

Principal Mutual Fund

Investment Manager: Principal Pnb Asset Management Company Private Limited
5th Floor, Apeejay House, 3 Dinshaw Vaccha Road, Churchgate, Mumbai 400 020.

Half Yearly Portfolio Statement of the Schemes of Principal Mutual Fund as on March 31, 2007

(Pursuant to Regulation 59A of SEBI (Mutual Funds) Regulations, 1996)

Principal Growth Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	101,102	1,385.40	5.15
Bharti Airtel Ltd	Telecom - Services	175,713	1,342.27	4.99
Grasim Industries Ltd	Cement	59,650	1,248.41	4.64
Wipro Ltd	Software	182,755	1,022.33	3.80
Hindustan Lever Ltd	Consumer Non Durables	463,416	950.93	3.54
K E C International Ltd	Power	169,993	875.38	3.26
Reliance Communications Ltd	Telecom - Services	203,400	856.11	3.18
Infosys Technologies Ltd	Software	41,657	840.91	3.13
Bharat Heavy Electricals Ltd	Industrial Capital Goods	35,264	797.44	2.97
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	92,202	671.46	2.50
Greaves Cotton Ltd	Industrial Products	210,530	664.96	2.47
Unity InfraProjects Ltd	Construction	146,483	650.09	2.42
Maharashtra Seamless Ltd	Ferrous Metals	123,914	633.39	2.36
Kalyani Steels Ltd	Ferrous Metals	178,900	628.83	2.34
Indian Hotels Co. Ltd	Hotels	429,550	626.93	2.33
ICICI Bank Ltd	Banks	72,000	614.41	2.29
Centurion Bank of Punjab Ltd	Banks	1,618,205	608.45	2.26
Siemens Ltd	Industrial Capital Goods	53,100	579.16	2.15
Container Corporation of India Ltd	Transportation	29,573	576.08	2.14
Ranbaxy Laboratories Ltd	Pharmaceuticals	162,000	570.08	2.12
Thermax Ltd	Industrial Capital Goods	144,500	553.07	2.06
Larsen & Toubro Ltd	Industrial Capital Goods	35,408	541.24	2.01
Tata Consultancy Services Ltd	Software	40,000	493.54	1.84
Man Industries (India) Ltd	Ferrous Metals	243,166	475.39	1.77
Sesa Goa Ltd	Ferrous Metals	27,000	459.93	1.71
Oil & Natural Gas Corporation Ltd	Oil	50,826	447.68	1.67
Nagarjuna Construction Co. Ltd	Construction	270,000	433.89	1.61
Ashok Leyland Ltd	Auto	1,100,000	422.40	1.57
Indian Bank	Banks	466,349	420.65	1.56
ICI (India) Ltd	Consumer Non Durables	89,772	416.50	1.55
Idea Cellular Ltd	Telecom - Services	421,355	398.60	1.48
Mahindra & Mahindra Ltd	Auto	50,100	390.98	1.45
KEI Industries Ltd	Industrial Products	572,101	384.45	1.43
Steritec Industries (India) Ltd	Non Ferrous Metals	71,200	334.07	1.24
Jet Airways (India) Ltd	Transportation	52,000	329.26	1.22
Maruti Udyog Ltd	Auto	37,000	303.47	1.13
Hindustan Construction Company Ltd	Construction	327,000	292.67	1.09
Cummins India Ltd	Industrial Products	109,000	288.63	1.07
ABB Ltd	Industrial Capital Goods	7,550	268.00	1.00
State Bank of India	Banks	26,000	258.56	0.96
Indian Overseas Bank	Banks	165,293	169.84	0.63
Ramsarup Industries Ltd	Ferrous Metals	102,381	142.05	0.53
Gammon India Ltd	Construction	46,549	139.97	0.52
I T C Ltd	Consumer Non Durables	70,000	105.81	0.39
Hindalco Industries Ltd	Non Ferrous Metals	59,000	76.88	0.29
Cinemax India Limited	Media & Entertainment	14,256	18.23	0.07
Indian Oil Corporation Ltd	Petroleum Products	1	0.00	0.00
Total			24,708.78	91.89
B) Privately Placed / Unlisted #				
Sangam Health Care Products Ltd	Health Care Equipment	200,000	0.02	***
Virtual Dynamics Software Ltd	IT Consulting & Services	176,305	0.02	***
Balmer Lawrie Freight Containers Ltd	Travel	54,000	0.01	***
Mohit Paper Mills Ltd	Paper Products	108,000	0.01	***
Mukerian Papers Ltd	Paper Products	50,800	0.01	***
Nirayt Sam Apparel (India) Ltd	Textiles	91,200	0.01	***
Noble Brothers Impex Ltd	Personal Products	93,200	0.01	***
Sangeeta Granites Ltd	Construction Materials	100,000	0.01	***
Crescent Finstock Ltd	Diversified Financial Services	39,500	-	-
Precision Fasteners Ltd	Auto Parts & Equipment	200	-	-
Total			0.10	0.00
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
Industrial Development Bank of India Ltd	P1+	1,500,000	1,454.36	5.41
State Bank of Patiala	A1+	500,000	493.90	1.84
Total			1,948.26	7.25
III. Cash & Cash Equivalents				
IV. Other Receivables / (Payables)				
Net Assets			26,884.65	100.00

Principal Focussed Advantage Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Energy	24,250	332.30	5.63
Wipro Ltd	IT	47,500	265.72	4.50
Colgate-Palmolive (India) Ltd	Consumer Goods	76,000	252.81	4.28
Bharat Heavy Electricals Ltd	Industrial Manufacturing	10,514	237.76	4.03
K E C International Ltd	Energy	43,989	226.52	3.84
Hindustan Lever Ltd	Consumer Goods	108,006	221.63	3.75
Thermax Ltd	Industrial Manufacturing	51,278	196.27	3.32
Infosys Technologies Ltd	IT	9,660	195.00	3.30
NIIT Technologies Ltd	IT	41,000	180.07	3.05
Greaves Cotton Ltd	Industrial Manufacturing	56,804	179.42	3.04
Intotech Enterprises Ltd	IT	48,265	174.62	2.96
Great Offshore Limited	Energy	27,500	167.82	2.84
Ashok Leyland Ltd	Automobile	425,000	163.20	2.76
HDFC Bank Ltd	Financial Services	17,000	162.21	2.75
Mahindra & Mahindra Ltd	Automobile	18,500	144.37	2.45
Centurion Bank of Punjab Ltd	Financial Services	383,000	144.01	2.44
Sundaram Fasteners Ltd	Automobile	220,000	140.25	2.38
Tata Consultancy Services Ltd	IT	11,307	139.51	2.36
Siemens Ltd	Industrial Manufacturing	12,500	136.34	2.31
SREI Infrastructure Finance Ltd	Financial Services	270,000	126.50	2.14
Indian Bank	Financial Services	134,855	121.64	2.06
ICICI Bank Ltd	Financial Services	14,100	120.32	2.04
ICI (India) Ltd	Consumer Goods	22,903	106.26	1.80
KEI Industries Ltd	Industrial Manufacturing	151,783	102.00	1.73
Oil & Natural Gas Corporation Ltd	Energy	10,548	92.91	1.57
Maruti Udyog Ltd	Automobile	11,000	90.22	1.53
GlaxoSmithKline Consumer Healthcare Ltd	Consumer Goods	15,644	84.31	1.43
Cummins India Ltd	Industrial Manufacturing	28,500	75.47	1.28
Moleod Russel (India) Ltd	Consumer Goods	120,000	72.96	1.24
AIA Engineering Limited	Industrial Manufacturing	5,591	67.13	1.14
Larsen & Toubro Ltd	Industrial Manufacturing	4,100	66.42	1.13
Tatros Automotive Components Ltd	Automobile	123,217	57.36	0.97
Voltamp Transformers Ltd	Industrial Manufacturing	7,992	48.19	0.82
Punjab National Bank	Financial Services	7,142	33.87	0.57
I T C Ltd	Consumer Goods	20,129	30.42	0.52
ABB Ltd	Industrial Manufacturing	650	23.07	0.39
Total			4,978.88	84.35
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
Kotak Mahindra Bank Ltd	P1+	500,000	497.73	8.43
Total			497.73	8.43
III. Cash & Cash Equivalents				
IV. Other Receivables / (Payables)				
Net Assets			5,903.13	100.00

