

March 2013

towards **Stability**



and **Consistency**

INDEX

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Fixed Income Update for March 2013

Key Market Highlights:

- During the month RBI announced two OMOs worth ₹ 20,000 crores due to the tight liquidity conditions, however actual amount injected was around ₹ 15,706 crores
- In its policy review scheduled on 19th March 2013, RBI cut repo and reverse repo rates by 25 bps each citing low growth conditions.
- G-sec yields during the month ended higher with the ten year benchmark closing at 7.96%, 9 bps higher than previous month.
- Corporate bond yields rose in beginning of the month but fell towards end of month on good demand from mutual funds and insurance companies. The ten yr AAA PSU Corporate bond benchmark closed at 8.85%, 5 bps lower than previous month. Corporate bond spreads fell across various tenors.
- February WPI data release came at 6.84% y-o-y vs 6.62% in previous month. CPI came higher for February 2013 at 10.91% compared to 10.79% in previous month. Food and fuel continue to be top contributors to inflation.
- January industrial production (IIP) came higher at 2.4% reflecting muted growth.
- Banks credit growth was at 15.42% in March 2013 while deposit growth was at 13.15%.
- CD rates rose reflecting intra month however fell towards month end of good demand

from mutual funds and banks and low issuance. 3 month CD rates closed at 8.85%, almost 80 bps lower than previous month. 1 year CD rates fell to 8.80% a fall of 60 bps as compared to previous month.

- Liquidity deficit remained high during the month due to currency leakage and lower government spending. Average LAF repo borrowing for the month was at ₹ 115,000 crores.

Outlook:

- With the start of the new financial year, market focus has shifted to fresh supply of G-secs and hence yields are expected to remain under pressure with upward bias. However to a large extent the incoming supply seems to have been factored in the yields. The current ten year benchmark G-sec yield is expected to trade in a range of 7.85% to 8.10%.
- Liquidity in the banking system is expected continue to remain in deficit mode albeit lower, in the range of ₹ 60,000 crore to ₹ 1 lakh crores as Govt. resumes spending and advance tax outflows come back into the system.
- Yields of short term CDs and CPs are expected to benign, having already fallen sharply towards end of March 2013.
- Corporate bond spreads may tighten on lower supply as compared to gilts and expectations of cut in withholding tax for FIs. We expect the ten yr benchmark AAA PSU Corporate bond to trade in a range of 8.70% to 8.90%. At the short end corporate bond yields may fall by 15-20 bps.

Equity Markets

Review of Equity Market for the Month of March 2013

The equity markets were marginally negative during the month of March. This was in line with the MSCI EM index which was down about 2% during the month. There were however, two halves to the month, with the markets gaining in the first half, and giving up all their gains in the second half of the month. The fall was led by negative news on the political front (DMK withdrawing support to the government and negative comments from the Samajwadi Party) and another bout of global 'Risk Off' occasioned by the uncertainty in Cyprus and political uncertainty in Italy. However, the US (rising

expectations of growth) and Japan (investor flows led by efforts to revive the economy) markets did well.

FII investors have been buyers of Indian equity (both domestic institutional and retail investors have been selling or on the sidelines) over the past year. Although they were net buyers in cash equity in March (at about \$ 1.9 Billion), this was much below the average level of \$ 4.4 Billion for the months of December and February. The FIIs have been negative in the month of April so far. As given in the chart below, there was risk aversion during the month, with both mid- caps and small caps underperforming the Large Cap names. In terms of sectors, Metals (global commodities had a poor month) and Autos underperformed, while IT, Pharmaceuticals and Consumer Goods did relatively better.

In terms of macroeconomic news, we had a positive surprise in the merchandise trade deficit for February (it came in at about \$ 15 Billion against the \$ 20 Billion run rate of the past few months). On the other hand, the CPI and WPI both came in higher than expectations, though that did not prevent RBI from cutting rates by 25 bps at the credit policy. The Current account deficit for the December quarter was at 6.7% of GDP, which is the highest ever - Capital flows remain key to financing it. Keeping that in mind, the government has been making efforts to start stalled projects and create a favorable policy environment, though for the moment things are not moving fast on the ground. This is corroborated by other data. The HSBC composite PMI for March came in lower at 52 (vs 54.2 for February) with both new orders and backlog of work showing a worse number. Diesel consumption saw a 2% degrowth which is a rare occurrence. The domestic container traffic de grew 9.3% in February. All in all, things on the ground remain weak, though, as said earlier, the government is trying to revive sentiment. The slowdown has led to stress in asset quality of banks. Q4 FY 13 saw the highest ever CDR referrals (of ₹ 30,000 crores) though anecdotally things do not seem to be getting worse in terms of asset quality.

The results for Q4FY13 will be out shortly. The street has been bringing the estimates down both for FY 13 and FY 14. Current estimates for high single digit growth in earnings for FY 14.

In terms of activity during the month, we generally added to our positions in / introduced ITC, L&T, ONGC, Maruti Suzuki and Jet Airways. We sold off reduced our positions in Power Finance Corporation, Oriental Bank of Commerce, Infosys, NHPC and ICICI Bank.

PERFORMANCE AS ON MARCH 28, 2013

	Index	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)
Broad Markets					
CNX Nifty Index	5683	-0.18	-3.82	-0.36	9.39
S&P BSE Sensex	18836	-0.14	-3.13	0.39	10.01
S&P BSE 100	5679	-0.72	-4.93	-0.40	9.01
S&P BSE 200	2288	-0.87	-5.53	-0.85	8.26
S&P BSE 500	7085	-1.10	-6.44	-1.69	7.07
S&P BSE Mid Cap	6142	-2.55	-13.41	-7.04	-0.79
S&P BSE Small Cap	5805	-6.47	-20.94	-17.29	-10.03
Sectoral Performance					
S&P BSE AUTO	9994	-4.44	-12.17	-4.02	1.53
S&P BSE Bankex	13033	-1.29	-9.05	-0.80	13.57
S&P BSE CG	9018	-1.82	-17.30	-17.70	-9.78
S&P BSE CD	7095	-1.08	-7.36	2.23	12.73
S&P BSE FMCG	5919	4.41	-0.22	7.48	32.35
S&P BSE Metal	8758	-3.41	-20.68	-16.81	-20.51
S&P BSE Oil & Gas	8327	-3.72	-2.16	-3.87	6.07
S&P BSE PSU	6481	-5.56	-11.12	-12.60	-9.21
S&P BSE Teck	3901	0.10	13.74	14.16	10.56
S&P BSE HC	8008	2.53	-1.47	6.37	24.23

Source - Internal

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	Principal SMART Equity Fund
Nature of the Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Index Scheme	An Open-ended Equity Scheme
Allotment Date - Regular Plan	November 11, 2005	November 12, 2008	October 25, 2000	October 15, 2004	July 27, 1999	December 16, 2010
- Direct Plan	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013
Investment Plans / Options*	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plans offers facility of Payout, Reinvestment and Sweep.					
Fund Manager & Managing the Current Fund from	Anupam Tiwari July 2011	Dhimant Shah June 2011	P.V.K. Mohan September 2010	Dhimant Shah December 2011	Rupali Pandit October 2012	Anupam Tiwari July 2011
Total Investment Experience	8 years	21 years	19 years	21 years	12 years	8 years
Benchmark	S&P BSE 100 Index	CNX Midcap Index	S&P BSE 200 Index	CNX Dividend Opportunities Index	CNX Nifty Index	Crisil Balanced Fund Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 500
Cut Off Time#	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including STP / SWP, if available)	If redeemed on or before 1 Year from the date of allotment - 1%.				Nil	1% if redeemed within 2 years from the date of allotment.
SIP	Available					
SWP / STP	Available					
Minimum No. & Amt. of SIP/SWP/STP (if available)	6 installment of ₹ 500/- each.					

Particulars	EQUITY LINKED SAVINGS SCHEME (ELSS)		FUND OF FUNDS SCHEME	TARGET RISK FUNDS	
	Principal Personal Tax Saver Fund	Principal Tax Savings Fund (Close for subscription)	Principal Global Opportunities Fund	Principal Debt Savings Fund - Monthly Income Plan	Principal Balanced Fund
Nature of the Scheme	An Open-ended Equity Linked Savings Scheme	An Open-ended Equity Linked Savings Scheme	An Open-ended Fund of Funds Scheme	An Open-ended Income Fund (Monthly Income is not assured and is subject to the availability of distributable surplus)	An Open-ended Balanced Scheme
Allotment Date - Regular Plan	March 31, 1996	March 31, 1996	March 29, 2004	May 23, 2002	January 14, 2000
- Direct Plan	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013
Investment Plans / Options*	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 & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plan offers facility of Payout, Reinvestment and Sweep.	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequencies - Monthly / Quarterly	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plan offers facility of Payout, Reinvestment and Sweep.
Fund Manager & Managing the Current Fund from	Anupam Tiwari July 2011	P.V.K. Mohan September 2010	Rajat Jain March 2004	Pankaj Jain January 2012	P.V.K. Mohan May 2010
Total Investment Experience	8 years	19 years	23 years	10 years	19 years
Benchmark	S&P BSE 100 Index	S&P BSE 200 Index	MSCI World Index	Crisil MIP Blended Index	Crisil Balanced Fund Index
Minimum Application Amount	New Investor: ₹ 500 Existing Investor: ₹ 500	New Investor: ₹ 500 Existing Investor: ₹ 500	New Investor: ₹ 10,000 Existing Investor: ₹ 5,000	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 500
Cut Off Time#	3.00 pm	3.00 pm	12.30 pm	3.00 pm	3.00 pm
Exit Load (including STP / SWP, if available)	Nil	Nil	If redeemed on or before 1 Year from the date of allotment - 1%.		
SIP	Available				
SWP / STP	Available after lock-in period		Available	Available	Available
Minimum No. & Amt. of SIP/SWP/STP (if available)	6 installment of ₹ 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				
	Principal Government Securities Fund	Principal Income Fund - Long Term Plan	Principal Debt Opportunities Fund - Corporate Bond Plan	Principal Income Fund - Short Term Plan	Principal Bank CD Fund
Nature of the Scheme	An Open-ended dedicated Gilt Scheme investing in Government Securities	An Open-ended Income Scheme	An Open-ended Debt Scheme	An Open-ended Income Scheme	An Open-ended Debt Scheme
Allotment Date - Regular Plan	August 23, 2001	May 09, 2003	September 14, 2004	May 09, 2003	November 6, 2007
- Direct Plan	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013
Investment Plans / Options*	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option.				
Dividend Frequencies	Quarterly / Annual	Quarterly / Annual	Monthly	Monthly	Monthly
Fund Manager & Managing the Current Fund from	Bekxy Kuriakose October 2012	Bekxy Kuriakose January 2013	Bekxy Kuriakose January 2013	Gurvinder Singh Wasan April 2011	Gurvinder Singh Wasan April 2011
Total Investment Experience	13 years	13 years	13 years	9 years	9 years
Benchmark	I-Sec Composite Index	Crisil Composite Bond Fund Index	Crisil Composite Bond Fund Index	CRISIL Short-Term Bond Fund Index	Crisil Liquid Fund Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000
Cut Off Time					
Subscription#	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Redemption	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including STP / SWP, if available)	Nil	If redeemed on or before 1 Year from the date of allotment - 1%.	From the date of allotment if redeemed any time - • Upto 12 months - 2% • From 12 months and upto 24 months - 1% • After 24 months - Nil	If redeemed on or before 6 months from the date of allotment - 0.50%	If redeemed on or before 3 months from the date of allotment - 0.25%
SIP / SWP / STP	Available	Available	Available	Available	Available
Minimum number & Amount of SIP/ SWP/STP (if available)	6 installment of ₹ 500/- each.		6 installment of SIP - ₹ 1,000/- each & SWP/STP - ₹ 500/- each.	6 installment of ₹ 500/- each.	6 installment of SIP - ₹ 1,000/- each & SWP/STP - ₹ 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		
	Principal Debt Opportunities Fund - Conservative Plan	Principal Cash Management Fund	Principal Retail Money Manager Fund*~	Principal Debt Savings Fund - Retail Plan~	Principal Retail Equity Savings Fund~
Nature of the Scheme	An Open-ended Debt Scheme	An Open-ended Liquid Scheme	An Open-ended Liquid Scheme	An Open-ended Income Fund	An Open-ended Equity Scheme
Allotment Date - Regular Plan	September 14, 2004	August 30, 2004	December 28, 2007	December 30, 2003	January 7, 1998
- Direct Plan	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013
Investment Plans/ Options+ / Dividend Frequencies	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequency - Daily / Weekly / Monthly	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequency - Daily / Weekly / Monthly	Growth & Dividend Both the Plans offer Dividend & Growth Option. Dividend Frequency - Regular Plan~: Daily / Weekly / Monthly. Direct Plan: Monthly (Reinvestment)	Regular Plan and Direct Plan. Both the Plans offer Dividend~ and Growth Option. Dividend Frequency - Monthly / Quarterly	Regular Plan & Direct Plan. Regular Plan offers Dividend~ & Growth Option. Direct Plan offers Growth Option. Dividend Option offers facility of Payout, Reinvestment and Sweep.
Fund Manager & Managing the Current Fund from	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	P.V.K. Mohan October 2012
Total Investment Experience	10 years	10 years	10 years	10 years	19 years
Benchmark	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Composite Bond Fund Index	S&P BSE 100 Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 500
Cut Off Time Subscription#	3.00 pm	2.00 pm	2.00 pm	3.00 pm	3.00 pm
Redemption	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including STP / SWP, if available)	Nil	Nil	If redeemed within 1 month from the date of allotment - 0.50%	If redeemed on or before 1 Year from the date of allotment - 1%.	If redeemed on or before 1 Year from the date of allotment - 1%.
SIP	Available	Not Available	Not Available	Available	Available
SWP / STP	Available	Available	Available	Available	Available
Minimum number & Amount of SIP/ SWP/STP (if available)	6 installment of ₹ 500/- each.				

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

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

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

+ Effective January 1, 2013, new plan i.e. Direct Plan has been launched, for those investors who purchase/subscribe units in a scheme directly with the Fund and not through a Distributor. Both Regular Plan & Direct Plan share a common portfolio.

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

FUND FEATURES

OAAUM (For the period January to March 2013):
₹ 365.83 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Option :	₹ 28.26	₹ 28.21
Dividend Option :	₹ 19.35	₹ 19.32

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 Mar. 31, 2013)

Standard Deviation [^] (Annualised)	15.81%
Beta [^]	0.89
Sharpe Ratio [^] (Annualised)	-0.13
Portfolio Turnover Ratio**	1.10
Expense Ratio (Regular Plan) ^{#+}	2.40%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

** Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

[#] 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.

