Principal Asset

Investment Manager

Bajaj Bhavan, 2nd Floor, Jamnalal Bajaj Marg,
• Tel: 91-22-2204 4988 • Fax: 91-22-2204 4990

Unaudited Half-Yearly Financial Results for the Period Ended

		Principal Future Goal Series																						
		Principal Cash Management Fund												Principal Income Fund										
		Money at Call Option				Liquid Option														Short Term Plan				
				Institutional Plan						Institutional Plan							Institutional Plan					Institutional Plan		
		Dividend Daily	Growth	Dividend	Growth	Dividend Monthly	Dividend Weekly	Dividend Daily	Growth	Dividend Monthly	Dividend Weekly	Dividend Daily	Growth	Dividend Quarterly	Dividend Half-Yearly	Dividend Annual	Growth	Dividend Quarterly	Growth	Dividend Monthly	Growth	Dividend Weekly	Dividend Monthly	Growth
1.1 Unit capital at the beginning of the half year period	(Rs. In Crores)	5.08	169.62	0.00	0.00	0.00	3.41	0.00	213.46	0.00	0.00	0.00	0.00	47.34	41.29	0.00	329.87	0.00	0.00	0.14	116.40	0.00	0.00	0.00
1.2 Unit capital at the end of period	(Rs. In Crores)	22.20	7.31	0.00	0.00	10.47	18.28	11.12	86.29	20.12	77.10	168.73	285.33	117.84	53.16	118.06	275.94	83.46	81.36	16.15	74.53	40.37	53.88	153.96
2.0 Reserve and surplus	(Rs. In Crores)	1.47				25.71								173.85						16.91				
3.1 Total Net Asset at the beginning of the half Year period	(Rs. In Crores)	203.91				258.19								561.93						125.08				
3.2 Total Net Asset at the end of the period	(Rs. In Crores)	30.98				703.15								903.67						355.80				
4.1 NAV at the beginning of the half year period	Rs. Per Unit	10.0000	11.7222	N.A.	N.A.	N.A.	10.1056	N.A.	11.9345	N.A.	N.A.	N.A.	N.A.	10.6186	10.6503	N.A.	14.1784	N.A.	N.A.	10.1189	10.7342	N.A.	N.A.	N.A.
4.2 NAV at the end of the period	Rs. Per Unit	10.0000	12.0019	N.A.	N.A.	10.0347	10.1050	10.0006	12.2430	10.0373	10.0058	10.0007	10.2103	10.8879	10.9279	10.6565	15.2214	10.2776	10.5300	10.1499	11.1233	10.9398	10.0515	10.2739
4.3 Dividend paid per unit during the half year	Rs. Per Unit	0.2087	N.A.	0.0350	N.A.	0.1816	0.2289	0.2003	N.A.	0.1518	0.1200	0.1830	N.A.	0.4432	0.4432	4.0000	N.A.	0.2216	N.A.	0.2932	N.A.	0.1594	0.1952	N.A.
Income																								
5.1 Dividend	(Rs. In Crores)	0.00				0.00								0.00						0.00				
5.2 Interest	(Rs. In Crores)	1.08				14.20								25.54						9.20				
5.3 Profit/(loss) on sale/redemption of Investment (other than interscheme/transfer sale)	(Rs. In Crores)	0.02				(0.16)								22.93						0.33				
5.4 Profit/(loss) on inter scheme sale/redemption of Investment	(Rs. In Crores)	0.00				0.01								0.17						0.05				
5.5 Other Income	(Rs. In Crores)	0.00				0.00								0.00						0.00				
5.6 **Total Income**	**(Rs. In Crores)**	**1.10**				**14.05**								**48.64**						**9.58**				
Expenses																								
6.1 Management Fees	(Rs. In Crores)	0.07		0.01		0.46				0.43				3.15				0.33		0.41		0.25		
6.2 Trustee Fees	(Rs. In Crores)	0.00		0.00		0.01				0.01				0.03				0.01		0.01		0.01		