Principal Junior Cap Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Phoenix Mills Ltd	Construction	27,719	444.47	6.31
Container Corporation of India Ltd	Transportation	19,000	370.12	5.28
Kotak Mahindra Bank Ltd	Banks	77,000	369.14	5.24
Indian Overseas Bank	Banks	330,000	339.08	4.82
Lupin Ltd	Pharmaceuticals	51,916	311.08	4.42
Jindal Steel & Power Ltd	Ferrous Metals	11,891	287.70	4.02
Cummins India Ltd	Industrial Products	100,000	264.80	3.76
Graphite India Ltd	Industrial Products	483,430	248.00	3.52
Intotech Enterprises Ltd	Software	67,204	243.14	3.45
Bharat Electronics Ltd	Industrial Capital Goods	15,700	236.13	3.35
Grasim Industries Ltd	Cement	11,000	230.22	3.27
Infrastructure Development Finance Co. Ltd	Finance	270,000	225.99	3.21
Reliance Capital Ltd	Finance	33,000	220.54	3.13
Ashok Leyland Ltd	Auto	570,000	218.88	3.11
Jaiprakash Associates Ltd	Construction	39,500	212.98	3.03
Maharashtra Seamless Ltd	Ferrous Metals	37,814	193.29	2.75
IBP Co. Ltd	Petroleum Products	46,325	188.36	2.68
Tech Mahindra Ltd	Software	12,000	171.25	2.43
Automotive Axles Ltd	Auto Ancillaries	27,972	165.09	2.35
Mahindra & Mahindra Ltd	Auto	21,000	163.89	2.33
Raymonds Ltd	Textile Products	46,885	162.21	2.30
Colgate-Palmolive (India) Ltd	Consumer Non Durables	47,000	156.35	2.22
Siemens Ltd	Industrial Capital Goods	13,700	149.43	2.12
Bharat Forge Ltd	Industrial Products	47,000	148.31	2.11
Andhra Bank	Banks	190,000	144.50	2.05
AIA Engineering Limited	Industrial Capital Goods	10,543	126.58	1.80
Aurobindo Pharma Ltd	Pharmaceuticals	16,413	111.37	1.58
Steritec Industries (India) Ltd	Non Ferrous Metals	16,600	77.89	1.11
Total			6,175.78	87.73
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
Kotak Mahindra Bank Ltd	P1+	400,000	398.19	5.66
Total			398.19	5.66
III. Cash & Cash Equivalents				
IV. Other Receivables / (Payables)				
Net Assets			7,038.90	100.00

Principal Balanced Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Container Corporation of India Ltd	Transportation	5,291	103.07	3.66
K E C International Ltd	Power	19,026	97.97	3.48
Grasim Industries Ltd	Cement	4,600	96.27	3.42
Centurion Bank of Punjab Ltd	Banks	230,000	86.48	3.07
Hindustan Lever Ltd	Consumer Non Durables	41,500	85.16	3.03
Reliance Industries Ltd	Petroleum Products	6,200	84.96	3.02
Greaves Cotton Ltd	Industrial Products	26,281	83.01	2.95
Oil & Natural Gas Corporation Ltd	Oil	7,997	70.44	2.50
Adhunik Metals Limited	Ferrous Metals	195,000	67.96	2.42
Kalyani Steels Ltd	Ferrous Metals	19,024	66.87	2.38
Reliance Communications Ltd	Telecom - Services	15,600	65.66	2.33
Ranbaxy Laboratories Ltd	Pharmaceuticals	17,500	61.58	2.19
Unity InfraProjects Ltd	Construction	13,000	57.69	2.05
Bharat Heavy Electricals Ltd	Industrial Capital Goods	2,365	53.48	1.90
Punjab National Bank	Banks	9,942	47.14	1.68
Bharti Airtel Ltd	Telecom - Services	6,000	45.83	1.63
Wipro Ltd	Software	8,000	44.75	1.59
Man Industries (India) Ltd	Ferrous Metals	22,704	44.39	1.58
Siemens Ltd	Industrial Capital Goods	4,000	43.63	1.55
Infosys Technologies Ltd	Software	2,111	42.61	1.51
Idea Cellular Ltd	Telecom - Services	40,201	38.03	1.35
Maharashtra Seamless Ltd	Ferrous Metals	7,000	35.78	1.27
Deepak Fertilisers & Petrochemicals Corp. Ltd	Fertilisers	35,000	29.63	1.05
Tata Consultancy Services Ltd	Software	2,400	29.61	1.05
Mahindra & Mahindra Ltd	Auto	3,702	28.89	1.03
Indian Bank	Banks	30,615	27.61	0.98
Moleod Russel (India) Ltd	Consumer Non Durables	45,000	27.36	0.97
Thermax Ltd	Industrial Capital Goods	7,000	26.79	0.95
Voltamp Transformers Ltd	Industrial Capital Goods	4,269	25.74	0.91
Larsen & Toubro Ltd	Industrial Capital Goods	1,500	24.30	0.86
ICICI Bank Ltd	Banks	2,800	23.89	0.85
Sesa Goa Ltd	Ferrous Metals	1,400	23.85	0.85
Jay Shree Tea & Industries Ltd	Consumer Non Durables	18,900	22.53	0.80
AIA Engineering Limited	Industrial Capital Goods	1,864	22.38	0.80
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	3,000	21.85	0.78
Hindalco Industries Ltd	Non Ferrous Metals	16,000	20.85	0.74
KEI Industries Ltd	Industrial Products	27,804	18.75	0.67
Finolex Industries Ltd	Chemicals	25,000	17.29	0.61
Novartis India Ltd	Pharmaceuticals	5,364	16.82	0.60
State Bank of India	Banks	1,108	11.02	0.39
I T C Ltd	Consumer Non Durables	6,500	9.82	0.35
Total			1,851.74	65.80
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
<i>i) Non-Convertible Debentures</i>				
Indian Petrochemicals Corporation Ltd	AAA	100,000	100.10	3.56
Total			100.10	3.56
B) Privately Placed / Unlisted**				
<i>i) Securitised Debt</i>				
RPS Securitisation Trust (Tata Tele Services)	LAAS(SO)	1,000,000	80.75	2.87
Total			80.75	2.87
III. Money Market Instruments				

Half Yearly Portfolio Statement of the Schemes of Principal Mutual Fund as on March 31, 2007 (Contd.)