MARKET CAP ALLOCATION (As on Mar. 31, 2013)

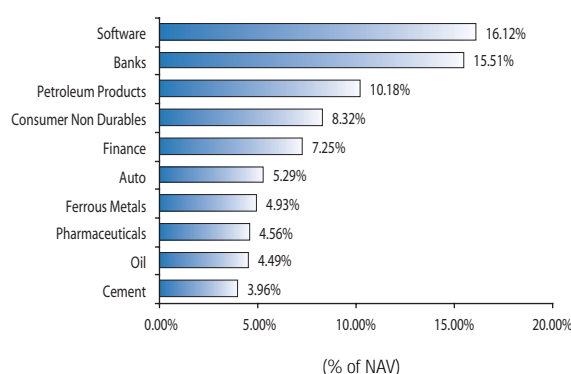
	% of NAV
Equity & Equity Related Instruments of Large Cap Companies	94.07
Equity & Equity Related Instruments of Mid Cap & Other Companies	-
Cash & Other Assets	5.93

PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry	% of NAV
Equity		94.07
ITC	Consumer Non Durables	7.33
Infosys	Software	7.22
Reliance Industries	Petroleum Products	6.57
ICICI Bank	Banks	6.34
Housing Development Finance Corporation	Finance	5.35
Jindal Steel & Power	Ferrous Metals	4.93
Tata Motors	Auto	4.58
Divi's Laboratories	Pharmaceuticals	4.56
HCL Technologies	Software	4.43
Shree Cements	Cement	3.96
Oracle Financial Services Software	Software	3.74
HDFC Bank	Banks	3.42
Bharat Petroleum Corporation	Petroleum Products	2.83

State Bank of India	Banks	2.74
NHPC	Power	2.46
Oil & Natural Gas Corporation	Oil	2.22
Canara Bank	Banks	2.02
Motherson Sumi Systems	Auto Ancillaries	1.82
Idea Cellular	Telecom - Services	1.80
LIC Housing Finance	Finance	1.66
Aditya Birla Nuvo	Services	1.50
Bharti Airtel	Telecom - Services	1.31
Oil India	Oil	1.25
Larsen & Toubro	Construction Project	1.22
NMDC	Minerals/Mining	1.09
Cairn India	Oil	1.02
Axis Bank	Banks	0.99
Hindustan Unilever	Consumer Non Durables	0.99
Sun TV Network	Media & Entertainment	0.83
Jaiprakash Power Ventures	Power	0.76
Wipro	Software	0.73
Maruti Suzuki India	Auto	0.71
Jet Airways (India)	Transportation	0.67
Indian Oil Corporation	Petroleum Products	0.41
Hindustan Petroleum Corporation	Petroleum Products	0.37
Power Finance Corporation	Finance	0.24
Cash and Other Assets		5.93
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on Mar. 31, 2013)



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

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 277.80 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Option :	₹ 31.08	₹ 31.01
Dividend Option :	₹ 23.66	₹ 23.63

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 Mar. 31, 2013)

Standard Deviation [^] (Annualised)	19.11%
Beta [^]	0.90
Sharpe Ratio [^] (Annualised)	-0.10
Portfolio Turnover Ratio ^{**}	0.56
Expense Ratio (Regular Plan) ^{#+}	2.43%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

^{**} Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

[#] 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.

MARKET CAP ALLOCATION (As on Mar. 31, 2013)

	% of NAV
Equity and equity related instruments of Mid Cap Companies	81.60
Equity and equity related instruments of Small Cap Companies	14.93
Equity and equity related instruments of Companies other than Mid & Small Cap	3.08
Cash and Money Market / Fixed Income Securities (including MIBOR Linked Short Term Papers & Securitised Debt)	0.39

Market Cap Range for CNX Midcap Stocks

As on December 31, 2012 ₹ 57,506.59 Cr – ₹ 2,037.33 Crs

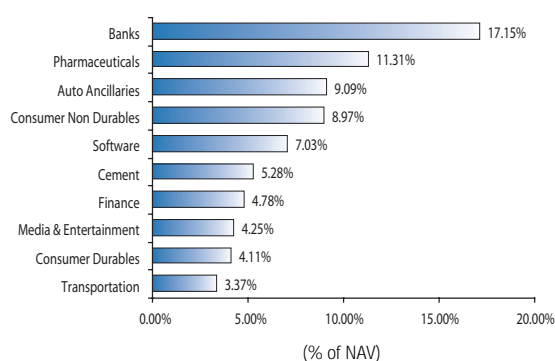
PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry	% of NAV
Equity		99.61
Amara Raja Batteries	Auto Ancillaries	4.43
Shree Cements	Cement	3.39
The Federal Bank	Banks	3.14
ING Vysya Bank	Banks	3.08
ICICI Bank	Banks	3.08
Apollo Tyres	Auto Ancillaries	2.95
The Jammu & Kashmir Bank	Banks	2.93
HCL Technologies	Software	2.90
Godrej Consumer Products	Consumer Non Durables	2.75
Divi's Laboratories	Pharmaceuticals	2.70
Sadbhav Engineering	Construction Project	2.60
Satyam Computer Services	Software	2.44
Torrent Pharmaceuticals	Pharmaceuticals	2.39

Cummins India	Industrial Products	2.33
LIC Housing Finance	Finance	2.23
Kaveri Seed Company	Consumer Non Durables	2.14
Union Bank of India	Banks	2.08
Yes Bank	Banks	1.98
Eicher Motors	Auto	1.96
Lupin	Pharmaceuticals	1.92
JK Cement	Cement	1.89
Titan Industries	Consumer Durables	1.83
Glenmark Pharmaceuticals	Pharmaceuticals	1.76
Aditya Birla Nuvo	Services	1.74
Motherson Sumi Systems	Auto Ancillaries	1.71
Hindustan Petroleum Corporation	Petroleum Products	1.69
Oracle Financial Services Software	Software	1.69
Tata Chemicals	Chemicals	1.69
Sun TV Network	Media & Entertainment	1.68
Oil India	Oil	1.66
Asian Paints	Consumer Non Durables	1.62
Max India	Finance	1.60
Gateway Distriparks	Transportation	1.56
IPCA Laboratories	Pharmaceuticals	1.56
Hathway Cable & Datacom	Media & Entertainment	1.52
Godrej Industries	Chemicals	1.48
Tata Global Beverages	Consumer Non Durables	1.45
Prestige Estates Projects	Construction	1.37
Symphony	Consumer Durables	1.36
Arvind	Textile Products	1.31
KEC International	Power	1.16
Petronet LNG	Gas	1.14
Dish TV India	Media & Entertainment	1.05
MT Educare	Diversified Consumer Services	1.02
GlaxoSmithKline Consumer Healthcare	Consumer Non Durables	1.01
Aurobindo Pharma	Pharmaceuticals	0.98
Power Finance Corporation	Finance	0.95
Graphite India	Industrial Products	0.95
Spicejet	Transportation	0.94
Gujarat Mineral Development Corporation	Minerals/Mining	0.92
Bata India	Consumer Durables	0.92
Jet Airways (India)	Transportation	0.87
Oriental Bank of Commerce	Banks	0.86
Pantaloon Retail (India)	Retailing	0.64
Indraprastha Gas	Gas	0.61

Cash and Other Assets 0.39
Net Assets 100.00

SECTOR ALLOCATION (TOP 10) (As on Mar. 31, 2013)



Principal Growth Fund (An open-ended equity scheme)

FUND FEATURES

QAAUM (For the period January to March 2013):

₹ 261.38 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Plan :	₹ 52.74	₹ 52.67
Dividend Plan :	₹ 23.90	₹ 23.87

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 Mar. 31, 2013)

Standard Deviation [^] (Annualised)	17.73%
Beta [^]	0.98
Sharpe Ratio [^] (Annualised)	-0.18
Portfolio Turnover Ratio ^{**}	1.34
Expense Ratio (Regular Plan) ^{#+}	2.46%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

^{**} Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

[#] 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 Mar. 31, 2013)

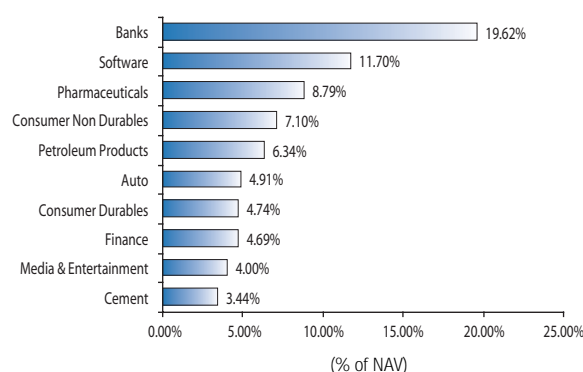
Instrument	Industry	% of NAV
Equity		98.41
ITC	Consumer Non Durables	7.10
ICICI Bank	Banks	6.53
Reliance Industries	Petroleum Products	5.04
HCL Technologies	Software	4.12
HDFC Bank	Banks	3.24
Infosys	Software	3.21
Jet Airways (India)	Transportation	2.96
Oracle Financial Services Software	Software	2.70
State Bank of India	Banks	2.41
Lupin	Pharmaceuticals	2.31
Housing Development Finance Corporation	Finance	2.20
Motherson Sumi Systems	Auto Ancillaries	2.19
Havells India	Consumer Durables	2.18
Titan Industries	Consumer Durables	2.03
The Federal Bank	Banks	1.98
Tata Motors	Auto	1.95
Maruti Suzuki India	Auto	1.83
Jain Irrigation Systems	Industrial Products	1.56
IDFC	Finance	1.55
Prestige Estates Projects	Construction	1.51
Jaiprakash Power Ventures	Power	1.39
ING Vysya Bank	Banks	1.38
Aurobindo Pharma	Pharmaceuticals	1.32

Bharat Petroleum Corporation	Petroleum Products	1.30
IPCA Laboratories	Pharmaceuticals	1.30
Raymond	Textile Products	1.17
Hathway Cable & Datacom	Media & Entertainment	1.15
Tata Motors	Auto	1.13
Sterlite Industries (India)	Non - Ferrous Metals	1.13
JK Cement	Cement	1.13
NIIT Technologies	Software	1.12
Alembic Pharmaceuticals	Pharmaceuticals	1.12
Indiabulls Power	Power	1.11
Zee Entertainment Enterprise	Media & Entertainment	1.11
Union Bank of India	Banks	1.10
Aditya Birla Nuvo	Services	1.09
Idea Cellular	Telecom - Services	1.09
Axis Bank	Banks	1.05
Godrej Industries	Chemicals	1.04
Bank of Baroda	Banks	1.03
The India Cements	Cement	1.03
Divi's Laboratories	Pharmaceuticals	1.01
Chambal Fertilizers & Chemicals	Fertilisers	1.01
Larsen & Toubro	Construction Project	0.98
Cairn India	Oil	0.94
Power Finance Corporation	Finance	0.94
Gujarat Mineral Development Corporation	Minerals/Mining	0.92
Oriental Bank of Commerce	Banks	0.90
Oil India	Oil	0.89
Jubilant Life Sciences	Pharmaceuticals	0.89
Jindal Steel & Power	Ferrous Metals	0.87
Torrent Pharmaceuticals	Pharmaceuticals	0.84
Ambuja Cements	Cement	0.84
Eros International Media	Media & Entertainment	0.76
NMDC	Minerals/Mining	0.73
Infinite Computer Solutions (India)	Software	0.55
PC Jeweller	Consumer Durables	0.53
Dish TV India	Media & Entertainment	0.49
Sun TV Network	Media & Entertainment	0.49
Pantaloon Retail (India)	Retailing	0.47
Jaiprakash Associates	Cement	0.44
Milestone Global Ltd	Construction Materials	0.03

Cash and Other Assets 1.59

Net Assets 100.00

SECTOR ALLOCATION (TOP 10) (As on Mar. 31, 2013)



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

FUND FEATURES

QAAUM (For the period January to March 2013):

₹ 108.40 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Plan :	₹ 23.42	₹ 23.39
Dividend Plan :	₹ 17.29	₹ 17.27

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 Mar. 31, 2013)

Standard Deviation [^] (Annualised)	17.95%
Beta [^]	1.05
Sharpe Ratio [^] (Annualised)	0.01
Portfolio Turnover Ratio ^{**}	0.51
Expense Ratio (Regular Plan) ^{#+}	2.57%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

^{**} Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

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

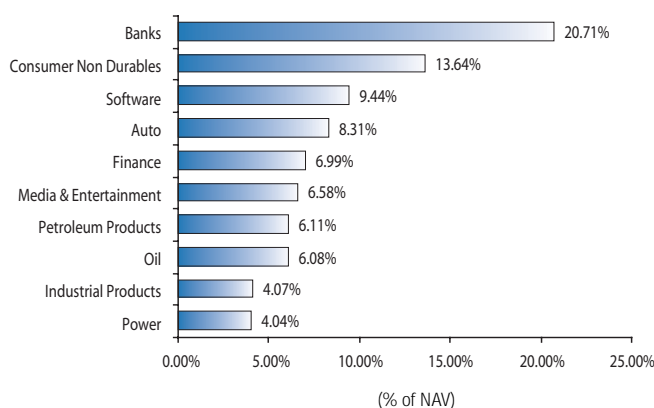
⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry	% of NAV
Equity		100.02
ITC	Consumer Non Durables	5.43
The Jammu & Kashmir Bank	Banks	3.94
Tata Motors	Auto	3.75
ICICI Bank	Banks	3.51
NIIT Technologies	Software	3.51
Bajaj Holdings & Investment	Finance	3.48
Oil & Natural Gas Corporation	Oil	3.40
VST Industries	Consumer Non Durables	3.34
State Bank of India	Banks	2.83
Gujarat Industries Power Company	Power	2.74
Sun TV Network	Media & Entertainment	2.71
HCL Technologies	Software	2.53
Gateway Distriparks	Transportation	2.41
Bajaj Auto	Auto	2.25
Colgate Palmolive (India)	Consumer Non Durables	2.18
Bank of Baroda	Banks	2.07
Cummins India	Industrial Products	2.05
Union Bank of India	Banks	2.02
Hindustan Petroleum Corporation	Petroleum Products	1.87
Hinduja Ventures	Media & Entertainment	1.84