6.3 **Total Recurring Expenses**	**(Rs. In Crores)**	**0.09**		**0.01**		**0.99**				**0.73**				**5.90**				**0.61**		**0.74**		**0.50**		
6.4 % of Management Fees to Daily average Net Assets	%	0.38		0.29		0.39				0.35				0.99				0.60		0.56		0.40		
6.5 Total Recurring Expenses as % of Daily average Net Assets	%	0.50		0.50		0.85				0.60				1.86				1.10		1.00		0.80		
7.1 Returns during half year#	%	2.39		N.A.$		2.58				N.A.$				6.93				N.A.$		3.62		N.A.$		
Benchmark	%	2.32		N.A.$		2.32				N.A.$				6.74				N.A.$		3.63		N.A.$		
7.2 Compounded Annualised Yield	%																							
(I) Last 1 year	%	5.24		N.A.$		5.68				N.A.$				13.90				N.A.$		7.16		N.A.$		
Benchmark	%	4.97		N.A.$		4.97				N.A.$				12.29				N.A.$		6.78		N.A.$		
(ii) Last 3 years	%	N.A.$		N.A.$		N.A.$				N.A.$				N.A.$				N.A.$		N.A.$		N.A.$		
Benchmark	%	N.A.$		N.A.$		N.A.$				N.A.$				N.A.$				N.A.$		N.A.$		N.A.$		
(iii) Last 5 years	%	N.A.$		N.A.$		N.A.$				N.A.$				N.A.$				N.A.$		N.A.$		N.A.$		
Benchmark	%	N.A.$		N.A.$		N.A.$				N.A.$				N.A.$				N.A.$		N.A.$		N.A.$		
(iv) Since Inception	%	6.40		N.A.$		7.12				2.10@				15.08				3.11@		7.72		2.74@		
Benchmark	%	N.A.		N.A.		N.A.				1.66@				N.A.				4.37@		7.57		2.66@		
Date of Commencement/Allotment		25/10/00		22/07/03		25/10/00				09/05/03				25/10/00				09/05/03		24/04/02		09/05/03		
8.0 Provision for doubtful Income/Debts	(Rs. In Crores)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9.0 Deferred Revenue Expenditure W/off during half year	(Rs. In Crores)	0.00				0.00								0.00						0.00				
Deferred Revenue Expenditure trfd to next period	(Rs. In Crores)	0.00				0.00								0.00						0.00				
10.0 Payment to associates/group companies (If Applicable)																								
IDBI Bank for Bank Charges^^	(Rs. In Crores)	0.00				0.01								0.01						0.01				
IDBI Bank for brokerage on Mobilisation^^	(Rs. In Crores)	0.01				0.05								0.16						0.02				
IDBI Capital Market Services Ltd. For Brokerage paid on transactions in secondary Market^^	(Rs. In Crores)	0.00				0.00								0.00						0.00				
IDBI Capital Market Services Ltd. For Brokerage on Mobilisation^^	(Rs. In Crores)	0.00				0.01								0.03						0.02				
Stock Holding Corporation Ltd. For Bokerage on Mobilisation^^	(Rs. In Crores)	0.00				0.00								0.00						0.00				
Fees for Investor Communication Services to Principal Consulting India Pvt. Ltd.	(Rs. In Crores)	0.01				0.17								0.26						0.10				
Total	(Rs. In Crores)	**0.02**				**0.24**								**0.47**						**0.15**				
11.0 Investment in Associate/Group Companies(if applicable)																								
Term Deposit with IDBI BANK (NSE Mibor +10 Bps) M-05/08/2003^^	(Rs. In Crores)	0.00				10.00								0.00						0.00				
12.1 Details of large holdings (over 25% of the NAV of the scheme)	%	70.91				0.00								0.00						0.00				
12.2 Number of Investors		1.00				0.00								0.00						0.00				

