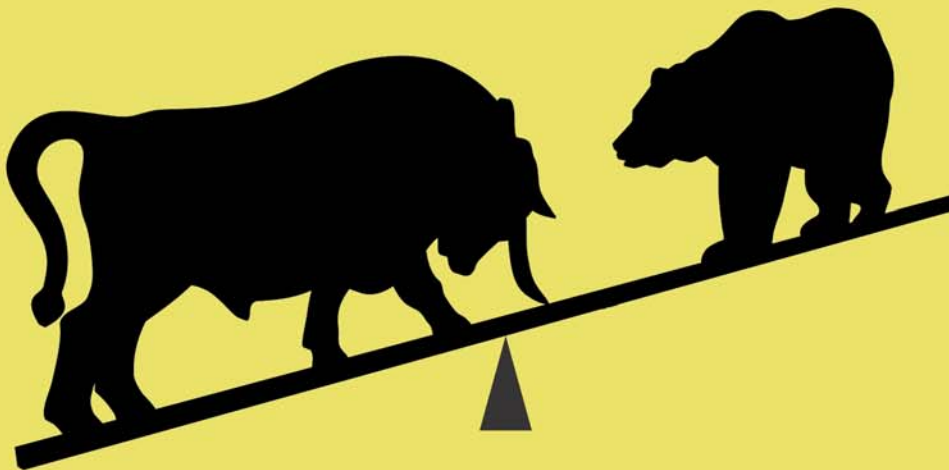


June 2014

## A FUND THAT AIMS TO MAKE THE BEST OF ANY MARKET SWING.



Principal SMART Equity Fund, an open-ended equity scheme which invests in equity or debt instruments depending on the current market valuations. It automatically allocates your investments to Debt when market valuations are high and automatically shifts its allocation to equities when market valuations are low. Hence, your investment has an opportunity to thrive, whether its bull market or bear market.



**Principal  
SMART  
Equity Fund**

AN OPEN-ENDED EQUITY SCHEME

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

- 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)

~ 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.
<b>Principal Large Cap Fund</b> <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 <span style="color: brown;">■</span> (Brown)	8
<b>Principal Emerging Bluechip Fund</b> <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 <span style="color: brown;">■</span> (Brown)	9
<b>Principal Growth Fund</b> <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 <span style="color: brown;">■</span> (Brown)	10
<b>Principal Dividend Yield Fund</b> <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 <span style="color: brown;">■</span> (Brown)	11
<b>Principal Index Fund - Nifty</b> <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 <span style="color: brown;">■</span> (Brown)	12
<b>Principal Index Fund - Midcap</b> <i>(An Open-ended Index Scheme)</i>	• Long term Capital Growth. • Investment in equity securities including equity derivatives of CNX Midcap Index.	High Risk <span style="color: brown;">■</span> (Brown)	13
<b>Principal SMART Equity Fund</b> <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 <span style="color: brown;">■</span> (Brown)	14
<b>Principal Personal Tax Saver Fund</b> <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 <span style="color: brown;">■</span> (Brown)	15
<b>Principal Tax Savings Fund</b> <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 <span style="color: brown;">■</span> (Brown)	16
<b>Principal Balanced Fund</b> <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 <span style="color: yellow;">■</span> (Yellow)	17
<b>Principal Debt Savings Fund - MIP</b> <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 <span style="color: yellow;">■</span> (Yellow)	18
<b>Principal Government Securities Fund</b> <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 <span style="color: blue;">■</span> (Blue)	19
<b>Principal Income Fund - Long Term Plan</b> <i>(An Open-ended Income Scheme)</i>	• Income over a long term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk <span style="color: blue;">■</span> (Blue)	20
<b>Principal Debt Opportunities Fund - Corporate Bond Plan</b> <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 <span style="color: blue;">■</span> (Blue)	21
<b>Principal Income Fund - Short Term Plan</b> <i>(An Open-ended Income Scheme)</i>	• Income over a medium term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk <span style="color: blue;">■</span> (Blue)	22
<b>Principal Bank CD Fund</b> <i>(An Open-ended Debt Scheme)</i>	• Income over a medium term investment horizon. • Investment in Bank CDs, Debt & Money Market Instruments.	Low Risk <span style="color: blue;">■</span> (Blue)	23
<b>Principal Debt Opportunities Fund - Conservative Plan</b> <i>(An Open-ended Debt Scheme)</i>	• Income over a short term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk <span style="color: blue;">■</span> (Blue)	24
<b>Principal Cash Management Fund</b> <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 <span style="color: blue;">■</span> (Blue)	25
<b>Principal Global Opportunities Fund</b> <i>(An Open-ended Fund of Funds Scheme)</i>	• Long term Capital Growth. • Investment in overseas mutual fund schemes.	High Risk <span style="color: brown;">■</span> (Brown)	26
<b>Principal Retail Money Manager Fund</b> <i>(An Open-ended Debt Scheme)</i>	• Income over a short term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk <span style="color: blue;">■</span> (Blue)	26
<b>Principal Debt Savings Fund - Retail Plan</b> <i>(An Open-ended Income Scheme)</i>	• Income over a long term investment horizon. • Investment in Debt & Money Market Instruments.	Low Risk <span style="color: blue;">■</span> (Blue)	27

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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 June 2014

#### Key Market Highlights:

- During the month, yields fell or remained stable across most asset classes except gilts. Gilt yields rose by 5-10 bps across the curve towards month end on inflation concerns, supply and geopolitical Iraq crisis which led to spike in oil prices and also led to slowdown in FII inflows.
- In its Monetary Policy review scheduled on 3<sup>rd</sup> June 2014, RBI kept rates unchanged as expected. However in line with Urjit Patel Committee recommendations, RBI cut SLR (Statutory Liquidity Ratio) for banks to 22.5% from 23%. They also reduced the liquidity provided under the Export Credit Refinance (ECR) facility from 50 per cent of eligible export credit outstanding to 32 per cent with immediate effect and introduced a special term repo facility of 0.25 per cent of NDTL to compensate fully for the reduction in access to liquidity under the ECR. This was done to move away from sector-specific refinance towards a more generalised provision of system liquidity without preferential access to any particular sector or entity.
- INR closed weaker during the month at 60.18 as compared to 59.10 the previous month. For the month of June, FIIs continue to remain buyers in the debt market with net debt purchases totaling ₹ 18,558 crore. FIIs have now almost fully utilized the USD 20 bn G-sec quota (which is not restricted to any particular class of FIIs).
- The ten yr benchmark closed at 8.75%, 10 bps higher than previous month end. Ten year SDLs of prime quality states ended at 9.00-9.05 levels, thereby witnessing spread contraction to 30 bps to the benchmark.
- The ten year AAA Corporate bond benchmark closed at 9.15%, 25 bps lower than previous month. The five year AAA corporate bond benchmark closed at 9.20%, 17 bps lower than previous month.
- 1 year CD rates fell marginally by 9 bps to close at 8.89. 1 year T-bill rate also fell 3 bps to close at 8.67%.
- May WPI data release came unexpectedly higher at 6.01% as compared to 5.2% in previous month. CPI for May came lower at 8.28% compared to 8.59% in previous month.

- April industrial production (IIP) growth came in at 3.4% yoy reflecting some marginal rise in industrial activity. The growth in the output of eight core sector industries slowed to 2.3% in May from 4.2% in April.
- Fiscal data released by the govt. for the month of May 2014 shows accelerated spending mainly due to a steep rise in non plan expenditure (due to interest payments and delayed subsidy payments) by 70% yoy.
- Liquidity deficit was higher during the month at ₹ 84,000 crore average as compared to ₹ 74,000 crore average for the previous month combined for daily LAF, term LAF and MSF. This was primarily due to reduction in SLF facility. Overnight rates remained broadly stable on most days of the month reflecting stable liquidity conditions.

#### Outlook:

- The main event and trigger for bond markets in the month of July could be the presentation of the final Union Budget for FY15. Markets expect government to use its political capital to adjust the FY14 fiscal deficit numbers for the one off measures undertaken in March (mainly concerning deferred spending). Thus overall for FY 14 Fiscal deficit is expected to be adjusted to 5% of GDP and for FY15 to 4.5% of GDP (Interim budget estimate was 4.1%). Gross borrowing is expected to be kept the same or marginal increase may be there.
- We expect the ten year benchmark G-sec to trade in a range of 8.60% to 8.85% during the month. The five year AAA PSU corporate bond benchmark is expected to trade in a range of 9.15 to 9.40%.
- Banking system liquidity deficit is expected to remain around current levels in the range of ₹ 60,000 crore to 95,000 crore for the month.
- Short term money market yields upto 3 month maturity are expected to remain benign on easing liquidity conditions. We expect the 3 month CD rate to remain in the range of 8.50-9.00%. However six month to one year CD rates may rise if banks credit growth picks up.

### Review of Equity Market for the Month of June 2014

The equity markets continued their run in June, though the momentum slowed somewhat. The MSCI India index outperformed the MSCI EM index during the month. In terms of sector performance, while sectors like autos, banks, capital goods, consumer durables, metals and oil and gas continued to do well, in each of these cases, the returns for the month for these sectors were lower than their returns in the previous month. On the other hand, sectors which showed negative returns in the previous month (relative defensives like Healthcare and IT), showed decent positive returns as given in the table below. The returns for the FMCG sector in June were pulled down by ITC as there was talk of possible higher excise on cigarettes in the forthcoming budget.

The trends regarding institutional flows continued, with FIIs investing about USD 2 Billion in equity during the month. Emerging Market equities as a category saw inflows of about USD 5 Billion in the month. The FIIs have now put in USD 10 Billion in India in CY 14, amongst the highest in Asia. The domestic institutional investors pulled out money on the whole, though the break up shows that while

insurance companies remained sellers (USD 1.2 Billion), mutual funds were investors (USD 457 million). The surge in the secondary markets has led to companies either hitting or preparing to hit the market with issue of fresh equity. In the month of June, according to estimates by an investment bank, there was fresh supply of about USD 1.7 Billion, including by two telecommunication companies. More issues are being planned, including by PSU bank, some of whom need to bolster their capital. While these fresh issuances are good news for debt investors as these could help repair balance sheets, they may also absorb a good chunk of the funds flowing into secondary markets. However, over the medium term, these could be positive for equity markets too as companies with strong balance sheets can start thinking of investing again.

In terms of news flow, the CPI for May came in at 8.3% (April at 8.6%), while the WPI was a negative surprise at 6.0% (5.2% for April). The IIP for April came in at 3.4%, the highest in about a year, with capital goods being a strong contributor. Mining and electricity also had positive growth.

In terms of decisions, the government took decisions to hike railway fares (by about 14% in respect of passenger fares), raised the MSP for the forthcoming kharif crop by a limited amount and extended the excise duty cuts on autos by 6 months till December. However, on sugar prices it raised the import duty to 40% to enable mills to pay sugarcane arrears to farmers. The stoppage of mining activity in parts of the country is also engaging the government and we expect some action there.

The government is expected to present the budget on July 10, and while expectations among market participants are not too high with respect to specific proposals, investors do expect a roadmap on the economy and how it looks to tackle the various issues. In the near term, high expectations can be a risk as markets can be volatile if they are disappointed. However, if the budget measures are good for the long term perspective, the volatility may be short lived. The risks in the markets arise from the global political situation (esp. in the Middle East), the likelihood of a weak monsoon and its impact on the GDP, government revenues and spending as well as the behavior of the Fed and its impact on liquidity.

However, valuations, though slightly above long term averages are not too expensive given the expected pick-up in earnings growth, and could lend support to the markets.

During the month we bought or added to our positions in Andhra Bank, Gas Authority of India Limited, India Cements, Indraprastha Gas, Jet Airways, Karur Vysya Bank, Sarda Energy & Minerals, Tata Motors, Ramco Cements, TVS Motors and Wipro among other stocks. We sold or reduced our positions in Amara Raja Batteries, Britannia Industries, Godfrey Phillips, Hinduja Ventures, India Bulls Real Estate, J Kumar Infraprojects, Larsen & Toubro, Raymond, Sadbhav Engineering, Siemens, State Bank of India and Unitech among other stocks.

### PERFORMANCE AS ON JUNE 30, 2014\*

	Index	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)
<b>Broad Markets</b>					
CNX Nifty Index	7611	5.28	13.38	20.99	30.12
S&P BSE Sensex	25414	4.94	13.47	20.20	30.86
S&P BSE 100	7743	5.41	15.50	22.67	33.26
S&P BSE 200	3124	5.87	16.65	23.81	34.26
S&P BSE 500	9791	6.36	18.21	25.43	36.47
S&P BSE Mid Cap	9379	10.77	33.07	40.88	56.93
S&P BSE Small Cap	10203	13.17	44.81	56.25	80.35
<b>Sectoral Performance</b>					
S&P BSE Auto	15249	5.21	15.69	24.46	42.08
S&P BSE Bankex	17475	3.07	19.39	34.57	31.64
S&P BSE CG	16200	10.08	33.51	58.16	77.38
S&P BSE CD	8870	14.99	38.64	52.64	44.34
S&P BSE FMCG	6676	-2.74	-4.74	1.60	3.36
S&P BSE Metal	13100	6.57	34.52	31.19	68.57
S&P BSE Oil & Gas	11151	2.73	17.54	26.88	25.15
S&P BSE PSU	8634	7.19	34.91	46.56	39.87
S&P BSE Teck	5266	9.02	7.37	4.42	42.91
S&P BSE HC	11462	11.12	13.50	15.25	29.42

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

Source - MFI Explorer

# Fund 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
<b>Nature of the Scheme</b>	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
<b>Allotment Date - Regular Plan</b>	November 11, 2005	November 12, 2008	October 25, 2000	October 15, 2004	July 27, 1999	May 12, 2014
<b>- Direct Plan</b>	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	May 12, 2014
<b>Investment Plans / Options</b>	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plans offers facility of Payout, Reinvestment and Sweep.					
<b>Fund Manager &amp; Managing the Current Fund from</b>	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
<b>Total Investment Experience</b>	9 years	22 years	21 years	22 years	18 years	18 years
<b>Benchmark</b>	S&P BSE 100 Index	CNX Midcap Index	S&P BSE 200 Index	CNX Dividend Opportunities Index	CNX Nifty Index	CNX Midcap Index
<b>Minimum Application Amount</b>	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
<b>Cut Off Time<sup>#</sup></b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
<b>Exit Load (including SIP/STP/SWP, if available)</b>	If redeemed on or before 1 Year from the date of allotment - 1%		1% - If redeemed within 365 days from the date of allotment. Nil - If redeemed after 365 days from the date of allotment.	If redeemed on or before 1 Year from the date of allotment - 1%	0.50% - if redeemed on or before 365 days from the date of allotment; Nil - if redeemed after 365 days from the date of allotment.	
<b>SIP / SWP / STP</b>	Available					
<b>Minimum No. &amp; Amt. of SIP/SWP/STP (if available)</b>	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
<b>Nature of the Scheme</b>	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)
<b>Allotment Date - Regular Plan</b>	December 16, 2010	March 31, 1996	March 31, 1996	January 14, 2000	May 23, 2002
<b>- Direct Plan</b>	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013
<b>Investment Plans / Options</b>	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. 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 & Dividend Option. 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
<b>Fund Manager &amp; Managing the Current Fund from</b>	Anupam Tiwari July 2011	Anupam Tiwari July 2011	P.V.K. Mohan September 2010	P.V.K. Mohan May 2010	Pankaj Jain January 2012
<b>Total Investment Experience</b>	9 years	9 years	21 years	21 years	12 years
<b>Benchmark</b>	Crisil Balanced Fund Index	S&P BSE 100 Index	S&P BSE 200 Index	Crisil Balanced Fund Index	Crisil MIP Blended Index
<b>Minimum Application Amount</b>	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
<b>Cut Off Time<sup>#</sup></b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
<b>Exit Load (including SIP/STP/SWP, if available)</b>	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%.	
<b>SIP</b>	Available				
<b>SWP / STP</b>	Available	Available after lock-in period		Available	Available
<b>Minimum No. &amp; Amt. of SIP/SWP/STP (if available)</b>	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.	