Tata Chemicals	Chemicals	1.84
JK Cement	Cement	1.84
Hero MotoCorp	Auto	1.75
Oil India	Oil	1.75
Castrol India	Petroleum Products	1.73
Zensar Technologies	Software	1.65
Tata Global Beverages	Consumer Non Durables	1.64
National Buildings Construction Corpn.	Construction	1.63
Karur Vysya Bank	Banks	1.47
Rural Electrification Corporation	Finance	1.46
Tata Steel	Ferrous Metals	1.45
Power Finance Corporation	Finance	1.44
Tata Consultancy Services	Software	1.37
Reliance Industries	Petroleum Products	1.31
NTPC	Power	1.30
Bharat Petroleum Corporation	Petroleum Products	1.20
Jagran Prakashan	Media & Entertainment	1.12
ACC	Cement	1.10
Kolte - Patil Developers	Construction	1.09
Oriental Bank of Commerce	Banks	1.06
Tamil Nadu Newsprint & Papers	Paper	1.06
Mcleod Russel India	Consumer Non Durables	1.05
Supreme Industries	Industrial Products	1.04
Allahabad Bank	Banks	1.00
Kirloskar Oil Engines	Industrial Products	0.98
IPCA Laboratories	Pharmaceuticals	0.96
The South Indian Bank	Banks	0.94
Cairn India	Oil	0.93
Repro India	Media & Entertainment	0.91
Syndicate Bank	Banks	0.72
LIC Housing Finance	Finance	0.61
IDBI Bank	Banks	0.61
SML Isuzu	Auto	0.56
Chambal Fertilizers & Chemicals	Fertilisers	0.54
Dena Bank	Banks	0.54
Infinite Computer Solutions (India)	Software	0.38
Volant Textile Mills	Textile - Cotton	0.13
Cash and Other Assets		-0.02
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on Mar. 31, 2013)



Principal Index Fund (An open-ended index scheme)

FUND FEATURES

QAAUM (For the period January to March 2013):

₹ 21.11 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Plan :	₹ 38.9351	₹ 38.9258
Dividend Plan :	₹ 22.8827	₹ 22.8775

INVESTMENT OBJECTIVE

To invest principally in securities that comprise S&P 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 Mar. 31, 2013)

Standard Deviation [^] (Annualised)	17.36%
Beta [^]	1.00
Sharpe Ratio [^] (Annualised)	-0.13
Portfolio Turnover Ratio ^{**}	2.41
Expense Ratio (Regular Plan) ^{#+}	0.52%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

^{**} Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

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

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

TRACKING DEVIATION

0.90%*

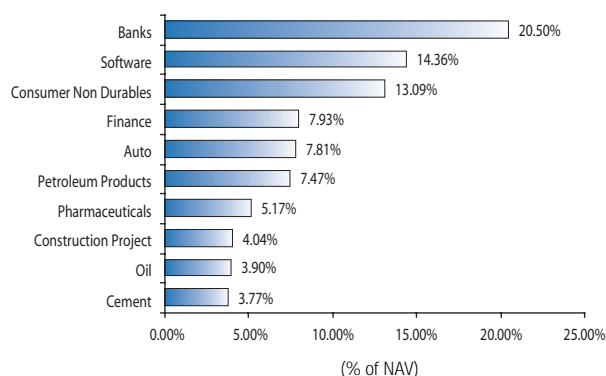
* Trailing 12 months ended Mar. 31, 2013 (Annualized).

PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry	% of NAV
Equity		99.63
ITC	Consumer Non Durables	9.25
Infosys	Software	7.62
Housing Development Finance Corporation	Finance	6.96
Reliance Industries	Petroleum Products	6.94
ICICI Bank	Banks	6.59
HDFC Bank	Banks	6.25
Tata Consultancy Services	Software	4.39
Larsen & Toubro	Construction Project	4.04
Oil & Natural Gas Corporation	Oil	3.02
State Bank of India	Banks	2.93
Hindustan Unilever	Consumer Non Durables	2.62
Tata Motors	Auto	2.60
Axis Bank	Banks	2.24
Mahindra & Mahindra	Auto	2.16
Bharti Airtel	Telecom - Services	1.91
Sun Pharmaceuticals Industries	Pharmaceuticals	1.69
NTPC	Power	1.59

Kotak Mahindra Bank	Banks	1.35
Bajaj Auto	Auto	1.32
Dr. Reddy's Laboratories	Pharmaceuticals	1.23
Asian Paints	Consumer Non Durables	1.22
Wipro	Software	1.20
HCL Technologies	Software	1.15
Tata Steel	Ferrous Metals	1.14
Coal India	Minerals/Mining	1.07
Cipla	Pharmaceuticals	1.06
Ultratech Cement	Cement	1.04
Grasim Industries	Cement	0.98
IDFC	Finance	0.97
Maruti Suzuki India	Auto	0.93
Cairn India	Oil	0.88
Tata Power Company	Power	0.86
Lupin	Pharmaceuticals	0.82
Power Grid Corporation of India	Power	0.81
Hero MotoCorp	Auto	0.80
GAIL (India)	Gas	0.78
Bharat Heavy Electricals	Industrial Capital Goods	0.76
Ambuja Cements	Cement	0.73
Jindal Steel & Power	Ferrous Metals	0.72
Hindalco Industries	Non - Ferrous Metals	0.65
Bank of Baroda	Banks	0.62
ACC	Cement	0.59
Bharat Petroleum Corporation	Petroleum Products	0.53
Punjab National Bank	Banks	0.52
DLF	Construction	0.47
Jaiprakash Associates	Cement	0.43
Ranbaxy Laboratories	Pharmaceuticals	0.37
Sesa Goa	Minerals/Mining	0.33
Siemens	Industrial Capital Goods	0.26
Reliance Infrastructure	Power	0.24
Cash and Other Assets		0.37
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on Mar. 31, 2013)



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

FUND FEATURES

OAAUM (For the period January to March 2013):

₹ 91.69 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Plan :	₹ 10.79	₹ 10.76
Dividend Plan :	₹ 10.79	₹ 10.76

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 Mar. 31, 2013)

Portfolio Turnover Ratio**	1.05
Expense Ratio (Regular Plan)#+	2.55%

** Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

Calculated as year to date ratio to average AUM.

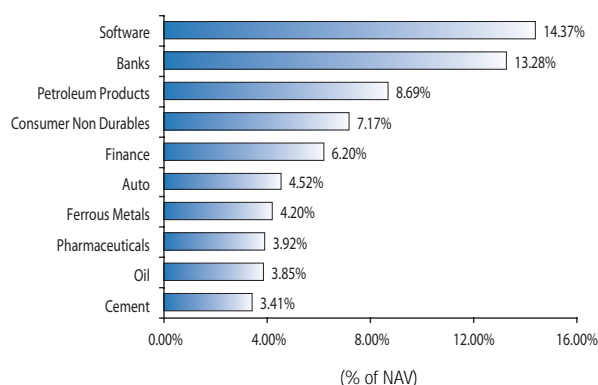
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry/Rating	% of NAV
Equity		80.95
Infosys	Software	6.74
ITC	Consumer Non Durables	6.32
Reliance Industries	Petroleum Products	5.62
ICICI Bank	Banks	5.46
Housing Development Finance Corporation	Finance	4.59
Jindal Steel & Power	Ferrous Metals	4.20
Divi's Laboratories	Pharmaceuticals	3.92
Tata Motors	Auto	3.92
HCL Technologies	Software	3.81
Shree Cements	Cement	3.41
Oracle Financial Services Software	Software	3.19
HDFC Bank	Banks	2.92
Bharat Petroleum Corporation	Petroleum Products	2.41
State Bank of India	Banks	2.33
NHPC	Power	1.91
Oil & Natural Gas Corporation	Oil	1.91
Canara Bank	Banks	1.72
Motherson Sumi Systems	Auto Ancillaries	1.55
Idea Cellular	Telecom - Services	1.54

LIC Housing Finance	Finance	1.41
Aditya Birla Nuvo	Services	1.28
Bharti Airtel	Telecom - Services	1.13
Larsen & Toubro	Construction Project	1.08
Oil India	Oil	1.07
NMDC	Minerals/Mining	0.93
Cairn India	Oil	0.87
Axis Bank	Banks	0.85
Hindustan Unilever	Consumer Non Durables	0.85
Sun TV Network	Media & Entertainment	0.70
Jaiprakash Power Ventures	Power	0.65
Wipro	Software	0.63
Maruti Suzuki India	Auto	0.60
Jet Airways (India)	Transportation	0.57
Indian Oil Corporation	Petroleum Products	0.35
Hindustan Petroleum Corporation	Petroleum Products	0.31
Power Finance Corporation	Finance	0.20
Certificate of Deposit		2.46
State Bank of Patiala	A1+	2.46
Commercial Paper		11.70
JM Financial Products	A1+	6.15
Power Finance Corporation	A1+	5.55
BONDS & NCDs		3.64
Tata Capital Financial Services	AA+	3.64
Cash and Other Assets		1.25
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on Mar. 31, 2013)



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

Free
Accidental
Death Insurance
150 times the
number of
units##

FUND FEATURES

QAAUM (For the period January to March 2013):

₹ 400.24 crore

NAV per unit (As on Mar. 28, 2013)

Direct Plan: ₹ 92.80

Regular Plan: ₹ 92.66

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 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 Mar. 31, 2013)

Standard Deviation [^] (Annualised)	16.58%
Beta [^]	0.93
Sharpe Ratio [^] (Annualised)	-0.22
Portfolio Turnover Ratio ^{**}	1.07
Expense Ratio (Regular Plan) ^{#+}	2.38%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

^{**} Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

[#] 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 Mar. 31, 2013)

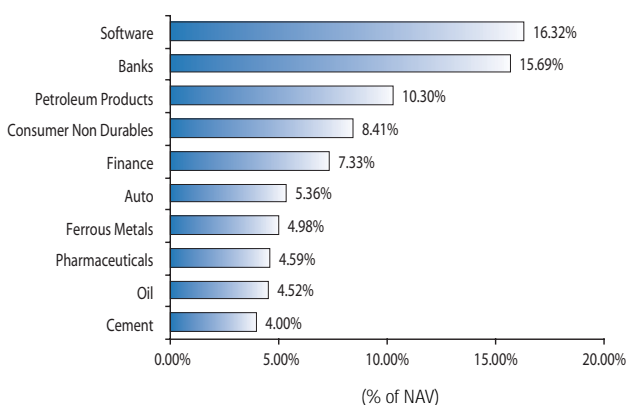
Instrument	Industry	% of NAV
Equity		95.03
ITC	Consumer Non Durables	7.41
Infosys	Software	7.30
Reliance Industries	Petroleum Products	6.65
ICICI Bank	Banks	6.41
Housing Development Finance Corporation	Finance	5.41
Jindal Steel & Power	Ferrous Metals	4.98
Tata Motors	Auto	4.64
Divi's Laboratories	Pharmaceuticals	4.59
HCL Technologies	Software	4.49
Shree Cements	Cement	4.00
Oracle Financial Services Software	Software	3.79
HDFC Bank	Banks	3.46

Bharat Petroleum Corporation	Petroleum Products	2.86
State Bank of India	Banks	2.77
NHPC	Power	2.41
Oil & Natural Gas Corporation	Oil	2.23
Canara Bank	Banks	2.05
Motherson Sumi Systems	Auto Ancillaries	1.84
Idea Cellular	Telecom - Services	1.82
LIC Housing Finance	Finance	1.68
Aditya Birla Nuvo	Services	1.52
Bharti Airtel	Telecom - Services	1.32
Oil India	Oil	1.26
Larsen & Toubro	Construction Project	1.23
NMDC	Minerals/Mining	1.10
Cairn India	Oil	1.03
Axis Bank	Banks	1.00
Hindustan Unilever	Consumer Non Durables	1.00
Sun TV Network	Media & Entertainment	0.84
Jaiprakash Power Ventures	Power	0.77
Wipro	Software	0.74
Maruti Suzuki India	Auto	0.72
Jet Airways (India)	Transportation	0.68
Indian Oil Corporation	Petroleum Products	0.42
Hindustan Petroleum Corporation	Petroleum Products	0.37
Power Finance Corporation	Finance	0.24

Cash and Other Assets **4.97**

Net Assets **100.00**

SECTOR ALLOCATION (TOP 10) (As on Mar. 31, 2013)



Conditions Apply. Also, subject to a maximum of ₹ 1 lakh.

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

(Close for subscription)

Free
Personal
Accident Death
Insurance upto
₹ 5 lacs**

FUND FEATURES

QAAUM (For the period January to March 2013):

₹ 217.34 crore

NAV per unit (As on Mar. 28, 2013)

Direct Plan: ₹ 77.75 • **Regular Plan:** ₹ 77.61

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
March 31, 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 Mar. 31, 2013)

Standard Deviation [^] (Annualised)	17.54%
Beta [^]	0.97
Sharpe Ratio [^] (Annualised)	-0.15
Portfolio Turnover Ratio**	1.09
Expense Ratio (Regular Plan) ^{#+}	2.20%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

** Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

Calculated as year to date ratio to average AUM.