13. Details of investment made by any scheme in company which has invested in any scheme of Principal Mutual Fund in excess of 5% of net assets of that scheme as on September 30, 2003

Name of Company (Investor)	Scheme in which investment is made by the company	Aggregate Investment by scheme in securities of the company during the specified period**		Schemes by which investment is made in securities of the Company	Aggregate Investment outstanding as on September 30, 2003(At Market Value)	
		Nature of Investment	(Rupees in Lacs)		Nature of Investment	(Rupees in Lacs)
Hindustan Lever Ltd.	Principal Cash Management Fund - Liquid Option	Equity Shares	636.31	Principal Balanced Fund, Principal Child Benefit Fund, Principal Index Fund and Principal Equity Fund	Equity Shares	1,042.29
		Debt	–	Principal Child Benefit Fund and Principal Monthly Income Plan	Debt	69.12
Punjab National Bank	Principal Growth Fund	Equity Shares	–	Principal Equity Fund	Equity Shares	234.61
		Debt	–	Principal Monthly Income Plan, Principal Deposit Fund - Plan 54EA/EB, Principal Cash Management Fund - Liquid Option and Principal Income Fund - Short Term Plan	Debt	2,761.57
HCL Technologies Limited	Principal Income Fund - Short Term Plan	Equity Shares	309.65	Principal Index Fund	Equity Shares	97.97
Industrial Development Bank of India (IDBI)	Principal Index Fund, Principal Deposit Fund - Plan 54EA/ EB and Principal Cash Management Fund - Liquid Option	Equity Shares	508.00	–	Equity Shares	–
		Debt	20,275.59	Principal Income Fund - Short Term Plan, Principal Cash Management Fund - Liquid Option, Principal Monthly Income Plan, Principal Income Fund and Principal Cash Management Fund - Money at Call Option	Debt	12,552.74
ITC Ltd.	Principal Cash Management Fund - Liquid Option	Equity Shares	412.33	Principal Balanced Fund, Principal Child Benefit Fund, Principal Index Fund, Principal Equity Fund, Principal Growth Fund and Principal Tax Savings Fund	Equity Shares	1,084.51
		Debt	–	–	Debt	–
Grasim Industries Limited	Principal Income Fund - Short Term Plan	Equity Shares	56.66	Principal Index Fund	Equity Shares	119.05
		Debt	–	–	Debt	–
Sun Pharmaceutical Industries Limited	Principal Deposit Fund - June 2003	Equity Shares	74.76	Principal Index Fund and Principal Balanced Fund	Equity Shares	109.31
		Debt	4,000.00	Principal Cash Management Fund - Liquid Option	Debt	1,000.00
Tata Engineering and Locomotive Company Ltd.	Principal Cash Management Fund - Liquid Option	Equity Shares	442.78	Principal Balanced Fund, Principal Child Benefit Fund, Principal Index Fund, Principal Equity Fund, Principal Growth Fund, Principal Monthly Income Plan and Principal Tax Savings Fund	Equity Shares	1,035.75
		Debt	–	–	Debt	–
Videsh Sanchar Nigam Ltd.	Principal Income Fund	Equity Shares	61.40	Principal Index Fund	Equity Shares	68.32
		Debt	–	–	Debt	–

** Specified period means period commencing from one year prior to the date of investment by the Company in the Scheme and ending on September 30, 2003.

Most of the above securities were purchased from the open secondary/primary market at relevant market/offer prices over a period of time based on the approved investment strategy. All the securities pertain to highly rated blue-chip companies.
The AMC is of the view that the above investments are considered sound and are in line with investment objectives of the relevant schemes.

^^With effect from June 24, 2003, IDBI and its associates have ceased to be associates of Principal Mutual Fund, hence payments disclosed are for the period April 1, 2003 to June 24, 2003.

*The units were fully redeemed on 03.04.2003.

Benchmark Index :

Principal Cash Management Fund - Money at Call Option – Crisil Liquid Fund Index, Principal Cash Management Fund - Liquid Option – Crisil Liquid Fund Index, Principal Income Fund – Crisil Composite Bond Fund Index, Principal Income Fund - Short Term Plan – Crisil Short Term Bond Fund Index, Principal Balanced Fund – Crisil Balanced Fund Index, Principal Growth Fund – S&P CNX Nifty, Principal Government Securities Fund - Savings Plan – ISec SiBex, Principal Government Securities Fund - Investment Plan – ISec LiBex, Principal Child Benefit Plan - Crisil Balanced Fund Index, Principal Monthly Income Plan – Crisil MIP Blended Index, Principal Trust Benefit Fund – Crisil Composite Bond Fund Index, Principal Deposit Fund - Plan 54 EA/EB – Crisil Composite Bond Fund Index, Principal Deposit Fund - FMP 8 (371 days maturity plan - Jun 03) – No suitable index available for comparison, Principal Deposit Fund - FMP (371 days maturity plan - Mar 03) – No suitable index available for comparison, Principal Equity Fund – S&P CNX Nifty, Principal Tax Savings Fund – S&P CNX Nifty

N.A. - Not Available

@ – Absolute Returns

$ – N.A. - Not Applicable

– Returns are computed only in respect of Growth Plan/Option, wherever applicable.