<sup>#</sup> 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).

## Fund 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
<b>Nature of the Scheme</b>	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
<b>Allotment Date - Regular Plan</b>	August 23, 2001	May 09, 2003	September 14, 2004	May 09, 2003	November 6, 2007
<b>- Direct Plan</b>	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013
<b>Investment Plans / Options</b>	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option.				
<b>Dividend Frequencies</b>	Quarterly / Annual	Quarterly / Annual	Monthly	Monthly	Monthly
<b>Fund Manager &amp; Managing the Current Fund from</b>	Bekxy Kuriakose October 2012	Bekxy Kuriakose January 2013	Bekxy Kuriakose January 2013	Gurvinder Singh Wasan April 2011	Gurvinder Singh Wasan April 2011
<b>Total Investment Experience</b>	14 years	14 years	14 years	10 years	10 years
<b>Benchmark</b>	I-Sec Composite Index	Crisil Composite Bond Fund Index	Crisil Composite Bond Fund Index	CRISIL Short-Term Bond Fund Index	Crisil Liquid Fund Index
<b>Minimum Application Amount</b>	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
<b>Cut Off Time Subscription#</b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
<b>Redemption</b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
<b>Exit Load (including SIP/STP/SWP, if available)</b>	Nil	If redeemed on or before 1 Year from the date of allotment - 1%.	From the date of allotment if redeemed any time - <ul style="list-style-type: none"> <li>• Upto 12 months - 2%</li> <li>• From 12 months and upto 24 months - 1%</li> <li>• After 24 months - Nil</li> </ul>	If redeemed within 180 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.
<b>SIP / SWP / STP</b>	Available				
<b>Minimum number &amp; Amount of SIP/SWP/STP (if available)</b>	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).

## Fund 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 <sup>~</sup>	Principal Debt Savings Fund - Retail Plan <sup>~</sup>	Principal Global Opportunities Fund
<b>Nature of the Scheme</b>	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
<b>Allotment Date - Regular Plan</b>	September 14, 2004	August 30, 2004	December 28, 2007	December 30, 2003	March 29, 2004
<b>- Direct Plan</b>	January 2, 2013	January 1, 2013	January 1, 2013	January 2, 2013	January 2, 2013
<b>Investment Plans/ Options/ Dividend Frequencies</b>	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 <sup>~</sup> : Daily / Weekly / Monthly. Direct Plan: Monthly (Reinvestment)	Regular Plan and Direct Plan. Both the Plans offer Dividend <sup>~</sup> 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.
<b>Fund Manager &amp; Managing the Current Fund from</b>	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Rajat Jain March 2004
<b>Total Investment Experience</b>	12 years	12 years	12 years	12 years	25 years
<b>Benchmark</b>	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Short Term Bond Fund Index	MSCI World Index
<b>Minimum Application Amount</b>	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
<b>Cut Off Time Subscription<sup>#</sup></b>	3.00 pm	2.00 pm	3.00 pm	3.00 pm	12.30 pm
<b>Redemption</b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	12.30 pm
<b>Exit Load (including SIP/STP/SWP, if available)</b>	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%.
<b>SIP / SWP / STP</b>	Available				
<b>Minimum number &amp; Amount of SIP/SWP/STP (if available)</b>	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).

<sup>~</sup> 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 April to June 2014):  
₹ 303.99 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 41.16	₹ 40.80
Dividend Option :	₹ 28.18	₹ 27.94

## INVESTMENT OBJECTIVE

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

## DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
June 24, 2010	1.5000	20.2200
July 28, 2009	2.0000	17.6700
February 5, 2008	2.0000	23.5600
May 15, 2007	1.5000	17.7600

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 June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	17.11%
Beta <sup>^</sup>	0.92
Sharpe Ratio <sup>^</sup> (Annualised)	0.31
Portfolio Turnover Ratio**	1.04
Expense Ratio (Regular Plan) <sup>#+</sup>	2.72%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

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

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 June 30, 2014)

	% of NAV
Equity & Equity Related Instruments of Large Cap Companies	98.87
Equity & Equity Related Instruments of Mid Cap & Other Companies	-
Cash and Other Assets	1.13

## PORTFOLIO (As on June 30, 2014)

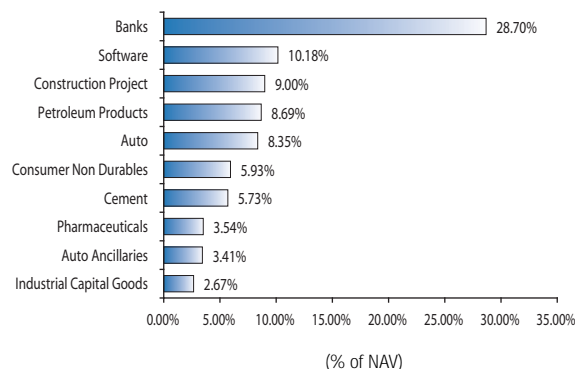
Instrument	Industry	% of NAV
<b>Equity</b>		<b>98.87</b>
ICICI Bank	Banks	8.21
Larsen & Toubro	Construction Project	7.92
State Bank of India	Banks	6.89
ITC	Consumer Non Durables	5.66
Reliance Industries	Petroleum Products	4.78
Shree Cements	Cement	3.96
Axis Bank	Banks	3.96
Tata Motors	Auto	3.95
Divi's Laboratories	Pharmaceuticals	3.54
Motherson Sumi Systems	Auto Ancillaries	3.21

HDFC Bank	Banks	3.04
Maruti Suzuki India	Auto	2.97
Tech Mahindra	Software	2.90
Wipro	Software	2.79
Infosys	Software	2.69
Crompton Greaves	Industrial Capital Goods	2.67
Housing Development Finance Corporation	Finance	2.52
Bharat Petroleum Corporation	Petroleum Products	2.50
Sesa Sterlite	Minerals/Mining	1.98
ING Vysya Bank	Banks	1.95
HCL Technologies	Software	1.80
The Federal Bank	Banks	1.69
Bank of Baroda	Banks	1.56
Aditya Birla Nuvo	Services	1.45
Hindustan Petroleum Corporation	Petroleum Products	1.41
Indusind Bank	Banks	1.40
Ultratech Cement	Cement	1.32
Adani Ports and Special Economic Zone	Transportation	1.26
Oil India	Oil	1.11
National Aluminium Company	Non - Ferrous Metals	1.10
D.B.Corp	Media & Entertainment	0.91
Hero MotoCorp	Auto	0.88
Voltas	Construction Project	0.73
IRB Infrastructure Developers	Construction	0.71
Indraprastha Gas	Gas	0.68
Eicher Motors	Auto	0.55
Coal India	Minerals/Mining	0.54
The Ramco Cements	Cement	0.45
GAIL (India)	Gas	0.41
Engineers India	Construction Project	0.35
Dabur India	Consumer Non Durables	0.27
Exide Industries	Auto Ancillaries	0.20

**Cash and Other Assets** **1.13**

**Net Assets** **100.00**

## SECTOR ALLOCATION (TOP 10) (As on June 30, 2014)





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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 287.86 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 51.49	₹ 51.00
Dividend Option :	₹ 39.21	₹ 38.86

## INVESTMENT OBJECTIVE

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

## DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
October 15, 2010	1.0000	27.4300
June 19, 2009	4.0000	19.3500

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 June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	20.32%
Beta <sup>^</sup>	0.86
Sharpe Ratio <sup>^</sup> (Annualised)	0.59
Portfolio Turnover Ratio <sup>**</sup>	0.72
Expense Ratio (Regular Plan) <sup>#+</sup>	2.72%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 June 30, 2014)

	% of NAV
Equity and equity related instruments of Mid Cap Companies	82.91
Equity and equity related instruments of Small Cap Companies	10.87
Equity and equity related instruments of Companies other than Mid & Small Cap	3.84
Cash and Money Market / Fixed Income Securities (including MIBOR Linked Short Term Papers & Securitised Debt)	1.06
Mutual Funds	1.32

**Market Cap Range for CNX Midcap Stocks**

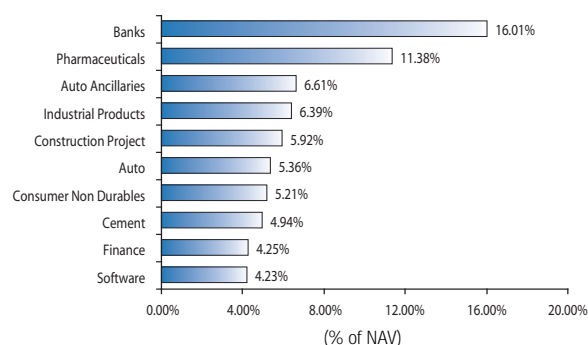
As on March 31, 2014 ₹ 54,464.36 Cr – ₹ 2,687.42 Crs

## PORTFOLIO (As on June 30, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>97.62</b>
The Federal Bank	Banks	3.75
Amara Raja Batteries	Auto Ancillaries	3.39
Tech Mahindra	Software	3.35
Motherson Sumi Systems	Auto Ancillaries	3.22
Sadbhav Engineering	Construction Project	3.18
Aurobindo Pharma	Pharmaceuticals	2.91
ICICI Bank	Banks	2.85
Shree Cements	Cement	2.78
Eicher Motors	Auto	2.70
Kaveri Seed Company	Consumer Non Durables	2.36
Divi's Laboratories	Pharmaceuticals	2.33
IPCA Laboratories	Pharmaceuticals	2.29
Power Finance Corporation	Finance	2.22
UPL	Pesticides	2.04
Gateway Distriparks	Transportation	2.04

Bata India	Consumer Durables	1.96
ING Vysya Bank	Banks	1.93
Symphony	Consumer Durables	1.67
Indusind Bank	Banks	1.64
Oil India	Oil	1.64
Bharat Forge	Industrial Products	1.63
Cummins India	Industrial Products	1.63
The Jammu & Kashmir Bank	Banks	1.57
Aditya Birla Nuvo	Services	1.53
Hindustan Petroleum Corporation	Petroleum Products	1.48
Reliance Infrastructure	Power	1.48
Britannia Industries	Consumer Non Durables	1.48
Glenmark Pharmaceuticals	Pharmaceuticals	1.43
Arvind	Textile Products	1.39
Tata Global Beverages	Consumer Non Durables	1.37
V.S.T Tillers Tractors	Auto	1.35
Oriental Bank of Commerce	Banks	1.34
Crompton Greaves	Industrial Capital Goods	1.33
Escorts	Auto	1.31
JK Cement	Cement	1.30
Kalpataru Power Transmission	Power	1.27
CESC	Power	1.23
Hindustan Construction Company	Construction Project	1.15
Sun TV Network	Media & Entertainment	1.14
Finolex Cables	Industrial Products	1.12
SRF	Textile Products	1.07
Karur Vysya Bank	Banks	1.05
Max India	Finance	1.03
Lupin	Pharmaceuticals	1.02
Voltas	Construction Project	1.02
Graphite India	Industrial Products	1.02
Indraprastha Gas	Gas	1.01
Andhra Bank	Banks	1.00
Indiabulls Housing Finance	Finance	1.00
Jain Irrigation Systems	Industrial Products	0.99
Hindustan Zinc	Non - Ferrous Metals	0.99
Torrent Pharmaceuticals	Pharmaceuticals	0.98
Sarda Energy & Minerals	Ferrous Metals	0.98
Wonderla Holidays	Hotels	0.96
Yes Bank	Banks	0.88
Persistent Systems	Software	0.88
Orient Cement	Cement	0.86
AIA Engineering	Industrial Capital Goods	0.75
J.Kumar Infraprojects	Construction	0.70
KNR Constructions	Construction	0.66
NCC	Construction Project	0.57
Neuland Laboratories	Pharmaceuticals	0.42
<b>Investment Funds/Mutual Funds</b>		<b>1.32</b>
Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	1.32
<b>Cash and Other Assets</b>		<b>1.06</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on June 30, 2014)



# Principal Growth Fund (An open-ended equity scheme)

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 312.15 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 84.28	₹ 83.56
Dividend Plan :	₹ 38.20	₹ 37.86

## INVESTMENT OBJECTIVE

To achieve long-term capital appreciation.

## DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
December 31, 2007	2.5000	37.1400
March 20, 2006	2.5000	24.6400

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 June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	19.75%
Beta <sup>^</sup>	1.04
Sharpe Ratio <sup>^</sup> (Annualised)	0.53
Portfolio Turnover Ratio**	1.09
Expense Ratio (Regular Plan) <sup>#+</sup>	2.72%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

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

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 June 30, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>92.31</b>
ICICI Bank	Banks	5.08
Tata Motors	Auto	3.86
Aurobindo Pharma	Pharmaceuticals	3.33
Reliance Industries	Petroleum Products	3.16
State Bank of India	Banks	3.12
ITC	Consumer Non Durables	2.92
The Federal Bank	Banks	2.72
Motherson Sumi Systems	Auto Ancillaries	2.70
Maruti Suzuki India	Auto	2.27
Escorts	Auto	2.20
TVS Motor Company	Auto	2.15
HCL Technologies	Software	2.06
Infosys	Software	2.05
HDFC Bank	Banks	2.04
Housing Development Finance Corpn.	Finance	2.02
Andhra Bank	Banks	2.01
Jain Irrigation Systems	Industrial Products	1.96
Tech Mahindra	Software	1.92
Bank of Baroda	Banks	1.92
Oriental Bank of Commerce	Banks	1.91
Hindustan Zinc	Non - Ferrous Metals	1.88

Power Finance Corporation	Finance	1.83
Bharat Forge	Industrial Products	1.70
Tata Consultancy Services	Software	1.69
Sesa Sterlite	Minerals/Mining	1.52
Bharat Petroleum Corporation	Petroleum Products	1.48
JK Cement	Cement	1.48
Oil & Natural Gas Corporation	Oil	1.47
Indiabulls Power	Power	1.39
The India Cements	Cement	1.37
Britannia Industries	Consumer Non Durables	1.34
Hindustan Construction Company	Construction Project	1.32
Larsen & Toubro	Construction Project	1.32
Oil India	Oil	1.31
ING Vysya Bank	Banks	1.16
Polaris Financial Technology	Software	1.16
Vardhman Textiles	Textiles - Cotton	1.15
Ultratech Cement	Cement	1.12
DLF	Construction	1.12
Aditya Birla Nuvo	Services	1.10
Eicher Motors	Auto	1.02
Volta	Construction Project	1.02
Lupin	Pharmaceuticals	1.01
Prestige Estates Projects	Construction	1.00
Wonderla Holidays	Hotels	1.00
Exide Industries	Auto Ancillaries	0.98
National Aluminium Company	Non - Ferrous Metals	0.95
Raymond	Textile Products	0.90
Jet Airways (India)	Transportation	0.88
UPL	Pesticides	0.84
Dabur India	Consumer Non Durables	0.82
Wipro	Software	0.78
Persistent Systems	Software	0.78
The Ramco Cements	Cement	0.52
Godfrey Phillips	Consumer Non Durables	0.48
Mile Stone Global	Construction Materials	0.02

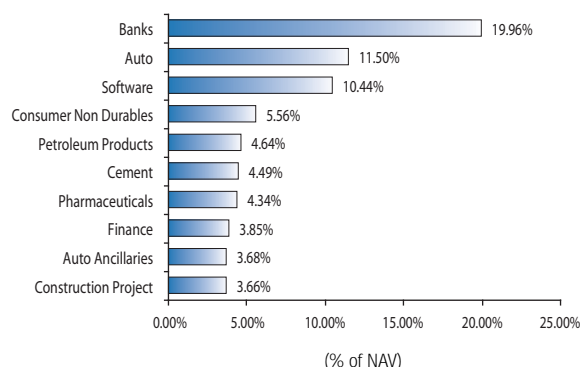
## Investment Funds/Mutual Funds

Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	1.22
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## Cash and Other Assets

<b>Net Assets</b>	<b>100.00</b>
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## SECTOR ALLOCATION (TOP 10) (As on June 30, 2014)



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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 110.41 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 32.83	₹ 32.56
Dividend Plan :	₹ 24.24	₹ 24.04

## 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	Dividend (₹/Unit)*	Cum Dividend NAV
October 12, 2007	1.5000	15.4400
April 24, 2006	1.5000	15.7200
October 3, 2005	0.7500	13.5100
April 20, 2005	0.5000	11.0900

\* 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 June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	19.38%
Beta <sup>^</sup>	0.92
Sharpe Ratio <sup>^</sup> (Annualised)	0.23
Portfolio Turnover Ratio <sup>**</sup>	0.46
Expense Ratio (Regular Plan) <sup>#+</sup>	2.91%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

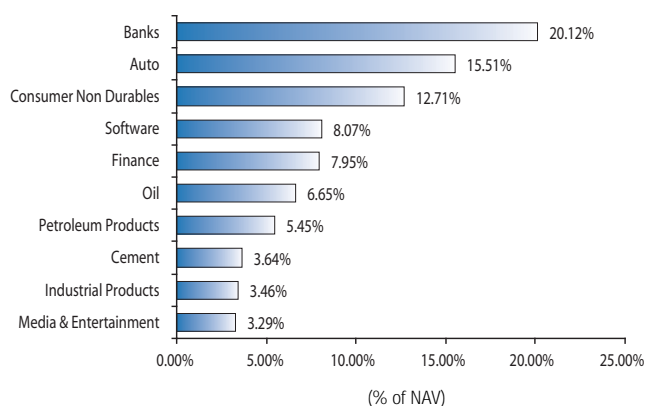
<sup>+</sup> Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

## PORTFOLIO (As on June 30, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>99.10</b>
Hero MotoCorp	Auto	5.45
Oil & Natural Gas Corporation	Oil	4.75
ITC	Consumer Non Durables	4.38
Tata Motors - A Class	Auto	4.30
ICICI Bank	Banks	3.65
Bank of Baroda	Banks	3.63
State Bank of India	Banks	3.52
Bajaj Holdings & Investment	Finance	3.49
Bajaj Auto	Auto	3.05
VST Industries	Consumer Non Durables	2.79
HCL Technologies	Software	2.67
Colgate Palmolive (India)	Consumer Non Durables	2.39
Power Finance Corporation	Finance	2.37
Sun TV Network	Media & Entertainment	2.19
Rural Electrification Corporation	Finance	2.09
Gateway Distriparks	Transportation	2.06

Tata Consultancy Services	Software	2.00
Tech Mahindra	Software	1.92
Cummins India	Industrial Products	1.91
Oil India	Oil	1.90
The Jammu & Kashmir Bank	Banks	1.85
Century Textiles & Industries	Cement	1.82
ACC	Cement	1.82
The Federal Bank	Banks	1.72
Bharat Petroleum Corporation	Petroleum Products	1.71
SML Isuzu	Auto	1.61
Supreme Industries	Industrial Products	1.55
Hindustan Petroleum Corporation	Petroleum Products	1.52
Tata Power Company	Power	1.51
NIIT Technologies	Software	1.48
Karur Vysya Bank	Banks	1.47
IPCA Laboratories	Pharmaceuticals	1.43
HDFC Bank	Banks	1.37
National Buildings Construction Corpn.	Construction	1.28
Kolte - Patil Developers	Construction	1.15
Castrol India	Petroleum Products	1.15
DCM Shriram Consolidated	Consumer Non Durables	1.13
Hinduja Ventures	Media & Entertainment	1.10
Maruti Suzuki India	Auto	1.10
Tata Global Beverages	Consumer Non Durables	1.08
Reliance Industries	Petroleum Products	1.07
Coal India	Minerals/Mining	1.05
Tamil Nadu Newsprint & Papers	Paper	1.05
Syndicate Bank	Banks	1.01
Oriental Bank of Commerce	Banks	0.98
Crompton Greaves	Industrial Capital Goods	0.97
Hindustan Zinc	Non - Ferrous Metals	0.96
Mcleod Russel India	Consumer Non Durables	0.94
Andhra Bank	Banks	0.92
Aurobindo Pharma	Pharmaceuticals	0.79
<b>Cash and Other Assets</b>		<b>0.90</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on June 30, 2014)



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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 9.41 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 52.7745	₹ 52.4390
Dividend Plan :	₹ 31.0149	₹ 30.8195

## 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 June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	17.49%
Beta <sup>^</sup>	0.99
Sharpe Ratio <sup>^</sup> (Annualised)	0.22
Portfolio Turnover Ratio <sup>**</sup>	0.69
Expense Ratio (Regular Plan) <sup>#+</sup>	0.85%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM.

<sup>+</sup> 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

0.97%\*

\* Trailing 12 months ended June 30, 2014 (Annualized).

## PORTFOLIO (As on June 30, 2014)

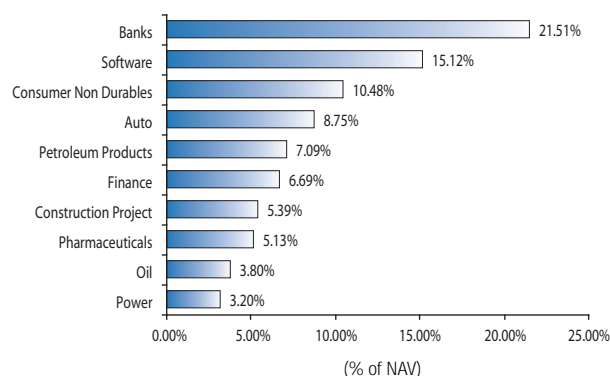
Instrument	Industry	% of NAV
<b>Equity</b>		<b>99.45</b>
ITC	Consumer Non Durables	7.00
Reliance Industries	Petroleum Products	6.49
ICICI Bank	Banks	6.37
Infosys	Software	6.11
Housing Development Finance Corpn.	Finance	6.03
HDFC Bank	Banks	5.94
Larsen & Toubro	Construction Project	5.39
Tata Consultancy Services	Software	4.82
State Bank of India	Banks	3.23
Tata Motors	Auto	3.01
Oil & Natural Gas Corporation	Oil	2.96
Axis Bank	Banks	2.48
Mahindra & Mahindra	Auto	2.05
Sun Pharmaceuticals Industries	Pharmaceuticals	2.01
Hindustan Unilever	Consumer Non Durables	1.71
HCL Technologies	Software	1.56

Bharti Airtel	Telecom - Services	1.55
Sesa Sterlite	Minerals/Mining	1.40
Wipro	Software	1.39
Tata Steel	Ferrous Metals	1.37
Kotak Mahindra Bank	Banks	1.31
Dr. Reddy's Laboratories	Pharmaceuticals	1.29
Maruti Suzuki India	Auto	1.25
NTPC	Power	1.25
Tech Mahindra	Software	1.24
Hero MotoCorp	Auto	1.23
Bajaj Auto	Auto	1.21
Power Grid Corporation of India	Power	1.19
Asian Paints	Consumer Non Durables	1.05
Ultratech Cement	Cement	1.03
Coal India	Minerals/Mining	0.98
Lupin	Pharmaceuticals	0.97
Indusind Bank	Banks	0.97
Bharat Heavy Electricals	Industrial Capital Goods	0.88
Cipla	Pharmaceuticals	0.86
Grasim Industries	Cement	0.85
Cairn India	Oil	0.84
GAIL (India)	Gas	0.84
Hindalco Industries	Non - Ferrous Metals	0.82
Tata Power Company	Power	0.76
United Spirits	Consumer Non Durables	0.72
IDFC	Finance	0.66
Ambuja Cements	Cement	0.66
Bank of Baroda	Banks	0.64
Bharat Petroleum Corporation	Petroleum Products	0.60
Punjab National Bank	Banks	0.57
NMDC	Minerals/Mining	0.56
ACC	Cement	0.53
Jindal Steel & Power	Ferrous Metals	0.45
DLF	Construction	0.37

**Cash and Other Assets** **0.55**

**Net Assets** **100.00**

## SECTOR ALLOCATION (TOP 10) (As on June 30, 2014)



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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 13.10 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 12.2378	₹ 12.2267
Dividend Plan :	₹ 12.2378	₹ 12.2267

## 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 June 30, 2014)

Portfolio Turnover Ratio**	0.07
Expense Ratio (Regular Plan)#	0.50%

\*\* 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.

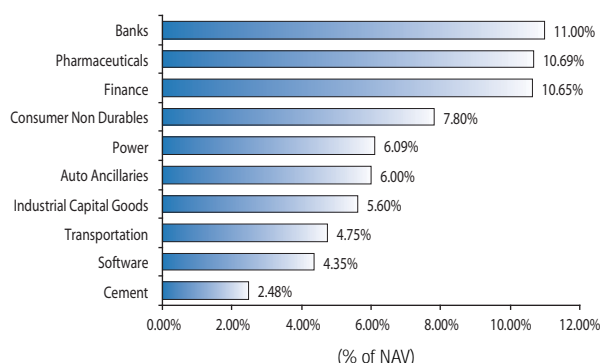
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

## PORTFOLIO (As on June 30, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>99.91</b>
Adani Ports and Special Economic Zone	Transportation	2.37
Adani Enterprises	Trading	2.35
Power Finance Corporation	Finance	2.07
Reliance Infrastructure	Power	1.96
UPL	Pesticides	1.93
Motherson Sumi Systems	Auto Ancillaries	1.85
Aurobindo Pharma	Pharmaceuticals	1.84
Divi's Laboratories	Pharmaceuticals	1.74
Container Corporation of India	Transportation	1.66
Bharti Infratel	Telecom - Equipment & Accessories	1.65
Siemens	Industrial Capital Goods	1.59
Oil India	Oil	1.55
Glenmark Pharmaceuticals	Pharmaceuticals	1.50
Eicher Motors	Auto	1.48
Steel Authority of India	Ferrous Metals	1.47
Bharat Forge	Industrial Products	1.46
Mahindra & Mahindra Financial Services	Finance	1.44
Reliance Power	Power	1.43
Apollo Hospitals Enterprise	Healthcare Services	1.42
Aditya Birla Nuvo	Services	1.40
Reliance Capital	Finance	1.38
Crompton Greaves	Industrial Capital Goods	1.35
Indiabulls Housing Finance	Finance	1.34
ING Vysya Bank	Banks	1.31
Tata Global Beverages	Consumer Non Durables	1.30
Hindustan Petroleum Corporation	Petroleum Products	1.29
Exide Industries	Auto Ancillaries	1.25
Oracle Financial Services Software	Software	1.24
Canara Bank	Banks	1.24
Bank of India	Banks	1.21
Shree Cements	Cement	1.17
Union Bank of India	Banks	1.13
Tata Chemicals	Chemicals	1.13
IPCA Laboratories	Pharmaceuticals	1.12
MRF	Auto Ancillaries	1.12
Britannia Industries	Consumer Non Durables	1.11
ABB India	Industrial Capital Goods	1.11
Apollo Tyres	Auto Ancillaries	1.06
Havells India	Consumer Durables	1.05
Bajaj Finserv	Finance	1.05
Cadila Healthcare	Pharmaceuticals	1.04
MindTree	Software	1.00
Piramal Enterprises	Pharmaceuticals	1.00
Petronet LNG	Gas	0.99
The Indian Hotels Company	Hotels	0.98