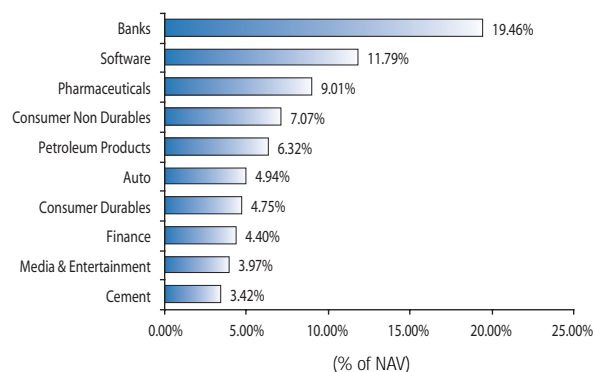
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry	% of NAV
Equity		98.08
ITC	Consumer Non Durables	7.07
ICICI Bank	Banks	6.42
Reliance Industries	Petroleum Products	5.02
HCL Technologies	Software	4.18
Infosys	Software	3.26
HDFC Bank	Banks	3.22
Jet Airways (India)	Transportation	2.97
Oracle Financial Services Software	Software	2.69
State Bank of India	Banks	2.38
Lupin	Pharmaceuticals	2.33
Havells India	Consumer Durables	2.19
Motherson Sumi Systems	Auto Ancillaries	2.18
Housing Development Finance Corporation	Finance	2.16
Titan Industries	Consumer Durables	2.03
The Federal Bank	Banks	1.98
Tata Motors	Auto	1.96
Maruti Suzuki India	Auto	1.85
Jain Irrigation Systems	Industrial Products	1.55
Prestige Estates Projects	Construction	1.43
Jaiprakash Power Ventures	Power	1.39
ING Vysya Bank	Banks	1.37
Aurobindo Pharma	Pharmaceuticals	1.32
IDFC	Finance	1.31
IPCA Laboratories	Pharmaceuticals	1.30
Bharat Petroleum Corporation	Petroleum Products	1.30

Raymond	Textile Products	1.16
Hathway Cable & Datacom	Media & Entertainment	1.14
Tata Motors	Auto	1.13
JK Cement	Cement	1.13
Sterlite Industries (India)	Non - Ferrous Metals	1.13
Indiabulls Power	Power	1.12
Alembic Pharmaceuticals	Pharmaceuticals	1.12
NIIT Technologies	Software	1.12
Zee Entertainment Enterprise	Media & Entertainment	1.11
Union Bank of India	Banks	1.10
Idea Cellular	Telecom - Services	1.09
Aditya Birla Nuvo	Services	1.09
Axis Bank	Banks	1.05
Bank of Baroda	Banks	1.04
Godrej Industries	Chemicals	1.04
The India Cements	Cement	1.02
Divi's Laboratories	Pharmaceuticals	1.02
Torrent Pharmaceuticals	Pharmaceuticals	1.02
Chambal Fertilizers & Chemicals	Fertilisers	0.99
Larsen & Toubro	Construction Project	0.99
Cairn India	Oil	0.94
Power Finance Corporation	Finance	0.93
Gujarat Mineral Development Corporation	Minerals/Mining	0.92
Oil India	Oil	0.90
Jubilant Life Sciences	Pharmaceuticals	0.90
Oriental Bank of Commerce	Banks	0.90
Jindal Steel & Power	Ferrous Metals	0.87
Ambuja Cements	Cement	0.83
Eros International Media	Media & Entertainment	0.75
NMDC	Minerals/Mining	0.72
Infinite Computer Solutions (India)	Software	0.54
PC Jeweller	Consumer Durables	0.53
Dish TV India	Media & Entertainment	0.49
Sun TV Network	Media & Entertainment	0.48
Pantaloon Retail (India)	Retailing	0.47
Jaiprakash Associates	Cement	0.44
Cash and Other Assets		1.92
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on Mar. 31, 2013)



Conditions Apply.

Note: In terms of enabling provisions of the SID, post 3.00 p.m of September 2, 2011, fresh sale of units (by way of Purchase or Switch-ins) under the scheme has been suspended (refer notice-cum addendum no. 15/2011 dated August 30, 2011)

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

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

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 32.30 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Plan :	₹ 24.5135	₹ 24.4664
Dividend Plan (Monthly):	₹ 10.7311	₹ 10.7109
Dividend Plan (Quarterly):	₹ 12.0846	₹ 12.0618

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
March 22, 2013	0.0500	10.7468	0.0500 [^]	10.7655 [^]
February 22, 2013	0.0700	10.7731	0.0700	10.7851
January 24, 2013	0.0700	10.8679	0.0700	10.8733
Quarterly Dividend (Last 3 Quarters)				
March 22, 2013	0.0500	12.0959	0.0500	12.1172
December 24, 2012	0.0500	11.9729	-	-
September 24, 2012	0.1000	11.7427	-	-

* On face value of ₹ 10. [^] Record Date as on March 26, 2013

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

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

RATIO (As on Mar. 31, 2013)

Portfolio Turnover Ratio** 0.03

** Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

AVERAGE MATURITY (As on Mar. 31, 2013)

2.4 years

MODIFIED DURATION (As on Mar. 31, 2013)

1.6 years

PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry/Rating	% of NAV
Equity		1.53
Jet Airways (India)	Transportation	1.53
Certificate of Deposit		4.20
Yes Bank	A1+	4.20
Commercial Paper		5.56
Piramal Enterprises	A1+	5.56
Treasury Bill		0.28
T-Bill 364 Days 17-May-2013	Sovereign	0.28

Bonds & NCDs 75.12

Cholamandalam Investment and Finance Company	AA	19.70
Sundaram Finance	AA+	18.77
Exim Bank	AAA	14.04
State Bank of Mysore	AAA	7.06
Tata Sons	AAA	5.67
Power Grid Corporation of India	AAA	4.30
Fullerton India Credit Company	AA+	4.25
Dr. Reddy's Laboratories	AA+	1.33

Mutual Fund Units 9.73

Principal Index Fund - Regular Plan - Growth Option Mutual Funds 9.73

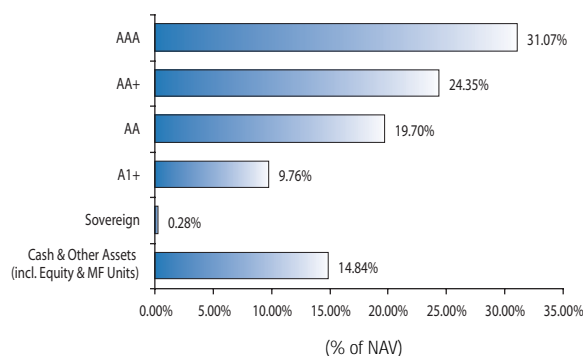
Cash and Other Assets 3.58

Net Assets 100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Industry / Ratings	% of NAV
Bonds & NCDs	75.12
Mutual Fund Units	9.73
Commercial Paper	5.56
Certificate of Deposit	4.20
Equity	1.53
Treasury Bill	0.28
Cash & Cash Equivalents	3.58

RATING PROFILE (As on Mar. 31, 2013)



Principal Balanced Fund (An open-ended balanced scheme)

FUND FEATURES

OAAUM (For the period January to March 2013):

₹ 15.52 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Plan :	₹ 32.43	₹ 32.37
Dividend Plan :	₹ 16.40	₹ 16.36

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 Mar. 31, 2013)

Standard Deviation [^] (Annualised)	12.78%
Beta [^]	1.03
Sharpe Ratio [^] (Annualised)	-0.25
Portfolio Turnover Ratio ^{**}	0.74
Expense Ratio (Regular Plan) ^{#+}	2.59%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

^{**} Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months. [#] 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.

AVERAGE MATURITY (As on Mar. 31, 2013)

0.6 years

MODIFIED DURATION (As on Mar. 31, 2013)

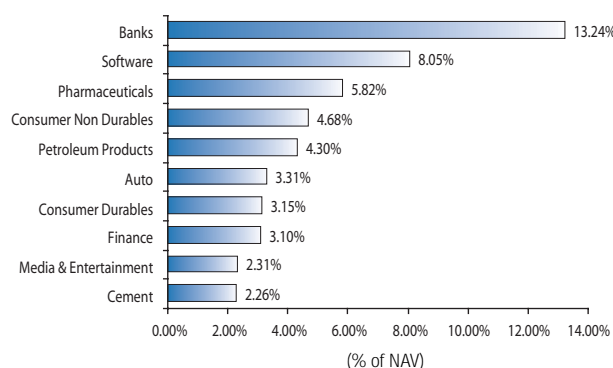
0.6 years

PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry / Rating	% of NAV
Equity		65.30
ITC	Consumer Non Durables	4.68
ICICI Bank	Banks	4.37
Reliance Industries	Petroleum Products	3.42
HCL Technologies	Software	2.83
Infosys	Software	2.25
HDFC Bank	Banks	2.20
Jet Airways (India)	Transportation	2.03
Oracle Financial Services Software	Software	1.81
State Bank of India	Banks	1.64
Housing Development Finance Corporation	Finance	1.54
Havells India	Consumer Durables	1.49
Lupin	Pharmaceuticals	1.49
Motherson Sumi Systems	Auto Ancillaries	1.47
The Federal Bank	Banks	1.34
Titan Industries	Consumer Durables	1.32
Tata Motors	Auto	1.30
Maruti Suzuki India	Auto	1.28
Prestige Estates Projects	Construction	0.97
Jain Irrigation Systems	Industrial Products	0.94
ING Vysya Bank	Banks	0.93
IDFC	Finance	0.93
IPCA Laboratories	Pharmaceuticals	0.92

Bharat Petroleum Corporation	Petroleum Products	0.88
Jaiprakash Power Ventures	Power	0.88
Aurobindo Pharma	Pharmaceuticals	0.87
NIIT Technologies	Software	0.80
Hathway Cable & Datacom	Media & Entertainment	0.79
Raymond	Textile Products	0.79
JK Cement	Cement	0.76
Indiabulls Power	Power	0.75
Union Bank of India	Banks	0.73
Tata Motors	Auto	0.73
Bank of Baroda	Banks	0.73
Alembic Pharmaceuticals	Pharmaceuticals	0.72
Aditya Birla Nuvo	Services	0.72
Chambal Fertilizers & Chemicals	Fertilisers	0.72
Idea Cellular	Telecom - Services	0.71
Axis Bank	Banks	0.70
Godrej Industries	Chemicals	0.69
Larsen & Toubro	Construction Project	0.69
The India Cements	Cement	0.66
Cairn India	Oil	0.65
Divi's Laboratories	Pharmaceuticals	0.65
Power Finance Corporation	Finance	0.63
Jubilant Life Sciences	Pharmaceuticals	0.61
Oriental Bank of Commerce	Banks	0.60
Gujarat Mineral Development Corporation	Minerals/Mining	0.59
Jindal Steel & Power	Ferrous Metals	0.58
Oil India	Oil	0.57
Ambuja Cements	Cement	0.56
Torrent Pharmaceuticals	Pharmaceuticals	0.56
Sterlite Industries (India)	Non - Ferrous Metals	0.55
Eros International Media	Media & Entertainment	0.51
NMDC	Minerals/Mining	0.48
Infinite Computer Solutions (India)	Software	0.36
Zee Entertainment Enterprise	Media & Entertainment	0.34
Sun TV Network	Media & Entertainment	0.34
PC Jeweller	Consumer Durables	0.34
Dish TV India	Media & Entertainment	0.33
Pantaloon Retail (India)	Retailing	0.30
Jaiprakash Associates	Cement	0.28
Certificate of Deposit		10.21
Yes Bank	A1+	10.21
Commercial Paper		13.51
Piramal Enterprises	A1+	13.51
Treasury Bill		0.68
T-Bill 364 Day 17-May-2013	Sovereign	0.68
Bonds & NCDs		8.92
Tata Capital Financial Services	AA+	8.92
Cash and Other Assets		1.38
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on Mar. 31, 2013)



Principal Government Securities Fund

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

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 65.30 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 23.5164	₹ 23.4887
Quarterly Dividend Option:	₹ 11.6093	₹ 11.5962
Annual Dividend Option:	₹ 13.9949	₹ 13.9785

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE (REGULAR PLAN)

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Quarterly Dividend Option (Last 3 Quarters)				
March 22, 2013	0.1500	11.7404	0.1500	11.7533
December 24, 2012	0.1500	11.5500	-	-
September 24, 2012	0.2000	11.5460	-	-
Annual Dividend Option (Last 3 Years)				
September 24, 2012	0.8000	14.1275	-	-
September 23, 2011	0.6000	13.7418	-	-
September 20, 2010	0.8000	13.8993	-	-

* 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 Mar. 31, 2013)

5.9 years

MODIFIED DURATION (As on Mar. 31, 2013)

3.7 years

MATURITY PROFILE

Period	Portfolio (%)
Less than 3 years	1.63
3 - 5 years	7.51
5 - 10 years	3.78
10 - 15 years	41.54
Cash and Other Assets	45.54

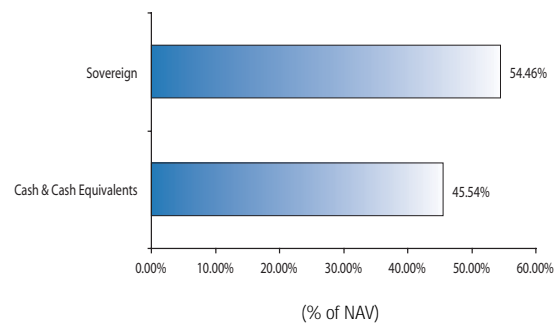
PORTFOLIO (As on Mar. 31, 2013)

Instrument	Rating	% of NAV
Treasury Bill		1.63
T-Bill 364 Days 17-May-2013	Sovereign	1.63
Sovereign		52.83
08.20% GOI 24-Sep-2025	Sovereign	30.13
08.33% GOI 09-Jul-2026	Sovereign	11.41
08.07% GOI 03-Jul-2017	Sovereign	7.51
08.15% GOI 11-Jun-2022	Sovereign	3.78
Cash and Other Assets		45.54
Net Assets		100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Ratings	% of NAV
Sovereign	52.83
Treasury Bills	1.63
Cash and Other Assets	45.54

RATING PROFILE (As on Mar. 31, 2013)



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

FUND FEATURES

OAAUM (For the period January to March 2013):
₹ 120.62 crore

NAV per unit (As on Mar. 31, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 20.2430	₹ 20.2073
Dividend Option (Quarterly):	₹ 12.8419	₹ 12.8187
Dividend Option (Annual):	₹ 11.9097	₹ 11.8887

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE (REGULAR PLAN)

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Quarterly Dividend Option (Last 3 Quarters)				
March 22, 2013	0.2000	13.0003	0.2000	13.0218
December 24, 2012	0.2000	12.8727	-	-
September 24, 2012	0.2500	12.8770	-	-
Annual Dividend Option (Last 3 Years)				
September 24, 2012	1.0000	12.3525	-	-
September 23, 2011	0.6000	11.7136	-	-
September 20, 2010	0.4882	11.4302	-	-

* 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 Mar. 31, 2013)

4.9 years

MODIFIED DURATION (As on Mar. 31, 2013)

3.3 years

MATURITY PROFILE

Period	Portfolio (%)
Less than 1 year	22.28
1 - 3 years	17.69
3 - 5 years	11.18
5 - 10 years	17.54
Above 10 years	21.66
Cash and Others Assets	9.65

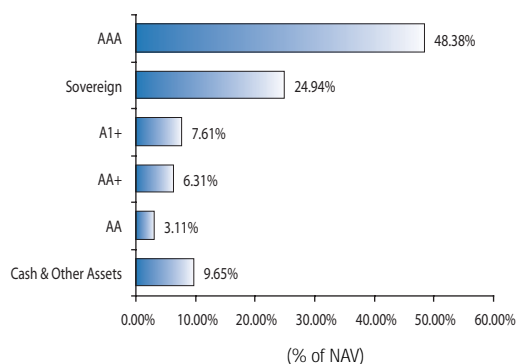
PORTFOLIO (As on Mar. 31, 2013)