Principal Dividend Yield Fund

Name of Instrument	Industry	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
GlaxoSmithKline Pharma Ltd	Pharmaceuticals	48,373	541.73	4.03
Great Offshore Limited	Oil	84,413	515.13	3.83
Hindustan Lever Ltd	Consumer Non Durables	248,690	510.31	3.77
Great Eastern Shipping Company Ltd	Transportation	249,653	506.67	3.79
Ranbaxy Laboratories Ltd	Pharmaceuticals	134,000	471.55	3.51
Ballarpur Industries Ltd	Paper	421,000	451.52	3.36
Tamil Nadu Newsprint & Papers Ltd	Paper	504,758	448.29	3.30
Colgate-Palmolive (India) Ltd	Consumer Non Durables	133,500	444.09	3.33
Oil & Natural Gas Corporation Ltd	Oil	49,573	436.64	3.25
Greaves Cotton Ltd	Industrial Products	134,786	425.72	3.17
NIIT Technologies Ltd	Software	94,000	412.85	3.07
Deepak Fertilisers & Petrochemicals Corp. Ltd	Fertilisers	47,208	398.88	2.97
Adhunik Metals Limited	Ferrous Metals	1,119,000	389.97	2.90
Ashok Leyland Ltd	Auto	1,002,073	384.80	2.86
Tata (India) Ltd	Gas	138,500	386.40	2.72
K E C International Ltd	Power	70,748	364.32	2.71
Finolex Industries Ltd	Chemicals	479,769	331.76	2.47
Procter & Gamble Hygiene and Health Care Ltd	Consumer Non Durables	41,206	327.16	2.43
Thermax Ltd	Industrial Capital Goods	82,421	315.47	2.35
Sundaram Fasteners Ltd	Auto Ancillaries	442,582	282.15	2.17
Unity InfraProjects Ltd	Construction	59,590	265.39	1.97
SREI Infrastructure Finance Ltd	Finance	564,175	264.32	1.97
Andhra Bank	Banks	325,628	247.64	1.84
Varun Shipping Company Ltd	Transportation	472,321	245.84	1.83
Tata Chemicals Ltd	Fertilisers	114,000	236.61	1.76
ICI (India) Ltd	Consumer Non Durables	47,724	221.42	1.65
GlaxoSmithKline Consumer Healthcare Ltd	Consumer Non Durables	40,827	220.04	1.64
Jay Shree Tea & Industries Ltd	Consumer Non Durables	178,361	212.61	1.58
Sesa Goa Ltd	Ferrous Metals	11,500	195.30	1.46
Steel Authority of India Ltd	Ferrous Metals	164,938	188.52	1.40
Chambal Fertilisers & Chemicals Ltd	Fertilisers	579,998	181.54	1.35
Royal Orchid Hotels Ltd	Hotels	84,862	175.79	1.31
Sagar Cements Ltd	Cement	129,201	162.47	1.21
Man Industries (India) Ltd	Ferrous Metals	82,800	161.87	1.20
Hero Honda Motors Ltd	Auto	22,250	153.25	1.14
Punjab Tractors Ltd	Auto	49,917	152.70	1.14
Cummins India Ltd	Industrial Products	54,800	145.11	1.08
Bharat Heavy Electricals Ltd	Industrial Capital Goods	6,000	135.68	1.01
Grasim Industries Ltd	Cement	5,500	115.11	0.86
Nestle India Ltd	Consumer Non Durables	11,500	107.47	0.80
Madras Aluminium Co Ltd	Non Ferrous Metals	25,704	99.45	0.74
Bank Of Baroda	Banks	36,000	77.42	0.58
Allahabad Bank	Banks	93,713	68.08	0.51
Punjab National Bank	Banks	14,239	67.81	0.50
Indian Oil Corporation Ltd	Petroleum Products	9,971	37.45	0.28
Indian Overseas Bank	Banks	34,620	35.57	0.26
Apollo Tyres Ltd *	Auto Ancillaries	1,650	-	-
Total			12,500.47	92.99
B) Privately Placed / Unlisted **				
Sandur Laminates Ltd	Miscellaneous	200,000	0.02	***
Volant Textile Mills Ltd	Miscellaneous	75,000	0.01	***
Tirihannah Company Ltd	Miscellaneous	50,000	0.01	***
Crystal Cable Industries Ltd	Miscellaneous	100,000	0.01	***
Gujarat Petrosynthe Ltd	Oil	20,000	0.00	***
Western Paques (India) Ltd	Miscellaneous	900	0.00	***
Kashipur Holdings Ltd	Miscellaneous	50	-	-
Minerva Holding Ltd	Finance - Others	20	-	-
Total			0.05	0.00
III. Cash & Cash Equivalents			212.07	1.58
IV. Other Receivables / (Payables)			736.33	5.43
Net Assets			13,448.92	100.00

Principal Large Cap Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	143,275	1,963.30	7.42
Bharti Airtel Ltd	Telecom - Services	247,424	1,890.07	7.15
Infosys Technologies Ltd	Software	67,254	1,357.62	5.13
Grasim Industries Ltd	Cement	57,623	1,205.99	4.56
Container Corporation of India Ltd	Transportation	56,440	1,099.45	4.16
Bharat Heavy Electricals Ltd	Industrial Capital Goods	47,000	1,062.83	4.02
Wipro Ltd	Software	187,500	1,048.88	3.97
Siemens Ltd	Industrial Capital Goods	89,700	978.36	3.70
Hindustan Lever Ltd	Consumer Non Durables	384,000	787.97	2.98
HDFC Bank Ltd	Banks	77,466	739.14	2.80
State Bank of India	Banks	70,700	703.08	2.66
Power Finance Corporation Ltd	Finance	664,769	693.35	2.62
Larsen & Toubro Ltd	Industrial Capital Goods	41,000	684.24	2.51
Jindal Steel & Power Ltd	Ferrous Metals	27,558	655.18	2.48
Sun Pharmaceuticals Industries Ltd	Pharmaceuticals	57,000	602.18	2.28
Oil & Natural Gas Corporation Ltd	Oil	67,958	598.57	2.26
Sesa Goa Ltd	Ferrous Metals	33,000	562.14	2.13
I T C Ltd	Consumer Non Durables	370,383	559.83	2.12
Maruti Udyog Ltd	Auto	67,000	549.53	2.08
Centurion Bank of Punjab Ltd	Banks	1,457,436	548.00	2.07
United Phosphorus Limited	Pesticides	168,500	547.04	2.07
ABB Ltd	Industrial Capital Goods	14,700	521.81	1.97
Hindalco Industries Ltd	Non Ferrous Metals	390,000	508.17	1.92
ICI (India) Ltd	Banks	59,000	503.48	1.90
Ashok Leyland Ltd	Auto	1,290,000	495.36	1.87
Reliance Energy Ltd	Power	100,200	495.19	1.87
Hindustan Zinc Ltd	Non Ferrous Metals	86,021	489.89	1.84
Tata Motors Ltd	Auto	61,000	444.20	1.68
Tech Mahindra Ltd	Software	27,900	398.16	1.51
Castrol India Ltd	Petroleum Products	170,847	360.32	1.36
Raymond Ltd	Textile Products	103,170	358.46	1.36
Gammon India Ltd	Construction	117,450	353.17	1.34
New Delhi Television Ltd	Media & Entertainment	90,000	279.86	1.06
Pantaloons Retail (India) Ltd	Textile Products	64,500	253.32	0.96
Total			24,274.14	91.81
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
Industrial Development Bank of India Ltd	P1+	1,000,000	967.71	3.66
Kotak Mahindra Bank Ltd	P1+	600,000	597.28	2.26
Total			1,564.99	5.92
III. Cash & Cash Equivalents			233.12	0.88
IV. Other Receivables / (Payables)			370.22	1.39
Net Assets			26,442.47	100.00