Management Company Ltd.

for Principal Mutual Fund

Nariman Point, Mumbai - 400 021, India.
• email: customer@principalindia.com • visit us at: www.principalindia.com

WE UNDERSTAND WHAT YOU'RE WORKING FOR™

September 30, 2003 of the Schemes of Principal Mutual Fund

Principal Balanced Fund		Principal Growth Fund		Principal Index Fund	Principal Government Securities Fund						Principal Child Benefit Fund		Principal Monthly Income Plan (An open-ended income scheme with no assured monthly returns)			Principal Trust Benefit Fund				Principal Deposit Fund						Principal Equity Fund		Principal Tax Savings Fund
					Savings Plan		Investment Plan									Dividend			Growth	Plan 54 EA/EB	FMP 6		FMP 8 (371 days Maturity Plan - Jun 03)	FMP (371 days Maturity Plan - Mar 03)				
Dividend	Growth	Dividend	Growth		Dividend Quarterly	Growth	Dividend: Quarterly	Dividend: Half-Yearly	Dividend: Annual	Growth	Career Builder	Future Guard	Dividend: Monthly	Dividend: Quarterly	Growth	Quarterly	Half-Yearly	Annual			Dividend	Growth	Growth	Dividend	Growth	Dividend	Growth	
13.66	0.95	5.73	9.54	233.60	0.09	2.21	9.58	0.67	0.00	6.77	1.05	0.39	1.73	2.12	84.86	6.91	1.29	2.07	9.67	15.29	0.16	40.75	0.00	0.10	16.35	26.31	38.05	29.90
1.07	1.32	15.11	6.87	83.59	0.18	0.37	10.17	0.97	0.01	7.34	0.92	0.41	49.35	38.19	123.57	7.50	1.53	2.63	10.24	3.03	0.00*	0.00*	50.02	0.10	16.35	20.61	22.39	27.87
0.96		7.69		8.95	0.09		5.04				1.54		33.11			2.17				1.64	0.00		0.97	0.59		17.07		31.80
14.61		14.79		176.86	2.70		20.25				2.35		98.08			20.90				23.01	44.41		0.00	16.46		59.87		41.33
3.35		29.67		92.54	0.64		23.53				2.87		244.22			24.07				4.67	0.00		50.99	17.04		60.07		59.67
10.00	9.90	9.65	9.70	7.5712	10.3338	11.8233	11.0813	11.1073	N.A.	13.1178	16.36	16.14	10.3134	10.3177	11.0891	10.2071	10.2061	10.6653	10.6563	15.0507	10.8566	10.8554	N.A.	10.0048	10.0048	9.59	9.10	13.82
14.11	13.98	12.84	14.94	11.0703	10.2380	12.1734	11.6250	11.6612	14.3712	14.3715	21.71	21.42	10.8262	10.8199	12.0954	10.4032	10.4092	11.4022	11.3923	15.3853	N.A.	N.A.	10.1937	10.3593	10.3601	14.35	13.62	21.41
–	N.A.	2.0000	N.A.	–	0.3546	N.A.	0.4432	0.4432	–	N.A.	–	–	0.3619	0.3746	N.A.	0.4432	0.4432	–	N.A.	–	–	N.A.	N.A.	–	N.A.	–	N.A.	–
0.19		0.30		3.32	0.00		0.00				0.03		0.29			0.00				0.00	0.00		0.00	0.00		1.17		1.16
0.15		0.02		0.05	0.04		0.75				0.04		4.43			0.79				0.77	0.01		0.92	0.58		0.26		0.02
3.82		3.89		(3.23)	0.01		1.10				0.15		1.99			0.38				0.10	0.03		0.01	0.00		1.40		6.25
0.14		0.23		0.55	0.01		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		(0.10)		0.00
0.00		0.00		0.00	0.00		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		0.00		0.00
4.30		**4.44**		**0.69**	**0.06**		**1.85**				**0.22**		**6.71**			**1.17**				**0.87**	**0.04**		**0.93**	**0.58**		**2.73**		**7.43**
0.07		0.10		0.73	0.00		0.09				0.02		0.73			0.09				0.12	0.00		0.01	0.03		0.37		0.30
0.00		0.00		0.01	0.00		0.00				0.00		0.01			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.13		0.19		1.16	0.01		0.14				0.03		1.35			0.15				0.22	0.00		0.01	0.04		0.73		0.60