Instrument	Rating	% of NAV
Certificate of Deposit		
Yes Bank	A1+	3.87
Syndicate Bank	A1+	3.74
Treasury Bill		
T-Bill 364 Days 17-May-2013	Sovereign	1.31
Sovereign		
23.63		
08.20% GOI 24-Sep-2025	Sovereign	11.76
08.33% GOI 09-Jul-2026	Sovereign	9.90
08.15% GOI 11-Jun-2022	Sovereign	1.97
Bonds & NCDs		
57.80		
Housing Development Finance Corporation	AAA	9.00
Power Finance Corporation	AAA	7.81
Rural Electrification Corporation	AAA	7.80
Power Grid Corporation of India	AAA	7.22
LIC Housing Finance	AAA	6.23
Tata Capital Financial Services	AA+	4.23
Nabard	AAA	3.95
Rural Electrification Corporation	AAA	3.89
Cholamandalam Investment and Finance Company	AA	3.11
ICICI Bank	AAA	2.48
Sundaram Finance	AA+	1.30
Fullerton India Credit Company	AA+	0.78
Cash and Other Assets		
9.65		
Net Assets		
100.00		

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Ratings	% of NAV
BONDS & NCDs	57.80
Sovereign	23.63
Certificate of Deposit	7.61
Treasury Bill	1.31
Cash & Cash Equivalents	9.65

RATING PROFILE (As on Mar. 31, 2013)



Principal Debt Opportunities Fund - Corporate Bond Plan

(An open-ended debt scheme)

FUND FEATURES

QAAUM (For the period January to March 2013):

₹ 4.80 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 1828.4317	₹ 1826.1621
Dividend Option (Monthly):	₹ 1234.9379	₹ 1233.2725

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
March 26, 2013	6.000	1238.5526	6.000	1240.1753
February 26, 2013	5.000	1233.4903	5.000	1234.6849
January 28, 2013	6.500	1235.9257	6.500	1236.3806

* 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 Mar. 31, 2013)

1.4 years

MODIFIED DURATION (As on Mar. 31, 2013)

1.2 year

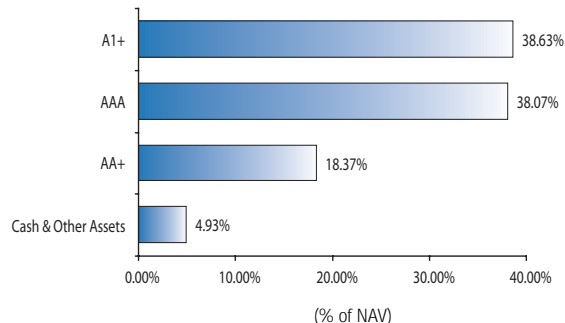
PORTFOLIO (As on Mar. 31, 2013)

Instrument	Rating	% of NAV
Commercial Paper		38.63
Power Finance Corporation	A1+	9.69
Vodafone India	A1+	9.66
Godrej Industries	A1+	9.65
Piramal Enterprises	A1+	9.63
Bonds & NCDs		56.44
Sundaram Finance	AA+	16.25
Housing Development Finance Corporation	AAA	15.74
Power Grid Corporation of India	AAA	14.76
Indian Oil Corporation	AAA	7.57
Tata Capital Financial Services	AA+	2.12
Cash and Other Assets		4.93
Net Assets		100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Industry / Ratings	% of NAV
Bonds & NCDs	56.44
Commercial Paper	38.63
Cash and Other Assets	4.93

RATING PROFILE (As on Mar. 31, 2013)



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

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 185.82 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 20.6378	₹ 20.6134
Dividend Option (Monthly):	₹ 12.7059	₹ 12.6906

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
March 26, 2013	0.0600	12.7430	0.0600	12.7580
February 26, 2013	0.0600	12.7072	0.0600	12.7172
January 28, 2013	0.0600	12.7188	0.0600	12.7238

* 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 Mar. 31, 2013)

1.6 years

MODIFIED DURATION (As on Mar. 31, 2013)

1.2 years

PORTFOLIO (As on Mar. 31, 2013)

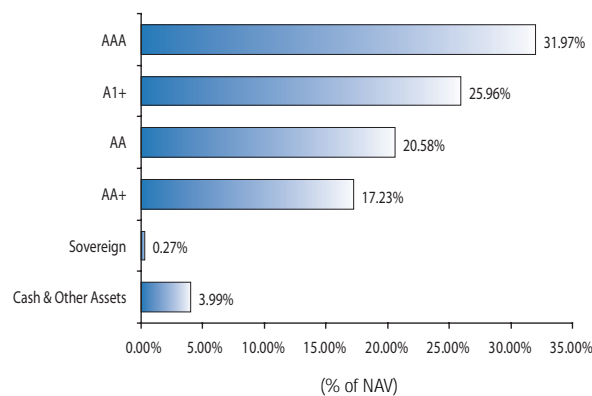
Instrument	Rating	% of NAV
Certificate of Deposit		21.95
Syndicate Bank	A1+	9.92
Yes Bank	A1+	6.84
State Bank of Travancore	A1+	3.38
ICICI Bank	A1+	1.14
IDBI Bank	A1+	0.67
Commercial Paper		4.01
Fullerton India Credit Company	A1+	4.01

Treasury Bill		0.27
T-Bill 364 Days 17-May-2013	Sovereign	0.27
Bonds & NCDs		69.78
Nabard	AAA	13.84
Jindal Power	AA	13.71
LIC Housing Finance	AAA	8.28
Tata Capital Financial Services	AA+	7.47
Sundaram Finance	AA+	6.31
Housing Development Finance Corporation	AAA	5.32
Tata Sons	AAA	3.51
Fullerton India Credit Company	AA+	3.45
Cholamandalam Investment and Finance Co.	AA	3.44
Shriram Equipment Finance	AA	3.43
Exim Bank	AAA	0.68
ICICI Bank	AAA	0.34
Cash and Other Assets		3.99
Net Assets		100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Ratings	% of NAV
Bonds & NCDs	69.78
Certificate of Deposit	21.95
Commercial Paper	4.01
Treasury Bill	0.27
Cash & Cash Equivalents	3.99

RATING PROFILE (As on Mar. 31, 2013)



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

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 14.23 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 1501.9080	₹ 1501.0626
Dividend Option (Monthly):	₹ 1121.1881	₹ 1120.5236

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
March 26, 2013	3.5000	1123.5194	3.5000	1124.1947
February 26, 2013	3.5000	1118.3204	3.5000	1118.7523
January 28, 2013	5.7500	1119.5966	5.7500	1119.8050

* 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 Mar. 31, 2013)

82 days

MODIFIED DURATION (As on Mar. 31, 2013)

75 days

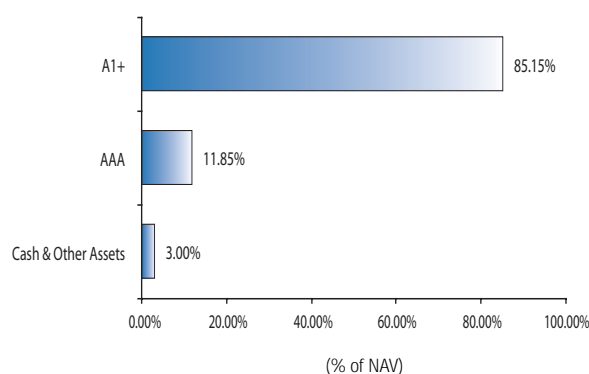
PORTFOLIO (As on Mar. 31, 2013)

Instrument	Rating	% of NAV
Certificate of Deposit		85.15
IDBI Bank	A1+	44.63
ICICI Bank	A1+	38.38
State Bank of Travancore	A1+	2.14
Bonds & NCDs		11.85
ICICI Bank	AAA	11.85
Cash and Other Assets		3.00
Net Assets		100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Ratings	% of NAV
Certificate of Deposit	85.15
Bonds & NCDs	11.85
Cash and Other Assets	3.00

RATING PROFILE (As on Mar. 31, 2013)



Principal Debt Opportunities Fund - Conservative Plan

(An open-ended debt scheme)

Credit
Risk Rating
[ICRA] AAAmfs⁺⁺

FUND FEATURES

QAAUM (For the period January to March 2013):

₹ 417.49 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 1862.1204	₹ 1860.5848
Dividend Option (Daily):	₹ 1001.2300	₹ 1001.2300
Dividend Option (Weekly):	₹ 1000.4000	₹ 1000.4000
Dividend Option (Monthly):	₹ 1135.8726	₹ 1134.9202

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
March 26, 2013	5.0000	1139.3214	5.0000	1140.2549
February 26, 2013	5.0000	1136.0401	5.0000	1136.6523
January 28, 2013	7.0000	1136.7442	7.0000	1137.0352

* 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 Mar. 31, 2013)

75 days

MODIFIED DURATION (As on Mar. 31, 2013)

65 days

PORTFOLIO (As on Mar. 31, 2013)

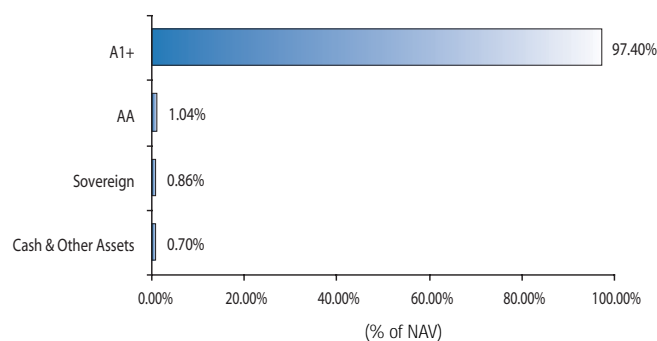
Instrument	Rating	% of NAV
Certificate of Deposit		16.61
Canara Bank	A1+	8.55
State Bank of Travancore	A1+	6.38
Syndicate Bank	A1+	1.68

Commercial Paper		74.97
Aditya Birla Nuvo	A1+	17.33
Piramal Enterprises	A1+	17.26
Fullerton India Credit Company	A1+	11.91
Vodafone India	A1+	8.66
Jindal Power	A1+	8.59
Magma Fincorp	A1+	8.53
Kotak Mahindra Investment	A1+	8.51
Treasury Bill		0.86
T-Bill 364 Days 17-May-2013	Sovereign	0.52
T-Bill 364 Days 31-May-2013	Sovereign	0.34
Bonds & NCDs		1.04
Jindal Power	AA	1.04
Cash and Other Assets		0.70
Net Assets		100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Ratings	% of NAV
Commercial Paper	80.79
Certificate of Deposit	16.61
Bonds & NCDs	1.04
Treasury Bill	0.86
Cash & Cash Equivalents	0.70

RATING PROFILE (As on Mar. 31, 2013)



Past performance is no guarantee of future result. (** for rating methodology please refer page 31.)

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

Credit
Risk Rating
[ICRA] A1+mfs⁺⁺

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 2603.78 crore

NAV per unit (As on Mar. 31, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 1140.7182	₹ 1140.4133
Dividend Option (Daily):	₹ 1000.0700	₹ 1000.0700
Dividend Option (Weekly):	₹ 1006.8071	₹ 1006.7945
Dividend Option (Monthly):	₹ 1021.8067	₹ 1021.7840

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
March 26, 2013	6.2909	1026.7189	6.3927	1026.8253
February 26, 2013	6.2509	1026.1750	6.3361	1026.2921
January 28, 2013	6.3736	1026.1031	6.7670	1026.2243

* 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 Mar. 31, 2013)

45 days

MODIFIED DURATION (As on Mar. 31, 2013)

42 days

PORTFOLIO (As on Mar. 31, 2013)

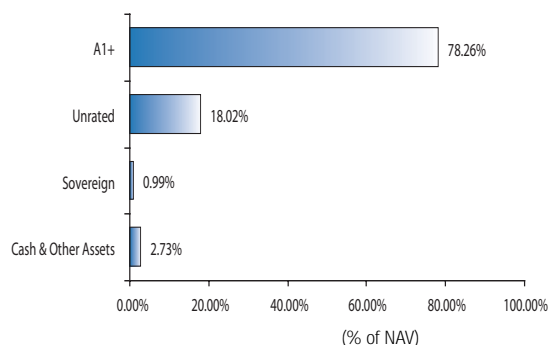
Instrument	Rating	% of NAV
Certificate of Deposit		24.53
IDBI Bank	A1+	9.89
Axis Bank	A1+	4.97
State Bank of Patiala	A1+	4.77
Allahabad Bank	A1+	2.46
Indusind Bank	A1+	2.44
Commercial Paper		53.73
Piramal Enterprises	A1+	11.30
India Infoline Finance	A1+	9.92

Jindal Power	A1+	7.40
ECL Finance	A1+	4.95
Aditya Birla Finance	A1+	4.93
Fullerton India Credit	A1+	3.48
Exim Bank	A1+	2.48
Turquoise Investment & Finance	A1+	2.47
Kotak Commodity Service	A1+	2.44
Vodafone India	A1+	2.41
Godrej Industries	A1+	1.94
Treasury Bill		0.99
T-Bill 364 Days 17-May-2013	Sovereign	0.99
Fixed Deposit		18.02
The South Indian Bank	Unrated	5.01
Canara Bank	Unrated	5.01
Karur Vysya Bank	Unrated	5.01
Karur Vysya Bank	Unrated	3.00
Cash and Other Assets		2.73
Net Assets		100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Ratings	% of NAV
Commercial Paper	53.73
Certificate of Deposit	24.53
Fixed Deposit	18.02
Treasury Bill	0.99
Cash & Cash Equivalents	2.73

RATING PROFILE (As on Mar. 31, 2013)



Past performance is no guarantee of future result. (** for rating methodology please refer page 31.)

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

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 32.51 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 21.2424	₹ 21.2226
Dividend Option:	₹ 21.2424	₹ 21.2226

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 Mar. 31, 2013)

Instrument	% of NAV
Foreign Securities	
I. Units of Mutual Fund / Unit Trust	96.54
Principal Global Investors Funds - Emerging Markets Equity Fund	
II. Cash and Other Current Assets	3.46
Net Assets	100.00

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

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 2.03 crore

NAV per unit (As on Mar. 31, 2013)

	Direct Plan	Regular Plan
Growth Option:	₹ 1315.1423	₹ 1314.8238
Dividend Option (Daily):	N.A.	₹ 1005.4300
Dividend Option (Weekly):	N.A.	₹ 1012.7365
Dividend Option (Monthly):	₹ 1057.9455	₹ 1057.9201

INVESTMENT OBJECTIVE

To generate steady return by investing in debt and money market securities.