GlaxoSmithKline Consumer Healthcare	Consumer Non Durables	0.98
Voltas	Construction Project	0.94
Pidilite Industries	Chemicals	0.94
Karur Vysya Bank	Banks	0.90
United Breweries	Consumer Non Durables	0.87
Max India	Finance	0.87
Unitech	Construction	0.86
Sun TV Network	Media & Entertainment	0.85
Ashok Leyland	Auto	0.84
Jubilant Foodworks	Consumer Non Durables	0.81
Bharat Electronics	Industrial Capital Goods	0.80
CESC	Power	0.78
The South Indian Bank	Banks	0.78
IDBI Bank	Banks	0.77
NHPC	Power	0.77
CRISIL	Finance	0.77
Procter & Gamble Hygiene and Health Care	Consumer Non Durables	0.76
Biocon	Pharmaceuticals	0.76
Oriental Bank of Commerce	Banks	0.75
Thermax	Industrial Capital Goods	0.75
Hindustan Zinc	Non - Ferrous Metals	0.73
Bata India	Consumer Durables	0.73
Amara Raja Batteries	Auto Ancillaries	0.72
The Great Eastern Shipping Company	Transportation	0.72
Jain Irrigation Systems	Industrial Products	0.71
The Ramco Cements	Cement	0.70
GMR Infrastructure	Construction Project	0.70
Syndicate Bank	Banks	0.67
The Jammu & Kashmir Bank	Banks	0.67
Bajaj Finance	Finance	0.65
JSW Energy	Power	0.65
Torrent Pharmaceuticals	Pharmaceuticals	0.64
Arvind	Textile Products	0.64
Century Textiles & Industries	Cement	0.61
Allahabad Bank	Banks	0.61
Emami	Consumer Non Durables	0.59
Mphasis	Software	0.59
Godrej Industries	Consumer Non Durables	0.58
L&T Finance Holdings	Finance	0.56
CMC	Software	0.54
Sanofi India	Pharmaceuticals	0.54
Tata Communications	Telecom - Services	0.52
Just Dial	Software	0.52
IFCI	Finance	0.52
Strides Arcolab	Pharmaceuticals	0.51
Torrent Power	Power	0.50
The Karnataka Bank	Banks	0.50
Gujarat State Petronet	Gas	0.49
Bhushan Steel	Ferrous Metals	0.48
Indraprastha Gas	Gas	0.47
KPIIT Technologies	Software	0.46
UCO Bank	Banks	0.46
TV18 Broadcast	Media & Entertainment	0.45
Kansai Nerolac Paints	Consumer Non Durables	0.45
Mcleod Russel India	Consumer Non Durables	0.35
<b>Cash and Other Assets</b>		<b>0.09</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on June 30, 2014)



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

## FUND FEATURES

**OAAUM** (For the period April to June 2014):

₹ 52.74 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 15.30	₹ 15.12
Dividend Plan :	₹ 15.30	₹ 15.12

## 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.

## RATIOS & OTHER DETAILS (As on June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	14.24%
Beta <sup>^</sup>	1.10
Sharpe Ratio <sup>^</sup> (Annualised)	0.46
Portfolio Turnover Ratio <sup>**</sup>	1.08
Expense Ratio (Regular Plan) <sup>#+</sup>	2.89%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM.

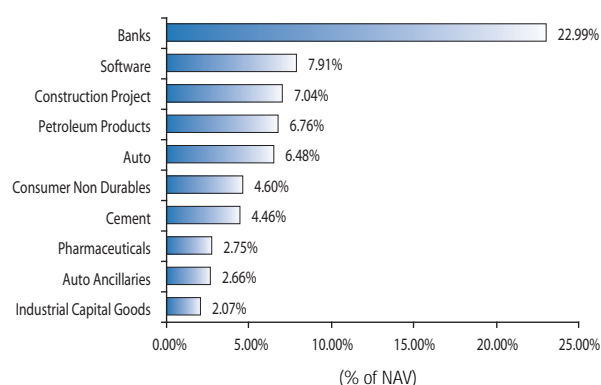
<sup>+</sup> Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

## PORTFOLIO (As on June 30, 2014)

Instrument	Industry/Rating	% of NAV
<b>Equity</b>		<b>77.55</b>
ICICI Bank	Banks	6.76
Larsen & Toubro	Construction Project	6.19
State Bank of India	Banks	5.36
ITC	Consumer Non Durables	4.40
Reliance Industries	Petroleum Products	3.72
Axis Bank	Banks	3.37
Shree Cements	Cement	3.08
Tata Motors	Auto	3.07
Divi's Laboratories	Pharmaceuticals	2.75
Motherson Sumi Systems	Auto Ancillaries	2.50
HDFC Bank	Banks	2.37
Maruti Suzuki India	Auto	2.31
Tech Mahindra	Software	2.25
Wipro	Software	2.17
Infosys	Software	2.09
Crompton Greaves	Industrial Capital Goods	2.07
Housing Development Finance Corporation	Finance	1.96

Bharat Petroleum Corporation	Petroleum Products	1.94
Sesa Sterlite	Minerals/Mining	1.54
ING Vysya Bank	Banks	1.52
HCL Technologies	Software	1.40
The Federal Bank	Banks	1.31
Bank of Baroda	Banks	1.21
Aditya Birla Nuvo	Services	1.13
Hindustan Petroleum Corporation	Petroleum Products	1.10
Indusind Bank	Banks	1.09
Ultratech Cement	Cement	1.03
Adani Ports and Special Economic Zone	Transportation	0.98
Oil India	Oil	0.86
National Aluminium Company	Non - Ferrous Metals	0.85
D.B.Corp	Media & Entertainment	0.71
Hero MotoCorp	Auto	0.68
Voltas	Construction Project	0.57
IRB Infrastructure Developers	Construction	0.54
Indraprastha Gas	Gas	0.53
Eicher Motors	Auto	0.42
Coal India	Minerals/Mining	0.41
The Ramco Cements	Cement	0.35
GAIL (India)	Gas	0.32
Engineers India	Construction Project	0.28
Dabur India	Consumer Non Durables	0.20
Exide Industries	Auto Ancillaries	0.16
<b>Commercial Paper</b>		<b>5.24</b>
JM Financial Products	A1+	5.24
<b>Cash and Other Assets</b>		<b>17.21</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on June 30, 2014)



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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 354.91 crore

**NAV per unit** (As on June 30, 2014)

**Direct Plan:** ₹ 135.53

**Regular Plan:** ₹ 134.40

## 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 June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	17.40%
Beta <sup>^</sup>	0.93
Sharpe Ratio <sup>^</sup> (Annualised)	0.29
Portfolio Turnover Ratio <sup>**</sup>	1.05
Expense Ratio (Regular Plan) <sup>#+</sup>	2.73%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 June 30, 2014)

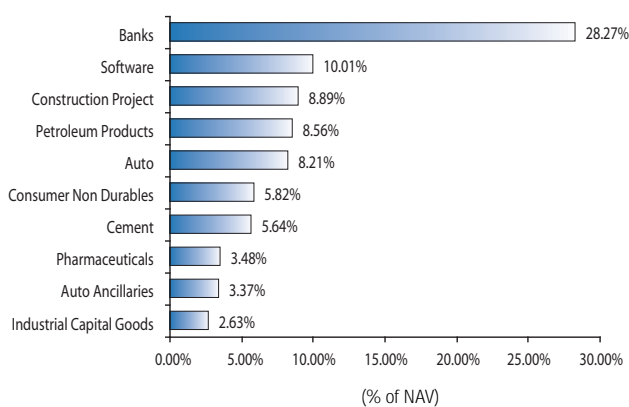
Instrument	Industry	% of NAV
<b>Equity</b>		<b>97.35</b>
ICICI Bank	Banks	8.08
Larsen & Toubro	Construction Project	7.82
State Bank of India	Banks	6.78
ITC	Consumer Non Durables	5.57
Reliance Industries	Petroleum Products	4.71
Axis Bank	Banks	3.90
Shree Cements	Cement	3.90
Tata Motors	Auto	3.88
Divi's Laboratories	Pharmaceuticals	3.48
Motherson Sumi Systems	Auto Ancillaries	3.17
HDFC Bank	Banks	2.99
Maruti Suzuki India	Auto	2.92
Tech Mahindra	Software	2.85
Wipro	Software	2.75

Infosys	Software	2.64
Crompton Greaves	Industrial Capital Goods	2.63
Housing Development Finance Corporation	Finance	2.49
Bharat Petroleum Corporation	Petroleum Products	2.46
Sesa Sterlite	Minerals/Mining	1.96
ING Vysya Bank	Banks	1.92
HCL Technologies	Software	1.77
The Federal Bank	Banks	1.67
Bank of Baroda	Banks	1.54
Aditya Birla Nuvo	Services	1.43
Hindustan Petroleum Corporation	Petroleum Products	1.39
Indusind Bank	Banks	1.39
Ultratech Cement	Cement	1.30
Adani Ports and Special Economic Zone	Transportation	1.24
Oil India	Oil	1.09
National Aluminium Company	Non - Ferrous Metals	1.07
D.B.Corp	Media & Entertainment	0.90
Hero MotoCorp	Auto	0.87
Voltas	Construction Project	0.72
IRB Infrastructure Developers	Construction	0.68
Indraprastha Gas	Gas	0.68
Eicher Motors	Auto	0.54
Coal India	Minerals/Mining	0.52
The Ramco Cements	Cement	0.44
GAIL (India)	Gas	0.41
Engineers India	Construction Project	0.35
Dabur India	Consumer Non Durables	0.25
Exide Industries	Auto Ancillaries	0.20

**Cash and Other Assets** **2.65**

**Net Assets** **100.00**

## SECTOR ALLOCATION (TOP 10) (As on June 30, 2014)



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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 228.10 crore

**NAV per unit** (As on June 30, 2014)

**Direct Plan:** ₹ 124.32

**Regular Plan:** ₹ 123.44

## 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
June 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 June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	19.61%
Beta <sup>^</sup>	1.03
Sharpe Ratio <sup>^</sup> (Annualised)	0.56
Portfolio Turnover Ratio <sup>**</sup>	1.01
Expense Ratio (Regular Plan) <sup>#+</sup>	2.77%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

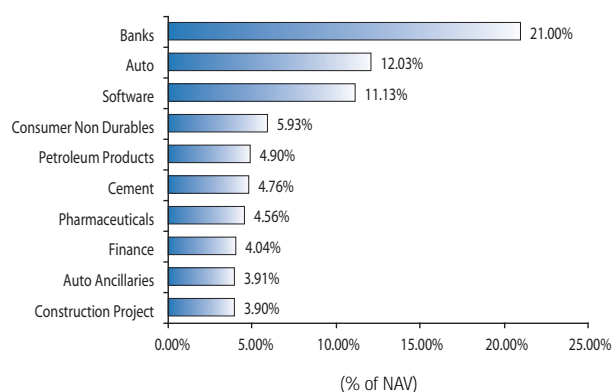
<sup>+</sup> Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

## PORTFOLIO (As on June 30, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>97.38</b>
ICICI Bank	Banks	5.36
Tata Motors	Auto	4.08
Aurobindo Pharma	Pharmaceuticals	3.51
Reliance Industries	Petroleum Products	3.33
State Bank of India	Banks	3.30
ITC	Consumer Non Durables	3.09
Motherson Sumi Systems	Auto Ancillaries	2.86
The Federal Bank	Banks	2.85
Maruti Suzuki India	Auto	2.40
Escorts	Auto	2.30
Infosys	Software	2.17
HCL Technologies	Software	2.16
TVS Motor Company	Auto	2.16
HDFC Bank	Banks	2.15
Housing Development Finance Corporation	Finance	2.11
Andhra Bank	Banks	2.10
Tech Mahindra	Software	2.03
Jain Irrigation Systems	Industrial Products	2.03
Oriental Bank of Commerce	Banks	2.02
Bank of Baroda	Banks	2.00

Power Finance Corporation	Finance	1.93
Hindustan Zinc	Non - Ferrous Metals	1.89
Tata Consultancy Services	Software	1.82
Bharat Forge	Industrial Products	1.79
Sesa Sterlite	Minerals/Mining	1.60
Bharat Petroleum Corporation	Petroleum Products	1.57
JK Cement	Cement	1.56
Oil & Natural Gas Corporation	Oil	1.54
Indiabulls Power	Power	1.47
Britannia Industries	Consumer Non Durables	1.41
The India Cements	Cement	1.41
Hindustan Construction Company	Construction Project	1.40
Oil India	Oil	1.39
Larsen & Toubro	Construction Project	1.39
Polaris Financial Technology	Software	1.25
Ultratech Cement	Cement	1.23
ING Vysya Bank	Banks	1.22
DLF	Construction	1.20
Vardhman Textiles	Textiles - Cotton	1.19
Aditya Birla Nuvo	Services	1.16
Voltas	Construction Project	1.11
Eicher Motors	Auto	1.09
Wonderla Holidays	Hotels	1.07
Exide Industries	Auto Ancillaries	1.05
Prestige Estates Projects	Construction	1.05
Lupin	Pharmaceuticals	1.05
National Aluminium Company	Non - Ferrous Metals	1.04
Raymond	Textile Products	0.95
Jet Airways (India)	Transportation	0.93
UPL	Pesticides	0.92
Dabur India	Consumer Non Durables	0.90
Persistent Systems	Software	0.85
Wipro	Software	0.85
The Ramco Cements	Cement	0.56
Godfrey Phillips	Consumer Non Durables	0.53
<b>Cash and Other Assets</b>		<b>2.62</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on June 30, 2014)





# Principal Balanced Fund (An open-ended balanced scheme)

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 18.77 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 45.85	₹ 45.28
Dividend Plan :	₹ 23.19	₹ 22.88

## 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 (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
March 24, 2008	2.5000	14.9200
November 5, 2007	6.0000	23.9000
November 9, 2005	3.2000	16.4100

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 June 30, 2014)

Standard Deviation <sup>^</sup> (Annualised)	13.97%
Beta <sup>^</sup>	1.07
Sharpe Ratio <sup>^</sup> (Annualised)	0.41
Portfolio Turnover Ratio <sup>**</sup>	0.72
Expense Ratio (Regular Plan) <sup>#+</sup>	2.88%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.5619% risk free rate of return (91 days - T Bill Rate as on June 25, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 June 30, 2014)

2.31 years

## MODIFIED DURATION (As on June 30, 2014)

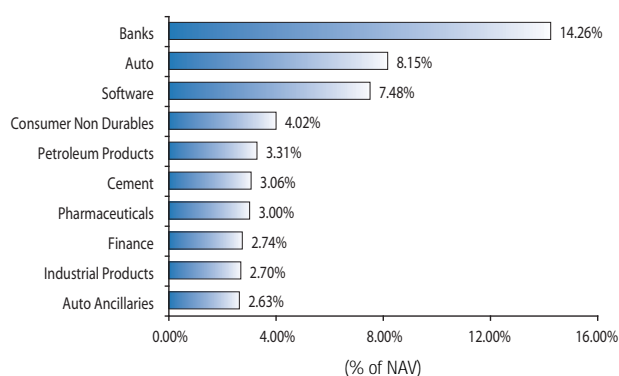
1.8 years

## PORTFOLIO (As on June 30, 2014)

Instrument	Industry / Rating	% of NAV
<b>Equity</b>		<b>65.74</b>
ICICI Bank	Banks	3.66
Tata Motors	Auto	2.74
Aurobindo Pharma	Pharmaceuticals	2.33
Reliance Industries	Petroleum Products	2.22
State Bank of India	Banks	2.19
ITC	Consumer Non Durables	2.10
The Federal Bank	Banks	1.96
Motherson Sumi Systems	Auto Ancillaries	1.96
Escorts	Auto	1.59
Maruti Suzuki India	Auto	1.58
TVS Motor Company	Auto	1.52
HCL Technologies	Software	1.49
Infosys	Software	1.48
Jain Irrigation Systems	Industrial Products	1.47
HDFC Bank	Banks	1.43
Andhra Bank	Banks	1.42
Housing Development Finance Corporation	Finance	1.42
Bank of Baroda	Banks	1.38
Oriental Bank of Commerce	Banks	1.38

