ¹⁰ (Companies) ⁴	40%	40%	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ³	Listed Units - 20% (with Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014) Unlisted Units - 10% (without Indexation) ³	Exempt	Exempt	30%	30%	30%	30%	STCG - 40% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵	STCG - 40% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵
FPI ^{4 & 10}	30%	30%	10% without Indexation	10% without Indexation	Exempt	Exempt	30%	30%	30%	30%	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶

- It is assumed that the mutual fund units are held as capital assets by the investors.
- Plus applicable surcharge [refer note 9], if any, and Education Cess at the rate of 2% on income-tax and surcharge and Secondary and Higher Education cess at the rate of 1% on income-tax and surcharge.
- Securities Transaction Tax ('STT') is applicable only in respect of sale of units of Equity-oriented funds ('EOFs') on a recognised stock exchange and redemption of EOU by the mutual fund. Purchase/ sale/ redemption of units other than EOU are not subject to STT.
- Non-resident investors (such as FIIs, QFIs, FPIs, etc.) shall be entitled to be governed by provisions of the applicable Tax Treaty, which India has entered with the country of residence of the non-resident investor, if that is more beneficial than the provisions of the Income-tax Act, 1961 ('the Act'), subject to certain conditions. As per section 90(4) of the Act, a non-resident shall not be entitled to claim treaty benefits, unless the non-resident obtains a Tax Residency Certificate of being a resident of his home country. Furthermore, as per section 90(5) of the Act, non-resident is also required to provide such other documents and information, as prescribed by CBDT, as applicable.
- As per section 112 of the Act (as amended by the Finance Act, 2012), long-term capital gains in case of non-residents would be taxable @ 10% on transfer of capital assets, being unlisted securities, computed without giving effect to first & second proviso to section 48 i.e. without taking benefit of foreign currency fluctuation and indexation benefit.
- Section 196D of the Act provides that no tax is required to be withheld for payment to a FII / FPI in respect of capital gains arising on transfer of units.
- As per provisions of Section 206AA of the Act, if there is default on the part of a non-resident investor (entitled to receive redemption proceeds from the Mutual Fund on which tax is deductible under Chapter XVII of the Act) to provide its Permanent Account Number, the tax shall be deducted at higher of the following rates: i) rates specified in relevant provisions of the Act; or ii) rate or rates in force; or iii) rate of 20%.
- "Infrastructure debt fund" means an infrastructure debt fund as defined in clause 1 of the regulation 49L of the Securities and Exchange Board of India (Mutual Fund) Regulations, 1996. As per clause 1 of regulation 49L, an 'infrastructure debt fund scheme' would mean, a scheme which invests primarily (minimum 90% of scheme assets) in debt securities or securitized debt instrument of infrastructure companies or infrastructure capital companies or infrastructure projects or special purpose vehicles, etc. or other permissible assets in accordance with these regulations or bank loans in respect of completed and revenue generating projects of infrastructure companies or projects or special purpose vehicles.

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Tax Rates for Mutual Fund Investors¹ as per the Finance (No.2) Act, 2014 – SNAPSHOT



9 Surcharge applicable for FY 2014-15:

Type of Investor	Surcharge rate as a % of Income-tax		
	If income is less than ₹ 1 crores	If income exceeds ₹ 1 crore but less than ₹ 10 crores	If income exceeds ₹ 10 crores
Resident Individual, HUF, AOP and Partnership Firm	Nil	10%	10%
Domestic Company	Nil	5%	10%
Foreign Company	Nil	2%	5%
Foreign non-corporate	Nil	10%	10%

10 The FPI Regulations replaced the existing SEBI (Foreign Institutional Investor) Regulations, 1995 and the Qualified Foreign Investors framework, and are effective from 7 January 2014. As per Notification No. 9/2014 dated 22 January 2014, the Central Government has specified the Foreign Portfolio Investors registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as 'Foreign Institutional Investor' for the purposes of clause (a) of the Explanation to section 115AD of the Act.

