

February 2015

TAX BENEFIT*

HIGH GROWTH POTENTIAL


*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

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

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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 February 2015

Key Market Highlights:

- Using new data sources and a revised base-year (from 2004-5 to 2011-12), the government revised up FY14 (year ending March 2014) growth by a whopping 190 bps from 5% to 6.9%. The government's advance estimate pegged FY15 growth at 7.4% - more than 150 bps higher than the government's, central bank's and market's growth estimates. Going forward, real GDP will only be reported on a market price basis (instead of factor cost) in line with international norms. Real GDP under this new methodology grew by 7.5 per cent in the December 2014 quarter.
- In its Monetary Policy Review held on 3rd February, RBI kept key rates unchanged as expected, however reduced SLR by 50 bps (to 21.5% from 22% of NDTL) to compensate for LCR norms which have come into effect from 1st January 2015 and to free up funds for credit growth. RBI also removed the ECR (Export Credit Refinance) facility.
- The Union Budget 2015-16 was the other major event during the month. Fiscal deficit target for FY 16 has been set at 3.9% as against market expectations of 3.6%. Higher devolution to states, sticky interest payments and realistic revenue and expenditure projections were the key reasons. However in spite of the higher than expected fiscal deficit target, net market borrowings have been contained to ₹ 4.56 lakh crore and gross market borrowings to ₹ 6 lakh crore (assuming switch of ₹ 50,000 crore). This implies an 82% financing of the fiscal deficit vs 87% in FY 15. Government has also accepted the Monetary Policy Framework of inflation targeting as laid down in the Urjit Patel Committee recommendations for which purpose, the RBI Act would be amended.
- Brent Crude oil prices reversed the downward trend seen in the past couple of months and ended the month higher at USD 61.8 as compared to USD 50.77 as on previous month end.
- INR remained stable during the month and closed at 61.83. For the month of February, FIIs continue to remain buyers in the debt market with net debt purchases totaling ₹ 11000 crore approx.

- The benchmark ten year g-sec closed the month at 7.72%, 3 bps higher than previous month.
- The ten year AAA Corporate bond benchmark closed at 8.40%, 7 bps higher than previous month. The five year AAA corporate bond benchmark closed at 8.40%, 2 bps higher as compared to previous month.
- 1 year CD rates rose by 7 bps to close at 8.67%. 1 year T-bill rate rose 15 bps to close at 8.03%.
- Jan WPI data release came at -0.39% as compared to 0.11% as in previous month. CPI for January (new series) came at 5.11% compared to 5.00% in previous month.
- December industrial production (IIP) growth rose to 3.9% yoy reflecting muted industrial activity.
- Liquidity deficit during the month averaged ₹ 93,000 crore as compared to similar levels in the previous month combined for daily LAF, term LAF and MSF. Overnight rates remained stable around 7.60% -7.90% during the month.

Outlook:

- There could be some near term weakness in prices considering disappointment in fiscal deficit target although borrowings have been contained to expected levels. It would be important to note how RBI would view the Budget (as neutral or mildly expansionary)
- We expect the ten year benchmark G-sec to trade in a range of 7.6% to 7.85% during the month. The five year AAA PSU corporate bond benchmark is expected to trade in a range of 8.25 to 8.50%.
- Banking system liquidity deficit is expected to be in higher in the range of ₹ 1,50,000 crore to 2,00,000 crore for the month due to tax outflows.
- Short term money market yields upto 3 month maturity are expected to remain range bound with intermittent spikes. We expect the 3 month CD rate to trade in range of 8.60-9.00%.

Equity Markets

Review of Equity Market for the Month of February 2015

February was a month with lot of policy related news and events, the key one being of course, the Union Budget, besides the Railway budget and the Economic survey. However, the markets closed virtually flat despite the heavy news flow. The MSCI India, in USD terms (up 1.8%), underperformed both MSCI Emerging Markets and MSCI Asia Pac Ex Japan. The US Dollar Index remained steady during the month, though it has gained 19% since June 2014. The Rupee however, has been virtually rock steady during the period, down less than 3% during this period. During the month, the sectors which did badly were banks (asset quality issues remain and markets expect growth in restructuring in Q4 FY15, being the last quarter before new norms for dealing with such assets kick in), energy (inventory losses for the oil marketing companies) and automobiles (where Commercial Vehicle numbers have shown some improvement but motorcycle sales shown slowdown). In terms of flows, FIIs again were positive (about \$ 1.4 Billion) while insurance companies overall remained sellers. Mutual funds were net buyers to the extent of USD 540 million.

PERFORMANCE AS ON FEBRUARY 27, 2015*

	Index	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)
Broad Markets					
CNX Nifty Index	8845	-0.74	4.13	11.45	41.65
S&P BSE Sensex	29220	-1.19	2.75	10.01	39.12
S&P BSE 100	8946	-0.42	4.67	11.77	44.26
S&P BSE 200	3656	-0.41	5.31	13.20	47.42
S&P BSE 500	11405	-0.30	5.19	13.08	48.73
S&P BSE Mid Cap	10811	0.29	6.29	15.92	66.94
S&P BSE Small Cap	11320	-0.92	0.69	10.39	75.66
Sectoral Performance					
S&P BSE AUTO	19770	-2.88	4.87	14.61	58.91
S&P BSE Bankex	21858	-7.03	6.00	21.50	78.21
S&P BSE CG	17825	2.86	9.98	21.24	73.63
S&P BSE CD	10605	2.84	11.22	15.29	76.80
S&P BSE FMCG	8573	4.41	11.17	16.68	31.69
S&P BSE Metal	10593	1.39	-5.88	-14.29	23.45
S&P BSE Oil & Gas	9602	-3.07	-11.69	-13.25	13.89
S&P BSE PSU	8129	-2.60	-1.49	0.72	48.58
S&P BSE Teck	6390	4.12	3.57	13.83	23.02
S&P BSE HC	15540	-0.13	4.26	15.99	46.48

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

Source - MFI Explorer

In terms of earnings, the December quarter was tepid once again. The street had to down grade its earning numbers again. The consensus is gradually moving to earnings growth of 6%-7% for FY 15 now. About 30% of Nifty companies had joy earnings degrowth for the December quarter. Companies in the metals, PSU banks, energy and capital goods were particularly impacted.

In terms of macroeconomic data, the inflation numbers remained in check, with January WPI actually being (-) 0.4% yoy. The CPI was 5.1% for the month of January. IIP, which is volatile, was 1.7% for the month of December (3.8% for the previous month).

The much anticipated union budget was not a big bang budget (which some quarters of the market expected, an unfair expectation in our view) but a workmanlike budget focused on infrastructure and execution. There were no proposals which stood out as negative proposals on first sight. The spend on infrastructure (particularly roads) was increased, while the government pushed back the fiscal consolidation by a year. The target fiscal deficit for FY 16 is 3.9% of GDP, which is not too bad if the money is spent on capital expenditure and asset creation. The government has proposed setting up a body to facilitate funding of small enterprises through refinancing of MFIs (the MUDRA bank) which may have a big potential since the SMEs are not well served by the lending bodies. The proposal to reduce tax rates while doing away with the exemptions could be a welcome move as it may reduce complexity and some distorted incentives in the IT Act. Coming to the GST, the government plans to implement it from April 16, but a lot of work remains to be done in terms of the IT backend, harmonizing the tax rate across goods and services and getting the states to pass relevant legislation.

The railway budget also focused on increasing capital expenditure and it was proposed to be raised to ₹ 1 lac crores from about ₹ 66,000 crores for FY 15. Overall, the hope is that the economy may begin to see some activity over the next 2-3 quarters. Clearly there could be activity picking up in the road and railway space.

During the month we bought or added to our positions in Abbott India, Bank of Baroda, Colgate Palmolive, Dish TV, Federal Bank, Finolex Cable, HCL Technologies, HDFC Bank, Indiabulls Housing Finance, Indian Hotels Co., Kaveri Seed Co., Motherson Sumi Systems, MRF, Power Finance Corporation, Tata Consultancy Services, UPL and Yes Bank among other stocks.

We sold or reduced our positions in Aditya Birla Nuvo, Andhra Bank, Apollo Tyres, Aurionpro Solutions, Bajaj Auto, Bank of India, Bata India, Bharat Forge Co., Crompton Greaves, Divis Laboratories, Hindustan Zinc, JK Tyre & Industries, Karur Vysya Bank, KEC International, PC Jewellers, Sadbhav Engineering, State Bank of India, Symphony and Jammu & Kashmir Bank among other stocks.

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.	1% - 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.