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
March 26, 2013	7.1154	1063.2775	7.1891	1063.3639
February 26, 2013	6.5601	1062.1701	6.6356	1062.2549
January 28, 2013	7.2711	1062.0981	7.2711	1062.2632

* 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 Mar. 31, 2013)

24 days

MODIFIED DURATION (As on Mar. 31, 2013)

22 days

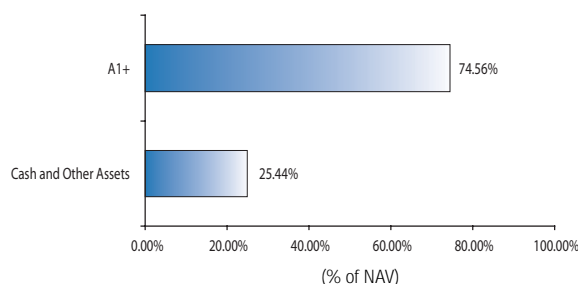
PORTFOLIO (As on Mar. 31, 2013)

Instrument	Rating	% of NAV
Certificate of Deposit		25.59
Indusind Bank	A1+	21.35
Allahabad Bank	A1+	4.24
Commercial Paper		48.97
Piramal Enterprises	A1+	19.14
Kotak Commodity Service	A1+	17.03
Vodafone India	A1+	12.80
Cash and Other Assets		25.44
Net Assets		100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Ratings	% of NAV
Certificate of Deposit	25.59
Commercial Paper	48.97
Cash & Cash Equivalents	25.44

RATING PROFILE (As on Mar. 31, 2013)



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

- Retail Plan

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 50.23 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Plan:	₹ 21.1105	₹ 21.0476
Dividend Plan (Monthly):	N.A.	₹ 10.4923
Dividend Plan (Quarterly):	₹ 11.6207	₹ 11.5870

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
March 22, 2013	0.0600	10.5328	-	-
February 22, 2013	0.0700	10.5222	0.0700	10.5409
January 24, 2013	0.0700	10.5524	0.0700	10.5605
Quarterly Dividend (Last 3 Quarters)				
March 22, 2013	0.0700	11.6354	0.0700	11.6675
December 24, 2012	0.1000	11.4796	-	-
September 24, 2012	0.1000	11.2837	-	-

* 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 Mar. 31, 2013)

Portfolio Turnover Ratio** 0.02

** Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

AVERAGE MATURITY (As on Mar. 31, 2013)

2.1 years

MODIFIED DURATION (As on Mar. 31, 2013)

1.4 years

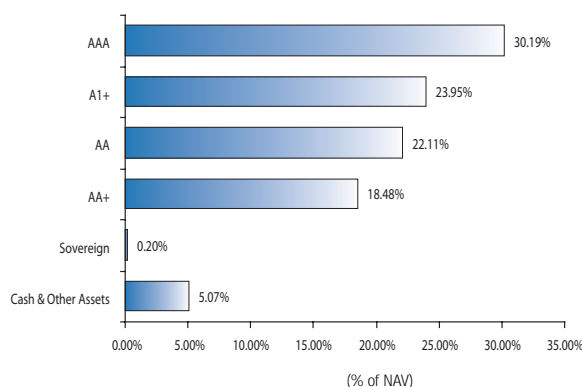
PORTFOLIO (As on Mar. 31, 2013)

Instrument	Rating	% of NAV
Certificate of Deposit		
Yes Bank	A1+	14.01
Commercial Paper		
Piramal Enterprises	A1+	9.94
Treasury Bill		
T-Bill 364 Days 17-May-2013	Sovereign	0.20
Bonds & NCDs		
Exim Bank	AAA	19.06
Cholamandalam Investment and Finance Company	AA	18.10
Sundaram Finance	AA+	13.42
Tata Sons	AAA	6.08
Fullerton India Credit Company	AA+	5.06
State Bank of Mysore	AAA	5.05
Jindal Power	AA	4.01
Cash and Other Assets		
Net Assets		
		100.00

COMPOSITION BY ASSETS (As on Mar. 31, 2013)

Industry / Ratings	% of NAV
Bonds & NCDs	70.78
Certificate of Deposit	14.01
Commercial Paper	9.94
Treasury Bill	0.20
Cash & Cash Equivalents	5.07

RATING PROFILE (As on Mar. 31, 2013)



Principal Retail Equity Savings Fund (An open-ended equity scheme)

FUND FEATURES

QAAUM (For the period January to March 2013):
₹ 23.13 crore

NAV per unit (As on Mar. 28, 2013)

	Direct Plan	Regular Plan
Growth Plan :	₹ 82.52	₹ 82.40
Dividend Plan :	N.A.	₹ 9.45

INVESTMENT OBJECTIVE

To provide long term capital appreciation and regular income by investing in equity and equity related instruments and also in debt and money market instruments

RATIOS & OTHER DETAILS (As on Mar. 31, 2013)

Standard Deviation [^] (Annualised)	13.60%
Beta [^]	0.74
Sharpe Ratio [^] (Annualised)	-0.46
Portfolio Turnover Ratio ^{**}	1.07
Expense Ratio (Regular Plan) ^{#+}	2.48%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.19% risk free rate of return (91 days - T Bill Rate as on March 26, 2013).

^{**} Portfolio Turnover Ratio is calculated as lower of sales or purchases divided by average AUM for last rolling 12 months.

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

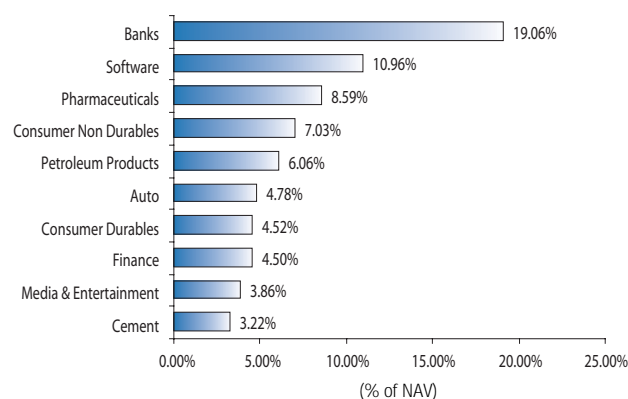
⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on Mar. 31, 2013)

Instrument	Industry / Rating	% of NAV
Equity		93.28
ITC	Consumer Non Durables	7.03
ICICI Bank	Banks	6.46
Reliance Industries	Petroleum Products	4.77
HCL Technologies	Software	4.07
Infosys	Software	3.17
HDFC Bank	Banks	3.03
Jet Airways (India)	Transportation	2.94
Oracle Financial Services Software	Software	2.66
State Bank of India	Banks	2.38
Lupin	Pharmaceuticals	2.28
Havells India	Consumer Durables	2.15
Motherson Sumi Systems	Auto Ancillaries	2.12
Housing Development Finance Corporation	Finance	2.10
The Federal Bank	Banks	1.96
Tata Motors	Auto	1.92
Titan Industries	Consumer Durables	1.91
Maruti Suzuki India	Auto	1.79
Jain Irrigation Systems	Industrial Products	1.54
IDFC	Finance	1.52
Prestige Estates Projects	Construction	1.41
Jaiprakash Power Ventures	Power	1.37
ING Vysya Bank	Banks	1.33
Aurobindo Pharma	Pharmaceuticals	1.29
Bharat Petroleum Corporation	Petroleum Products	1.29
IPCA Laboratories	Pharmaceuticals	1.23

Hathway Cable & Datacom	Media & Entertainment	1.13
Alembic Pharmaceuticals	Pharmaceuticals	1.12
Indiabulls Power	Power	1.10
Zee Entertainment Enterprise	Media & Entertainment	1.08
Tata Motors	Auto	1.07
Aditya Birla Nuvo	Services	1.07
JK Cement	Cement	1.07
Idea Cellular	Telecom - Services	1.07
NIIT Technologies	Software	1.06
Sterlite Industries (India)	Non - Ferrous Metals	1.06
Axis Bank	Banks	1.04
Godrej Industries	Chemicals	1.03
Union Bank of India	Banks	1.02
The India Cements	Cement	1.02
Divi's Laboratories	Pharmaceuticals	1.01
Raymond	Textile Products	0.99
Bank of Baroda	Banks	0.99
Larsen & Toubro	Construction Project	0.98
Cairn India	Oil	0.93
Gujarat Mineral Development Corporation	Minerals/Mining	0.90
Oil India	Oil	0.88
Power Finance Corporation	Finance	0.88
Jindal Steel & Power	Ferrous Metals	0.86
Jubilant Life Sciences	Pharmaceuticals	0.86
Oriental Bank of Commerce	Banks	0.85
Torrent Pharmaceuticals	Pharmaceuticals	0.80
Eros International Media	Media & Entertainment	0.70
Ambuja Cements	Cement	0.69
Sun TV Network	Media & Entertainment	0.49
PC Jeweller	Consumer Durables	0.46
Dish TV India	Media & Entertainment	0.46
Pantaloon Retail (India)	Retailing	0.45
Jaiprakash Associates	Cement	0.44
Commercial Paper		4.59
Piramal Enterprises	A1+	4.59
Cash and Other Assets		2.13
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on Mar. 31, 2013)



Returns (As on March 28, 2013)

SCHEMES MANAGED BY MR. ANUPAM TIWARI

PRINCIPAL LARGE CAP FUND

Performance Date	Scheme		Scheme's Benchmark (S&P BSE 100 Index)		Additional Benchmark (CNX Nifty Index)	
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
30-Mar-12 to 28-Mar-13	6.49	10649.30	6.84	10683.99	7.31	10730.80
31-Mar-11 to 30-Mar-12	-8.59	9140.79	-9.23	9077.15	-9.23	9077.44
31-Mar-10 to 31-Mar-11	11.46	11146.15	8.55	10855.39	11.14	11113.81
Since Inception as on 11-Nov-05 to 28-Mar-13	15.09	28210.00	11.21	21904.59	11.48	22296.31

PRINCIPAL PERSONAL TAX SAVER FUND

Performance Date	Scheme		Scheme's Benchmark (S&P BSE 100 Index)		Additional Benchmark (CNX Nifty Index)	
	Returns (%)	§PTP Returns (₹)	Returns (%)	§PTP Returns (₹)	Returns (%)	§PTP Returns (₹)
30-Mar-12 to 28-Mar-13	6.78	10677.57	6.84	10683.99	7.31	10730.80
31-Mar-11 to 30-Mar-12	-10.00	9000.21	-9.23	9077.15	-9.23	9077.44
31-Mar-10 to 31-Mar-11	6.65	10664.75	8.55	10855.39	11.14	11113.81
Since Inception as on 31-Mar-96 to 28-Mar-13	21.51	274489.00	11.45	63197.08	10.86	57673.30

PRINCIPAL SMART EQUITY FUND

Performance Date	Scheme		Scheme's Benchmark (Crisil Balanced Fund Index)		Additional Benchmark (CNX Nifty Index)	
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
30-Mar-12 to 28-Mar-13	7.71		8.18		7.31	
31-Mar-11 to 30-Mar-12	0.50		-3.17		-9.23	
Since Inception as on 16-Dec-10 to 28-Mar-13	3.26		1.81		-1.99	

SCHEMES MANAGED BY MR. RAJAT JAIN

PRINCIPAL GLOBAL OPPORTUNITIES FUND

Performance Date	Scheme		Scheme's Benchmark (MSCI World Index)		Additional Benchmark (CNX Nifty Index)	
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
30-Mar-12 to 28-Mar-13	9.00	10899.87	11.69	11169.29	7.31	10730.80
31-Mar-11 to 30-Mar-12	4.75	10474.71	-0.84	9915.64	-9.23	9077.44
31-Mar-10 to 31-Mar-11	16.37	11636.84	6.70	10670.07	11.14	11113.81
Since Inception as on 29-Mar-04 to 28-Mar-13	8.72	21222.60	2.87	12896.15	13.89	32249.65

SCHEMES MANAGED BY BEKXY KURIAKOSE

PRINCIPAL GOVERNMENT SECURITIES FUND

Performance Date	Scheme		Scheme's Benchmark (I-Sec Composite Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
30-Mar-12 to 28-Mar-13	9.71	10970.75	11.64	11164.21	11.25	11125.15
31-Mar-11 to 30-Mar-12	4.31	10430.51	6.79	10679.00	2.43	10243.43
31-Mar-10 to 31-Mar-11	5.03	10503.14	6.41	10640.68	4.61	10461.44
Since Inception as on 23-Aug-01 to 28-Mar-13	7.64	23488.70	N.A.	N.A.	N.A.	N.A.

PRINCIPAL DEBT OPPORTUNITIES FUND - CORPORATE BOND PLAN

Performance Date	Scheme		Scheme's Benchmark (Crisil Composite Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
30-Mar-12 to 28-Mar-13	9.09	10909.43	9.24	10924.12	11.25	11125.15
31-Mar-11 to 30-Mar-12	9.10	10909.63	7.68	10767.79	2.43	10243.43
31-Mar-10 to 31-Mar-11	6.44	10643.60	5.06	10506.18	4.61	10461.44
Since Inception as on 14-Sep-04 to 28-Mar-13	7.31	18261.62	6.10	16578.83	5.35	15604.27

PRINCIPAL INCOME FUND - LONG TERM PLAN

Performance Date	Scheme		Scheme's Benchmark (Crisil Composite Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
30-Mar-12 to 28-Mar-13	9.93	10993.04	9.24	10924.12	11.25	11125.15
31-Mar-11 to 30-Mar-12	9.53	10953.21	7.68	10767.79	2.43	10243.43
31-Mar-10 to 31-Mar-11	6.54	10654.42	5.06	10506.18	4.61	10461.44
Since Inception as on 9-May-03 to 28-Mar-13	7.37	20207.30	5.69	17292.40	5.34	16735.95

SCHEMES MANAGED BY RUPALI PANDIT

PRINCIPAL INDEX FUND

Performance Date	Scheme		Scheme's Benchmark (CNX Nifty Index)		Additional Benchmark (S&P BSE Sensex)	
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
30-Mar-12 to 28-Mar-13	7.40	10740.34	7.31	10730.80	8.23	10822.54
31-Mar-11 to 30-Mar-12	-8.81	9118.97	-9.23	9077.44	-10.50	8950.37
31-Mar-10 to 31-Mar-11	10.94	11094.17	11.14	11113.81	10.94	11093.95
Since Inception as on 27-Jul-99 to 28-Mar-13	10.45	38925.80	11.32	43383.21	10.87	41007.68

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.