11 Rates are exclusive of surcharge at the rate of 10% and education cess at the rate of 3%.

12 With effect from 1 October 2014, as per Finance (No. 2) Act, 2014, additional tax on income distributed to unit-holders would be levied on the amount of income to be distributed including such additional tax (i.e. grossing-up), as against levy on only the amount of income to be distributed, thereby resulting in a higher effective rate of tax on distributed income.

13 Capital gains arising on the transfer or redemption of other than equity oriented units (from 1 April 2014 to 10 July 2014) held for a period of 12 months or more, immediately preceding the date of transfer should be regarded as 'long term capital gains'. Capital gains arising on transfer or redemption of such units on or after 11 July 2014 should be regarded as long-term capital gains if such units are held for a period of 36 months or more immediately preceding the date of transfer.

INCOME TAX RATES FOR INDIVIDUAL / HUF / AOP / BOI for AY 2015-16

Total Income	Tax Rates (c)
Up to ₹ 250,000 (a)(b)(d)	NIL
₹ 250,001 to ₹ 500,000	10%
₹ 500,001 to ₹ 1,000,000	20%
₹ 1,000,001 and above	30%

(a) In the case of a resident individual of the age of 60 years or more but less than 80 years, the basic exemption limit is ₹ 300,000.
 (b) In the case of a resident individual of the age of 80 years or more, the basic exemption limit is ₹ 5,00,000.
 (c) Plus, surcharge on income-tax, as applicable and education cess is applicable at the rate of 2% on income-tax and secondary and higher education cess at the rate of 1% on income-tax.
 (d) Rebate of upto ₹ 2,000 available for resident individuals whose total income does not exceed ₹ 5,00,000.

WEALTH TAX ON MF UNITS

Wealth Tax	MF units are exempt
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SECURITIES TRANSACTION TAX

Equity Oriented Fund
STT on sale of a unit of equity oriented mutual fund to the mutual fund is levied at 0.001%.
No STT is chargeable on purchase of units of an equity oriented mutual fund entered into in recognised stock exchange w.e.f. 1.6.2013.
STT on sale of a unit of an equity oriented mutual fund where the transaction is entered into in recognised stock exchange and the contract for sale is settled by the actual delivery is levied at 0.001%.
Other than Equity Oriented Fund: Purchase/ sale/ redemption of units other than equity-oriented units shall not be subject to STT.
Mutual Fund would also pay securities transaction tax wherever applicable on the securities bought/sold.
As per Section 94(7): The loss due to sale of Units in the schemes (where income distributed on MF units is tax free) will not be available for set-off to the extent of the tax free income distributed; if units are: (A) Bought within three months prior to the record date fixed for income distribution; and (B) sold within nine months after the record date fixed for income distribution.
As per Section 94(8): The loss due to sale of original Units in the schemes, where bonus Units are issued, will not be available for setoff; if original units are :- (A) Bought within three months prior to the record date fixed for allotment of bonus units; and (B) sold within nine months after the record date fixed for allotment of bonus units. However, the amount of loss so ignored shall be deemed to be the cost of purchase or acquisition of such unsold bonus units held on the date of transfer of original units.

This information is being provided for basic guidance for investments in mutual funds and is based on provisions of the Income-tax Act, 1961, as amended by the Finance (No. 2) Act, 2014. The tax implications may vary for each assessee based on the details of his income. All rates and figures appearing are for illustrative purposes only. Tax benefits are subject to change in tax laws. Contents of this note have been drawn for informative purpose only and the same should not be used or considered as an investment/tax advice. The AMC/Trustee/Sponsor accepts no liability whatsoever for any direct or consequential loss arising from any information provided in this note.

Understanding Ratios & Risk Measures

➤ **STANDARD DEVIATION** - Is the average deviation from the mean returns. It is an indication of volatility i.e. deviation from mean returns. Lower the better.