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 90 days from the date of allotment; Nil - if redeemed after 90 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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 48.78	₹ 48.16
Dividend Option (Half yearly) :	₹ 29.46	₹ 29.17

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 February 28, 2015)

Standard Deviation [^] (Annualised)	14.98%
Beta [^]	0.95
Sharpe Ratio [^] (Annualised)	0.81
Portfolio Turnover Ratio ^{**}	0.74
Expense Ratio (Regular Plan) ^{#+}	2.53%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

^{**} 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 February 28, 2015)

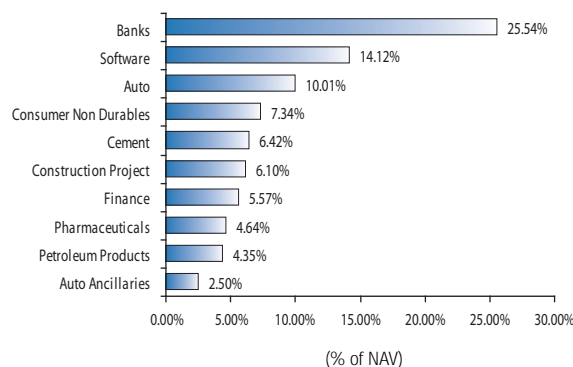
	% of NAV
Equity & Equity Related Instruments of Large Cap Companies	96.43
Equity & Equity Related Instruments of Mid Cap & Other Companies	0.56
Cash and Other Assets	3.01

PORTFOLIO (As on February 28, 2015)

Instrument	Industry	% of NAV
Equity		96.99
Tata Motors	Auto	6.15
Larsen & Toubro	Construction Project	6.10
Infosys	Software	5.89
ICICI Bank	Banks	5.38
HDFC Bank	Banks	5.10
Axis Bank	Banks	4.48
Housing Development Finance Corpn.	Finance	4.09
Shree Cements	Cement	3.92

State Bank of India	Banks	3.87
HCL Technologies	Software	3.17
Divi's Laboratories	Pharmaceuticals	3.16
Tech Mahindra	Software	3.15
Maruti Suzuki India	Auto	2.99
ITC	Consumer Non Durables	2.30
Reliance Industries	Petroleum Products	2.26
Britannia Industries	Consumer Non Durables	2.17
Bharat Petroleum Corporation	Petroleum Products	2.09
IndusInd Bank	Banks	2.06
Motherson Sumi Systems	Auto Ancillaries	1.97
Yes Bank	Banks	1.84
Indraprastha Gas	Gas	1.62
Crompton Greaves	Industrial Capital Goods	1.60
Adani Ports and Special Economic Zone	Transportation	1.57
ING Vysya Bank	Banks	1.52
Abbott India	Pharmaceuticals	1.48
UltraTech Cement	Cement	1.47
Asian Paints	Consumer Non Durables	1.31
The Federal Bank	Banks	1.29
Aditya Birla Nuvo	Services	1.21
IDFC	Finance	1.15
Colgate Palmolive (India)	Consumer Non Durables	1.09
Dish TV India	Media & Entertainment	1.09
National Aluminium Company	Non - Ferrous Metals	1.01
Hexaware Technologies	Software	0.98
Tata Consultancy Services	Software	0.93
Tata Motors - A Class	Auto	0.87
D.B.Corp	Media & Entertainment	0.85
Tata Communications	Telecom - Services	0.82
Birla Corporation	Cement	0.56
Bosch	Auto Ancillaries	0.53
The Indian Hotels Company	Hotels	0.52
The Ramco Cements	Cement	0.47
Nestle India	Consumer Non Durables	0.47
Dewan Housing Finance Corporation	Finance	0.33
Coromandel International	Fertilisers	0.11
Cash and Other Assets		3.01
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 68.73	₹ 67.75
Dividend Option (Half yearly) :	₹ 52.33	₹ 45.81

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 February 28, 2015)

Standard Deviation [^] (Annualised)	17.73%
Beta [^]	0.85
Sharpe Ratio [^] (Annualised)	1.40
Portfolio Turnover Ratio**	0.76
Expense Ratio (Regular Plan) ^{#+}	2.51%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

** 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 February 28, 2015)

	% of NAV
Equity and equity related instruments of Mid Cap Companies	88.87
Equity and equity related instruments of Small Cap Companies	5.40
Equity and equity related instruments of Companies other than Mid & Small Cap	3.09
Cash and Money Market / Fixed Income Securities (including MIBOR Linked Short Term Papers & Securitised Debt)	1.60
Mutual Funds	0.70
Derivatives	0.34

Market Cap Range for CNX Midcap Stocks
As on Dec. 31, 2014 ₹ 80,668.72 Cr – ₹ 2,898.23 Crs

PORTFOLIO (As on February 28, 2015)

Instrument	Industry	% of NAV
Equity		97.36
Eicher Motors	Auto	3.90
Sadbhav Engineering	Construction Project	3.27
IndusInd Bank	Banks	3.14
Tech Mahindra	Software	3.11
ICICI Bank	Banks	3.09
Amara Raja Batteries	Auto Ancillaries	3.01
Motherson Sumi Systems	Auto Ancillaries	3.00
Yes Bank	Banks	2.89
Shree Cements	Cement	2.76
The Federal Bank	Banks	2.67
Gateway Distriparks	Transportation	2.65
Aurobindo Pharma	Pharmaceuticals	2.59
Bharat Forge	Industrial Products	2.43
Kaveri Seed Company	Consumer Non Durables	2.31

Britannia Industries	Consumer Non Durables	2.22
UPL	Pesticides	1.98
Symphony	Consumer Durables	1.97
Hindustan Petroleum Corporation	Petroleum Products	1.94
Divi's Laboratories	Pharmaceuticals	1.92
Glenmark Pharmaceuticals	Pharmaceuticals	1.67
JK Cement	Cement	1.66
ING Vysya Bank	Banks	1.65
Cummins India	Industrial Products	1.64
Power Finance Corporation	Finance	1.58
MRF	Auto Ancillaries	1.56
Indiabulls Housing Finance	Finance	1.54
AIA Engineering	Industrial Products	1.49
SRF	Textile Products	1.46
Lupin	Pharmaceuticals	1.43
Aditya Birla Nuvo	Services	1.40
Orient Cement	Cement	1.37
Kalpataru Power Transmission	Power	1.35
National Buildings Construction Corporation	Construction	1.34
Dynamatic Technologies	Auto Ancillaries	1.32
Tata Chemicals	Chemicals	1.30
Finolex Cables	Industrial Products	1.27
Ramkrishna Forgings	Industrial Products	1.27
CESC	Power	1.18
Karur Vysya Bank	Banks	1.17
Cyient	Software	1.16
Pidilite Industries	Chemicals	1.15
NCC	Construction Project	1.15
Bata India	Consumer Durables	1.14
SKS Microfinance	Finance	1.11
Arvind	Textile Products	1.03
Torrent Pharmaceuticals	Pharmaceuticals	1.00
Gujarat State Petronet	Gas	0.99
Mold-Tek Packaging	Industrial Products	0.97
Volta	Construction Project	0.96
Tata Communications	Telecom - Services	0.94
Transport Corporation of India	Transportation	0.93
Supreme Infrastructure India	Construction Project	0.91
Atul	Chemicals	0.84
D.B.Corp	Media & Entertainment	0.83
Hindustan Zinc	Non - Ferrous Metals	0.81
Texmaco Rail & Engineering	Industrial Capital Goods	0.78
Crompton Greaves	Industrial Capital Goods	0.77
Bank of Baroda	Banks	0.39
Derivatives		0.34
Bank of Baroda Mar 2015	Stock Futures	0.34

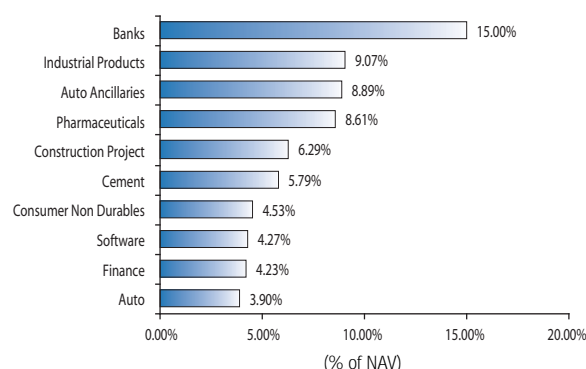
Investment Funds/Mutual Funds 0.70

Principal Index Fund - Midcap - Direct Plan - Growth Mutual Funds 0.70

Cash and Other Assets 1.60

Net Assets 100.00

SECTOR ALLOCATION (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 99.02	₹ 97.78
Dividend Option (Half yearly) :	₹ 42.11	₹ 39.15

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 February 28, 2015)

Standard Deviation [^] (Annualised)	17.06%
Beta [^]	1.06
Sharpe Ratio [^] (Annualised)	0.99
Portfolio Turnover Ratio ^{**}	0.99
Expense Ratio (Regular Plan) [#]	2.52%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

^{**} 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.

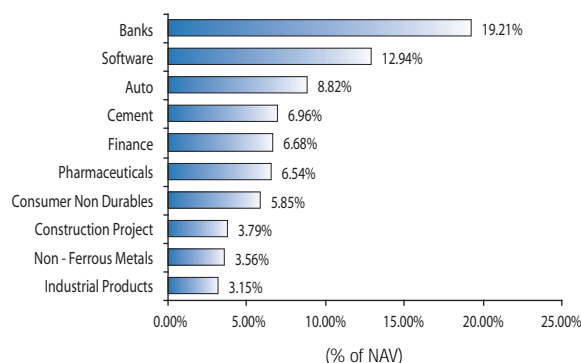
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on February 28, 2015)

Instrument	Industry	% of NAV
Equity		94.90
ICICI Bank	Banks	5.00
State Bank of India	Banks	3.77
Dewan Housing Finance Corporation	Finance	3.06
Maruti Suzuki India	Auto	2.94
Infosys	Software	2.92
Axis Bank	Banks	2.79
HCL Technologies	Software	2.79
Tata Motors	Auto	2.70
HDFC Bank	Banks	2.68
Housing Development Finance Corporation	Finance	2.56
Britannia Industries	Consumer Non Durables	2.41
ITC	Consumer Non Durables	2.32
The Federal Bank	Banks	2.18
Tata Motors - A Class	Auto	2.15
JK Cement	Cement	2.14
Lupin	Pharmaceuticals	2.09
Tata Consultancy Services	Software	1.90
Reliance Industries	Petroleum Products	1.90
Bharat Forge	Industrial Products	1.87
PC Jeweller	Consumer Durables	1.85