Principal Infrastructure & Services Industries Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Bharti Airtel Ltd	Telecom - Services	191,228	1,460.79	5.66
Grasim Industries Ltd	Cement	63,329	1,325.41	5.14
Reliance Industries Ltd	Petroleum Products	96,100	1,316.86	5.10
Wipro Ltd	Software	178,841	1,000.44	3.88
K E C International Ltd	Power	191,752	987.43	3.83
Infosys Technologies Ltd	Software	44,292	894.10	3.47
Oil & Natural Gas Corporation Ltd	Oil	97,374	857.67	3.32
Reliance Communications Ltd	Telecom - Services	193,400	814.02	3.16
Bharat Heavy Electricals Ltd	Industrial Capital Goods	35,201	796.02	3.09
Container Corporation of India Ltd	Transportation	37,076	722.24	2.80
Maharashtra Seamless Ltd	Ferrous Metals	132,557	677.57	2.63
Indian Hotels Co. Ltd	Hotels	457,150	667.21	2.59
Gujarat Ambuja Cement Ltd	Cement	620,000	661.54	2.56
Kalyani Steels Ltd	Ferrous Metals	185,727	652.83	2.53
Ashok Leyland Ltd	Auto	1,679,823	645.05	2.50
Unity InfraProjects Ltd	Construction	142,840	633.92	2.46
Siemens Ltd	Industrial Capital Goods	54,430	593.67	2.30
Larsen & Toubro Ltd	Industrial Capital Goods	35,926	582.04	2.26
ICI (India) Ltd	Banks	66,500	567.48	2.20
Steel Authority of India Ltd	Ferrous Metals	489,000	558.93	2.17
Nagarjuna Construction Co. Ltd	Construction	335,000	538.35	2.09
NIIT Technologies Ltd	Software	117,800	517.38	2.01
ABB Ltd	Industrial Capital Goods	14,011	497.35	1.93
Centurion Bank of Punjab Ltd	Banks	1,276,312	479.89	1.86
Royal Orchid Hotels Ltd	Hotels	228,277	472.88	1.83
Tata Consultancy Services Ltd	Software	620,000	468.86	1.82
HDFC Bank Ltd	Banks	47,000	448.45	1.74
Thermax Ltd	Industrial Capital Goods	105,500	403.80	1.57
Indian Bank	Banks	434,294	391.73	1.52
Man Industries (India) Ltd	Ferrous Metals	198,062	387.21	1.50
Idea Cellular Ltd	Telecom - Services	349,391	330.52	1.28
Pantaloons Retail (India) Ltd	Textile Products	83,455	327.77	1.23
Jet Airways (India) Ltd	Transportation	50,000	316.60	1.27
Great Eastern Shipping Company Ltd	Transportation	134,000	271.95	1.05
Sesa Goa Ltd	Ferrous Metals	15,800	269.15	1.04
Associated Cement Companies Ltd	Cement	36,000	264.69	1.03
Cummins India Ltd	Industrial Products	86,000	227.73	0.88
AIA Engineering Limited	Industrial Capital Goods	16,773	201.39	0.78
Gammon India Ltd	Construction	66,866	201.07	0.78
State Bank of India	Banks	18,500	183.97	0.71
Indian Overseas Bank	Banks	170,342	175.03	0.68
Sterile Industries (India) Ltd	Non Ferrous Metals	16,000	75.07	0.29
Hindalco Industries Ltd	Non Ferrous Metals	55,000	71.67	0.28
Cinemax India Limited	Media & Entertainment	14,256	18.23	0.07
Total			23,955.96	92.89
II. Money Market Instruments				
<i>i) Commercial Paper</i>				
Industrial Development Bank of India Ltd	P1+	500,000	483.85	1.88
Total			483.85	1.88
III. Cash & Cash Equivalents			378.78	1.47
IV. Other Receivables / (Payables)			977.42	3.76
Net Assets			25,796.01	100.00

Principal Monthly Income Plan

(An open-ended fund. Monthly Income is not assured and is subject to the availability of distributable surplus.)

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Bharat Heavy Electricals Ltd	Industrial Capital Goods	1,556	35.19	0.66
ICI (India) Ltd	Consumer Non Durables	7,400	34.33	0.65
Sesa Goa Ltd	Ferrous Metals	2,000	34.07	0.64
Reliance Industries Ltd	Petroleum Products	2,450	33.57	0.63
Grasim Industries Ltd	Cement	1,600	33.49	0.63
K E C International Ltd	Power	6,500	33.47	0.63
Ramsarup Industries Ltd	Ferrous Metals	24,000	33.30	0.63
Indian Bank	Banks	35,502	32.02	0.60
Adhunik Metals Limited	Ferrous Metals	90,000	31.37	0.59
United Phosphorus Limited	Pesticides	8,000	25.97	0.49
Siemens Ltd	Industrial Capital Goods	2,000	21.81	0.41
Navneet Publication (India) Ltd	Consumer Non Durables	40,000	21.62	0.41
Mcoed Russel (India) Ltd	Consumer Non Durables	35,000	21.28	0.40
Man Industries (India) Ltd	Ferrous Metals	10,634	20.79	0.39
Jaiaprakash Associates Ltd	Construction	3,700	19.95	0.38
ICI (India) Ltd	Banks	2,300	19.63	0.37
Steel Authority of India Ltd	Ferrous Metals	17,000	19.43	0.37
Reliance Communications Ltd	Telecom - Services	4,600	19.36	0.36
Mahindra & Mahindra Ltd	Auto	2,300	17.95	0.34
Kalyani Steels Ltd	Ferrous Metals	5,000	17.58	0.33
Hindustan Construction Company Ltd	Construction	19,000	17.01	0.32
Sagar Cements Ltd	Cement	13,500	16.98	0.32
Wipro Ltd	Software	3,000	16.78	0.32
Madras Aluminium Co Ltd	Non Ferrous Metals	4,300	16.64	0.31
Unity InfraProjects Ltd	Construction	3,662	16.25	0.31
Infosys Technologies Ltd	Software	779	15.73	0.30
Bharti Airtel Ltd	Telecom - Services	1,750	13.37	0.25
Total			638.94	12.04
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
<i>i) Non-Convertible Debentures</i>				
Power Grid Corporation of India Ltd	AAA	450,000	419.10	7.88
Kotak Mahindra Investments Ltd	A1+	300,000	294.61	5.54
Total			713.71	13.42
<i>ii) Floating Rate Notes / Bonds</i>				
Indian Railway Finance Corporation	AAA	800,000	800.59	15.05
Mahindra & Mahindra Financial Services Ltd	AA+	400,000	400.00	7.52
Mahindra & Mahindra Financial Services Ltd	AA+	300,000	300.00	5.64
Total			1,500.59	28.21