- For instance a scheme that has a consistent four-year return of 3% would have a mean or average of 3%. The standard deviation for this scheme would then be zero because the scheme's return in any given year does not differ from its four-year mean of 3%.
- On the other hand, a scheme that in each of the last four years returned -5%, 17%, 2% and 30% will have a mean return of 11%. The scheme will also exhibit a high standard deviation because each year the return of the scheme differs from the mean return. This scheme is therefore riskier because it fluctuates widely between negative and positive returns within a short period.

Calculation = Square Root of Variance. Where Variance is the average of the squared deviations from mean returns.

➤ **BETA** - Can be interpreted as percentage change in price of a scheme for every one percentage change in the market benchmark. For example if a scheme's beta is 1.1 and the market is expected to go up/down by 10% then the scheme will move up/down by 11%.

Calculation = Covariance of Market and Scheme's Returns Divided by Variance of the Market. Where Covariance is the Deviation of Mean Returns of Market multiplied by Deviation of Mean Returns of the scheme.

➤ **JENSEN'S ALPHA** - Gives the average return of the portfolio over and above the risk free rate and market determined return. This is the addition by the fund manager over and above the market return and hence higher the better.

Calculation = Portfolio Return - (Risk Free Rate of Return + beta [market return - Risk Free Rate of Return]).

➤ **SHARPE** - Gives the returns per unit of risk. i.e. for every 1 unit of risk what is the returns of the scheme. For this purpose risk is defined as standard deviation of the scheme. Higher the Sharpe, the better.

It signifies that scheme with a higher sharpe ratio generates returns taking lesser risk. In other words, the scheme is less volatile and yet generating good returns. Thus, given same returns, the scheme with a higher Sharpe ratio offers a better avenue for investing.

Calculation = Average Scheme Return - Risk Free Rate of Return ÷ Standard Deviation of the Scheme.

➤ **PORTFOLIO TURNOVER** - Portfolio turnover is a measure of how actively a fund manager trades the portfolio of your scheme. Expressed in percentage or number of times, the inverse of a scheme's turnover ratio is the average holding period for a security in that scheme. If a scheme has a 20 per cent turnover ratio, it would suggest that on average that scheme will hold a security for five years before selling it. A scheme with a 200 per cent turnover ratio will change its portfolio in six months or in other words, replace the entire holdings in its portfolio with new stocks in six months.

Calculation = Lower of sales or purchases divided by average AUM for last rolling 12 months.

++ ICRA has assigned credit risk rating of [ICRA]A1+mfs to Principal Cash Management Fund. The rating is the highest-credit-quality short-term rating assigned by ICRA to debt funds. It has also assigned the credit risk rating of [ICRA] AAAMfs to Principal Debt Opportunities Fund - Conservative Plan. The rating is the highest-credit-quality long term rating assigned by ICRA to debt funds. Rating methodology used by ICRA is based on evaluating the inherent credit quality of the mutual funds portfolio. As a measure of the credit quality of a debt fund's assets, ICRA uses the concept of "credit scores", based on ICRA's assessment of credit risk associated with each exposure of the portfolio taking into account its maturity. To quantify the credit risk scores, ICRA uses its database of historical default rates for various rating categories for various maturity buckets. The credit risk ratings incorporate ICRA's assessment of a debt fund's published investment objectives and policies, its management characteristics, and the creditworthiness of its investment portfolio. ICRA reviews relevant fund information on an ongoing basis to support its published rating opinions. If the portfolio credit score meets the benchmark of the assigned rating during the review, the rating is retained. In an event that the benchmark credit score is breached, ICRA gives a month's time to the debt fund manager to bring the portfolio credit score within the benchmark credit score. If the debt fund manager is able to reduce the portfolio credit score within the benchmark credit score, the rating is retained. If the portfolio still continues to breach the benchmark credit score, the rating is revised to reflect the change in credit quality. The ratings should, however, not be construed as an indication of the prospective performance of the Mutual fund scheme or of volatility in its returns. ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance which may lead to a revision in ratings. **Source:** ICRA Ltd.