Tata Communications	Telecom - Services	1.85
Aurobindo Pharma	Pharmaceuticals	1.82
Tech Mahindra	Software	1.77
Cipla	Pharmaceuticals	1.49
Hindustan Construction Company	Construction Project	1.44
Motherson Sumi Systems	Auto Ancillaries	1.43
UltraTech Cement	Cement	1.42
Sesa Sterlite	Non - Ferrous Metals	1.39
The India Cements	Cement	1.33
Firstsource Solutions	Software	1.31
Cyient	Software	1.29
Larsen & Toubro	Construction Project	1.29
Jain Irrigation Systems	Industrial Products	1.28
UPL	Pesticides	1.26
National Aluminium Company	Non - Ferrous Metals	1.19
Prestige Estates Projects	Construction	1.17
Abbott India	Pharmaceuticals	1.14
The Ramco Cements	Cement	1.12
United Spirits	Consumer Non Durables	1.12
Indraprastha Gas	Gas	1.09
Dish TV India	Media & Entertainment	1.07
Power Finance Corporation	Finance	1.06
Bharat Petroleum Corporation	Petroleum Products	1.05
Bajaj Auto	Auto	1.03
Aditya Birla Nuvo	Services	1.03
Yes Bank	Banks	1.00
Hindustan Zinc	Non - Ferrous Metals	0.98
Crompton Greaves	Industrial Capital Goods	0.98
KPIT Technologies	Software	0.96
Tata Steel	Ferrous Metals	0.96
Century Textiles & Industries	Cement	0.95
Andhra Bank	Banks	0.92
The Indian Hotels Company	Hotels	0.88
Bank of Baroda	Banks	0.87
RattanIndia Power	Power	0.86
KEC International	Construction Project	0.84
Ashoka Buildcon	Construction Project	0.22
Mile Stone Global	Construction	0.02
Investment Funds/Mutual Funds		0.93
Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	0.93
Cash and Other Assets		4.17
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 36.54	₹ 36.11
Dividend Option (Half yearly) :	₹ 24.21	₹ 23.43

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 February 28, 2015)

Standard Deviation^ (Annualised)	16.72%
Beta^	0.85
Sharpe Ratio^ (Annualised)	0.54
Portfolio Turnover Ratio**	0.48
Expense Ratio (Regular Plan)#+	2.66%

Note: ^ The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

** 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.

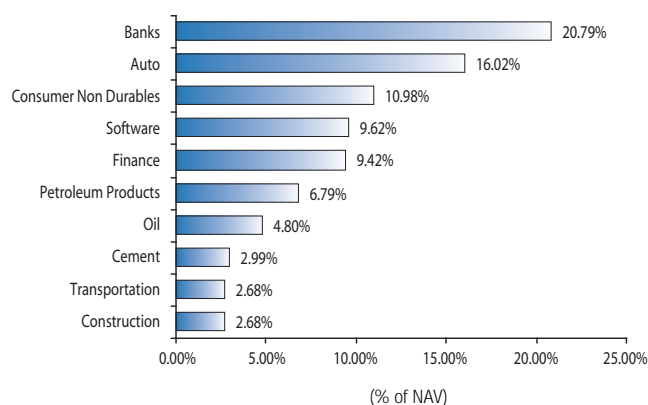
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on February 28, 2015)

Instrument	Industry	% of NAV
Equity		98.62
ICICI Bank	Banks	5.15
State Bank of India	Banks	4.97
Hero MotoCorp	Auto	4.92
Hindustan Unilever	Consumer Non Durables	4.50
Tata Motors - A Class	Auto	4.35
Bank of Baroda	Banks	3.67
Oil & Natural Gas Corporation	Oil	3.48
Tech Mahindra	Software	3.24
Colgate Palmolive (India)	Consumer Non Durables	3.02
Bajaj Holdings & Investment	Finance	2.96
Bajaj Auto	Auto	2.81
Gateway Distriparks	Transportation	2.68
Cummins India	Industrial Products	2.63
HCL Technologies	Software	2.54
SML Isuzu	Auto	2.32
The Federal Bank	Banks	2.27

Hindustan Petroleum Corporation	Petroleum Products	2.14
VST Industries	Consumer Non Durables	2.11
Rural Electrification Corporation	Finance	2.10
HDFC Bank	Banks	2.09
Power Finance Corporation	Finance	2.04
Bharat Petroleum Corporation	Petroleum Products	2.02
Castrol India	Petroleum Products	1.87
ACC	Cement	1.79
Tata Consultancy Services	Software	1.73
National Buildings Construction Corpn.	Construction	1.67
Karur Vysya Bank	Banks	1.63
Maruti Suzuki India	Auto	1.62
Gujarat State Petronet	Gas	1.38
ITC	Consumer Non Durables	1.35
Oil India	Oil	1.32
Cyient	Software	1.22
Dewan Housing Finance Corporation	Finance	1.21
Century Textiles & Industries	Cement	1.20
IDFC	Finance	1.11
PI Industries	Pesticides	1.08
Tata Chemicals	Chemicals	1.04
Kolte - Patil Developers	Construction	1.01
IndusInd Bank	Banks	1.01
Aurobindo Pharma	Pharmaceuticals	0.96
Hindustan Zinc	Non - Ferrous Metals	0.94
Welspun India	Textile Products	0.92
D.B.Corp	Media & Entertainment	0.90
Aurionpro Solutions	Software	0.89
Reliance Industries	Petroleum Products	0.76
Shivam Autotech	Auto Ancillaries	0.75
KEC International	Construction Project	0.60
National Aluminium Company	Non - Ferrous Metals	0.49
Sesa Sterlite	Non - Ferrous Metals	0.16
Derivatives		0.49
Sesa Sterlite Mar 2015	Stock Futures	0.49
Cash and Other Assets		0.89
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 61.2923	₹ 60.7012
Dividend Option :	₹ 36.0209	₹ 35.6754

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 February 28, 2015)

Standard Deviation [^] (Annualised)	14.60%
Beta [^]	0.99
Sharpe Ratio [^] (Annualised)	0.58
Portfolio Turnover Ratio ^{**}	0.37
Expense Ratio (Regular Plan) ^{#+}	1.00%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

^{**} 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

0.40%*

* Trailing 12 months ended February 27, 2015 (Annualized).

PORTFOLIO (As on February 28, 2015)

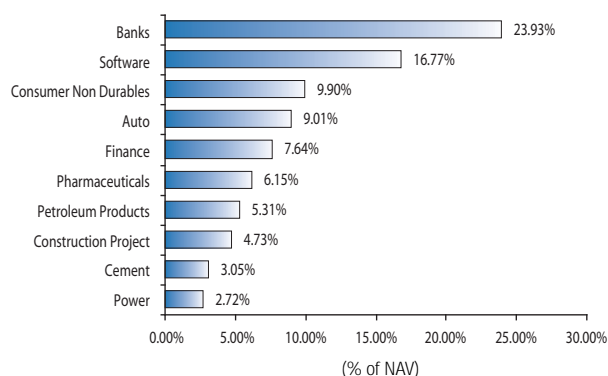
Instrument	Industry	% of NAV
Equity		99.88
Infosys	Software	7.57
Housing Development Finance Corpn.	Finance	6.88
HDFC Bank	Banks	6.60
ITC	Consumer Non Durables	6.59
ICICI Bank	Banks	6.57
Larsen & Toubro	Construction Project	4.73
Reliance Industries	Petroleum Products	4.68
Tata Consultancy Services	Software	4.51
Tata Motors	Auto	3.49
Axis Bank	Banks	3.43
State Bank of India	Banks	3.06
Sun Pharmaceuticals Industries	Pharmaceuticals	2.24
Hindustan Unilever	Consumer Non Durables	2.10
Kotak Mahindra Bank	Banks	1.99
Mahindra & Mahindra	Auto	1.96
Oil & Natural Gas Corporation	Oil	1.88

HCL Technologies	Software	1.82
Coal India	Minerals/Mining	1.66
Bharti Airtel	Telecom - Services	1.62
Maruti Suzuki India	Auto	1.57
Wipro	Software	1.44
Tech Mahindra	Software	1.43
Dr. Reddy's Laboratories	Pharmaceuticals	1.40
Lupin	Pharmaceuticals	1.37
IndusInd Bank	Banks	1.31
Asian Paints	Consumer Non Durables	1.21
Power Grid Corporation of India	Power	1.14
Cipla	Pharmaceuticals	1.14
NTPC	Power	1.06
Hero MotoCorp	Auto	1.05
UltraTech Cement	Cement	1.05
Bajaj Auto	Auto	0.94
Grasim Industries	Cement	0.79
Sesa Sterlite	Non - Ferrous Metals	0.78
Tata Steel	Ferrous Metals	0.78
Bharat Heavy Electricals	Industrial Capital Goods	0.77
IDFC	Finance	0.76
Ambuja Cements	Cement	0.69
Hindalco Industries	Non - Ferrous Metals	0.64
Bharat Petroleum Corporation	Petroleum Products	0.63
GAIL (India)	Gas	0.63
Zee Entertainment Enterprises	Media & Entertainment	0.62
Bank of Baroda	Banks	0.57
ACC	Cement	0.52
Tata Power Company	Power	0.52
Cairn India	Oil	0.47
Punjab National Bank	Banks	0.40
NMDC	Minerals/Mining	0.36
Jindal Steel & Power	Ferrous Metals	0.23
DLF	Construction	0.23

Cash and Other Assets **0.12**

Net Assets **100.00**

SECTOR ALLOCATION (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 14.4922	₹ 14.4312
Dividend Option :	₹ 14.4922	₹ 14.4312

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 February 28, 2015)

Portfolio Turnover Ratio**	0.65
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.