Principal Income Fund

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
<i>i) Government Securities</i>				
7.61% Oil Company GOI Bonds 2015	Sovereign	810,000	771.12	1.99
Total			771.12	1.99
<i>ii) Non-Convertible Debentures</i>				
Citi Financial Consumer Finance India Ltd	AAA	2,000,000	1,952.17	5.05
National Bank for Agriculture and Rural Development	AAA	1,500,000	1,498.15	3.87
Housing Development Finance Corporation Ltd	AAA	1,000,000	999.42	2.58
Infrastructure Development Finance Company Ltd	AAA	1,000,000	998.50	2.58
Housing Development Finance Corporation Ltd	AAA	750,000	719.86	1.86
ING Vysya Bank Ltd	AA+	720,000	713.67	1.84
Sundaram Finance Ltd	AA+	500,000	490.08	1.27
CitiFinancial Consumer Finance India Ltd	AAA	500,000	478.40	1.24
Reliance Industries Ltd	AAA	250,000	250.10	0.65
Power Grid Corporation of India Ltd	AAA	200,000	186.27	0.48
Total			8,287.62	21.42
<i>iii) Floating Rate Notes / Bonds</i>				
Power Finance Corporation Ltd	AAA	2,500,000	2,501.10	6.46
Indian Railway Finance Corporation	AAA	300,000	300.22	0.78
Total			2,801.32	7.24
<i>iv) Deep Discount Bonds</i>				
TATA Sons Ltd	AAA	2,000,000	1,581.93	4.09
Total			1,581.93	4.09
B) Privately Placed / Unlisted				
<i>i) Non-Convertible Debentures</i>				
L&T Finance Ltd	AA+	1,000,000	1,000.39	2.59
Total			1,000.39	2.59
<i>ii) Securitised Debt</i>				
UBL Trust Series VII (Ashok Leyland)	P1+(SO)	5	0.24	0.00
Total			0.24	0.00
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
State Bank of Travancore	P1+	3,000,000	2,931.16	7.58
ABN AMRO Bank N.V.	A1+	3,000,000	2,919.69	7.55
Allahabad Bank	PR1+	2,500,000	2,412.70	6.24
The Federal Bank Ltd	P1+	2,500,000	2,405.11	6.22
Canara Bank	P1+	2,274,222	2,274.22	5.88
Union Bank of India	A1+	2,500,000	2,266.90	5.86
UTI Bank Ltd	A1+	1,000,000	978.28	2.53
Industrial Development Bank of India Ltd	P1+	500,000	477.77	1.23
State Bank of Travancore	P1+	500,000	475.18	1.23
Total			17,141.01	44.32
<i>ii) Commercial Paper</i>				
Bajaj Auto Finance Ltd	P1+	2,000,000	1,922.46	4.97
Export-Import Bank of India	P1+	1,500,000	1,466.54	3.79
Export-Import Bank of India	P1+	200,000	196.18	0.51
Total			3,585.18	9.27
III. Cash & Cash Equivalents				
IV. Other Receivables / (Payables)				
			786.49	2.03
			2,738.72	7.05
Net Assets			38,694.02	100.00

Principal Floating Rate Fund - Flexible Maturity Plan

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
<i>i) Non-Convertible Debentures</i>				
DSP Merrill Lynch Capital Ltd	P1+(So)	500,000	500.00	3.20
Gujarat Ambuja Cement Ltd	AAA	500,000	499.28	3.20
Citi Financial Consumer Finance India Ltd	AAA	100,000	99.35	0.64
Total			1,098.63	7.04
<i>ii) Floating Rate Notes / Bonds</i>				
Sundaram Finance Ltd	AA+	1,000,000	1,000.00	6.41
ICICI Bank Ltd	AAA	500,000	502.53	3.22
LIC Housing Finance Ltd	AAA	50	500.00	3.20
Total			2,002.53	12.83
B) Privately Placed / Unlisted				
<i>i) Non-Convertible Debentures</i>				
L&T Finance Ltd	Unrated	500,000	500.00	3.20
Total			500.00	3.20
<i>ii) Floating Rate Notes / Bonds</i>				
Madras Cements Ltd	A1+	500,000	500.00	3.20
Total			500.00	3.20
<i>iii) Securitised Debt</i>				
Indian Corporate Loan Securitisation Trust - Series V (YBL)	P1+(SO)	5	500.52	3.21
VE Trust IX - Series A2 (M&MFSL)	AAA(SO)	2	152.83	0.98
IGEC Loan Trust Series I (GE Capital Services India)	A1+(SO)	1	100.04	0.64
UBL Trust Series XIII - A2 (Indusind Bank)	AAA(SO)	10	6.62	0.04
UBL Trust Series VII (Ashok Leyland)	P1+(SO)	5	0.24	0.00
Total			760.25	4.87
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
State Bank of Saurashtra	A1+	1,000,000	961.32	6.16
Union Bank of India	A1+	1,000,000	958.99	6.14
Jammu & Kashmir Bank Ltd	P1+	1,000,000	954.49	6.12
State Bank of Mysore	PR1+	1,000,000	952.52	6.10
Allahabad Bank	P1+	1,000,000	915.44	5.87
State Bank of Travancore	P1+	1,000,000	914.59	5.86
Canara Bank	P1+	1,000,000	911.88	5.84
State Bank of Patiala	A1+	500,000	493.30	3.16
The Federal Bank Ltd	P1+	500,000	481.02	3.08
Industrial Development Bank of India Ltd	P1+	500,000	465.98	2.99
Total			8,010.13	51.32
III. Fixed Deposits				
State Bank of India	Unrated	1,000,000	1,000.00	6.41
Total			1,000.00	6.41
IV. Cash & Cash Equivalents				
V. Other Receivables / (Payables)				
			98.56	0.63
			1,636.43	10.50
Net Assets			15,606.53	100.00