DISCLAIMER:

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

This factsheet is for informative purpose only and under no circumstances is to be used or considered as an investment advice. Terms of issue / load structure / Scheme specific risk factors are set forth in the Scheme Information Document(SID). Copy of the same is available at all our Investor Service Centres. Alternatively, Investor can download the SID from our website - www.principalindia.com or can call us at 1800 425 5600 to get a copy of the same.

Offices of AMC Identified as Official Point of Acceptance (OPA) / Investor Service Centres (ISC)

Principal Pnb Asset Management Company Private Limited - OPA & ISC:

- **Mumbai:** Exchange Plaza, 'B' wing, Ground Floor, NSE Building, Bandra Kurla Complex, Bandra (East), Mumbai-400 051

Principal Pnb Asset Management Company Private Limited - ISC:

- **Ahmedabad:** 102, Megha House, Opp. Kotak Mahindra Bank, Mithakhali Law Garden Road, Ahmedabad-380 006 • **Bengaluru:** Salarpuria Landmark, 2nd Floor, Unit No. 2002, 100 Feet Road, HAL II Stage, Bengaluru-560 038 • **Chandigarh:** SCO No. 145-146, 1st Floor, Sector 9-C, Chandigarh-160 009
- **Chennai:** Nirupama & Neelima Building, New Unit No.55, Vijaya Raghava Road, T. Nagar, Chennai-600 017 • **Hyderabad:** ANR Center, Unit No. 201, 1st Floor, Road No.1, Banjara Hills, Hyderabad - 500 034 • **Jaipur:** 61-A, Vasanti, Sardar Patel Marg, C-Scheme, Jaipur-302 001 • **Kolkata:** Bachhawati House, Premises No.2, Dr. Martin Luther King Sarani, (Formerly Upper Wood Street), Kolkata-700 016 • **Lucknow:** Rohtas Trident, 1st Floor, 10, Rana Pratap Marg, Lucknow-226 001 • **New Delhi:** Unit No. 001 & 002, Gr. Floor, DLF Capitol Point, Baba Kharag Singh Marg, New Delhi-110 001
- **Pune:** Unit No: 103 & 104, 1st Floor, Rainbow Plaza, Opp. Modern Highschool, Jangali Maharaj Road, Shivaji Nagar, Pune - 411 005.

Centres of Karvy Computershare Private Limited (R&T to Principal Mutual Fund) which have been identified as Official Point of Acceptance:

Agra: 1st Floor, Deepak Wasan Plaza, Behind Holiday Inn, Opp. Megdoot Furnitures, Sanjay Place, Agra-282 002 • **Ahmedabad:** 201/202 Shail, Opp. Madhusudan House, Navrangpura, Ahmedabad-380 006 • **Ajmer:** 302, 3rd Floor, Ajmer Auto Building, Opp. City Power House, Jaipur Road, Ajmer - 305 001 • **Aligarh:** 1st Floor, Kumar Plaza, Aligarh-202 001 • **Allahabad:** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S.P. Marg, Civil Lines, Allahabad-211 001 • **Amritsar:** 72-A, Taylor's Road, Opp. Aga Heritage Club, Amritsar-143 001 • **Anand:** B-42 Vaibhav Commercial Center, Nr TVS Down Town Show Room, Grid Char Rasta, Anand-380 001 • **Asansol:** 114/71, G.T. Road, Near Sony Centre, Bhanga Pachil, Asansol-713 303 • **Aurangabad:** Ramkunj Niwas, Railway Station Road, Near Osmanpura Circle, Aurangabad-431 005 • **Bangalore:** 59, Skanda Puttanna Road, Basavanagudi, Bangalore-560 004 • **Bankura:** Ambika Market Complex, Gr. Floor, Nutanganj, Post & Dist Bankura, Bankura-722 101 • **Bareilly:** 1st Floor, 165, Civil Lines, Opp. Hotel Bareilly Palace, Near Railway Station, Bareilly-243 001 • **Belgaum:** CTS No. 3939/ A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum-590 001 • **Bharuch:** Shop No. 147-148, Aditya Complex, Near Kasak Circle, Bharuch-392 001 • **Bhatinda:** #2047-A 2Nd Floor, The Mall Road, Above Max New York Life Insurance, New Delhi-151 001 • **Bhavnagar:** G-11 Giranjali Complex, Beside Bhavnagar Municipal Corporation & Collector Office, Kalanala, Bhavnagar-364 001 • **Bhilai:** Shop No. 1, First Floor, Plot No.1, Commercial Complex, Nehru Nagar (East), Bhilai-490 020 • **Bhopal:** Kay Kay Business Centre, 133, Zone I, M.P. Nagar, Above City Bank, Bhopal-462 011 • **Bhubaneswar:** A/181, Back Side of Shivam Honda Show Room, Saheed Nagar, Bhubaneswar-751 007 • **Bikaner:** 70-71, 2nd Floor, Dr. Chahar Building, Panchsati Circle, Sadul Ganj, Bikaner-334 001 • **Bokaro:** B-1, 1st Floor, City Centre, Sector-4, Near Sona Chandi Jewellers, Bokaro-827 004 • **Burdwan:** 63 G.T. Road, Halder Complex 1st Floor, Burdwan-713 101 • **Calicut:** 2nd Floor, Soubhagya Shopping Complex, Arayidathpalam, Mavoor Road, Calicut-673 004 • **Chandigarh:** SCO 2423-2424, Sector 22-C, Chandigarh-160 022 • **Chennai:** F-11, Akshaya Plaza, 1st Floor, 108, Adhithanar Salai, Egmore, Opp. Chief Metropolitan Court, Chennai-600 002 • **Cochin:** Ali Arcade, 1st Floor, Kizhavana Road, Panampilly Nagar, Near Atlantis Junction, Ernakulam-682 036 • **Coimbatore:** 3rd Floor, Jaya Enclave, 1056/1057 Avinashi Road, Coimbatore-641 018 • **Cuttack:** P.O. - Buxi Bazar, Cuttack, Opp. Dargha Bazar, Dargha Bazar, Cuttack-753 001 • **Dehradun:** Kaulagarh Road, Near Sirmour Margabove, Reliance Webworld, Dehradun-248 001- **Dhanbad:** 208 New Market, 2nd Floor, Bank More, Dhanbad-826 001 • **Durgapur:** 1st Floor, Old Dutta Automobile Bldg., Nachan Road, Benachity, Durgapur-713 213 • **Erode:** No. 4, Veerappan Traders Complex, KMY Salai, Sathy Road, Opp. Erode Bus Stand, Erode-638 003 • **Faridabad:** A-2B, 1st Floor, Nehru Groundnit, Faridabad-121 001
- **Ghaziabad:** 1st Floor, C-7, Lohia Nagar, Ghaziabad-201 001 • **Gorakhpur:** Above V.I.P. House adjacent, A.D. Girls College, Bank Road, Gorakhpur-273 001 • **Gurgaon:** Shop No.18, Gr. Floor, Sector-14, Opp. AKD Tower, Near Huda Office, Gurgaon-122 001 • **Guwahati:** 1st Floor, Bajrangbali Building, Near Bora Service Station, G.S. Road, Guwahati - 781 007