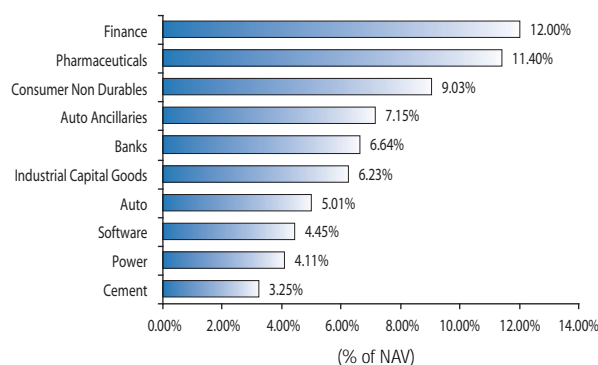
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on February 28, 2015)

Instrument	Industry	% of NAV
Equity		99.64
Eicher Motors	Auto	2.58
Bharti Infratel	Telecom - Equipment & Accessories	2.56
Indiabulls Housing Finance	Finance	2.55
Bharat Forge	Industrial Products	2.49
Aurobindo Pharma	Pharmaceuticals	2.31
Motherson Sumi Systems	Auto Ancillaries	2.20
UPL	Pesticides	2.00
Britannia Industries	Consumer Non Durables	1.97
Siemens	Industrial Capital Goods	1.91
Container Corporation of India	Transportation	1.84
Glenmark Pharmaceuticals	Pharmaceuticals	1.77
Divi's Laboratories	Pharmaceuticals	1.74
MRF	Auto Ancillaries	1.68
Power Finance Corporation	Finance	1.68
Hindustan Petroleum Corporation	Petroleum Products	1.64
Apollo Hospitals Enterprise	Healthcare Services	1.60
Ashok Leyland	Auto	1.57
Aditya Birla Nuvo	Services	1.49
Shree Cements	Cement	1.46
Pidilite Industries	Chemicals	1.38
Bajaj Finserv	Finance	1.33
Indian Oil Corporation	Petroleum Products	1.33
Exide Industries	Auto Ancillaries	1.32
MindTree	Software	1.28
Tata Chemicals	Chemicals	1.27
Cadila Healthcare	Pharmaceuticals	1.27
Bajaj Finance	Finance	1.21
Bharat Electronics	Industrial Capital Goods	1.19
ABB India	Industrial Capital Goods	1.18
Steel Authority of India	Ferrous Metals	1.16
Crompton Greaves	Industrial Capital Goods	1.16
Piramal Enterprises	Pharmaceuticals	1.16
Amara Raja Batteries	Auto Ancillaries	1.15
Oracle Financial Services Software	Software	1.12
Oil India	Oil	1.12
Karur Vysya Bank	Banks	1.11
Mahindra & Mahindra Financial Services	Finance	1.08
GlaxoSmithKline Consumer Healthcare	Consumer Non Durables	1.07
United Breweries	Consumer Non Durables	1.06
Procter & Gamble Hygiene and Health Care	Consumer Non Durables	1.05
Reliance Infrastructure	Power	1.03
Havells India	Consumer Durables	1.03
Tata Global Beverages	Consumer Non Durables	0.99
Emami	Consumer Non Durables	0.95
Canara Bank	Banks	0.95

Voltas	Construction Project	0.93
Max India	Finance	0.93
The Indian Hotels Company	Hotels	0.90
Jubilant Foodworks	Consumer Non Durables	0.88
Petronet LNG	Gas	0.86
TVS Motor Company	Auto	0.86
Torrent Pharmaceuticals	Pharmaceuticals	0.83
Reliance Capital	Finance	0.82
Bank of India	Banks	0.80
Apollo Tyres	Auto Ancillaries	0.80
CRISIL	Finance	0.79
Thermax	Industrial Capital Goods	0.79
JSW Energy	Power	0.76
SKS Microfinance	Finance	0.73
The Ramco Cements	Cement	0.73
IPCA Laboratories	Pharmaceuticals	0.71
Reliance Power	Power	0.70
Union Bank of India	Banks	0.69
Hindustan Zinc	Non - Ferrous Metals	0.66
Sun TV Network	Media & Entertainment	0.64
CECSC	Power	0.64
Strides Arcolab	Pharmaceuticals	0.63
Bata India	Consumer Durables	0.62
Kansai Nerolac Paints	Consumer Non Durables	0.61
The Great Eastern Shipping Company	Transportation	0.60
Jaiprakash Associates	Cement	0.59
The South Indian Bank	Banks	0.59
Just Dial	Software	0.55
Gujarat State Petronet	Gas	0.54
IRB Infrastructure Developers	Construction	0.53
NHPC	Power	0.53
KPIT Technologies	Software	0.52
Housing Development and Infrastructure	Construction	0.50
Biocon	Pharmaceuticals	0.50
Mphasis	Software	0.50
Indraprastha Gas	Gas	0.49
Sanofi India	Pharmaceuticals	0.48
CMC	Software	0.48
Unitech	Construction	0.47
Century Textiles & Industries	Cement	0.47
Oriental Bank of Commerce	Banks	0.47
L&T Finance Holdings	Finance	0.46
GMR Infrastructure	Construction Project	0.46
Tata Communications	Telecom - Services	0.45
Torrent Power	Power	0.45
Godrej Industries	Consumer Non Durables	0.45
IDBI Bank	Banks	0.44
IFCI	Finance	0.42
The Jammu & Kashmir Bank	Banks	0.41
The Karnataka Bank	Banks	0.40
Allahabad Bank	Banks	0.39
Syndicate Bank	Banks	0.39
Jain Irrigation Systems	Industrial Products	0.36
TV18 Broadcast	Media & Entertainment	0.33
Bhushan Steel	Ferrous Metals	0.12
Cash and Other Assets		0.36
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 17.04	₹ 16.76
Dividend Option (Half yearly) :	₹ 16.51	₹ 15.43

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 February 28, 2015)

Standard Deviation [^] (Annualised)	12.35%
Beta [^]	1.11
Sharpe Ratio [^] (Annualised)	0.78
Portfolio Turnover Ratio**	0.97
Expense Ratio (Regular Plan) ^{#+}	2.70%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

** 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.

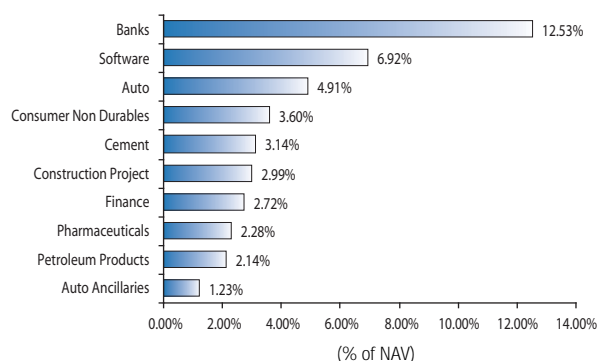
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on February 28, 2015)

Instrument	Industry/ Rating	% of NAV	% of NAV Derivatives
Equity		47.55	
Tata Motors	Auto	3.02	
Larsen & Toubro	Construction Project	2.99	
Infosys	Software	2.89	
ICICI Bank	Banks	2.64	
HDFC Bank	Banks	2.51	
Axis Bank	Banks	2.19	
Housing Development Finance Corpn.	Finance	2.00	
Shree Cements	Cement	1.92	
State Bank of India	Banks	1.89	
HCL Technologies	Software	1.55	
Divi's Laboratories	Pharmaceuticals	1.55	
Tech Mahindra	Software	1.54	
Maruti Suzuki India	Auto	1.47	
ITC	Consumer Non Durables	1.13	
Reliance Industries	Petroleum Products	1.11	
Britannia Industries	Consumer Non Durables	1.06	
Bharat Petroleum Corporation	Petroleum Products	1.03	
IndusInd Bank	Banks	1.01	

Motherson Sumi Systems	Auto Ancillaries	0.97
Yes Bank	Banks	0.90
Indraprastha Gas	Gas	0.79
Crompton Greaves	Industrial Capital Goods	0.79
Adani Ports and Special Economic Zone	Transportation	0.77
ING Vysya Bank	Banks	0.75
Abbott India	Pharmaceuticals	0.73
UltraTech Cement	Cement	0.72
Asian Paints	Consumer Non Durables	0.64
The Federal Bank	Banks	0.63
Aditya Birla Nuvo	Services	0.59
IDFC	Finance	0.56
Colgate Palmolive (India)	Consumer Non Durables	0.54
Dish TV India	Media & Entertainment	0.53
National Aluminium Company	Non - Ferrous Metals	0.50
Hexaware Technologies	Software	0.48
Tata Consultancy Services	Software	0.46
Tata Motors - A Class	Auto	0.42
D.B.Corp	Media & Entertainment	0.42
Tata Communications	Telecom - Services	0.40
Birla Corporation	Cement	0.27
Bosch	Auto Ancillaries	0.26
The Indian Hotels Company	Hotels	0.26
The Ramco Cements	Cement	0.23
Nestle India	Consumer Non Durables	0.23
Dewan Housing Finance Corpn.	Finance	0.16
Coromandel International	Fertilisers	0.05
Cash Future Arbitrage		34.05 -34.35
Tata Consultancy Services	Software	1.49
Tata Consultancy Services Mar 2015	Stock Futures	-1.50
State Bank of India	Banks	2.47
State Bank of India Mar 2015	Stock Futures	-2.48
HDFC Bank	Banks	6.80
HDFC Bank Mar 2015	Stock Futures	-6.88
Reliance Industries	Petroleum Products	7.44
Reliance Industries Mar 2015	Stock Futures	-7.51
Maruti Suzuki India	Auto	7.46
Maruti Suzuki India Mar 2015	Stock Futures	-7.51
Lupin	Pharmaceuticals	8.40
Lupin Mar 2015	Stock Futures	-8.46
Commercial Paper		14.36
Cox & Kings	A1+	13.08
Edelweiss Financial Services	A1+	1.28
Cash and Other Assets		4.03
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

Direct Plan : ₹ 160.79

Regular Plan : ₹ 158.86

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 February 28, 2015)

Standard Deviation [^] (Annualised)	15.03%
Beta [^]	0.95
Sharpe Ratio [^] (Annualised)	0.83
Portfolio Turnover Ratio ^{**}	0.74
Expense Ratio (Regular Plan) ^{#+}	2.52%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

^{**} 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.