Tech Mahindra	Software	1.35
Power Finance Corporation	Finance	1.32
Hindustan Zinc	Non - Ferrous Metals	1.29
Bharat Forge	Industrial Products	1.23
Tata Consultancy Services	Software	1.22
Bharat Petroleum Corporation	Petroleum Products	1.09
Oil & Natural Gas Corporation	Oil	1.07
Sesa Sterlite	Minerals/Mining	1.07
Britannia Industries	Consumer Non Durables	1.01
JK Cement	Cement	1.00
Larsen & Toubro	Construction Project	0.96
Indiabulls Power	Power	0.95
Hindustan Construction Company	Construction Project	0.92
Oil India	Oil	0.92
The India Cements	Cement	0.92
ING Vysya Bank	Banks	0.84
Vardhman Textiles	Textiles - Cotton	0.84
Polaris Financial Technology	Software	0.82
Aditya Birla Nuvo	Services	0.81
Prestige Estates Projects	Construction	0.79
Ultratech Cement	Cement	0.77
DLF	Construction	0.76
Raymond	Textile Products	0.75
Voltas	Construction Project	0.72
Eicher Motors	Auto	0.72
Wonderla Holidays	Hotels	0.69
Exide Industries	Auto Ancillaries	0.67
Lupin	Pharmaceuticals	0.67
National Aluminium Company	Non - Ferrous Metals	0.65
Jet Airways (India)	Transportation	0.61
UPL	Pesticides	0.59
Wipro	Software	0.58
Dabur India	Consumer Non Durables	0.57
Persistent Systems	Software	0.54
The Ramco Cements	Cement	0.37
Godfrey Phillips	Consumer Non Durables	0.34
<b>Commercial Paper</b>		<b>11.49</b>
JM Financial Products	A1+	9.15
Edelweiss Financial Services	A1+	2.34
<b>Treasury Bill</b>		<b>0.14</b>
T-Bill 91 Day 2014	Sovereign	0.14
<b>Bonds &amp; NCDs</b>		<b>18.87</b>
Rural Electrification Corporation	AAA	16.50
Housing Development Finance Corporation	AAA	2.37
<b>Cash and Other Assets</b>		<b>3.76</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on June 30, 2014)



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

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

### FUND FEATURES

**OAAUM** (For the period April to June 2014):  
₹ 26.86 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 26.2220	₹ 25.9187
Dividend Plan (Monthly):	₹ 10.8313	₹ 10.7877
Dividend Plan (Quarterly):	₹ 12.2318	₹ 12.1817

### 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
<b>Monthly Dividend (Last 3 Months)</b>				
June 24, 2014	0.0774	10.8563	0.0850	10.9062
May 23, 2014	0.2279	11.0068	0.2348	11.056
April 23, 2014	0.0746	10.8535	0.1111	10.9316
<b>Quarterly Dividend (Last 3 Quarters)</b>				
June 24, 2014	0.4923	12.6638	0.58530	12.8054
June 24, 2013	0.1000	12.3283	0.1000	12.3757
March 22, 2013	0.0500	12.0959	0.0500	12.1172

\* 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 June 30, 2014)

Portfolio Turnover Ratio\*\*

-

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

### AVERAGE MATURITY (As on June 30, 2014)

6.2 years

### MODIFIED DURATION (As on June 30, 2014)

4.35 years

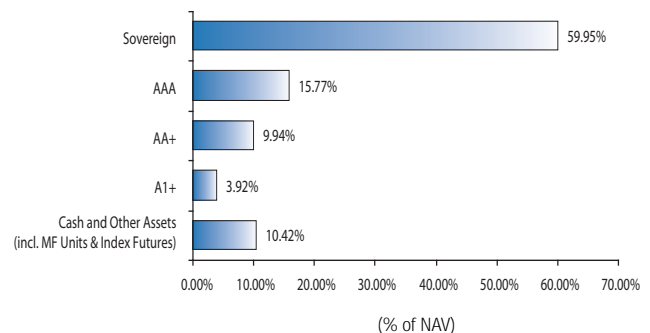
### PORTFOLIO (As on June 30, 2014)

Instrument	Industry/Rating	% of NAV
<b>Derivatives</b>		
NIFTY Index Future Jul 2014	Index Futures	4.52
<b>Commercial Paper</b>		
Edelweiss Financial Services	A1+	3.92
<b>Treasury Bill</b>		
T-Bill 91 Day 2014	Sovereign	1.37
<b>Sovereign</b>		
08.83% GOI -M- 25-NOV-2023	Sovereign	39.69
7.80% GOI -M- 03-MAY-2020	Sovereign	18.89
<b>Bonds &amp; NCDs</b>		
Rural Electrification Corporation	AAA	11.79
Fullerton India Credit Company	AA+	6.00
Lafarge India	AA+	3.94
LIC Housing Finance	AAA	3.98
<b>Investment Funds/Mutual Funds</b>		
Principal Index Fund - Direct - Growth Plan	Mutual Funds	9.09
<b>Cash and Other Assets</b>		
		<b>-3.19</b>
<b>Net Assets</b>		<b>100.00</b>

### COMPOSITION BY ASSETS (As on June 30, 2014)

Industry / Ratings	% of NAV
Sovereign	58.58
Bonds & NCDs	25.71
Investment Funds/Mutual Funds	9.09
Derivatives	4.52
Commercial Paper	3.92
Treasury Bill	1.37
Cash and Other Assets	-3.19

### RATING PROFILE (As on June 30, 2014)



# Principal Government Securities Fund

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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):  
₹ 57.97 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 24.8200	₹ 24.6355
Quarterly Dividend Option:	₹ 11.8209	₹ 11.7909
Annual Dividend Option:	₹ 14.3255	₹ 13.8596

## 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
<b>Quarterly Dividend Option (Last 3 Quarters)</b>				
June 24, 2014	0.0717	11.8658	0.1317	11.9551
June 24, 2013	0.3000	12.1624	0.3000	12.1911
March 22, 2013	0.1500	11.7404	0.1500	11.7533
<b>Annual Dividend Option (Last 3 Years)</b>				
September 24, 2013	0.7559	13.7794	0.4192	13.8300
September 24, 2012	0.8000	14.1275	-	-
September 23, 2011	0.6000	13.7418	-	-

\* 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 June 30, 2014)

9.29 years

## MODIFIED DURATION (As on June 30, 2014)

5.88 years

## MATURITY PROFILE

Period	Portfolio (%)
Less than 3 years	1.60
5 - 10 years	41.11
Above 10 years	43.87
Cash and Other Assets	13.42

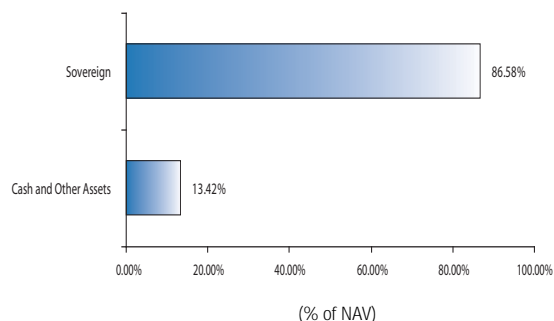
## PORTFOLIO (As on June 30, 2014)

Instrument	Rating	% of NAV
<b>Treasury Bill</b>		<b>1.60</b>
T-Bill 91 Day 2014	Sovereign	1.60
<b>Sovereign</b>		<b>84.98</b>
8.24% GOI -M- 15-Feb-27	Sovereign	20.18
7.16% GOI -M- 20-May-2023	Sovereign	16.25
08.83% GOI -M- 25-Nov-2023	Sovereign	14.14
8.28% GOI -M- 21-Sep-2027	Sovereign	13.48
7.80% GOI -M- 03-May-2020	Sovereign	5.77
9.20% GOI -M- 30-Sep-2030	Sovereign	5.21
8.60% GOI -M- 02-Jun-2028	Sovereign	5.00
8.27% GOI -M- 09-Jun-2020	Sovereign	4.95
<b>Cash and Other Assets</b>		<b>13.42</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on June 30, 2014)

Ratings	% of NAV
Sovereign	84.98
Treasury Bill	1.60
Cash and Other Assets	13.42

## RATING PROFILE (As on June 30, 2014)



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

## FUND FEATURES

**OAAUM** (For the period April to June 2014):

₹ 92.85 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 21.7685	₹ 21.5061
Dividend Option (Quarterly):	₹ 12.9933	₹ 12.9428
Dividend Option (Annual):	₹ 12.3149	₹ 11.9048

## 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
<b>Quarterly Dividend Option (Last 3 Quarters)</b>				
June 24, 2014	0.3918	13.3283	0.5050	13.4906
June 24, 2013	0.3000	13.2785	0.3000	13.3264
March 22, 2013	0.2000	13.0003	0.2000	13.0218
<b>Annual Dividend Option (Last 3 Years)</b>				
September 24, 2013	0.7029	11.8468	0.4597	11.9117
September 24, 2012	1.0000	12.3525	-	-
September 23, 2011	0.6000	11.7136	-	-

\* 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 June 30, 2014)

6.3 years

## MODIFIED DURATION (As on June 30, 2014)

4.33 years

## MATURITY PROFILE

Period	Portfolio (%)
Less than 1 year	6.37
3 - 5 years	35.21
5 - 10 years	32.39
Above 10 years	14.83
Cash and Others Assets	11.20

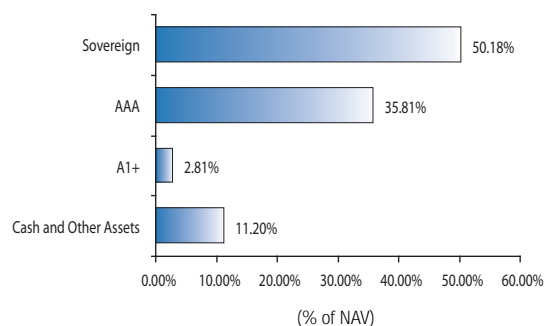
## PORTFOLIO (As on June 30, 2014)

Instrument	Rating	% of NAV
<b>Commercial Paper</b>		
Vodafone India	A1+	4.91
<b>Treasury Bill</b>		
T-Bill 91 Day 2014	Sovereign	2.96
<b>Sovereign</b>		
<b>47.22</b>		
7.16% GOI -M- 20-May-2023	Sovereign	17.38
8.83% GOI -M- 25-Nov-2023	Sovereign	9.72
8.24% GOI -M- 15-Feb-2027	Sovereign	5.20
8.28% GOI -M- 21-Sep-2027	Sovereign	3.48
9.20% GOI -M- 30-Sep-2030	Sovereign	3.14
8.60% GOI -M- 02-Jun-2028	Sovereign	3.01
8.27% GOI -M- 09-Jun-2020	Sovereign	2.98
7.80% GOI -M- 03-May-2020	Sovereign	2.31
<b>Bonds &amp; NCDs</b>		
<b>35.81</b>		
Power Finance Corporation	AAA	12.15
IDFC	AAA	11.40
Rural Electrification Corporation	AAA	6.62
Export Import Bank of India	AAA	5.52
Housing Development Finance Corporation	AAA	0.12
<b>Cash and Other Assets</b>		
<b>11.20</b>		
<b>Net Assets</b>		
<b>100.00</b>		

## COMPOSITION BY ASSETS (As on June 30, 2014)

Ratings	% of NAV
Sovereign	47.22
Bonds & NCDs	35.81
Treasury Bill	2.96
Commercial Paper	2.81
Cash and Other Assets	11.20

## RATING PROFILE (As on June 30, 2014)



# Principal Debt Opportunities Fund - Corporate Bond Plan

(An open-ended debt scheme)

## FUND FEATURES

**QAAUM** (For the period April to June 2014):

₹ 3.81 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 2022.6431	₹ 2006.2330
Dividend Option (Monthly):	₹ 1240.7989	₹ 1237.7571

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
June 24, 2014	9.6076	1245.1261	10.5413	1249.0052
May 23, 2014	11.4907	1247.0092	12.3277	1250.7916
April 23, 2014	9.2533	1244.7718	9.9389	1248.4028

\* 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 June 30, 2014)

1.52 years

## MODIFIED DURATION (As on June 30, 2014)

1.26 year

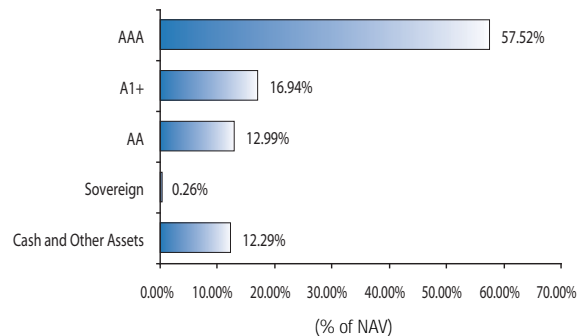
## PORTFOLIO (As on June 30, 2014)

Instrument	Rating	% of NAV
<b>Commercial Paper</b>		
Vodafone India	A1+	16.94
<b>Treasury Bill</b>		
T-Bill 91 Day 2014	Sovereign	0.26
<b>Bonds &amp; NCDs</b>		
<b>70.51</b>		
Power Finance Corporation	AAA	15.60
Export Import Bank of India	AAA	13.22
Cholamandlam Investment & Finance Company	AA	12.99
Rural Electrification Corporation	AAA	12.75
IDFC	AAA	7.60
Indian Oil Corporation	AAA	5.11
Power Grid Corporation of India	AAA	3.24
<b>Cash and Other Assets</b>		
<b>12.29</b>		
<b>Net Assets</b>		
<b>100.00</b>		

## COMPOSITION BY ASSETS (As on June 30, 2014)

Industry / Ratings	% of NAV
Bonds & NCDs	70.51
Commercial Paper	16.94
Treasury Bill	0.26
Cash and Other Assets	12.29

## RATING PROFILE (As on June 30, 2014)



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

## FUND FEATURES

**OAAUM** (For the period April to June 2014):  
₹ 97.12 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 22.9982	₹ 22.7704
Dividend Option (Monthly):	₹ 12.8714	₹ 12.8375