Principal Floating Rate Fund - Short Maturity Plan

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
<i>i) Non-Convertible Debentures</i>				
DSP Merrill Lynch Capital Ltd	P1+(So)	1,500,000	1,500.00	2.15
National Bank for Agriculture and Rural Development	AAA	900,000	898.77	1.29
Total			2,398.77	3.44
<i>ii) Floating Rate Notes / Bonds</i>				
LIC Housing Finance Ltd	AAA	140	1,400.00	2.01
Indian Railway Finance Corporation	AAA	1,000,000	1,000.74	1.44
Citicorp Finance (India) Ltd	AAA	1,000,000	1,000.31	1.44
Total			3,401.05	4.89
B) Privately Placed / Unlisted				
<i>i) Non-Convertible Debentures</i>				
L&T Finance Ltd	Unrated	2,500,000	2,500.00	3.59
Total			2,500.00	3.59
<i>ii) Floating Rate Notes / Bonds</i>				
Cholamandalam DBS Finance Ltd	P1+	5,000,000	5,000.00	7.17
GE Money Financial Services Ltd	AAA	1,500,000	1,500.00	2.15
Total			6,500.00	9.32
<i>iii) Securitised Debt</i>				
Indian Corporate Loan Securitisation Trust - Series V (YBL)	P1+(SO)	10	1,001.04	1.44
Loan Trust March 2007 Series I (SCI&L(I) Ltd)	F1+(SO)	10	994.93	1.43
VE Trust IX - Series A1 (M&MFSL)	AAA(SO)	40	579.64	0.83
Indian Corporate Loan Securitisation Trust - Series VI (YBL)	A1+(SO)	5	503.79	0.72
Asset Securitisation Trust Series A (Chola)	AAA(SO)	8	131.21	0.19
Auto Receivable Trust Aug 2005 - Series A1 (Sundaram Finance)	AAA(SO)	11	117.96	0.17
Indian Retail Trust Series XXXIX - A2 (ICICI Bank)	AAA(SO)	10	111.58	0.16
Securitisation Trust Feb 2004 (TVS Financial Services Ltd)	AAA(SO)	5	0.22	0.00
Total			3,440.37	4.94
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
Union Bank of India	A1+	2,500,000	2,397.49	3.44
Jammu & Kashmir Bank Ltd	P1+	2,500,000	2,386.23	3.42
Industrial Development Bank of India Ltd	P1+	2,500,000	2,329.92	3.34
Canara Bank	P1+	2,500,000	2,279.71	3.27
ICICI Bank Ltd	A1+	2,500,000	2,274.91	3.26
Allahabad Bank	PR1+	2,000,000	1,818.20	2.61
State Bank of Saurashtra	A1+	1,500,000	1,441.99	2.07
State Bank of Mysore	A1+	1,500,000	1,428.78	2.05
Allahabad Bank	PR1+	1,500,000	1,373.15	1.97
State Bank of Travancore	P1+	1,500,000	1,371.89	1.97
Kotak Mahindra Bank Ltd	P1+	1,000,000	999.24	1.43
State Bank of Patiala	A1+	1,000,000	987.79	1.42
State Bank of Patiala	A1+	1,000,000	979.82	1.41
Punjab National Bank	F1+	1,000,000	977.85	1.40
State Bank of Travancore	P1+	1,000,000	977.16	1.40
ING Vysya Bank Ltd	P1+	1,000,000	974.51	1.40
The Federal Bank Ltd	P1+	1,000,000	972.52	1.40
The Federal Bank Ltd	P1+	1,000,000	967.55	1.39
Kotak Mahindra Bank Ltd	P1+	1,000,000	963.17	1.38
State Bank of Indore	P1+	1,000,000	952.42	1.37
Standard Chartered Bank	P1+	600,000	589.96	0.85
HDFC Bank Ltd	P1+	500,000	484.75	0.70
Kotak Mahindra Bank Ltd	P1+	500,000	483.49	0.69
Total			30,412.50	43.64
<i>ii) Commercial Paper</i>				
Aditya Birla Nuvo Ltd	A1+	2,500,000	2,485.78	3.57
IDBI Home Finance Ltd	A1+	1,500,000	1,485.25	2.13
Shriram Transport Finance Company Ltd	F1+	1,500,000	1,453.84	2.09
Total			5,424.87	7.79
III. Fixed Deposits				
State Bank of India	Unrated	2,500,000	2,500.00	3.59
Total			2,500.00	3.59
IV. Cash & Cash Equivalents				
V. Other Receivables / (Payables)				
			12,881.24	18.48
			234.48	0.32
Net Assets			69,893.38	100.00

Principal Pnb Fixed Duration Fund - 3 Year Plan - Series I

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Bharti Airtel Ltd	Telecom - Services	6,550	50.04	1.12
Grasim Industries Ltd	Cement	2,350	49.18	1.10
Reliance Industries Ltd	Petroleum Products	3,400	46.59	1.05
Reliance Communications Ltd	Telecom - Services	10,500	44.19	0.99
Bharat Heavy Electricals Ltd	Industrial Capital Goods	1,900	42.97	0.96
Adhunik Metals Limited	Ferrous Metals	122,000	42.52	0.95
Sesa Goa Ltd	Ferrous Metals	2,400	40.88	0.92
Centurion Bank of Punjab Ltd	Banks	95,000	35.72	0.80
Voltamp Transformers Ltd	Industrial Capital Goods	5,814	35.06	0.79
Tamil Nadu Newsprint & Papers Ltd	Paper	38,000	31.50	0.71
Unity InfraProjects Ltd	Construction	7,000	31.07	0.70
Maharashtra Seamless Ltd	Ferrous Metals	5,700	29.14	0.65
ICICI Bank Ltd	Banks	3,400	29.01	0.65
Indian Bank	Banks	29,124	26.27	0.59
Jet Airways (India) Ltd	Transportation	4,000	25.33	0.57
Infosys Technologies Ltd	Software	1,151	23.23	0.52
Oil & Natural Gas Corporation Ltd	Oil	2,500	22.02	0.49
Idea Cellular Ltd	Telecom - Services	21,965	20.78	0.47
Larsen & Toubro Ltd	Industrial Capital Goods	1,100	17.82	0.40
Total			643.32	14.43
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
<i>i) Non-Convertible Debentures</i>				
Citicorp Finance (India) Ltd	AAA	500,000	484.64	10.87
Sundaram Finance Ltd	AA+	500,000	481.55	10.80
CitiFinancial Consumer Finance India Ltd	AAA	500,000	478.40	10.73
Mahindra & Mahindra Financial Services Ltd	AA+	300,000	293.99	6.59
Total			1,738.58	38.99
<i>ii) Deep Discount Bonds</i>				
Kotak Mahindra Prime Ltd	LAA	820,000	663.26	14.88
Total			663.26	14.88
B) Privately Placed / Unlisted				
<i>i) Securitised Debt</i>				
RPS Securitisation Trust (Tata Tele Services)	LAAA(SO)	8,000,000	646.01	14.49
Loan Securitisation Trust (PGC)	LAAA(SO)	8	457.66	10.27
Total			1,103.67	24.76
III. Cash & Cash Equivalents				
IV. Other Receivables / (Payables)				
			103.88	2.33
			205.43	4.61
Net Assets			4,458.14	100.00

Principal Pnb Fixed Maturity Plan - 460 Days - Series II

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
<i>i) Non-Convertible Debentures</i>				
Cholamandalam DBS Finance Ltd	LAA	1,700,000	1,673.61	14.57
Citi Financial Consumer Finance India Ltd	AAA	1,500,000	1,462.85	12.74
Kotak Mahindra Prime Ltd	LAA	900,000	884.51	7.70
Citicorp Finance (India) Ltd	AAA	200,000	196.28	1.71

Half Yearly Portfolio Statement of the Schemes of Principal Mutual Fund as on March 31, 2007 (Contd.)

Principal Pnb Fixed Maturity Plan - 460 Days - Series I

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
<i>i) Non-Convertible Debentures</i>				
GE Countrywide Financial Services	AAA	2,500,000	2,500.47	13.21
Mahindra & Mahindra Financial Services Ltd	AA+	2,500,000	2,499.64	13.21
Kotak Mahindra Prime Ltd	LAA	1,500,000	1,498.99	7.92
Kotak Mahindra Prime Ltd	LAA	1,000,000	998.84	5.28
UTI Bank Ltd	LAA+	500,000	501.29	2.65
UTI Bank Ltd	LAA+	200,000	199.97	1.06
Total			8,199.20	43.33
<i>ii) Floating Rate Notes / Bonds</i>				
Housing Development Finance Corporation Ltd	AAA	700,000	700.36	3.70
Housing Development Finance Corporation Ltd	AAA	500,000	500.26	2.64
Total			1,200.62	6.34
B) Privately Placed / Unlisted**				
<i>i) Non-Convertible Debentures</i>				
GE Capital Services India	AAA	2,500,000	2,500.10	13.21
Industrial Development Bank of India Ltd	LAA+	500,000	502.83	2.66
Total			3,002.93	15.87
<i>ii) Securitised Debt</i>				
IGEC Loan Trust Series I (GE Capital Services India)	A1+(SO)	17	1,700.64	8.99
Loan Receivable Trust (Citi Corp)	AA(SO)	15	1,642.99	8.68
IDGE Loan Trust Series I (GE Capital Services India)	A1+(SO)	14	1,412.95	7.47
Loan Receivable Trust Mar 2003 Series II (Gujarat Ambuja)	AAA(SO)	5	427.48	2.26
Indian Loan Securitisation Series A - IV Trust 2006 (CDBSFL)	P1+(SO)	6	354.56	1.87
Asset Securitisation Trust Series A (Chota)	AAA(SO)	2	32.80	0.17
Total			5,571.42	29.44
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
UCO Bank	P1+	100,000	99.14	0.52
Standard Chartered Bank	P1+	100,000	98.33	0.52
Total			197.47	1.04
<i>ii) Commercial Paper</i>				
IDBI Home Finance Ltd	A1+	300,000	297.07	1.57
Total			297.07	1.57
III. Cash & Cash Equivalents				
IV. Other Receivables / (Payables)				
				69.51
				388.49
Net Assets			18,926.71	100.00