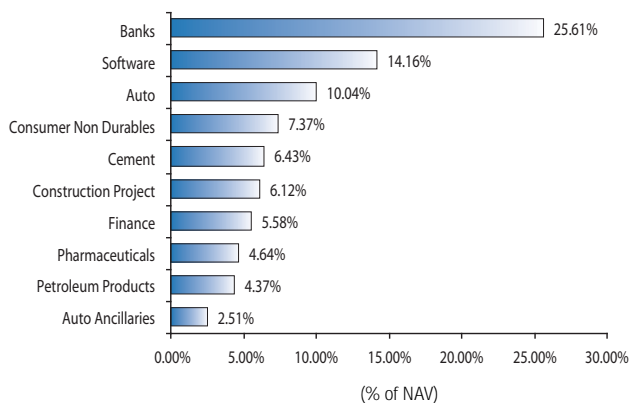
⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on February 28, 2015)

Instrument	Industry	% of NAV
Equity		97.27
Tata Motors	Auto	6.17
Larsen & Toubro	Construction Project	6.12
Infosys	Software	5.91
ICICI Bank	Banks	5.40
HDFC Bank	Banks	5.11
Axis Bank	Banks	4.49
Housing Development Finance Corpn.	Finance	4.10
Shree Cements	Cement	3.93
State Bank of India	Banks	3.88
HCL Technologies	Software	3.18
Divi's Laboratories	Pharmaceuticals	3.16
Tech Mahindra	Software	3.16
Maruti Suzuki India	Auto	3.00
ITC	Consumer Non Durables	2.31
Reliance Industries	Petroleum Products	2.27

Britannia Industries	Consumer Non Durables	2.17
Bharat Petroleum Corporation	Petroleum Products	2.10
IndusInd Bank	Banks	2.07
Motherson Sumi Systems	Auto Ancillaries	1.98
Yes Bank	Banks	1.84
Indraprastha Gas	Gas	1.63
Crompton Greaves	Industrial Capital Goods	1.61
Adani Ports and Special Economic Zone	Transportation	1.58
ING Vysya Bank	Banks	1.53
Abbott India	Pharmaceuticals	1.48
UltraTech Cement	Cement	1.47
Asian Paints	Consumer Non Durables	1.32
The Federal Bank	Banks	1.29
Aditya Birla Nuvo	Services	1.21
IDFC	Finance	1.15
Colgate Palmolive (India)	Consumer Non Durables	1.10
Dish TV India	Media & Entertainment	1.10
National Aluminium Company	Non - Ferrous Metals	1.01
Hexaware Technologies	Software	0.98
Tata Consultancy Services	Software	0.93
Tata Motors - A Class	Auto	0.87
D.B.Corp	Media & Entertainment	0.85
Tata Communications	Telecom - Services	0.82
Birla Corporation	Cement	0.56
Bosch	Auto Ancillaries	0.53
The Indian Hotels Company	Hotels	0.52
The Ramco Cements	Cement	0.47
Nestle India	Consumer Non Durables	0.47
Dewan Housing Finance Corporation	Finance	0.33
Coromandel International	Fertilisers	0.11
Cash and Other Assets		2.73
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

Direct Plan : ₹ 145.80

Regular Plan : ₹ 144.27

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 February 28, 2015)

Standard Deviation [^] (Annualised)	17.07%
Beta [^]	1.06
Sharpe Ratio [^] (Annualised)	1.01
Portfolio Turnover Ratio ^{**}	0.98
Expense Ratio (Regular Plan) ^{#+}	2.55%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

^{**} 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.

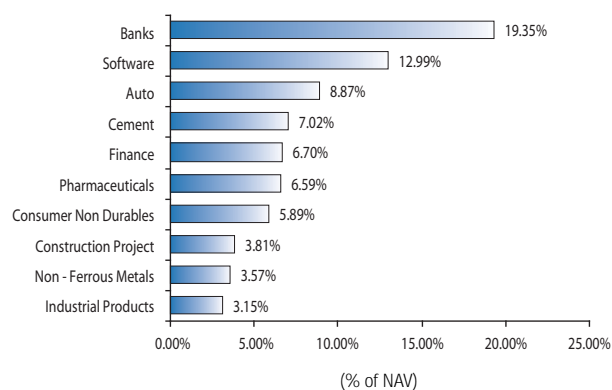
⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on February 28, 2015)

Instrument	Industry	% of NAV
Equity		95.48
ICICI Bank	Banks	5.03
State Bank of India	Banks	3.80
Dewan Housing Finance Corporation	Finance	3.07
Maruti Suzuki India	Auto	2.95
Infosys	Software	2.94
Axis Bank	Banks	2.81
HCL Technologies	Software	2.81
Tata Motors	Auto	2.71
HDFC Bank	Banks	2.70
Housing Development Finance Corporation	Finance	2.57
Britannia Industries	Consumer Non Durables	2.43
ITC	Consumer Non Durables	2.34
The Federal Bank	Banks	2.19
Tata Motors - A Class	Auto	2.17
JK Cement	Cement	2.16
Lupin	Pharmaceuticals	2.10
PC Jeweller	Consumer Durables	1.94
Reliance Industries	Petroleum Products	1.92
Bharat Forge	Industrial Products	1.87
Tata Consultancy Services	Software	1.86
Tata Communications	Telecom - Services	1.86

Aurobindo Pharma	Pharmaceuticals	1.84
Tech Mahindra	Software	1.79
Cipla	Pharmaceuticals	1.50
Hindustan Construction Company	Construction Project	1.45
Motherson Sumi Systems	Auto Ancillaries	1.44
UltraTech Cement	Cement	1.43
Sesa Sterlite	Non - Ferrous Metals	1.39
The India Cements	Cement	1.34
Firstsource Solutions	Software	1.32
Cyient	Software	1.30
Larsen & Toubro	Construction Project	1.30
Jain Irrigation Systems	Industrial Products	1.28
UPL	Pesticides	1.20
National Aluminium Company	Non - Ferrous Metals	1.19
Prestige Estates Projects	Construction	1.18
Abbott India	Pharmaceuticals	1.15
The Ramco Cements	Cement	1.13
United Spirits	Consumer Non Durables	1.12
Indraprastha Gas	Gas	1.10
Dish TV India	Media & Entertainment	1.08
Power Finance Corporation	Finance	1.06
Bharat Petroleum Corporation	Petroleum Products	1.06
Bajaj Auto	Auto	1.04
Aditya Birla Nuvo	Services	1.04
Yes Bank	Banks	1.01
Hindustan Zinc	Non - Ferrous Metals	0.99
Crompton Greaves	Industrial Capital Goods	0.99
KPIT Technologies	Software	0.97
Tata Steel	Ferrous Metals	0.97
Century Textiles & Industries	Cement	0.96
Andhra Bank	Banks	0.93
The Indian Hotels Company	Hotels	0.89
Bank of Baroda	Banks	0.88
RattanIndia Power	Power	0.87
KEC International	Construction Project	0.84
Ashoka Buildcon	Construction Project	0.22
Cash and Other Assets		4.52
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 52.24	₹ 51.32
Dividend Option (Half yearly) :	₹ 26.02	₹ 23.52

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 February 28, 2015)

Standard Deviation [^] (Annualised)	12.05%
Beta [^]	1.06
Sharpe Ratio [^] (Annualised)	0.92
Portfolio Turnover Ratio ^{**}	0.69
Expense Ratio (Regular Plan) ^{#+}	2.70%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.3946% risk free rate of return (91 days - T Bill Rate as on Feb. 25, 2015).

^{**} 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 February 28, 2015)

2.42 years

MODIFIED DURATION (As on February 28, 2015)

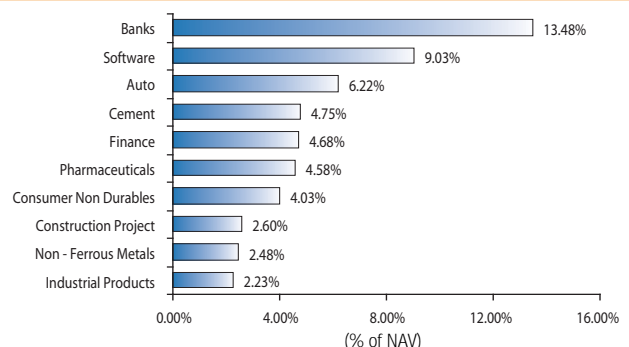
1.55 years

PORTFOLIO (As on February 28, 2015)

Instrument	Industry / Rating	% of NAV
Equity		66.15
ICICI Bank	Banks	3.52
State Bank of India	Banks	2.65
Dewan Housing Finance Corporation	Finance	2.15
Maruti Suzuki India	Auto	2.07
Infosys	Software	2.06
Axis Bank	Banks	1.96
HCL Technologies	Software	1.96
Tata Motors	Auto	1.90
HDFC Bank	Banks	1.89
Housing Development Finance Corporation	Finance	1.80
Britannia Industries	Consumer Non Durables	1.69
ITC	Consumer Non Durables	1.60
The Federal Bank	Banks	1.53
Tata Motors - A Class	Auto	1.52
JK Cement	Cement	1.48
Lupin	Pharmaceuticals	1.47
PC Jeweller	Consumer Durables	1.36
Tata Consultancy Services	Software	1.34