^ Regular Plan - Growth Option [Direct Plan - N.A., Since launched on January 1, 2013]

Returns (As on March 28, 2013)

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

PRINCIPAL GROWTH FUND

Performance Date	Scheme		Scheme's Benchmark (S&P BSE 200 Index)		Additional Benchmark (CNX Nifty Index)	
	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)
30-Mar-12 to 28-Mar-13	10.49	11048.88	6.03	10602.76	7.31	10730.80
31-Mar-11 to 30-Mar-12	-7.26	9274.32	-9.28	9071.76	-9.23	9077.44
31-Mar-10 to 31-Mar-11	1.44	10144.07	8.15	10814.69	11.14	11113.81
Since Inception as on 25-Oct-00 to 28-Mar-13	14.30	52670.00	14.88	56087.07	13.45	47998.56

PRINCIPAL BALANCED FUND

Performance Date	Scheme		Scheme's Benchmark (Crisil Balanced Fund Index)		Additional Benchmark (CNX Nifty Index)	
	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)
30-Mar-12 to 28-Mar-13	9.65	10965.45	8.18	10818.15	7.31	10730.80
31-Mar-11 to 30-Mar-12	-2.99	9700.95	-3.17	9682.66	-9.23	9077.44
31-Mar-10 to 31-Mar-11	1.84	10184.07	9.37	10936.69	11.14	11113.81
Since Inception as on 14-Jan-00 to 28-Mar-13	9.30	32370.00	N.A.	N.A.	9.95	35018.02

PRINCIPAL TAX SAVINGS FUND

Performance Date	Scheme		Scheme's Benchmark (S&P BSE 200 Index)		Additional Benchmark (CNX Nifty Index)	
	Returns (%)	PTP Returns (₹)	Returns (%)	PTP Returns (₹)	Returns (%)	PTP Returns (₹)
30-Mar-12 to 28-Mar-13	11.05	11104.59	6.03	10602.76	7.31	10730.80
31-Mar-11 to 30-Mar-12	-6.44	9356.10	-9.28	9071.76	-9.23	9077.44
31-Mar-10 to 31-Mar-11	1.72	10171.57	8.15	10814.69	11.14	11113.81
Since Inception as on 31-Mar-96 to 28-Mar-13	15.57	117074.50	11.76	66240.88	10.86	57673.30

PRINCIPAL RETAIL EQUITY SAVINGS FUND

Performance Date	Scheme		Scheme's Benchmark (S&P BSE 100 Index)		Additional Benchmark (CNX Nifty Index)	
	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)
30-Mar-12 to 28-Mar-13	5.02	10502.17	6.84	10683.99	7.31	10730.80
31-Mar-11 to 30-Mar-12	-10.00	8999.77	-9.23	9077.15	-9.23	9077.44
31-Mar-10 to 31-Mar-11	2.95	10295.23	8.55	10855.39	11.14	11113.81
Since Inception as on 7-Jan-98 to 28-Mar-13	14.85	82400.00	12.60	60962.31	11.50	52499.54

SCHEMES MANAGED BY MR. DHIMANT SHAH

PRINCIPAL EMERGING BLUECHIP FUND

Performance Date	Scheme		Scheme's Benchmark (CNX Midcap Index)		Additional Benchmark (CNX Nifty Index)	
	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)
30-Mar-12 to 28-Mar-13	13.76	11375.64	-4.02	9598.26	7.31	10730.80
31-Mar-11 to 30-Mar-12	-6.06	9393.52	-4.09	9591.11	-9.23	9077.44
31-Mar-10 to 31-Mar-11	-1.46	9853.99	4.35	10435.11	11.14	11113.81
Since Inception as on 12-Nov-08 to 28-Mar-13	29.52	31010.00	17.45	20215.22	17.10	19949.62

PRINCIPAL DIVIDEND YIELD FUND

Performance Date	Scheme		Scheme's Benchmark (CNX Dividend Opportunities Index)		Additional Benchmark (CNX Nifty Index)	
	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)
30-Mar-12 to 28-Mar-13	3.36	10335.84	2.50	10250.25	7.31	10730.80
31-Mar-11 to 30-Mar-12	-4.11	9588.98	3.93	10393.28	-9.23	9077.44
31-Mar-10 to 31-Mar-11	14.84	11484.18	22.27	12226.52	11.14	11113.81
Since Inception as on 15-Oct-04 to 28-Mar-13	10.57	23390.00	N.A.	N.A.	14.60	31657.66

SCHEMES MANAGED BY MR. GURVINDER SINGH WASAN

PRINCIPAL BANK CD FUND

Performance Date	Scheme		Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)
30-Mar-12 to 28-Mar-13	9.13	10912.71	8.17	10817.44	8.33	10833.11
31-Mar-11 to 30-Mar-12	9.14	10913.78	8.44	10844.40	6.59	10659.16
31-Mar-10 to 31-Mar-11	6.49	10648.54	6.21	10620.69	3.86	10385.79
Since Inception as on 6-Nov-07 to 28-Mar-13	7.82	15010.63	7.06	14446.62	5.84	13580.85

PRINCIPAL INCOME FUND - SHORT TERM PLAN

Performance Date	Scheme		Scheme's Benchmark (CRISIL Short-Term Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)	^Returns (%)	PTP Returns (₹)
30-Mar-12 to 28-Mar-13	9.68	10967.67	9.05	10905.10	11.25	11125.15
31-Mar-11 to 30-Mar-12	9.34	10933.76	8.28	10828.01	2.43	10243.43
31-Mar-10 to 31-Mar-11	6.27	10626.67	5.12	10511.99	4.61	10461.44
Since Inception as on 9-May-03 to 28-Mar-13	7.59	20613.40	6.48	18611.00	5.34	16735.95

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.

^ Regular Plan - Growth Option [Direct Plan - N.A., Since launched on January 1, 2013]

SCHEMES MANAGED BY MR. PANKAJ JAIN

PRINCIPAL DEBT OPPORTUNITIES FUND - CONSERVATIVE PLAN

Performance Date	Scheme		Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
30-Mar-12 to 28-Mar-13	9.46	10945.93	8.17	10817.44	8.33	10833.11
31-Mar-11 to 30-Mar-12	9.60	10959.78	8.44	10844.40	6.59	10659.16
31-Mar-10 to 31-Mar-11	6.41	10641.17	6.21	10620.69	3.86	10385.79
Since Inception as on 14-Sep-04 to 28-Mar-13	7.54	18605.85	6.60	17259.18	5.54	15852.14

PRINCIPAL CASH MANAGEMENT FUND#

Performance Date	Scheme		Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
31-Mar-12 to 31-Mar-13	9.36	10936.15	8.17	10817.44	8.33	10833.11
31-Mar-11 to 31-Mar-12	9.38	10937.76	8.44	10844.40	6.59	10659.16
31-Mar-10 to 31-Mar-11	6.42	10642.49	6.21	10620.69	3.86	10385.79
Since Inception as on 30-Aug-04 to 31-Mar-13	7.25	18246.61	6.58	17285.58	5.52	15865.17

PRINCIPAL DEBT SAVINGS FUND - MONTHLY INCOME PLAN

Performance Date	Scheme		Scheme's Benchmark (Crisil MIP Blended Index)		Additional Benchmark (Crisil 10 year Gilt Index)	
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
30-Mar-12 to 28-Mar-13	8.93	10893.27	9.06	10906.29	11.25	11125.15
31-Mar-11 to 30-Mar-12	5.64	10563.69	5.24	10523.59	2.43	10243.43
31-Mar-10 to 31-Mar-11	3.47	10347.33	6.17	10616.67	4.61	10461.44
Since Inception as on 23-May-02 to 28-Mar-13	8.59	24466.40	8.36	23905.80	6.66	20141.79

PRINCIPAL RETAIL MONEY MANAGER FUND#

Performance Date	Scheme		Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
31-Mar-12 to 31-Mar-13	9.82	10982.00	8.17	10817.44	8.33	10833.11
31-Mar-11 to 31-Mar-12	7.99	10798.81	8.44	10844.40	6.59	10659.16
31-Mar-10 to 31-Mar-11	5.52	10551.72	6.21	10620.69	3.86	10385.79
Since Inception as on 28-Dec-07 to 31-Mar-13	5.34	13148.24	7.05	14309.22	5.90	13517.38

PRINCIPAL DEBT SAVINGS FUND - RETAIL PLAN

Performance Date	Scheme		Scheme's Benchmark (Crisil Composite Bond Fund Index)		Additional Benchmark (Crisil 10 year Gilt Index)	
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
30-Mar-12 to 28-Mar-13	10.51	11051.05	9.24	10924.12	11.25	11125.15
31-Mar-11 to 30-Mar-12	2.65	10265.06	7.68	10767.79	2.43	10243.43
31-Mar-10 to 31-Mar-11	3.26	10326.08	5.06	10506.18	4.61	10461.44
Since Inception as on 30-Dec-03 to 28-Mar-13	8.38	21047.60	5.48	16383.39	4.70	15298.14

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.

^ Regular Plan - Growth Option [Direct Plan - N.A., Since launched on January 1, 2013]. # Returns as on March 31, 2013

Tax Rates for Mutual Fund Investors¹ as per the Finance Bill, 2013 – SNAPSHOT



EQUITY ORIENTED FUNDS (SUBJECT TO STT³)

Financial Year	Short Term Capital Gains Tax (STCG) ²		Long Term Capital Gains Tax (LTCG) ²		Dividend Income		Tax on Distributed Income		TDS on Capital Gains ⁷	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
Resident Individual / HUF / AOP / BOI	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
Resident Partnership Firms	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
Domestic Companies	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
NRIs ⁴	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil
FII's ⁴	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶
QFI (Individual / HUF) ⁴	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil
QFI (Companies) ⁴	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil

OTHER THAN EQUITY ORIENTED FUNDS (including Infrastructure Debt Funds⁸)

	Short Term Capital Gains Tax ²		Long Term Capital Gains Tax ²		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains ⁷	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
Resident Individual / HUF	As per slab rates	As per slab rates	10% (20% with Indexation)	10% (20% with Indexation)	Exempt	Exempt	13.519% (12.50% plus 5% surcharge plus 3% education cess)	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 to 31.3.2014)	27.038% (25% plus 5% 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	32.445% (30% plus 5% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	32.445% (30% plus 5% 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	32.445% (30% plus 5% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	32.445% (30% plus 5% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	Nil	Nil
NRIs ⁴	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ⁵	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ⁵	Exempt	Exempt	13.519% (12.50% plus 5% surcharge plus 3% education cess)	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 to 31.3.2014) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 to 31.3.2014)	27.038% (25% plus 5% surcharge plus 3% education cess)	28.325% (25% plus 10% surcharge plus 3% education cess)	STCG - 30% ² LTCG - 20% ² with indexation for listed units 10% ² without indexation for unlisted units ⁵	STCG - 30% ² LTCG - 20% ² with indexation for listed units 10% ² without indexation for unlisted units ⁵

(Contd. on next page)

Tax Rates for Mutual Fund Investors¹ as per the Finance Bill, 2013 – SNAPSHOT



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

	Short Term Capital Gains Tax ²		Long Term Capital Gains Tax ²		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains ⁷	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
FIIs⁴	30%	30%	10% without Indexation	10% without Indexation	Exempt	Exempt	32.445% (30% plus 5% surcharge plus 3% education cess)	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 to 31.3.2014)	32.445% (30% plus 5% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶
QFI (Individual/HUF)⁴	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ³	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ³	Exempt	Exempt	13.519% (12.50% plus 5% surcharge plus 3% education cess)	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 to 31.3.2014) 5.665% for IDFs (5% plus 10% surcharge plus 3% education cess - from 1.6.2013 to 31.3.2014)	27.038% (25% plus 5% surcharge plus 3% education cess)	28.325% (25% plus 10% surcharge plus 3% education cess)	STCG - 30% ² LTCG - 20% ² with indexation for listed units 10% ² without indexation for unlisted units ⁵	STCG - 30% ² LTCG - 20% ² with indexation for listed units 10% ² without indexation for unlisted units ⁵
QFI (Companies)⁴	40%	40%	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ³	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ³	Exempt	Exempt	32.445% (30% plus 5% surcharge plus 3% education cess)	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 to 31.3.2014)	32.445% (30% plus 5% surcharge plus 3% education cess)	33.99% (30% plus 10% surcharge plus 3% education cess)	STCG - 40% ² LTCG - 20% ² with indexation for listed units 10% ² without indexation for unlisted units ⁵	STCG - 40% ² LTCG - 20% ² with indexation for listed units 10% ² without indexation for unlisted units ⁵

- 1 Resident Individuals, HUF, BOI, AOP, Domestic companies, Non Resident Individuals ('NRIs'), Foreign Institutional Investor ('FIIs') and Qualified Foreign Investors ('QFI'). It is assumed that the units are held as capital assets by the investors.
- 2 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.
- 3 Securities Transaction Tax ('STT') is applicable in respect of purchase/ sale of units of Equity-oriented funds ('EOFs') on a recognised stock exchange and redemption of EOFs by the mutual fund. Purchase/ sale/ redemption of units other than EOFs are not subject to STT.
- 4 Non-resident investors / FIIs / QFIs 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 ('TRC') from their home country, containing such particulars as may be prescribed. The Central Board of Direct Taxes has issued a notification dated 17 September, 2012, wherein certain particulars have been prescribed in this regard.
- 5 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.
- 6 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.
- 7 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 ('PAN'), 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%.
- 8 "Infrastructure debt fund" means an infrastructure debt fund as defined in clause 1 of the regulation 49L of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. As per clause 1 of regulation 49L, an 'infrastructure debt fund scheme' would mean, a scheme which invests primarily (minimum 90% of scheme assets) in debt securities or securitized debt instrument of infrastructure companies or infrastructure capital companies or infrastructure projects or special purpose vehicles, etc or other permissible assets in accordance with these regulations or bank loans in respect of completed and revenue generating projects of infrastructure companies or projects or special purpose vehicles.