Principal Pnb Fixed Maturity Plan - 385 Days - Series III

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
<i>i) Non-Convertible Debentures</i>				
Kotak Mahindra Investments Ltd	A1+	2,500,000	2,462.85	8.11
DSP Merrill Lynch Capital Ltd	AAA(ISO)	2,200,000	2,169.13	7.14
Kotak Mahindra Investments Ltd	A1+	2,000,000	1,964.04	6.47
ICICI Brokerage Services	AAA	1,500,000	1,476.60	4.86
Citicorp Finance (India) Ltd	AAA	1,300,000	1,275.81	4.20
Total			9,348.43	30.78
<i>ii) Floating Rate Notes / Bonds</i>				
Citi Financial Consumer Finance India Ltd	AAA	2,500,000	2,504.05	8.25
Total			2,504.05	8.25
B) Privately Placed / Unlisted**				
<i>i) Non-Convertible Debentures</i>				
GE Money Financial Services Ltd	AAA	300,000	296.19	0.98
Total			296.19	0.98
<i>ii) Securitised Debt</i>				
Corporate Loan Securitisation Series XXII Trust 2006 (KMPL)	PR1+(SO)	44	4,380.04	14.43
Indian Loan Securitisation Series B - IV Trust 2006 (CDBSFL)	AAA+(SO)	44	4,374.69	14.41
Corporate Loan Securitisation Series A - IV Trust 2006 (KMPL)	AA(SO)	35	3,486.72	11.48
Indian Loan Securitisation Series - IV Trust 2006 (Magma Leasing Ltd)	AAA(SO)	26	2,189.04	7.21
Auto Receivable Trust Aug 2005 - Series A1 (Sundaram Finance)	AAA(SO)	89	954.37	3.14
Loans Receivables Trust - Nov II 2006 (CITI BANK)	AA (IND)(SO)	9	900.30	2.97
Indian Loan Securitisation Series A - IV Trust 2006 (CDBSFL)	P1+(SO)	7	413.65	1.36
Credit Asset Trust Series V (HSBC Bank)	F1+(IND)(SO)	3	300.22	0.99
IGEC Loan Trust Series I (GE Capital Services India)	A1+(SO)	2	200.08	0.66
India Infrastructure Developers Ltd	AA(SO)	11	63.36	0.21
Total			17,262.47	56.86
II. Money Market Instruments				
<i>i) Commercial Paper</i>				
Kotak Securities Ltd	A1+	500,000	474.54	1.56
Total			474.54	1.56
III. Cash & Cash Equivalents				
IV. Other Receivables / (Payables)				
				456.47
Net Assets			30,360.55	100.00

* NPAs in accordance with SEBI regulations and guidelines. ** Thinly traded / non - traded debt securities.

*** Value below 0.01% of NAV \$ illiquid securities

Awaiting for Listing

Valued at Nil as these equity shares have been pending under objection for considerable period of time.

**** Represents amounts less than Rs.1,000/-

\$\$\$ The shares have been acquired on account of merger of Principal Equity Fund with Principal Dividend Yield Fund.

Valued at Last available price as on 22nd March, 2007.

Notes :

- No NPAs were provided for any of the schemes during the half year. A recovery of Rs. 72.11 Lacs and Rs. 1.42 Lacs towards NPAs was made in Principal Dividend Yield Fund and Principal Growth Fund respectively.
- Total value and percentage of illiquid shares to NAV is NIL for all the schemes of Principal Mutual Fund.
- For NAV at the beginning of the period, please refer point 4.1 of the half yearly unaudited financial results for the period ended March 31, 2007 published herein.
- For dividend declared during the period, please refer point 4.3 of the half yearly unaudited financial results for the period ended March 31, 2007 published herein.
- For NAV at the end of the period please refer point 4.2 of the half yearly unaudited financial results for the period ended March 31, 2007. The NAV per unit of all schemes except Principal Cash Management Fund - Liquid Option and Principal Floating Rate Fund - Short Maturity Plan is provided as on March 30, 2007 (as March 31, 2007 was a Non-business day).
- There is no outstanding exposure in derivative instruments at the end of the half year in any scheme of Principal Mutual Fund.
- During the half year period Bonus units @ 2:3 (Two units for every Three units held) was declared in Principal Income Fund - Growth Plan.
- Total investments in foreign securities at the end of the period in Principal Global Opportunities Fund are Rs. 43,903.33 Lacs (99.50% of the scheme assets). There are no investments in foreign securities/ ADRs/ GDRs at the end of the period in any of the scheme of Principal Mutual Fund.
- As per the directive of SEBI vide its dated June 30, 2006 Principal Government Securities Fund - Provident Fund Plan - Annual Rebalancing Option 2005 has been closed and subsequently merged on November 04, 2006 with Principal Government Securities Fund - Provident Fund Plan.
- Portfolio Turnover Ratio & Average Maturity of portfolio is as follows:

Name of the scheme	Portfolio Turnover Ratio (Times)	Average Maturity
Principal Balanced Fund	1.33	-
Principal Child Benefit Fund	1.03	-
Principal Cash Management Fund - Liquid Option	-	159.70 Days*
Principal Pnb Fixed Duration Fund - 3 Year Plan - Series I	0.77	2 Yrs
Principal Pnb Fixed Maturity Plan - 460 Days - Series I	-	0.12 Yrs
Principal Pnb Fixed Maturity Plan - 385 Days - Series I	-	0.04 Yrs
Principal Pnb Fixed Maturity Plan - 385 Days - Series II	-	0.21 Yrs
Principal Pnb Fixed Maturity Plan - 460 Days - Series II	-	0.63 Yrs
Principal Pnb Fixed Maturity Plan - 385 Days - Series III	-	0.74 Yrs
Principal Pnb Fixed Maturity Plan - 91 Days - Series V	-	0.27 Yrs
Principal Pnb Fixed Maturity Plan - 540 Days - Series I	-	1.23 Yrs
Principal Pnb Fixed Maturity Plan - 91 Days - Series VII	-	0.27 Yrs
Principal Pnb Fixed Maturity Plan - 91 Days - Series VIII	-	0.28 Yrs
Principal Pnb Fixed Maturity Plan - 460 Days - Series III	-	1.02 Yrs
Principal Pnb Fixed Maturity Plan - 385 Days - Series IV	-	1.06 Yrs
Principal Pnb Fixed Maturity Plan - 91 Days - Series IX	-	0.19 Yrs
Principal Focussed Advantage Fund	1.36	-
Principal Floating Rate Fund - Flexible Maturity Plan	-	160.34 Days*
Principal Floating Rate Fund - Short Maturity Plan	-	111.95 Days*
Principal Global Opportunities Fund	0.06	-
Principal Government Securities Fund - Investment Plan	-	6.11 Yrs
Principal Government Securities Fund - Provident Fund Plan	-	4.96 Yrs
Principal Government Securities Fund - Savings Plan	-	0.01 Yrs
Principal Growth Fund	1.23	-
Principal Income Fund	-	2.02 Yrs
Principal Income Fund - Short Term Plan	-	245.28 Days*
Principal Index Fund	1.38	-
Principal Infrastructure & Services Industries Fund	0.87	-
Principal Junior Cap Fund	0.61	-
Principal Large Cap Fund	0.80	-
Principal Monthly Income Plan	1.03	1.26 Yrs
Principal Monthly Income Plan - MIP Plus	1.87	1.39 Yrs
Principal Personal Tax Saver Fund	0.82	-
Principal Dividend Yield Fund	0.73	-
Principal Resurgent India Equity Fund	1.71	-
Principal Pnb Long Term Equity Fund - 3 Year Plan - Series I	0.00	-
Principal Tax Savings Fund	0.70	-