Bharat Forge	Industrial Products	1.33
Reliance Industries	Petroleum Products	1.31
Tata Communications	Telecom - Services	1.30
Aurobindo Pharma	Pharmaceuticals	1.26
Tech Mahindra	Software	1.25
Cipla	Pharmaceuticals	1.05
Hindustan Construction Company	Construction Project	1.01
UltraTech Cement	Cement	1.00
Sesa Sterlite	Non - Ferrous Metals	0.98
Motherson Sumi Systems	Auto Ancillaries	0.96
The India Cements	Cement	0.91
Firstsource Solutions	Software	0.90
Jain Irrigation Systems	Industrial Products	0.90
UPL	Pesticides	0.89
Larsen & Toubro	Construction Project	0.87
Cyient	Software	0.86
Prestige Estates Projects	Construction	0.83
National Aluminium Company	Non - Ferrous Metals	0.81
Abbott India	Pharmaceuticals	0.80
United Spirits	Consumer Non Durables	0.74
The Ramco Cements	Cement	0.74
Power Finance Corporation	Finance	0.73
Indraprastha Gas	Gas	0.73
Dish TV India	Media & Entertainment	0.73
Bajaj Auto	Auto	0.73
Aditya Birla Nuvo	Services	0.73
Bharat Petroleum Corporation	Petroleum Products	0.69
Hindustan Zinc	Non - Ferrous Metals	0.69
Crompton Greaves	Industrial Capital Goods	0.69
Yes Bank	Banks	0.69
KPIT Technologies	Software	0.66
Andhra Bank	Banks	0.63
Tata Steel	Ferrous Metals	0.63
Century Textiles & Industries	Cement	0.62
The Indian Hotels Company	Hotels	0.61
RattanIndia Power	Power	0.61
Bank of Baroda	Banks	0.61
KEC International	Construction Project	0.57
Ashoka Buildcon	Construction Project	0.15
Commercial Paper		12.32
Cox & Kings	A1+	12.32
Treasury Bill		0.28
T-Bill 91 Day 2015	Sovereign	0.16
T-Bill 91 Day 2015	Sovereign	0.12
Sovereign		1.72
8.40% GOI -M- 28-JUL-2024	Sovereign	1.72
Bonds & NCDs		8.50
Reliance Utilities and Power P. Ltd	AAA	6.41
Housing Development Finance Corporation	AAA	2.09
Cash and Other Assets		11.03
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 28.8198	₹ 28.3451
Dividend Option (Monthly) :	₹ 11.1427	₹ 10.8952
Dividend Option (Quarterly) :	₹ 12.9238	₹ 12.6388

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)				
February 24, 2015	0.0269	10.8986	0.0347	11.1527
January 23, 2015	0.2690	11.1407	0.2317	11.3497
December 24, 2014	0.0104	10.8358	0.0174	11.0391
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 February 28, 2015)

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 February 28, 2015)

8.87 years

MODIFIED DURATION OF THE DEBT PORTFOLIO (As on February 28, 2015)

5.95 years

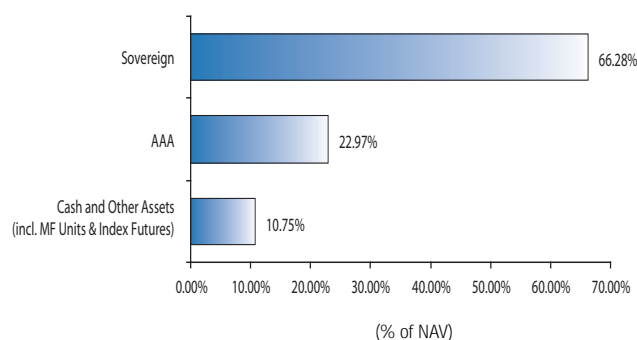
PORTFOLIO (As on February 28, 2015)

Instrument	Industry/Rating	% of NAV
Derivatives		
NIFTY Index Future Mar 2015	Index Futures	2.20
Treasury Bill		
T-Bill 91 Day 2015	Sovereign	1.32
T-Bill 91 Day 2015	Sovereign	1.02
Sovereign		
8.40% GOI -M- 28-JUL-2024	Sovereign	63.94
Bonds & NCDs		
Reliance Utilities and Power P. Ltd	AAA	12.74
Rural Electrification Corporation	AAA	6.11
LIC Housing Finance	AAA	4.12
Investment Funds/Mutual Funds		
Principal Index Fund - Direct - Growth Plan	Mutual Funds	10.91
Cash and Other Assets		
Net Assets		
		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Industry / Ratings	% of NAV
Sovereign	63.94
Bonds & NCDs	22.97
Investment Funds/Mutual Funds	10.91
Treasury Bill	2.34
Derivatives	2.20
Cash and Other Assets	-2.36

RATING PROFILE (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 28.2075	₹ 27.9051
Dividend Option (Quarterly) :	₹ 12.3074	₹ 12.2640
Dividend Option (Annual) :	₹ 14.8886	₹ 14.4249

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 February 28, 2015)

17.11 years

MODIFIED DURATION (As on February 28, 2015)

8.52 years

MATURITY PROFILE

Period	Portfolio (%)
5 - 10 years	10.69
10 - 15 years	22.56
Above 15 years	63.90
Cash and Other Assets	2.85

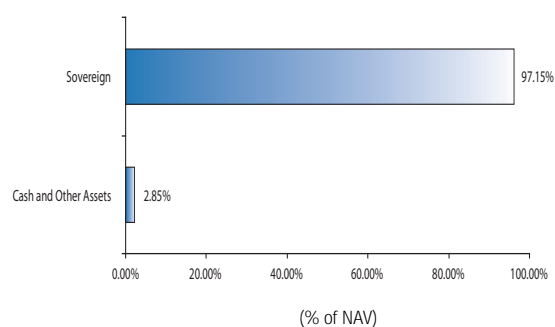
PORTFOLIO (As on February 28, 2015)

Instrument	Rating	% of NAV
Sovereign		
08.30% GOI -M- 31-DEC-2042	Sovereign	24.63
8.32% GOI -M- 02-AUG-2032	Sovereign	21.18
9.20% GOI -M- 30-SEP-2030	Sovereign	18.09
8.24% GOI -M- 15-FEB-2027	Sovereign	12.48
08.83% GOI -M- 25-NOV-2023	Sovereign	10.69
8.60% GOI -M- 02-JUN-2028	Sovereign	5.38
8.28% GOI -M- 21-SEP-2027	Sovereign	4.70
Cash and Other Assets		2.85
Net Assets		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Ratings	% of NAV
Sovereign	97.15
Cash and Other Assets	2.85

RATING PROFILE (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 24.2971	₹ 23.9042
Dividend Option (Quarterly) :	₹ 13.4699	₹ 13.4007
Dividend Option (Annual) :	₹ 12.5570	₹ 12.1829

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 February 28, 2015)

10.68 years

MODIFIED DURATION (As on February 28, 2015)

6.24 years

MATURITY PROFILE

Period	Portfolio (%)
Less than 1 year	0.55
1 - 3 years	6.94
5 - 10 years	33.08
10 - 15 years	27.53
Above 15 years	23.64
Cash & Others Assets	8.26

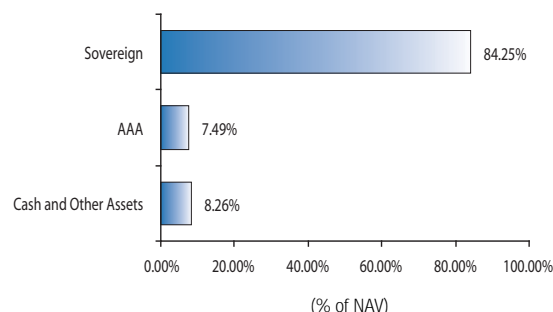
PORTFOLIO (As on February 28, 2015)

Instrument	Rating	% of NAV
Sovereign		
08.83% GOI -M- 25-NOV-2023	Sovereign	18.97
9.20% GOI -M- 30-SEP-2030	Sovereign	18.52
8.28% GOI -M- 21-SEP-2027	Sovereign	18.18
8.40% GOI -M- 28-JUL-2024	Sovereign	7.16
8.12% GOI -M- 10-DEC-2020	Sovereign	6.95
8.24% GOI -M- 15-FEB-2027	Sovereign	5.68
08.30% GOI -M- 31-DEC-2042	Sovereign	5.12
8.60% GOI -M- 02-JUN-2028	Sovereign	3.67
Bonds & NCDs		
Housing Development Finance Corporation	AAA	6.94
Rural Electrification Corporation	AAA	0.55
Cash and Other Assets		
		8.26
Net Assets		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Ratings	% of NAV
Sovereign	84.25
Bonds & NCDs	7.49
Cash and Other Assets	8.26

RATING PROFILE (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 2153.6151	₹ 2130.7954
Dividend Option (Monthly) :	₹ 1239.5080	₹ 1236.5539

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)				
February 24, 2015	9.3054	1244.8239	9.4754	1247.9393
January 23, 2015	9.1919	1244.7104	9.4820	1247.9459
December 24, 2014	9.4183	1244.9368	9.6466	1248.1105

* 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 February 28, 2015)

61 days

MODIFIED DURATION (As on February 28, 2015)

61 days

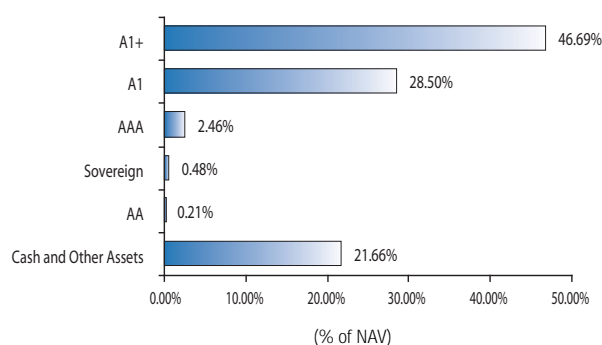
PORTFOLIO (As on February 28, 2015)