(Contd. on next page)

Tax Rates for Mutual Fund Investors¹ as per the Finance Bill, 2013 – SNAPSHOT



9 Surcharge applicable for FY 2013-14:

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
Individual (including non-resident individuals, QFI-individuals), HUF, AOP & Partnership Firm	Nil	10%	10%
Domestic Company	Nil	5%	10%
Foreign Company / FII / QFI (corporates)	Nil	2%	5%
FII and QFI (non-corporates)	Nil	10%	10%

INCOME TAX RATES FOR INDIVIDUAL / HUF / AOP / BOI for AY 2014-15

Total Income	Tax Rates (c)
Up to ₹ 200,000 (a)(b)	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 has been reduced to 0.001% w.e.f. 1.06.2013. Prior to this date, STT is chargeable at 0.25%.
STT on purchase of units of an equity oriented mutual fund entered into in recognised stock exchange has been reduced to Nil w.e.f. 1.06.2013. Prior to this date, STT is chargeable at 0.1%.
Sale of a unit of an equity oriented mutual fund where transaction is entered into in recognized stock exchange and the contract for sale is settled by the actual delivery has been reduced to 0.001% w.e.f. 1.06.2013. Prior to this date, STT is chargeable at 0.1%.
Other than Equity Oriented Fund: Purchase/ sale/ redemption of units other than equity-oriented units shall not be subject to STT.
Mutual Fund would also pay securities transaction tax wherever applicable on the securities bought/sold
As per Section 94(7): The loss due to sale of Units in the schemes (where income distributed on MF units is tax free) will not be available for set-off to the extent of the tax free income distributed; if units are :- (A) Bought within three months prior to the record date fixed for income distribution; and (B) sold within nine months after the record date fixed for income distribution.
As per Section 94(8): The loss due to sale of original Units in the schemes, where bonus Units are issued, will not be available for setoff; if original units are :- (A) Bought within three months prior to the record date fixed for allotment of bonus units; and (B) sold within nine months after the record date fixed for allotment of bonus units However, the amount of loss so ignored shall be deemed to be the cost of purchase or acquisition of such unsold bonus units held on the date of transfer of original units.

This information is being provided for basic guidance for investments in mutual funds and is based on provisions of the Income-tax Act, 1961 as proposed by the Finance Bill, 2013. The tax implication 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, investment objectives and policies, management characteristics and creditworthiness of its investment portfolio. On the ICRA credit matrix, the scheme should have a score of less than 10 to qualify for the highest rating. ICRA reviews relevant fund information on an ongoing basis to support its published rating opinions. If the portfolio credit score meets the benchmark of the assigned rating during the review, the rating is retained. In an event that the benchmark credit score is breached, ICRA gives a month's time to the debt fund manager to bring the portfolio credit score within the benchmark credit score. If the debt fund manager is able to reduce the portfolio credit score within the benchmark credit score, the rating is retained. If the portfolio still continues to breach the benchmark credit score, the rating is revised to reflect the change in credit quality. The ratings should, however, not be construed as an indication of the prospective performance of the Mutual fund scheme or of volatility in its returns. ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance which may lead to a revision in ratings. Source: ICRA Ltd.

DISCLAIMER:

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

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

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

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

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

Principal Pnb Asset Management Company Private Limited - ISC:

• **Ahmedabad:** 101, Megha House, Opp. Kotak Mahindra Bank, Mithakhali, Navrangpura, Ahmedabad-380 009 • **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 • **Cochin:** 2nd Flr., Mayur Business Center, Pullepady Junction, Chittoor Road, Cochin-682 035 • **Hyderabad:** ANR Center, Unit No. 201, 1st Floor, Road No.1, Banjara Hills, Hyderabad - 500 034 • **Indore:** 222, 2nd Floor, City Center, 570, M.G. Road, Indore-452 001 • **Jaipur:** 61-A, Vasanti, Sardar Patel Marg, C-Scheme, Jaipur-302 001 • **Kanpur:** 118-119, Kan Chambers, Near Stock Exchange Bldg., 14/113 Civil Lines, Kanpur-208 001 • **Kolkata:** Bachhawat 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 • **Surat:** 206 Jolly Plaza, Athwagate, Surat-395 001 • **Vadodara:** 103, Paradise Complex, Sayajigunj, Vadodara-390 005.

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

Agra: Deepak Wasan Plaza, Behind Holiday Inn, Opp. Megdoot Furnitures, Sanjay Place, Agra-282 002 • **Ahmedabad:** 201, Shail Building, Opp. Madhusudhan House, Nr. Navrangpura Telephone Exchange, Navrangpura, Ahmedabad-380 006 • **Ajmer:** 1-2, II Floor, Ajmer Tower, Kutchary 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, Aga Heritage Gandhi Ground, Amritsar-143 001 • **Anand:** F-6, Chitrangana Complex, Opp. Motikaka Chawl, V.V. Nagar, Anand-388 001 • **Asansol:** 114 / 71, G.T. Road, Near Sony Centre, Bhanga Pachil, Asansol-713 303 • **Aurangabad:** Ramkunj, Railway Station Road, Near Osmanpura Circle, Aurangabad-431 005 • **Bangalore:** No. 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore-560 025 • **Bankura:** Ambika Market, Natunganj, Bankura-722 101 • **Bareilly:** 1st Floor, 165, Civil Lines, Opp. Hotel Bareilly Palace, Near Rly. Station Road, Bareilly-243 001 • **Baroda:** SB-4&5, Mangaldeep Complex, Opp. Mesonic Hall, Productivity Road, Alkapuri, Vadodara-390 007 • **Belgaum:** CTS No. 3939/ A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum-590 001 • **Bharuch:** 147-148, Aditya Complex, Near Kasak Circle, Bharuch-392 002 • **Bhatinda:** #2047- A, 2nd Floor, Above Max New York Life Insurance, The Mall Road, Bhatinda-151 001 • **Bhavnagar:** Surabhi Mall, 301, 3rd Floor, Waghawadi Road, Bhavnagar-364 001 • **Bhilai:** Shop No. 1, First Floor, Plot No. 1, Old Sada Office Block, Commercial Complex, Nehru Nagar- East, Bhilai-490 020 • **Bhopal:** Kay Kay Busniss Centre, 133, Zone I, M.P. Nagar, Bhopal-462 011 • **Bhubaneswar:** 2nd & 3rd Floor, Janardan House, A-181, Saheed Nagar, Bhubaneswar-751 007 • **Bikaner:** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner-334 003 • **Bokaro:** B-1, 1st Floor, Near Sona Chandi Jewellers, City Centre, Sector - 4, Bokaro-827 004 • **Burdwan:** 63, G.T. Road, Birhata, Halder Complex, 1st Floor, Burdwan-713 101 • **Calicut:** Sowbhagya Shopping Complex, Areyadathupalam, Mavoor Road, Calicut-673 004 • **Chandigarh:** SCO 371-372, 1st Floor, Above HDFC Bank, Sector 35-B, Chandigarh-160 022 • **Chennai:** Flat No F-11, 1st Floor, Akshya Plaza, (Erstwhile Harris Road), Opp. Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai-600 002 • **Cochin:** Building Nos. 39, Ali Arcade, 1st Floor, Near Atlantis Junction, Kizhavana Road, Panampili Nagar, Cochin-682 036 • **Coimbatore:** 1057/1058, Jaya Enclave, Avanashi Road, Coimbatore-641 018 • **Cuttack:** Dargha Bazar, Opp. Dargha Bazar Police Station, Buxibazar, Cuttack-753 001 • **Dehradun:** Kaulagarh Road, Near Sirmour Marg, Above Reliance Webworld, Dehradun-248 001 • **Dhanbad:** 208, New Market, 2nd Floor, Katras Road, Bank More, Dhanbad-826 001 • **Durgapur:** MWAV-16 Bengal Ambuja, 2nd Floor, City Centre, Durgapur-713 216 • **Erode:** No. 4, KMY Salai, Veerappan Traders Complex, Opp. Erode Bus Stand, Sathy Road, Erode-638 003 • **Faridabad:** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad-121 001 • **Ghaziabad:** 1st Floor, C-7, Lohia Nagar, Ghaziabad-201 001 • **Gorakhpur:** Above V.I.P. House, Ajdacent A.D. Girls Inter 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, R.G. Baruah Road, (AIDC Bus Stop), Guwahati-781 024 • **Gwalior:** Shindi Ki Chawani, Nadi Gate Pul, M.L.B. Road, Gwalior-474 001 • **Hubli:** 22 & 23, 3rd Floor, Eureka Junction, T.B. Road, Hubli-580 029 • **Hyderabad:** 8-2-596 Karvy Plaza, Avenue 4, Street No.1, Banjara Hills, Hyderabad-500 034. • **Indore:** 218, City Center, Opp. High Court, M.G. Road, Indore-452 010 • **Jabalpur:** 43, Naya Bazar, Opp. Shyam Talkies, Jabalpur-482 001 • **Jaipur:** S-16 A, 3rd Floor, Land Mark, Opp. Jaipur Club, Mahavir Marg, C-Scheme, Jaipur-302 001 • **Jalandhar:** Lower Ground Floor, Office No. 3, Arora Prime Tower, Plot No. 28, G.T. Road, Jalandhar-144 004 • **Jalgaon:** 148 Navi Peth, Opp. Vijaya Bank, Near Bharat Dudhalay, Jalgaon-425 001 • **Jammu:** 5 A/D Second Extn., Opp. Panama Chowk Petrol Pump, Gandhi Nagar, Jammu-180 012 • **Jamnagar:** 108 Madhav Plaza, Opp. SBI Bank, Near Lal Bangalov, Jamnagar-361 001 • **Jamshedpur:** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji & Sons, 3-S B Shop Area, Main Road, Bistupur, Jamshedpur-831 001 • **Jodhpur:** 203, Modi Arcade, Chupasni Road, Jodhpur-342 001 • **Junagadh:** 124/125, Punit Shopping Center, Ranavat Chowk, Junagadh, Gujarat-362 001 • **Kanpur:** 15/46, Ground Floor, Opp. Muir Mills, Civil Lines, Kanpur-208 001 • **Kolhapur:** 605/1/4, E Ward, Near Sultane Chambers, Shahupuri 2nd Lane, Kolhapur-416 001 • **Kolkata:** 166A, Rashbehari Avenue, 2nd Floor, Near Adi Dhakerhwar Bastralaya, Opp. Fortis Hospital, Kolkata-700 029 • **Kota:** H.No. 29, First Floor, Near Lala Lajpat Rai Circle, Shopping Centre, Kota-324 007 • **Kottayam:** 1st Floor, CSI Ascension Church Complex, Kottayam-686 001 • **Lucknow:** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow-226 001 • **Ludhiana:** SCO-136, 1st Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana-141 001 • **Madurai:** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp. Nagappa Motors, Madurai-625 010 • **Malda:** Sahistuli Under Ward, No-6, English Bazar Municipality, No-1 Govt. Colony, Malda-732 101 • **Mangalore:** Gr. Floor, Mahendra Arcade, Kodial Bail, Mangalore-575 003 • **Meerut:** 1st Floor, Medi Centre Complex, Opp. ICICI Bank, Hapur Road, Meerut-250 002 • **Mehsana:** Ul-47, Appolo Enclave, Opp. Simandhar Temple, Modhera Char Rasta, Highway, Mehsana-384 002 • **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad-244 001 • **Mumbai:** Fort Office No. 01/04, 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bombay Stock Exchange, Fort, Mumbai-400 001 • **Thane:** Yashwant Tower, 101, 1st Floor, Opp. Puja Hotel, Ram Maruti Road, Navpada, Thane-400 602 • **Borivali:** Gr. Floor, Himanshu Bldg., Sodawala Lane, Chandawarkar Road, Borivali (West), Mumbai-400 092 • **Muzaffarpur:** 1st Floor, Uma Market, Near Thana Gumti, Motijheel, Muzaffarpur, Bihar-842 001 • **Mysore:** L - 350, Silver Tower, Clock Tower, Ashoka Road, Mysore-570 001 • **Nadiad:** 105 GF City Point, Near Paras Cinema, Nadiad-387 001 • **Nagpur:** Plot No.2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampath, Nagpur-440 010 • **Nasik:** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik-422 002 • **Navsari:** 1st Floor, Chinmay Arcade, Opp. Sattapir, Tower Road, Navsari-396 445 • **New Delhi:** 305, 3rd Floor, New Delhi House, Bara Khamba Road, Connaught Place, 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, Near HDFC Bank, Opp. Railway Road, G.T. Road, Panipat-132 103 • **Panjim:** City Business Centre, Coelho Pereira Building, Room Nos. 18, 19 & 20, Dada Vaidya Road, Panjim-403 001 • **Patiala:** SCO 27 D, Chhoti Baradari, Patiala-147 001 • **Patna:** 3A, 3rd Floor, Anand tower, Beside Chankya Cinema Hall, Exhibition Road, Patna-800 001 • **Pondicherry:** 1st Floor, No.7, Thiayagaraja Street, Pondicherry-605 001 • **Pune:** Shop No. 16, 17 & 18, Ground Floor, Sreenath Plaza, Dyaneshwar Paduka Chowk, F.C. Road, Pune-411 004 • **Raipur:** Room No. TF-31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G.E. Road, Raipur-492 001 • **Rajkot:** 104, Siddhi Vinayak Complex, Dr. Yagnik Road, Opp. Ramkrishna Ashram, Rajkot-360 001 • **Ranchi:** Room No. 307, 3rd Floor, Commerce Towers, Beside Mahabir Towers, Main Road, Ranchi-834 001 • **Rourkela:** 1st Floor, Sandhu Complex, Kanchery Road, Udit Nagar, Rourkela-769 012 • **Salem:** Door No. 40, Brindavan Road, Near Perumal Koil, Fairlands, Salem-636 016 • **Shillong:** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong-793 001 • **Shimla:** Triveni Building, By Pas Chowk, Khallini, Shimla-171 002 • **Siliguri:** Nanak Complex, Near Church Road, Sevoke Road, Siliguri-734 001 • **Surat:** G-6, Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat-395 002 • **Tirunelveli:** Jeney Building, 55/18, S.N. Road, Near Arvind Eye Hospital, Tirunelveli-627 001 • **Trichur:** 2nd Floor, Brother's Complex, Near Dhana Laxmi Bank Head Office, Naikkanal Junction, Trichur-680 001 • **Trichy:** Sri Krishna Arcade, 1st Floor, 60, Thennur High Road, Trichy-620 017 • **Trivandrum:** 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum-695 010 • **Udaipur:** 201-202, Madhav Chambers, Opp. G.P.O. Chetak Circle, Madhuban, Udaipur-313 001 • **Valsad:** Shop No.12, Phiroza Corner, Opp. Next Showroom, Tithal Road, Valsad-396 001 • **Vapi:** Shop No 5, Pikhaji Residency, Opp. DGB Bank, Vapi Silvassa Road, Vapi-396 195 • **Varanasi:** D-64/132, KA, 1st Floor, Anant Complex, Sigra, Varanasi-221 010 • **Vellore:** No.1, M.N.R. Arcade, Officer's Line, Krishna Nagar, Vellore-632 001 • **Vijayawada:** 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada-520 010 • **Visakhapatnam:** 47-14-5/1, Eswar Paradise, Dwaraka Nagar, 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), 'Madhura Estates', Municipal No.1-9/13/C, Plot No.13 & 13-C, Survey No.74 & 75, Madhapur Village, Ranga Reddy District, Hyderabad-500 081. • Tel.: (040) 2331 2454. • www.karvycomputershare.com

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