- **Gwalior:** 2nd Floor, Rajeev Plaza, Jayendra Ganj, Lashkar, Gwalior. M.P.-474 009 • **Hubli:** 22 & 23, 3rd Floor, Eureka Junction, Travellers Bungalow, Hubli-580 029
- **Hyderabad:** 8-2-596, Avenue 4, Karvy Plaza, Street No. 1, Banjara Hills, Hyderabad-500 034 • **Indore:** 2nd Floor, 203-205, Balaji Corporates, Above ICICI Bank, 19/1 New Palasia, Indore-452 001 • **Jabalpur:** Grover Chamber, 43 Naya Bazar Malviya Chowk, Opp. Shyam Market, Jabalpur-482 002 • **Jaipur:** S-16/A 3rd Floor, Land Mark Building, Opp. Jai Club, Mahaver Marg C-Scheme, Jaipur-302 001 • **Jalandhar:** Arora Prime Tower, Lower Ground Floor, Office No. 3, Plot No. 28, Jalandhar-144 001 • **Jalgaon:** 113, Navi Peth, B/H Mahalaxmi Dairy, Jalgaon-425 001 • **Jammu:** 5 A/D Extension 2, Near Panama Chowk Petrol Pump, Panama Chowk, Jammu-180 012 • **Jamnagar:** 136-138, Madhav Palaza, Opp. SBI Bank, Near Lal Bungalow, Jamnagar-361 001 • **Jamshedpur:** 2nd Floor, R.R. Square, SB Shop Area, Near Reliance Foot Print & Hotel, BS Park Plaza, Main Road, Bistupur, Jamshedpur-831 001 • **Jodhpur:** 203, Modi Arcade, Chopasni Road, Jodhpur-342 001 • **Junagadh:** 124-125 Punit Shopping Center, M.G. Road, Ranavav Chowk, Junagadh-362 001 • **Kanpur:** 15/46, B, Gr. Floor, Opp. Muir Mills, Civil Lines, Kanpur-208 001 • **Karnal:** 18/369, Char Chaman, Kunjura Road, Behind Miglani Hospital, Karnal-132 001
- **Kolhapur:** 605/1/4, E Ward, Shahupuri 2nd Lane, Laxmi Niwas, Near Sultane Chambers, Kolhapur-416 001 • **Kolkata:** 166 A, Rashbihari Avenue, 2nd Floor, Opp. Fortish Hospital, Kolkata-700 029 • **Kota:** 29, 1st Floor, Near Lala Lajpat Rai Circle, Shopping Centre, Kota-324 007 • **Kottayam:** 1st Floor Csi ascension Square, Railway Station Road, Collectorate P.O., Kottayam-686 002 • **Lucknow:** 24, Prem Nagar, Ashok Marg, Lucknow-226 001 • **Ludhiana:** SCO-136, 1st Floor, Above Airtel Showroom, Feroze Gandhi Market, Ludhiana-141 001 • **Madurai:** Rakesh Towers, 30-C, 1st Floor, Bye Pass Road, Opp. Nagappa Motors, Madurai-625 010 • **Malda:** Sahis Tuli, Under Ward No.6, No.1 Govt Colony, English Bazar Municipality, Malda-732 101 • **Mangalore:** Mahendra Arcade, Opp. Court Road, Karangal Padi, Mangalore-575 003 • **Meerut:** 1st Floor, Medi Centre, Opp. ICICI Bank, Hapur Road, Near Bachha Park, Meerut-250 002 • **Mehsana:** Ul-47, Apollo Enclave, Opp. Simandhar Temple, Modhera Cross Road, Mehsana-384 002 • **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank, Chowk Tari Khana, Moradabad-244 001 • **Mumbai:** 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind BSE Bldg., Fort, Mumbai-400 001
- **Mumbai - Borivali:** Gr. Floor, Himanshu Bldg., Sodawala Lane, Lina Chandawarkar Road, Borivali, Mumbai-400 091 • **Mumbai - Thane:** 101, Yashwant Building, Ram Ganesh, Godkari Path, Ram Maruti Road, Naupada, Thane-400 602 • **Muzaffarpur:** 1st Floor, Uma Market, Thana Gumtimoti Jheel, Muzaffarpur-842 001 • **Mysore:** L-350, Silver Tower, Ashoka Road, Opp. Clock Tower, Mysore-570 001 • **Nadiad:** 104/105, Near Paras Cinema, City Point Nadiad, Nadiad-387 001 • **Nagpur:** Plot No. 2/1, House No 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewelers, Dharampeth, Nagpur-440 