Instrument	Rating	% of NAV
Commercial Paper		75.19
IL&FS Transportation Networks	A1	18.39
Edelweiss Financial Services	A1+	18.01
Indostar Capital Finance Private	A1+	10.25
Dewan Housing Finance Corporation	A1+	10.24
HCL Infosystems	A1	10.11
Cox & Kings	A1+	8.19
Treasury Bill		0.48
T-Bill 91 Day 2015	Sovereign	0.35
T-Bill 91 Day 2015	Sovereign	0.13
Bonds & NCDs		2.67
Power Finance Corporation	AAA	2.17
Cholamandalam Investment and Finance Company	AA	0.21
Rural Electrification Corporation	AAA	0.21
Power Finance Corporation	AAA	0.08
Cash and Other Assets		21.66
Net Assets		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Industry / Ratings	% of NAV
Commercial Paper	75.19
Bonds & NCDs	2.67
Treasury Bill	0.48
Cash and Other Assets	21.66

RATING PROFILE (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 24.6677	₹ 24.3105
Dividend Option (Monthly) :	₹ 12.8614	₹ 12.8282

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)				
February 24, 2015	0.0593	12.8787	0.0678	12.9196
January 23, 2015	0.1686	12.9880	0.1769	13.0287
December 24, 2014	0.0915	12.9109	0.0996	12.9514

* 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 February 28, 2015)

2.72 years

MODIFIED DURATION (As on February 28, 2015)

2.65 years

PORTFOLIO (As on February 28, 2015)

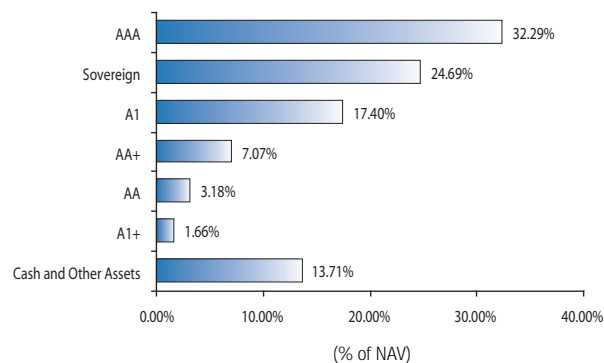
Instrument	Rating	% of NAV
Certificate of Deposit		1.66
Bank of India	A1+	0.95
Canara Bank	A1+	0.71
Commercial Paper		17.40
KEC International	A1	7.03
IL&FS Transportation Networks	A1	6.97
HCL Infosystems	A1	3.40
Treasury Bill		1.67
T-Bill 91 DAY 2015	Sovereign	0.85
T-Bill 91 DAY 2015	Sovereign	0.82

Sovereign		23.02
8.27% GOI -M- 09-JUN-2020	Sovereign	14.44
8.12% GOI -M- 10-DEC-2020	Sovereign	3.59
7.28% GOI -M- 03-JUN-2019	Sovereign	3.48
08.83% GOI -M- 25-NOV-2023	Sovereign	1.51
Bonds & NCDs		42.54
Power Grid Corporation of India	AAA	10.83
LIC Housing Finance	AAA	7.18
Rural Electrification Corporation	AAA	7.10
Tata Motors	AA+	7.07
Power Finance Corporation	AAA	3.66
IDFC	AAA	3.52
Cholamandalam Investment and Finance Company	AA	3.18
Cash and Other Assets		13.71
Net Assets		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Ratings	% of NAV
Bonds & NCDs	42.54
Sovereign	23.02
Commercial Paper	17.40
Treasury Bill	1.67
Certificate of Deposit	1.66
Cash and Other Assets	13.71

RATING PROFILE (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 1787.3342	₹ 1770.6807
Dividend Option (Monthly) :	₹ 1126.4692	₹ 1125.3226

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)				
February 24, 2015	7.3392	1131.9653	7.9786	1133.7013
January 23, 2015	7.2066	1131.8327	7.8201	1133.5428
December 24, 2014	6.6634	1131.2895	7.2754	1132.9981

* 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 February 28, 2015)

13 days

MODIFIED DURATION (As on February 28, 2015)

13 days

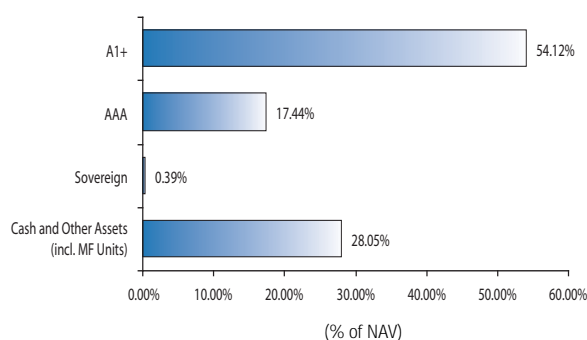
PORTFOLIO (As on February 28, 2015)

Instrument	Rating	% of NAV
Certificate of Deposit		
Canara Bank	A1+	27.82
The Jammu & Kashmir Bank	A1+	12.33
Union Bank of India	A1+	11.60
Syndicate Bank	A1+	1.74
Bank of India	A1+	0.52
RBL Bank	A1+	0.11
Treasury Bill		
T-Bill 91 Day 2015	Sovereign	0.26
T-Bill 91 Day 2015	Sovereign	0.13
Bonds & NCDs		
Kotak Mahindra Prime	AAA	11.63
Small Industries Development Bank of India	AAA	5.81
Investment Funds/Mutual Funds		
Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds	25.57
Cash and Other Assets		
		2.48
Net Assets		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Ratings	% of NAV
Certificate of Deposit	54.12
Investment Funds/Mutual Funds	25.57
Bonds & NCDs	17.44
Treasury Bill	0.39
Cash and Other Assets	2.48

RATING PROFILE (As on February 28, 2015)



Principal Debt Opportunities Fund - Conservative Plan

(An open-ended debt scheme)

Credit
Risk Rating
[ICRA] AAAMfs⁺⁺

FUND FEATURES

OAAUM (For the period October to December 2014):

₹ 542.16 crore

NAV per unit (As on February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 2214.3501	₹ 2181.5242
Dividend Option (Daily) :	₹ 1001.8554	₹ 1001.6170
Dividend Option (Weekly) :	₹ 1002.9317	₹ 1000.9215
Dividend Option (Monthly) :	₹ 1142.0434	₹ 1139.9970

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)				
February 24, 2015	7.6005	1146.7198	8.5721	1149.6460
January 23, 2015	7.9151	1147.0344	8.8256	1149.8995
December 24, 2014	7.0110	1146.1303	7.9082	1148.9821

* 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 February 28, 2015)

108 days

MODIFIED DURATION (As on February 28, 2015)

105 days

PORTFOLIO (As on February 28, 2015)

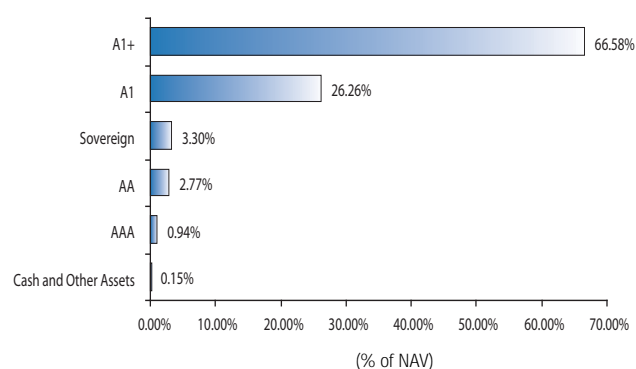
Instrument	Rating	% of NAV
Certificate of Deposit		
10.20		
The South Indian Bank	A1+	7.93
Bank of India	A1+	1.54
Indian Bank	A1+	0.65
The Jammu & Kashmir Bank	A1+	0.08
Commercial Paper		
82.64		
HCL Infosystems	A1	10.93
JK Cement	A1+	8.08
KEC International	A1	8.07
Dewan Housing Finance Corporation	A1+	7.97
JK Lakshmi Cement	A1+	7.40
IL&FS Transportation Networks	A1	7.26
SKS Microfinance	A1+	5.99
Godrej Industries	A1+	5.57

Edelweiss Financial Services	A1+	4.03
Dewan Housing Finance Corporation	A1+	3.99
STCI Finance	A1+	3.85
Cox & Kings	A1+	3.57
Jagran Prakashan	A1+	3.23
IFMR Capital Finance Private	A1+	2.24
Vodafone India	A1+	0.46
Treasury Bill		3.30
T-Bill 91 Day 2015	Sovereign	2.00
T-Bill 91 Day 2015	Sovereign	0.92
T-Bill 91 Day 2015	Sovereign	0.38
BONDS & NCDs		3.71
Shriram City Union Finance	AA	1.63
Cholamandalam Investment and Finance Company	AA	1.14
Housing Development Finance Corporation	AAA	0.83
Power Finance Corporation	AAA	0.11
Cash and Other Assets		0.15
Net Assets		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Ratings	% of NAV
Commercial Paper	82.64
Certificate of Deposit	10.20
Bonds & NCDs	3.71
Treasury Bill	3.30
Cash and Other Assets	0.15

RATING PROFILE (As on February 28, 2015)



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

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

Credit
Risk Rating
[ICRA] A1+mfs⁺

FUND FEATURES

QAAUM (For the period October to December 2014):

₹ 1,481.96 crore

NAV per unit (As on February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 1350.2771	₹ 1347.6224
Dividend Option (Daily) :	₹ 1000.3870	₹ 1000.3037
Dividend Option (Weekly) :	₹ 1007.2174	₹ 1006.5018
Dividend Option (Monthly) :	₹ 1023.4546	₹ 1023.4324

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)				
February 24, 2015	7.5186	1030.243	7.5822	1030.3234
January 23, 2015	7.1332	1029.8576	7.1922	1029.9334
December 24, 2014	7.0823	1029.8067	7.1417	1029.8829