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
June 24, 2014	0.0844	12.9038	0.0925	12.9443
May 23, 2014	0.1314	12.9508	0.1396	12.9914
April 23, 2014	0.0861	12.9055	0.0944	12.9462

\* 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 June 30, 2014)

1.88 years

## MODIFIED DURATION (As on June 30, 2014)

1.52 years

## PORTFOLIO (As on June 30, 2014)

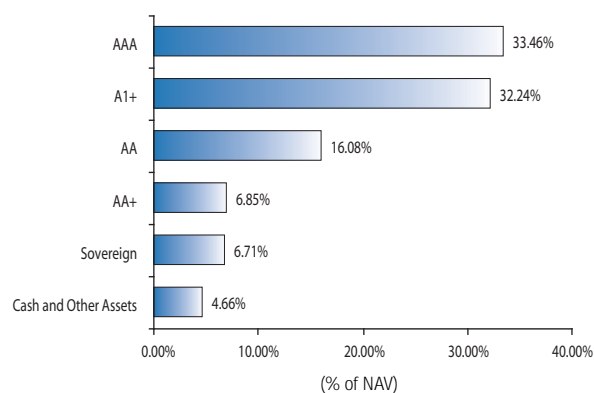
Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		<b>26.76</b>
State Bank of Patiala	A1+	26.76
<b>Commercial Paper</b>		<b>5.48</b>
Magma ITL Finance	A1+	5.48
<b>Treasury Bill</b>		<b>1.31</b>
T-Bill 91 Day 2014	Sovereign	1.31

<b>Sovereign</b>		<b>5.40</b>
8.12% GOI -M- 10-Dec-2020	Sovereign	5.40
<b>Bonds &amp; NCDs</b>		<b>56.39</b>
Housing Development Finance Corporation	AAA	11.22
Rural Electrification Corporation	AAA	11.14
Tata Motors	AA	11.08
Tata Capital Financial Services	AA+	6.85
Export Import Bank of India	AAA	5.62
Power Finance Corporation	AAA	5.48
Cholamandlam Investment & Finance Company	AA	5.00
<b>Cash and Other Assets</b>		<b>4.66</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on June 30, 2014)

Ratings	% of NAV
Bonds & NCDs	56.39
Certificate of Deposit	26.76
Commercial Paper	5.48
Sovereign	5.40
Treasury Bill	1.31
Cash and Other Assets	4.66

## RATING PROFILE (As on June 30, 2014)



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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):  
₹ 118.42 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 1690.4908	₹ 1681.9340
Dividend Option (Monthly):	₹ 1127.5425	₹ 1126.3237

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
June 24, 2014	7.8622	1132.4883	8.5170	1134.2397
May 23, 2014	9.7304	1134.3565	10.3471	1136.0698
April 23, 2014	6.9637	1131.5898	7.5760	1133.2987

\* 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 June 30, 2014)

248 days

## MODIFIED DURATION (As on June 30, 2014)

244 days

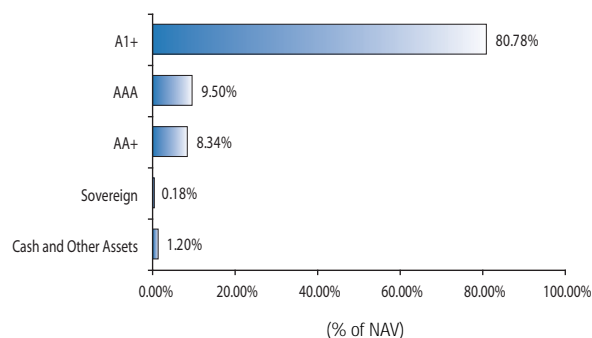
## PORTFOLIO (As on June 30, 2014)

Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		<b>80.78</b>
Canara Bank	A1+	23.54
Corporation Bank	A1+	19.63
Bank of Baroda	A1+	16.90
Bank of India	A1+	12.78
The Jammu & Kashmir Bank	A1+	7.85
Ratnakar Bank	A1+	0.08
<b>Treasury Bill</b>		<b>0.18</b>
T-Bill 91 Day 2014	Sovereign	0.18
<b>Bonds &amp; NCDs</b>		<b>17.84</b>
Kotak Mahindra Prime	AA+	8.34
Small Industries Development Bank of India	AAA	4.18
Housing Development Finance Corporation	AAA	4.16
Power Finance Corporation	AAA	1.16
<b>Cash and Other Assets</b>		<b>1.20</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on June 30, 2014)

Ratings	% of NAV
Certificate of Deposit	80.78
Bonds & NCDs	17.84
Treasury Bill	0.18
Cash and Other Assets	1.20

## RATING PROFILE (As on June 30, 2014)



# Principal Debt Opportunities Fund - Conservative Plan

(An open-ended debt scheme)

Credit  
Risk Rating  
[ICRA] AAAMfs<sup>++</sup>

## FUND FEATURES

**OAAUM** (For the period April to June 2014):

₹ 398.97 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 2088.5370	₹ 2070.5193
Dividend Option (Daily):	₹ 1001.7605	₹ 1001.5677
Dividend Option (Weekly):	₹ 1003.7089	₹ 1001.6085
Dividend Option (Monthly):	₹ 1142.8037	₹ 1140.6690

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
June 24, 2014	7.6847	1146.804	8.7059	1149.7798
May 23, 2014	7.8521	1146.9714	8.8586	1149.9325
April 23, 2014	8.8742	1147.9935	9.6478	1150.7217

\* 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 June 30, 2014)

122 days

## MODIFIED DURATION (As on June 30, 2014)

122 days

## PORTFOLIO (As on June 30, 2014)

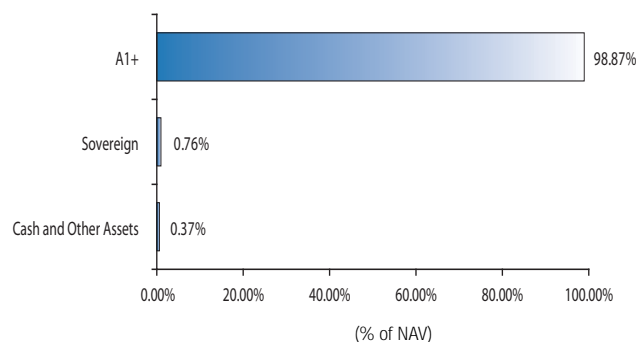
Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		<b>58.40</b>
State Bank of Travancore	A1+	11.49
Corporation Bank	A1+	11.40
Canara Bank	A1+	11.07
Oriental Bank of Commerce	A1+	5.77
State Bank of Patiala	A1+	5.64
Bank of India	A1+	5.41

Union Bank of India	A1+	5.41
Indusind Bank	A1+	2.21
<b>Commercial Paper</b>		<b>40.47</b>
Dewan Housing Finance Corporation	A1+	10.62
JM Financial Products	A1+	9.54
Edelweiss Financial Services	A1+	6.62
Religare Finvest	A1+	4.65
Ashok Leyland	A1+	4.63
Vardhman Special Steel	A1+	4.41
<b>Treasury Bill</b>		<b>0.76</b>
T-Bill 91 Day 2014	Sovereign	0.76
<b>Cash and Other Assets</b>		<b>0.37</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on June 30, 2014)

Ratings	% of NAV
Certificate of Deposit	58.40
Commercial Paper	40.47
Treasury Bill	0.76
Cash and Other Assets	0.37

## RATING PROFILE (As on June 30, 2014)



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



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

Credit  
Risk Rating  
[ICRA] A1+mfs<sup>+</sup>

## FUND FEATURES

**QAAUM** (For the period April to June 2014):  
₹ 1,905.58 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 1275.8541	₹ 1273.9367
Dividend Option (Daily):	₹ 1000.3870	₹ 1000.3037
Dividend Option (Weekly):	₹ 1007.9437	₹ 1007.2212
Dividend Option (Monthly):	₹ 1024.1935	₹ 1024.1648

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
June 24, 2014	7.7185	1030.4429	7.7753	1030.5165
May 23, 2014	7.4657	1030.1901	7.5487	1030.2899
April 23, 2014	8.1058	1030.8302	8.1900	1030.9312

\* 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 June 30, 2014)

41 days

## MODIFIED DURATION (As on June 30, 2014)

41 days

## PORTFOLIO (As on June 30, 2014)

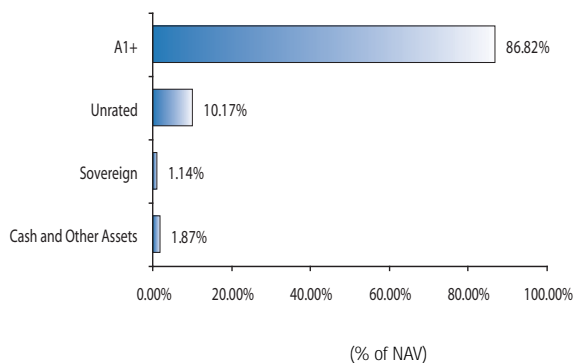
Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		
Andhra Bank	A1+	12.56
Indusind Bank	A1+	7.60
Canara Bank	A1+	5.04
Union Bank of India	A1+	4.78
Allahabad Bank	A1+	2.52
<b>Commercial Paper</b>		
Ashok Leyland	A1+	8.05
Vardhman Special Steel	A1+	7.56
Dewan Housing Finance Corporation	A1+	7.48

Religare Finvest	A1+	5.56
Redington (India)	A1+	5.05
Sabero Organics Gujarat	A1+	5.03
JK Lakshmi Cement	A1+	4.61
Magma ITL Finance	A1+	3.51
Kotak Commodity Services	A1+	3.44
Edelweiss Financial Services	A1+	2.02
Jagran Prakashan	A1+	2.01
<b>Treasury Bill</b>		<b>1.14</b>
T-Bill 91 Day 2014	Sovereign	1.14
<b>Fixed Deposit</b>		<b>10.17</b>
Andhra Bank	Unrated	10.17
<b>Cash and Other Assets</b>		<b>1.87</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on June 30, 2014)

Ratings	% of NAV
Commercial Paper	54.32
Certificate of Deposit	32.50
Fixed Deposit	10.17
Treasury Bill	1.14
Cash and Other Assets	1.87

## RATING PROFILE (As on June 30, 2014)



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

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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):  
₹ 23.78 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 22.9527	₹ 22.8367
Dividend Option:	₹ 22.9527	₹ 22.8367

### 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 June 30, 2014)

Instrument	% of NAV
<b>Foreign Securities</b>	
<b>I. Units of Mutual Fund / Unit Trust</b>	<b>98.41</b>
Principal Global Investors Funds - Emerging Markets Equity Fund	
<b>II. Cash and Other Current Assets</b>	<b>98.41</b>
<b>Net Assets</b>	<b>100.00</b>

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

## FUND FEATURES

**QAAUM** (For the period April to June 2014):  
₹ 22.76 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 1479.7759	₹ 1477.5701
Dividend Option (Daily):	N.A.	₹ 1005.4300
Dividend Option (Weekly):	N.A.	₹ 1013.5909
Dividend Option (Monthly):	₹ 1060.4504	₹ 1060.3936

### 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
<b>Monthly Dividend (Last 3 Months)</b>				
June 23, 2014	8.2582	1067.0874	8.3522	1067.2208
May 23, 2014	8.0723	1066.9015	8.1605	1067.0291
April 23, 2014	9.0603	1067.8895	9.1327	1068.0013

\* 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 June 30, 2014)

49 days

## MODIFIED DURATION (As on June 30, 2014)

49 days

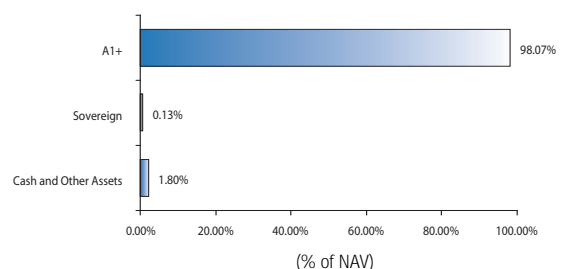
## PORTFOLIO (As on June 30, 2014)

Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		<b>22.13</b>
Union Bank of India	A1+	11.48
Indusind Bank	A1+	10.65
<b>Commercial Paper</b>		<b>75.94</b>
Vardhman Special Steel	A1+	25.43
Dewan Housing Finance Corporation	A1+	16.91
JK Lakshmi Cement	A1+	16.88
JM Financial Products	A1+	12.46
Kotak Commodity Services	A1+	4.26
<b>Treasury Bill</b>		<b>0.13</b>
T-Bill 91 Day 2014	Sovereign	0.13
<b>Cash and Other Assets</b>		<b>1.80</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on June 30, 2014)

Ratings	% of NAV
Commercial Paper	75.94
Certificate of Deposit	22.13
Treasury Bill	0.13
Cash and Other Assets	1.80

## RATING PROFILE (As on June 30, 2014)



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

## - Retail Plan

### FUND FEATURES

**QAAUM** (For the period April to June 2014):  
₹ 25.43 crore

**NAV per unit** (As on June 30, 2014)

	Direct Plan	Regular Plan
Growth Plan:	₹ 23.0865	₹ 22.7967
Dividend Plan (Monthly):	N.A.	₹ 10.2600
Dividend Plan (Quarterly):	₹ 11.9007	₹ 11.8338

### 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
<b>Monthly Dividend (Last 3 Months)</b>				
June 24, 2014	0.0558	10.3028	-	-
May 23, 2014	0.0864	10.3334	-	-
April 23, 2014	0.0693	10.3163	-	-
<b>Quarterly Dividend (Last 3 Quarters)</b>				
June 24, 2014	0.2491	12.0679	0.2714	12.1556
March 24, 2014	0.2170	12.0393	0.2380	12.124
December 24, 2013	0.0831	11.863	0.1270	11.9678

\* 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 June 30, 2014)

Portfolio Turnover Ratio\*\* -

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

### AVERAGE MATURITY (As on June 30, 2014)

2.35 years

### MODIFIED DURATION (As on June 30, 2014)

1.9 years

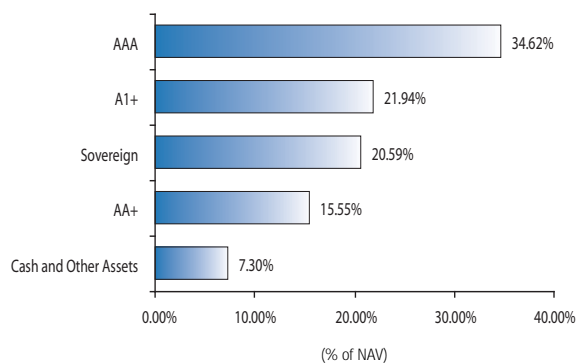
### PORTFOLIO (As on June 30, 2014)

Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		
The Jammu & Kashmir Bank	A1+	17.94
<b>Commercial Paper</b>		
Dewan Housing Finance Corporation	A1+	4.00
<b>Treasury Bill</b>		
T-Bill 91 Day 2014	Sovereign	1.41
<b>Sovereign</b>		
7.28% GOI -M- 03-Jun-2019	Sovereign	19.18
<b>Bonds &amp; NCDs</b>		
Housing Development Finance Corporation	AAA	18.29
Rural Electrification Corporation	AAA	14.27
Fullerton India Credit Company	AA+	10.25
Bajaj Finance	AA+	4.08
Power Grid Corporation of India	AAA	2.06
Kotak Mahindra Prime	AA+	1.22
<b>Cash and Other Assets</b>		
		<b>7.30</b>
<b>Net Assets</b>		<b>100.00</b>

### COMPOSITION BY ASSETS (As on June 30, 2014)

Industry / Ratings	of NAV
Bonds & NCDs	50.17
Sovereign	19.18
Certificate of Deposit	17.94
Commercial Paper	4.00
Treasury Bill	1.41
Cash and Other Assets	7.30

### RATING PROFILE (As on June 30, 2014)



## SCHEMES MANAGED BY MR. ANUPAM TIWARI

### PRINCIPAL LARGE CAP FUND

Performance	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 (₹)				
Date								
28-Jun-13 to 30-Jun-14	44.83	14483.49	45.60	14559.60	33.44	13344.12	30.28	13028.23
29-Jun-12 to 28-Jun-13	5.55	10554.51	N.A.	N.A.	9.91	10990.83	10.67	11067.08
30-Jun-11 to 29-Jun-12	-5.89	9411.14	N.A.	N.A.	-7.16	9284.17	-6.53	9347.49
Since Inception 11-Nov-05 to 30-Jun-14	17.68	40800.00	N.A.	N.A.	13.50	29865.96	13.50	29864.24
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	20.38	13183.86	17.70	12749.44	17.39	12699.87

### PRINCIPAL PERSONAL TAX SAVER FUND

Performance	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 (₹)				
Date								
28-Jun-13 to 30-Jun-14	45.08	14507.77	45.84	14584.10	33.44	13344.12	30.28	13028.23
29-Jun-12 to 28-Jun-13	5.85	10585.01	N.A.	N.A.	9.91	10990.83	10.67	11067.08
30-Jun-11 to 29-Jun-12	-7.20	9280.03	N.A.	N.A.	-7.16	9284.17	-6.53	9347.49
Since Inception 31-Mar-96 to 30-Jun-14	22.36	398136.50	N.A.	N.A.	12.52	86166.46	11.85	77249.06
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	20.57	13215.99	17.70	12749.44	17.39	12699.87

### PRINCIPAL SMART EQUITY FUND

Performance	Scheme Returns				Scheme's Benchmark (Crisil Balanced Fund Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
Date								
28-Jun-13 to 30-Jun-14	40.65	14065.12	41.67	14166.67	21.01	12100.81	30.28	13028.23
29-Jun-12 to 28-Jun-13	6.33	10633.04	N.A.	N.A.	10.90	11089.89	10.67	11067.08
30-Jun-11 to 29-Jun-12	1.71	10171.03	N.A.	N.A.	-0.99	9901.06	-6.53	9347.49
Since Inception 16-Dec-10 to 30-Jun-14	12.39	15120.00	N.A.	N.A.	7.70	13003.53	7.21	12794.87
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	20.27	13166.95	13.85	12132.96	17.39	12699.87

## SCHEMES MANAGED BY MR. RAJAT JAIN

### PRINCIPAL GLOBAL OPPORTUNITIES FUND

Performance	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 (₹)				
Date								
28-Jun-13 to 30-Jun-14	10.46	11046.36	10.84	11083.76	19.31	11931.32	30.28	13028.23
29-Jun-12 to 28-Jun-13	6.04	10604.08	N.A.	N.A.	18.78	11878.47	10.67	11067.08
30-Jun-11 to 29-Jun-12	6.23	10622.68	N.A.	N.A.	-4.50	9549.77	-6.53	9347.49
Since Inception 29-Mar-04 to 30-Jun-14	8.38	22836.70	N.A.	N.A.	4.39	15542.88	15.33	43195.99
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	3.21	10482.70	18.64	12902.09	17.39	12699.87

## SCHEMES MANAGED BY RUPALI PANDIT

### PRINCIPAL INDEX FUND - NIFTY

Performance	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 (₹)				
Date								
28-Jun-13 to 30-Jun-14	30.40	13039.79	31.06	13105.69	30.28	13028.23	31.03	13102.72
29-Jun-12 to 28-Jun-13	10.91	11090.81	N.A.	N.A.	10.67	11067.08	11.28	11127.84
30-Jun-11 to 29-Jun-12	-6.16	9384.41	N.A.	N.A.	-6.53	9347.49	-7.51	9248.70
Since Inception 27-Jul-99 to 30-Jun-14	11.73	52439.00	N.A.	N.A.	12.50	58108.56	12.13	55328.78
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	18.66	12904.82	17.39	12699.87	18.58	12891.08

### PRINCIPAL INDEX FUND - MIDCAP#

Performance	^Returns (%)			
	Plan - Regular		Plan - Direct	
	Scheme's Benchmark (CNX Midcap Index)		Additional Benchmark (CNX Nifty Index)	
Date				
Since Inception 12-May-14 to 30-Jun-14	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 (₹)				
28-Jun-13 to 30-Jun-14	63.51	16351.39	64.40	16439.97	51.13	15113.45	30.28	13028.23
29-Jun-12 to 28-Jun-13	13.54	11354.20	N.A.	N.A.	-0.13	9987.21	10.67	11067.08
30-Jun-11 to 29-Jun-12	-2.97	9703.29	N.A.	N.A.	-7.77	9222.61	-6.53	9347.49
Since Inception 12-Nov-08 to 30-Jun-14	33.54	51000.00	N.A.	N.A.	21.76	30307.81	19.06	26721.02
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	30.92	14941.96	18.34	12853.23	17.39	12699.87

### 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 (₹)				
28-Jun-13 to 30-Jun-14	42.43	14243.22	43.11	14311.25	29.49	12948.66	30.28	13028.23
29-Jun-12 to 28-Jun-13	2.05	10205.36	N.A.	N.A.	4.15	10414.85	10.67	11067.08
30-Jun-11 to 29-Jun-12	-2.44	9756.10	N.A.	N.A.	3.43	10342.58	-6.53	9347.49
Since Inception 15-Oct-04 to 30-Jun-14	12.92	32560.00	N.A.	N.A.	N.A.	N.A.	16.04	42403.06
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	14.90	12300.49	11.67	11788.30	17.39	12699.87

## 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 (₹)				
28-Jun-13 to 30-Jun-14	-0.29	9971.46	0.22	10021.64	4.43	10442.70	-2.47	9753.08
29-Jun-12 to 28-Jun-13	12.38	11238.02	N.A.	N.A.	11.65	11165.14	12.10	11209.71
30-Jun-11 to 29-Jun-12	7.06	10706.14	N.A.	N.A.	9.79	10979.36	7.10	10710.14
Since Inception 23-Aug-01 to 30-Jun-14	7.26	24635.50	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	5.07	10764.91	6.77	11025.66	2.48	10372.28

### 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 (₹)				
28-Jun-13 to 30-Jun-14	7.53	10753.42	8.14	10814.25	4.60	10460.00	-2.47	9753.08
29-Jun-12 to 28-Jun-13	9.21	10921.48	N.A.	N.A.	10.72	11072.35	12.10	11209.71
30-Jun-11 to 29-Jun-12	9.01	10901.45	N.A.	N.A.	8.69	10869.04	7.10	10710.14
Since Inception 14-Sep-04 to 30-Jun-14	7.37	20062.33	N.A.	N.A.	6.16	17961.26	4.81	15843.09
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	8.38	11274.99	6.72	11017.40	2.48	10372.28

### 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 (₹)				
28-Jun-13 to 30-Jun-14	2.48	10248.27	3.35	10335.49	4.60	10460.00	-2.47	9753.08
29-Jun-12 to 28-Jun-13	11.68	11167.69	N.A.	N.A.	10.72	11072.35	12.10	11209.71
30-Jun-11 to 29-Jun-12	10.54	11054.38	N.A.	N.A.	8.69	10869.04	7.10	10710.14
Since Inception 09-May-03 to 30-Jun-14	7.11	21506.10	N.A.	N.A.	5.79	18734.34	4.87	16992.08
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	6.43	10973.30	6.72	11017.40	2.48	10372.28

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 (₹)				
28-Jun-13 to 30-Jun-14	57.04	15703.82	57.92	15791.64	34.45	13445.05	30.28	13028.23
29-Jun-12 to 28-Jun-13	11.48	11148.12	N.A.	N.A.	8.69	10868.67	10.67	11067.08
30-Jun-11 to 29-Jun-12	-3.96	9603.62	N.A.	N.A.	-7.63	9237.25	-6.53	9347.49
Since Inception 25-Oct-00 to 30-Jun-14	16.78	83560.00	N.A.	N.A.	16.04	76591.57	14.56	64290.48
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	27.54	14369.99	17.29	12683.54	17.39	12699.87

### 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 (₹)				
28-Jun-13 to 30-Jun-14	57.39	15738.88	57.93	15792.68	34.45	13445.05	30.28	13028.23
29-Jun-12 to 28-Jun-13	11.87	11186.71	N.A.	N.A.	8.69	10868.67	10.67	11067.08
30-Jun-11 to 29-Jun-12	-3.07	9693.07	N.A.	N.A.	-7.63	9237.25	-6.53	9347.49
Since Inception 31-Mar-96 to 30-Jun-14	17.37	186208.90	N.A.	N.A.	12.82	90457.44	11.85	77249.06
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	27.71	14398.89	17.29	12683.54	17.39	12699.87

### 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 (₹)				
28-Jun-13 to 30-Jun-14	37.63	13762.92	38.81	13881.32	21.01	12100.81	30.28	13028.23
29-Jun-12 to 28-Jun-13	11.34	11133.67	N.A.	N.A.	10.90	11089.89	10.67	11067.08
30-Jun-11 to 29-Jun-12	-2.15	9784.77	N.A.	N.A.	-0.99	9901.06	-6.53	9347.49
Since Inception 14-Jan-00 to 30-Jun-14	11.00	45280.00	N.A.	N.A.	N.A.	N.A.	11.27	46904.02
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	20.74	13243.79	13.85	12132.96	17.39	12699.87

## 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 (₹)				
28-Jun-13 to 30-Jun-14	9.64	10964.11	10.07	11006.73	9.68	10968.20	5.93	10592.80
29-Jun-12 to 28-Jun-13	9.01	10900.57	N.A.	N.A.	8.12	10811.94	8.17	10816.65
30-Jun-11 to 29-Jun-12	9.20	10920.30	N.A.	N.A.	8.68	10868.22	7.73	10772.84
Since Inception 06-Nov-07 to 30-Jun-14	8.13	16819.34	N.A.	N.A.	7.50	16176.78	5.92	14664.17
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	9.59	11462.86	9.22	11405.15	6.65	11007.02

### 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 (₹)				
28-Jun-13 to 30-Jun-14	7.52	10752.22	8.33	10832.83	8.81	10880.67	-2.47	9753.08
29-Jun-12 to 28-Jun-13	10.07	11007.02	N.A.	N.A.	9.30	10930.06	12.10	11209.71
30-Jun-11 to 29-Jun-12	9.77	10976.67	N.A.	N.A.	8.81	10881.32	7.10	10710.14
Since Inception 09-May-03 to 30-Jun-14	7.66	22770.40	N.A.	N.A.	6.77	20760.58	4.87	16992.08
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	8.99	11368.87	8.97	11365.11	2.48	10372.28

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 (₹)				
28-Jun-13 to 30-Jun-14	8.78	10877.60	9.54	10953.55	9.68	10968.20	5.93	10592.80
29-Jun-12 to 28-Jun-13	9.21	10921.23	N.A.	N.A.	8.12	10811.94	8.17	10816.65
30-Jun-11 to 29-Jun-12	9.91	10991.34	N.A.	N.A.	8.68	10868.22	7.73	10772.84
Since Inception 14-Sep-04 to 30-Jun-14	7.71	20705.19	N.A.	N.A.	6.96	19326.18	5.64	17116.64
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	9.47	11443.13	9.22	11405.15	6.65	11007.02

### 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 (₹)				
28-Jun-13 to 30-Jun-14	3.05	10305.28	3.85	10384.62	8.28	10828.41	-2.47	9753.08
29-Jun-12 to 28-Jun-13	10.22	11022.15	N.A.	N.A.	10.83	11083.31	12.10	11209.71
30-Jun-11 to 29-Jun-12	5.82	10581.56	N.A.	N.A.	6.54	10654.25	7.10	10710.14
Since Inception 23-May-02 to 30-Jun-14	8.18	25918.70	N.A.	N.A.	8.48	26792.93	6.08	20450.05
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	5.33	10805.18	8.42	11280.48	2.48	10372.28

### 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 (₹)				
28-Jun-13 to 30-Jun-14	5.24	10523.82	6.04	10603.56	8.81	10880.67	-2.47	9753.08
29-Jun-12 to 28-Jun-13	11.41	11140.54	N.A.	N.A.	9.30	10930.06	12.10	11209.71
30-Jun-11 to 29-Jun-12	3.99	10399.36	N.A.	N.A.	8.81	10881.32	7.10	10710.14
Since Inception 30-Dec-03 to 30-Jun-14	8.16	22796.70	N.A.	N.A.	6.82	20007.88	4.28	15532.27
Since Inception 02-Jan-13 to 30-Jun-14	N.A.	N.A.	7.77	11180.44	8.97	11365.11	2.48	10372.28

### 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 (₹)				
28-Jun-13 to 30-Jun-14	9.44	10944.30	9.55	10955.17	9.68	10968.20	5.93	10592.80
30-06-12 to 28-Jun-13	8.91	10890.63	N.A.	N.A.	8.12	10811.94	8.17	10816.65
30-Jun-11 to 30-06-12	9.78	10977.58	N.A.	N.A.	8.68	10868.22	7.73	10772.84
Since Inception 30-08-04 to 30-Jun-14	7.51	20382.99	N.A.	N.A.	6.94	19355.74	5.62	17130.71
Since Inception 01-Jan-13 to 30-Jun-14	N.A.	N.A.	9.32	11422.69	9.22	11407.66	6.70	11016.75