010 • **Nasik:** S-12, Suyojit Sankul, Sharanpur Road, Near Rajiv Gandhi Bhavan, Nasik-422 002 • **Navsari:** 1/1 Chinmay Arcade, Opp. Sattapir Road, Tower Road, Navsari-396 445 • **New Delhi:** 305, New Delhi House, 27, Barakhamba Road, New Delhi -110 001 • **Noida:** 307, Jaipuria Plaza, D-68-A, 2nd Floor, Opp. Delhi Public School, Sector 26, Noida-201 301 • **Panipat:** 1st Floor, Krishna Tower, Above Amertex, G.T. Road, Panipat-132 103 • **Panjim:** City Business Centre, Coelho Pereira Building, Room No. 18, 19 & 20, Dada Vaidya Road, Panjim-403 001 • **Patiala:** SCO-27 D, Chhotti Baradari, Near Car Bazaar, Patiala-147 001 • **Patna:** 3-A, 3rd Floor, Anand Tower, Exhibition Road, Opp. ICICI Bank, Patna-800 001 • **Pondicherry:** No. 7, Thiayagaraja Street, Pondicherry-605 001
- **Pune:** Office # 16, Gr. Floor, Shrinath Plaza, Near Dyaneshwar Paduka Chowk, F. C. Road, Pune-411 005 • **Raipur:** 2 & 3, Lower Level, Millenium Plaza, Room No. L 1, 2 & 3, Behind Indian Coffee House, Raipur-492 001 • **Rajkot:** 104, Siddhi Vinyak Complex, Opp. Ramkrishna Ashram, Dr. Yagnik Road, Rajkot, Rajkot-360 001 • **Ranchi:** Room No. 307, 3rd Floor, Commerce Tower, Beside Mahabir Tower, Ranchi-834 001 • **Rourkela:** 1st Floor, Sandhu Complex, Kachery Road, Uditnagar, Rourekla-769 012 • **Salem:** No. 40, 2nd Floor, Brindavan Road, Fairlands, Near Perumal Koil, Salem-636 016 • **Shillong:** Annex Mani Bhawan, Lower Thana Road, Near R K M Lp School, Shillong-793 001 • **Shimla:** Triveni Building, By Pas Chowkhallini, Shimla-171 002 • **Siliguri:** Nanak Complex, Sevoke Road, Siliguri-734 001 • **Surat:** G-5, Empire State Building, Near Udhna Darwaja, Ring Road, Surat-395 002 • **Tirunelveli:** 55/18, Jeney Building, S.N. Road, Near Aravind Eye Hospital, Tirunelveli-627 001 • **Trichur:** 2nd Floor, Brothers Complex, Naikkanal Junction, Shornur Road, Near Dhanalakshmi Bank H O, Thirissur-680 001 • **Trichy:** 60, Sri Krishna Arcade, Thennur High Road, Trichy-620 017 • **Trivandrum:** 2nd Floor, Akshaya Tower, Sasthamangalam, Trivandrum-695 010 • **Udaipur:** 201-202, Madhav Chambers, Opp. G P O., Chetak Circle, Udaipur-313 001 • **Vadodara:** SB-5, Mangaldeep Complex, Opp. Masonic Hall, Productivity Road, Alkapuri, Baroda-390 007 • **Valsad:** Shop No. 2, Phiroza Corner, Opp. Next Show Room, Tithal Road, Valsad-396 001 • **Vapi:** Shop No. 12, Ground Floor, Sheetal Appatment, Near K.P. Tower, Vapi-396 195 • **Varanasi:** D-64/132, 1st Floor, Anant Complex, Sibra, Varanashi-221 010 • **Vellore:** No. 1, M. N. R. Arcade, Officers Line, Krishna Nagar, Vellore-632 001 • **Vijayawada:** 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada-520 010 • **Visakhapatnam:** Door No: 48-8-7, Dwaraka Dimond, Gr. Floor, Srinagar, Visakhapatnam - 530 016 • **Warangal:** 5-6-95, 1st Floor, Opp. B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal-506 001.

Name, Address and Website of Registrar:

Karvy Computershare Pvt. Ltd. (Unit: Principal Mutual Fund),

Karvy Registry House, #8-2-596, Avenue 4, Street No. 1, Banjara hills, Hyderabad-500 034. Website: www.karvycomputershare.com

For any enquiries and / or queries, investors are advised to address a suitable communication to AMC at:



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