* 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 February 28, 2015)

21 days

MODIFIED DURATION (As on February 28, 2015)

21 days

PORTFOLIO (As on February 28, 2015)

Instrument	Rating	% of NAV
Certificate of Deposit		20.39
Canara Bank	A1+	7.93
Dena Bank	A1+	3.91
Bank of India	A1+	1.98
Indian Bank	A1+	1.98
Syndicate Bank	A1+	1.92
Indian Bank	A1+	0.98
Bank of Baroda	A1+	0.98
Bank of Maharashtra	A1+	0.71
Commercial Paper		74.38
Housing Development Finance Corporation	A1+	5.94
CESC	A1+	5.92
ECL Finance	A1+	5.92
Gruh Finance	A1+	5.92
Cox & Kings	A1+	5.00
L&T Housing Finance	A1+	3.95
Tata Motors Finance	A1+	3.95

Small Industries Development Bank of India	A1+	3.76
KEC International	A1	3.56
JK Lakshmi Cement	A1+	2.76
Edelweiss Financial Services	A1+	2.16
Religare Housing Development Financial Corporation	A1+	2.11
Aditya Birla Finance	A1+	1.98
Au Financiers (India)	A1+	1.98
HSIL	A1+	1.98
Fedbank Financial Services Ltd	A1+	1.97
JK Tyre & Industries	A1+	1.97
Supreme Industries	A1+	1.97
Bilt Graphic Paper Products Ltd	A1+	1.95
Export Import Bank of India	A1+	1.77
Vardhman Special Steels	A1+	1.58
SKS Microfinance	A1+	1.34
KEC International	A1+	0.99
JK Cement	A1+	0.99
TVS Credit Services	A1+	0.99
Avanse Financial Services Ltd	A1+	0.98
Jagran Prakashan	A1+	0.79
Sesa Sterilite	A1+	0.20

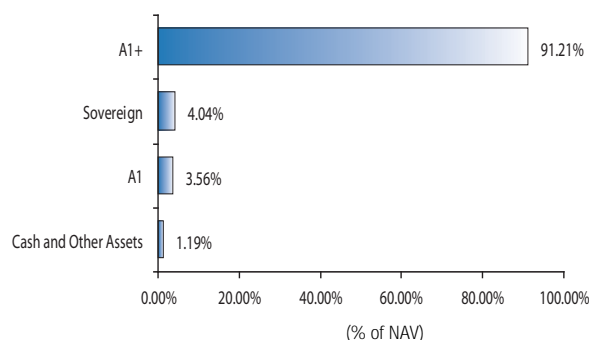
Treasury Bill		4.04
T-Bill 91 Day 2015	Sovereign	1.97
T-Bill 91 Day 2015	Sovereign	1.46
T-Bill 91 Day 2015	Sovereign	0.41
T-Bill 364 Day 2015	Sovereign	0.20

Cash and Other Assets	1.19
Net Assets	100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Ratings	% of NAV
Commercial Paper	74.38
Certificate of Deposit	20.39
Treasury Bill	4.04
Cash and Other Assets	1.19

RATING PROFILE (As on February 28, 2015)



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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option:	₹ 22.7045	₹ 22.5225
Dividend Option:	₹ 22.7045	₹ 22.5225

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 February 28, 2015)

Instrument	% of NAV
Foreign Securities	
I. Units of Mutual Fund / Unit Trust	97.07
Principal Global Investors Funds - Emerging Markets Equity Fund	
II. Cash and Other Current Assets	2.93
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 February 27, 2015)

	Direct Plan	Regular Plan
Growth Option :	₹ 1569.5845	₹ 1566.3063
Dividend Option (Daily) :	N.A.	₹ 1005.4300
Dividend Option (Weekly) :	N.A.	₹ 1012.8246
Dividend Option (Monthly) :	₹ 1059.6335	₹ 1059.5882

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)				
February 24, 2015	8.0184	1066.8476	8.0839	1066.9525
January 23, 2015	7.7855	1066.6147	7.8465	1066.7151
December 24, 2014	7.9010	1066.7302	7.9765	1066.8451

* 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 February 28, 2015)

27 days

MODIFIED DURATION (As on February 28, 2015)

27 days

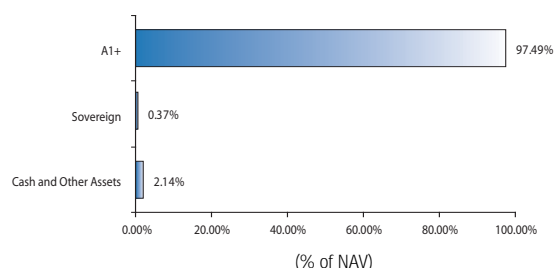
PORTFOLIO (As on February 28, 2015)

Instrument	Rating	% of NAV
Certificate of Deposit		31.49
Bank of Maharashtra	A1+	25.89
Dena Bank	A1+	5.60
Commercial Paper		66.00
Small Industries Development Bank of India	A1+	18.59
Export Import Bank of India	A1+	18.49
SKS Microfinance	A1+	12.22
Cox & Kings	A1+	11.13
Religare Housing Development Financial Corporation	A1+	5.57
Treasury Bill		0.37
T-Bill 91 Day 2015	Sovereign	0.19
T-Bill 91 Day 2015	Sovereign	0.18
Cash and Other Assets		2.14
Net Assets		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Ratings	% of NAV
Commercial Paper	66.00
Certificate of Deposit	31.49
Treasury Bill	0.37
Cash and Other Assets	2.14

RATING PROFILE (As on February 28, 2015)



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

- Retail Plan

FUND FEATURES

QAAUM (For the period October to December 2014):
₹ 23.05 crore

NAV per unit (As on February 27, 2015)

	Direct Plan	Regular Plan
Growth Plan :	₹ 24.6957	₹ 24.2647
Dividend Plan (Monthly) :	N.A.	₹ 10.2588
Dividend Plan (Quarterly) :	₹ 12.1495	₹ 12.0628

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)				
February 24, 2015	0.0463	10.2933	-	-
January 23, 2015	0.1183	10.3653	-	-
December 24, 2014	0.0554	10.3024	-	-
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 February 28, 2015)

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 February 28, 2015)

4.11 years

MODIFIED DURATION (As on February 28, 2015)

2.84 years

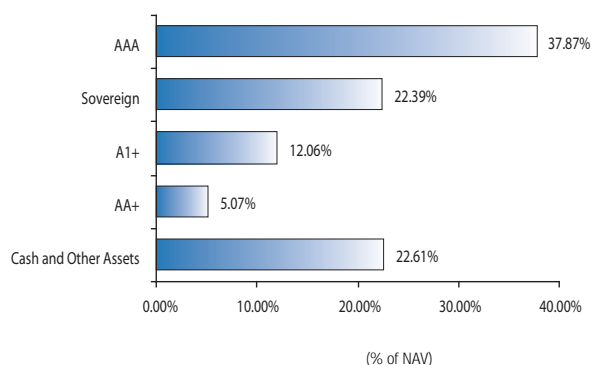
PORTFOLIO (As on February 28, 2015)

Instrument	Rating	% of NAV
Certificate of Deposit		
The Jammu & Kashmir Bank	A1+	12.06
Treasury Bill		
T-Bill 91 Day 2015	Sovereign	1.42
T-Bill 91 Day 2015	Sovereign	0.94
Sovereign		
8.40% GOI -M- 28-JUL-2024	Sovereign	20.03
Bonds & NCDs		
Housing Development Finance Corporation	AAA	19.05
Rural Electrification Corporation	AAA	14.56
Bajaj Finance	AA+	4.23
Reliance Utilities and Power P. Ltd	AAA	2.17
Power Grid Corporation of India	AAA	2.09
Lafarge India Pvt. Ltd.	AA+	0.84
Cash and Other Assets		
Net Assets		
		100.00

COMPOSITION BY ASSETS (As on February 28, 2015)

Industry / Ratings	% of NAV
BONDS & NCDs	42.94
Sovereign	20.03
Certificate of Deposit	12.06
Treasury Bill	2.36
Cash and Other Assets	22.61

RATING PROFILE (As on February 28, 2015)



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 Date	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 (₹)				
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 Date	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 (₹)				
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 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	34.94	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 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	8.86	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 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	9.87	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
FII ^{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
FIIs ^{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) 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
QFI ¹⁰ (Companies) ⁴	40%	40%	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	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 EOUs by the mutual fund. Purchase/ sale/ redemption of units other than EOUs are not subject to STT.
- Non-resident investors (such as FIIs, OFIs, 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.

(Contd. on next page)

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 recognized 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.

Points of Service ("POS") of MF UTILITIES INDIA PRIVATE LIMITED ("MFUI") as Official Point of Acceptance:

The Online Transaction Portal of MF Utility is www.mfuonline.com and the list of POS of MFUI is published on the website of MFUI at www.mfuidia.com, as updated from time to time.

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 Groundniti, Faridabad-121 001 • **Ghaziabad:** 1st Floor, C-7, Lohia Nagar, Ghaziabad-201 001 • **Gorakhpur:** Above V.I.P. Houseadjacent, 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:** CTC No. 483 / A1-A2, Gr. Floor, Shri Ram Plaza, Behind Kotak Mahindra Bank, Club Road, 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, Mahav Marg C-Scheme, Jaipur-302 001 • **Jalandhar:** 1st Floor, Shanti Towers, SCO No. 37, PUDA Complex, Opp. Tehsil Complex, 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 Bunglow, 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, Chopansi 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, Kunjipura 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 Csiascension 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:** UI-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 Gumtimotoi 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, Thiagarajar 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, Millennium 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, Rourkela-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 Chowkhhallini, 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, Thrissur-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, Sagra, 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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