### 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 (₹)				
28-Jun-13 to 30-Jun-14	9.96	10996.28	10.07	11007.34	9.68	10968.20	5.93	10592.80
30-06-12 to 28-Jun-13	9.41	10940.90	N.A.	N.A.	8.12	10811.94	8.17	10816.65
30-Jun-11 to 30-06-12	9.17	10916.74	N.A.	N.A.	8.68	10868.22	7.73	10772.84
Since Inception 28-Dec-07 to 30-Jun-14	6.18	14775.70	N.A.	N.A.	7.51	16022.92	5.98	14595.64
Since Inception 01-Jan-13 to 30-Jun-14	N.A.	N.A.	9.86	11506.87	9.22	11407.66	6.70	11016.75

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 Investors<sup>1</sup> as per the Finance Act, 2014 – SNAPSHOT



## EQUITY ORIENTED FUNDS (SUBJECT TO STT<sup>3</sup>)

Financial Year	Short Term Capital Gains Tax (STCG) <sup>2</sup>		Long Term Capital Gains Tax (LTCG) <sup>2</sup>		Dividend Income		Tax on Distributed Income		TDS on Capital Gains <sup>7</sup>	
	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 <sup>4</sup>	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% <sup>2</sup> LTCG - Nil	STCG - 15% <sup>2</sup> LTCG - Nil
FIs <sup>4 &amp; 10</sup>	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>
QFI <sup>4 &amp; 10</sup> (Individual / HUF)	15%	15%	Nil	Nil	Exempt	Exempt	Exempt	Exempt	STCG - 15% <sup>2</sup> LTCG - Nil	STCG - 15% <sup>2</sup> LTCG - Nil
QFI <sup>4 &amp; 10</sup> (Companies)	15%	15%	Nil	Nil	Exempt	Exempt	Exempt	Exempt	STCG - 15% <sup>2</sup> LTCG - Nil	STCG - 15% <sup>2</sup> LTCG - Nil
FPI <sup>4 &amp; 10</sup>	15%	15%	Nil	Nil	Exempt	Exempt	Exempt	Exempt	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>

## OTHER THAN EQUITY ORIENTED FUNDS (including Infrastructure Debt Funds<sup>8</sup>)

	Short Term Capital Gains Tax <sup>2</sup>		Long Term Capital Gains Tax <sup>2</sup>		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains <sup>7</sup>	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15
Resident Individual / HUF	As per slab rates	As per slab rates	10% (20% with Indexation)	10% (20% with Indexation)	Exempt	Exempt	14.1625% (12.50% plus 10% surcharge plus 3% education cess - from 1.4.2013 to 31.5.2013) 28.235% (25% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards)	28.325% (25% plus 10% surcharge plus 3% education cess)	28.325% (25% plus 10% surcharge plus 3% education cess)	28.325% (25% plus 10% surcharge plus 3% education cess)	Nil	Nil
AOP / BOI	As per slab rates	As per slab rates	10% (20% with Indexation)	10% (20% with Indexation)	Exempt	Exempt	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	Nil	Nil
Domestic Companies / Firms	30%	30%	10% (20% with Indexation)	10% (20% with Indexation)	Exempt	Exempt	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	Nil	Nil
NRIs <sup>4</sup>	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) <sup>5</sup>	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) <sup>5</sup>	Exempt	Exempt	14.1625% (12.50% plus 10% surcharge plus 3% education cess - from 1.4.2013 to 31.5.2013) 28.325% (25% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess) from 1.6.2013 onwards)	28.325% (25% plus 10% surcharge plus 3% education cess) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess)	28.325% (25% plus 10% surcharge plus 3% education cess)	28.325% (25% plus 10% surcharge plus 3% education cess)	STCG - 30% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units 10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>	STCG - 30% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units 10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>

(Contd. on next page)



# Tax Rates for Mutual Fund Investors<sup>1</sup> as per the Finance Act, 2014 – SNAPSHOT



## OTHER THAN EQUITY ORIENTED FUNDS (including Infrastructure Debt Funds<sup>8</sup>) [Contd.]

	Short Term Capital Gains Tax <sup>2</sup>		Long Term Capital Gains Tax <sup>2</sup>		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains <sup>7</sup>	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15
<b>FIIs</b> <sup>4 &amp; 10</sup>	30%	30%	10% without Indexation	10% without Indexation	Exempt	Exempt	33.99% (30% plus 10% surcharge plus 3% education cess) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards)	33.99% (30% plus 10% surcharge plus 3% education cess) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>
<b>QFI</b> <sup>4 &amp; 10</sup> <b>(Individual/ HUF)</b>	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation)  Unlisted Units - 10% (without Indexation) <sup>3</sup>	Listed Units - 10% (20% with Indexation)  Unlisted Units - 10% (without Indexation) <sup>3</sup>	Exempt	Exempt	14.1625% (12.50% plus 10% surcharge plus 3% education cess - from 1.4.2013 to 31.5.2013) 28.325% (25% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards)	28.325% (25% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards)	28.325% (25% plus 10% surcharge plus 3% education cess)	28.325% (25% plus 10% surcharge plus 3% education cess)	STCG - 30% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units 10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>	STCG - 30% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units 10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>
<b>QFI</b> <sup>10</sup> <b>(Companies)</b> <sup>4</sup>	40%	40%	Listed Units - 10% (20% with Indexation)  Unlisted Units - 10% (without Indexation) <sup>3</sup>	Listed Units - 10% (20% with Indexation)  Unlisted Units - 10% (without Indexation) <sup>3</sup>	Exempt	Exempt	33.99% (30% plus 10% surcharge plus 3% education cess) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards)	33.99% (30% plus 10% surcharge plus 3% education cess) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards)	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	STCG - 40% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units 10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>	STCG - 40% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units 10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>
<b>FPI</b> <sup>4 &amp; 10</sup>	30%	30%	10% (without Indexation)	10% (without Indexation)	Exempt	Exempt	33.99% (30% plus 10% surcharge plus 3% education cess) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards)	33.99% (30% plus 10% surcharge plus 3% education cess) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 onwards)	33.99% (30% plus 10% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>

- It is assumed that the mutual fund units are held as capital assets by the investors.
- Plus applicable surcharge [refer note 9], if any, and Education Cess at the rate of 2% on income-tax and surcharge and Secondary and Higher Education cess at the rate of 1% on income-tax and surcharge.
- Securities Transaction Tax ("STT") is applicable only in respect of sale of units of Equity-oriented funds ("EOFs") on a recognised stock exchange and redemption of EOU's by the mutual fund. Purchase/sale/redemption of units other than EOU's are not subject to STT.
- Non-resident investors / FIIs 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 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 a infrastructure debt fund as defined in clause 1 of the regulation 49L of the Securities and Exchange Board of India (Mutual Fund) Regulations, 1996. As per clause 1 of regulation 49L, an "infrastructure debt fund scheme" would mean, a scheme which invests primarily (minimum 90% of scheme assets) in debt securities or securitized debt instrument of infrastructure companies or infrastructure capital companies or infrastructure projects or special purpose vehicles, etc. or other permissible assets in accordance with these regulations or bank loans in respect of completed and revenue generating projects of infrastructure companies or projects or special purpose vehicles.

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# Tax Rates for Mutual Fund Investors<sup>1</sup> as per the Finance 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.

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

Total Income	Tax Rates (c)
Up to ₹ 200,000 (a)(b)(d)	NIL
₹ 200,001 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 ₹ 250,000.  
 (b) In the case of a resident individual of the age of 80 years or more, the basic exemption limit is ₹ 5,00,000.  
 (c) Plus, surcharge on income-tax, as applicable and education cess is applicable at the rate of 2% on income-tax and secondary and higher education cess at the rate of 1% on income-tax.  
 (d) Rebate of upto ₹ 2,000 available for resident individuals whose total income does not exceed ₹ 5,00,000.

## WEALTH TAX ON MF UNITS

Wealth Tax	MF units are exempt
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## SECURITIES TRANSACTION TAX

Equity Oriented Fund
STT on sale of a unit of equity oriented mutual fund to the mutual fund is levied at 0.001%.
No STT is chargeable on purchase of units of an equity oriented mutual fund entered into in recognised stock exchange w.e.f. 1.6.2013.
STT on sale of a unit of an equity oriented mutual fund where the transaction is entered into in recognised stock exchange and the contract for sale is settled by the actual delivery is levied at 0.001%.
<b>Other than Equity Oriented Fund:</b> 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.
<b>As per Section 94(7):</b> 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.
<b>As per Section 94(8):</b> 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 Act, 2014 (interim budget). 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](http://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:** Bachhawatt House, Premises No.2, Dr. Martin Luther King Sarani, (Formerly Upper Wood Street), Kolkata-700 016 • **Lucknow:** Rohtas Trident, 1st Floor, 10, Rana Pratap Marg, Lucknow-226 001 • **New Delhi:** Unit No. 001 & 002, Gr. Floor, DLF Capitol Point, Baba Kharag Singh Marg, New Delhi-110 001 • **Pune:** Unit No: 103 & 104, 1st Floor, Rainbow Plaza, Opp. Modern Highschool, Jangali Maharaj Road, Shivaji Nagar, Pune - 411 005

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

**Agra:** 1st Floor, Deepak Wasan Plaza, Behind Holiday Inn, Opp. Megdoot Furnitures, Sanjay Place, Agra-282 002 • **Ahmedabad:** 201/202 Shail, Opp. Madhusudan House, Navrangpura, Ahmedabad-380 006 • **Ajmer:** S. No. 1 & 2, 2nd Floor, Ajmer Tower, Kutchery 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:** Ramkunji 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, Nutanganji, 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 371-372, Above HDFC Bank, Sector 35-B, Chandigarh-160 036 • **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 Sirmaur Margabove, Reliance Webworld, Dehradun-248 001 • **Dhanbad:** 208 New Market, 2nd Floor, Bank More, Dhanbad-826 001 • **Durgapur:** 1st Floor, Old Dutta Automobile Bldg., Nachan Road, Benachity, Durgapur-713 213 • **Erode:** No. 4, Veerappan Traders Complex, KMY Salai, Sathy Road, Opp. Erode Bus Stand, Erode-638 003 • **Faridabad:** A-2B, 1st Floor, Nehru Groundnit, Faridabad-121 001 • **Ghaziabad:** 1st Floor, C-7, Lohia Nagar, Ghaziabad-201 001 • **Gorakhpur:** Above V.I.P. Houseajacent, 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:** 54 Sagarika Bhawan, 2nd Floor, R.G. Barooah Road, AIDC, Near Baskin Robbins, Guwahati-781 024 • **Gwalior:** 2nd Floor, Rajeev Plaza, Jayendra Ganj, Lashkar, Gwalior. M.P.-474 009 • **Hubli:** 22 & 23, 3rd Floor, Eureka Junction, Travellers Bungalow, Hubli-580 029 • **Hyderabad:** 8-2-596, Avenue 4, Karvy Plaza, Street No. 1, Banjara Hills, Hyderabad-500 034 • **Indore:** 2nd Floor, 203-205, Balaji Corporates, Above ICICI Bank, 19/1 New Palasia, Indore-452 001 • **Jabalpur:** Grover Chamber, 43 Naya Bazar Malviya Chowk, Opp. Shyam Market, Jabalpur-482 002 • **Jaipur:** S-16/A 3rd Floor, Land Mark Building, Opp. Jai Club, Mahaver Marg C-Scheme, Jaipur-302 001 • **Jalandhar:** Arora Prime Tower, Lower Ground Floor, Office No. 3, Plot No. 28, Jalandhar-144 001 • **Jalgaon:** 113, Navi Peth, B/H Mahalaxmi Dairy, Jalgaon-425 001 • **Jammu:** 5/A/D Extension 2, Near Panama Chowk Petrol Pump, Panama Chowk, Jammu-180 012 • **Jamnagar:** 108 Madhav Palaza, Opp. SBI Bank, Near Lal Bungalow, Jamnagar-361 001 • **Jamshedpur:** 2nd Floor, R.R. Square, SB Shop Area, Near Reliance Foot Print & Hotel, BS Park Plaza, Main Road, Bistupur, Jamshedpur-831 001 • **Jodhpur:** 203, Modi Arcade, Chopasni Road, Jodhpur-342 001 • **Junagadh:** 124-125 Punit Shopping Center, M.G. Road, Ranavav Chowk, Junagadh-362 001 • **Kanpur:** 15/46, B, Gr. Floor, Opp. Muir Mills, Civil Lines, Kanpur-208 001 • **Karnal:** 18/369, Char Chaman, 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:** Ul-47, Apollo Enclave, Opp. Simandhar Temple, Modhera Cross Road, Mehsana-384 002 • **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank, Chowk Tari Khana, Moradabad-244 001 • **Mumbai:** 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind BSE Bldg., Fort, Mumbai-400 001 • **Mumbai - Borivali:** Gr. Floor, Himanshu Bldg., Sodawala Lane, Lina Chandawarkar Road, Borivali, Mumbai-400 091 • **Mumbai - Thane:** 101, Yashwant Building, Ram Ganesh, Godkari Path, Ram Maruti Road, Naupada, Thane-400 602 • **Muzaffarpur:** 1st Floor, Uma Market, Thana Gumtimoti Jheel, Muzaffarpur-842 001 • **Mysore:** L-350, Silver Tower, Ashoka Road, Opp. Clock Tower, Mysore-570 001 • **Nadiad:** 104/105, Near Paras Cinema, City Point Nadiad, Nadiad-387 001 • **Nagpur:** Plot No. 2/1, House No 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewelers, Dharampeth, Nagpur-440 010 • **Nasik:** S-12, Suyojit Sankul, Sharanpur Road, Near Rajiv Gandhi Bhavan, Nasik-422 002 • **Navsari:** 1/1 Chinmay Arcade, Opp. Sattapur 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, Chotti 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, Thiagaraja Street, Pondicherry-605 001 • **Pune:** Office # 16, Gr. Floor, Shrinath Plaza, Near Dyaneshwar Paduka Chowk, F. C. Road, Pune-411 005 • **Raipur:** 2 & 3, Lower Level, Millenium Plaza, Room No. L 1, 2 & 3, Behind Indian Coffee House, Raipur-492 001 • **Rajkot:** 104, Siddhi Vinyak Complex, Opp. Ramkrishna Ashram, Dr. Yagnik Road, Rajkot, Rajkot-360 001 • **Ranchi:** Shop 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 Chowkhalini, 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, Siga, Varanashi-221 010 • **Vellore:** No. 1, M. N. Arcade, Officers Line, Krishna Nagar, Vellore-632 001 • **Vijayawada:** 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada-520 010 • **Visakhapatnam:** Door No. 47-14-5/1, Eswar Paradise, Dwarakanagar Main Road, 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](http://www.karvycomputershare.com)

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