* : In respect of Floating Rate Instruments, the average maturity has been computed after considering the next Rate Reset Date as the maturity date.

- Industry classification disclosed above is provided by Association of Mutual Funds in India (AMFI).
- All the information provided is as on March 31, 2007 unless specified otherwise.

Principal Pnb Fixed Maturity Plan - 91 Days - Series VIII

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
<i>i) Non-Convertible Debentures</i>				
Birla Global Finance Company Limited	A1+	2,500,000	2,500.00	5.08
Kotak Mahindra Investments Ltd	A1+	1,300,000	1,300.00	2.64
Birla Global Finance Company Limited	A1+	1,000,000	1,000.00	2.03
Total			4,800.00	9.75
B) Privately Placed / Unlisted**				
<i>i) Non-Convertible Debentures</i>				
Shriram Transport Finance Company Ltd	F1+	4,000,000	4,000.00	8.13
Total			4,000.00	8.13
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
ICICI Bank Ltd	A1+	7,500,000	7,186.80	14.60
UCO Bank	P1+	2,500,000	2,415.98	4.91
Allahabad Bank	PR1+	2,500,000	2,405.91	4.89
Kotak Mahindra Bank Ltd	P1+	2,500,000	2,402.77	4.88
The Federal Bank Ltd	P1+	2,500,000	2,376.32	4.83
Standard Chartered Bank	P1+	1,700,000	1,671.57	3.40
Total			18,459.35	37.51
<i>ii) Commercial Paper</i>				
Export-Import Bank of India	P1+	2,500,000	2,434.09	4.94
GE Capital Services India	P1+	2,500,000	2,415.98	4.91
Sundaram Finance Ltd	P1+	2,500,000	2,355.64	4.78
Total			7,205.71	14.63
III. Fixed Deposits				
UTI Bank Ltd	Unrated	7,000,000	14.22	
Yes Bank Ltd	Unrated	5,000,000	10.16	
State Bank of Patiala	Unrated	2,500,000	5.08	
Total			14,500.00	29.46
IV. Cash & Cash Equivalents				
V. Other Receivables / (Payables)				
				108.79
				156.71
Net Assets			49,230.56	100.00

Principal Pnb Fixed Maturity Plan - 91 Days - Series VII

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
<i>i) Non-Convertible Debentures</i>				
Kotak Securities Ltd	A1+(ind)	2,500,000	2,500.00	6.74
Birla Global Finance Company Limited	A1+	2,500,000	2,500.00	6.74
Deccan Chronicle Holdings Ltd	P1+	1,500,000	1,500.00	4.05
Deccan Chronicle Holdings Ltd	PR1+	1,200,000	1,200.00	3.24
Total			7,700.00	20.77
B) Privately Placed / Unlisted**				
<i>i) Non-Convertible Debentures</i>				
Magma Leasing Ltd	PR1+	2,500,000	2,500.00	6.74
Housing & Urban Development Corporation Ltd	PR1+	2,000,000	1,978.19	5.34
Total			4,478.19	12.08
<i>ii) Securitised Debt</i>				
Indian Loan Securitisation Series A - IV Trust 2006 (CDBSFL)	P1+(SO)	37	2,186.45	5.90
Loans Receivables Trust - Nov II 2006 (CITI BANK)	AA (IND)(SO)	16	1,600.53	4.32
Total			3,786.98	10.22
II. Money Market Instruments				
<i>i) Certificate of Deposit</i>				
State Bank of Mysore	A1+	2,500,000	2,417.40	6.52
UCO Bank	P1+	2,500,000	2,387.44	6.44
State Bank of Travancore	P1+	1,500,000	1,456.96	3.93
Total			6,261.80	16.89
<i>ii) Commercial Paper</i>				
GE Money Financial Services Limited	P1+	5,000,000	4,826.78	13.02
IDBI Home Finance Ltd	A1+	700,000	693.16	1.87
Shriram Transport Finance Company Ltd	F1+	500,000	480.36	1.30
Total			6,000.30	16.19
III. Fixed Deposits				
Centurion Bank of Punjab	Unrated	5,000,000	13.49	
UTI Bank Ltd	Unrated	3,500,000	9.44	
Total			8,500.00	22.93
IV. Cash & Cash Equivalents				
V. Other Receivables / (Payables)				
				61.96
				278.41
Net Assets			37,067.64	100.00

Principal Pnb Fixed Maturity Plan - 540 Days - Series I

Name of Instrument	Rating	Quantity	Market Value (Rs in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
<i>i) Non-Convertible Debentures</i>				
DSP Merrill Lynch Capital Ltd	AAA(ISO)	2,700,000	2,662.12	9.91
Citicorp Finance (India) Ltd	AAA	2,500,000	2,458.39	9.15
ICICI Securities Ltd	AAA	2,500,000	2,451.81	9.13
Mahindra & Mahindra Financial Services Ltd	AA+	2,500,000	2,447.04	9.11
L&T Finance Ltd	AA+	2,000,000	1,972.10	7.34
Kotak Mahindra Prime Ltd	LAA	1,600,000	1,572.47	5.85
Housing Development Finance Corporation Ltd	AAA	1,500,000	1,470.23	5.47
Export-Import Bank of India	AAA	1,500,000	1,460.75	5.44
Mahindra & Mahindra Financial Services Ltd	AA+	1,000,000	981.51	3.65
Citi Financial Consumer Finance India Ltd	AAA	1,000,000	977.94	3.64
Housing Development Finance Corporation Ltd	AAA	500,000	489.29	1.82
Mahindra & Mahindra Financial Services Ltd	AA+	500,000	481.36	1.79
Total			19,425.01	72.30
B) Privately Placed / Unlisted**				
<i>i) Securitised Debt</i>				
UBL Trust Series 31 (DSP Merrill Lynch Capital Ltd)	A+(Ind)(SO)	39	3,938.84	14.67
Indian Corporate Loan Securitisation Trust - Series XXI (Yes Bank Ltd)	AA(SO)	25	2,512.03	9.35
Total			6,450.87	24.02
II. Cash & Cash Equivalents				
III. Other Receivables / (Payables)				
				136.42
				845.97
Net Assets			26,	