1.12		1.25		1.00	0.75		0.75				1.25		1.08			0.75				1.24	0.48		0.08	0.35		1.25		1.25
2.05		2.25		1.60	1.00		1.25				2.50		2.00			1.25				2.25	0.60		0.10	0.50		2.50		2.50
41.21		54.02		46.22	2.88		8.91				32.70	32.71	8.78			6.60				2.18	N.A.$		N.A.$	N.A.$		49.67		54.92
28.49		44.87		44.87	5.03		11.77				28.49	28.49	11.89			6.74				6.74	N.A.$		N.A.$	N.A.$		44.87		44.87
48.88		64.90		47.91	7.94		18.61				38.63	38.64	14.92			N.A.$				5.19	N.A.$		N.A.$	N.A.$		59.48		65.33
32.50		47.13		47.13	8.30		23.78				32.50	32.50	17.16			N.A.$				12.29	N.A.$		N.A.$	N.A.$		47.13		47.13
N.A.$		N.A.$		4.06	N.A.$		N.A.$				18.87	18.55	N.A.$			N.A.$				9.03	N.A.$		N.A.$	N.A.$		9.08		13.98
N.A.$		N.A.$		3.41	N.A.$		N.A.$				N.A.	N.A.	N.A.$			N.A.$				N.A.	N.A.$		N.A.$	N.A.$		3.41		3.41
N.A.$		N.A.$		N.A.$	N.A.$		N.A.$				15.04	14.99	N.A.$			N.A.$				8.43	N.A.$		N.A.$	N.A.$		10.94		24.26
N.A.$		N.A.$		N.A.$	N.A.$		N.A.$				N.A.	N.A.	N.A.$			N.A.$				N.A.	N.A.$		N.A.$	N.A.$		11.03		11.03
12.11		14.68		2.46	9.77		18.50				14.48	14.21	14.86			12.96				7.38	N.A.$		1.80	3.54		4.51		14.49
N.A.		6.32		4.39	N.A.		N.A.				N.A.	N.A.	14.92			11.88				N.A.	N.A.$		N.A.	N.A.		4.39		4.83
25/10/00		25/10/00		26/07/99	23/08/01		23/08/01				7/01/98	7/01/98	23/05/02			30/09/02				13/08/97	27/03/02		19/06/03	28/03/03		14/06/95		31/03/96
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.11		0.00		0.00	0.00		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.47		0.00		0.00	0.00		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.00		0.00		0.01	0.00		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.00		0.00		0.00	0.00		0.00				0.00		0.01			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.00		0.00		0.03	0.00		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.00		0.00		0.00	0.00		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.00		0.00		0.00	0.00		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.00		0.01		0.05	0.00		0.01				0.00		0.05			0.01				0.01	0.00		0.01	0.01		0.02		0.02
0.00		0.01		0.09	0.00		0.01				0.00		0.06			0.01				0.01	0.00		0.01	0.01		0.02		0.02
0.00		0.00		0.00	0.00		0.00				0.00		0.00			0.00				0.00	0.00		0.00	0.00		0.00		0.00
0.00		0.00		62.27	0.00		48.25				0.00		0.00			0.00				97.76	0.00		0.00	99.96		0.00		0.00
0.00		0.00		1.00	0.00		1.00				0.00		0.00			0.00				1.00	0.00		0.00	1.00		0.00		0.00

Notes :

1. The figures pertaining to half year end are as on 30.09.2003.
2. No changes have been carried out in the Accounting Policies during the half-year ended September 30, 2003.
3. There are no borrowings above 10% of the net assets of any scheme of the mutual fund.
4. The first NAV dates of the following plans launched on or after April 1, 2003 were as follows :

Scheme and Plan	First NAV Date	Allotment Date
Principal Income Fund - Annual Dividend Plan	09/09/2003	08/09/03
Principal Government Securities Fund - Investment Plan (Annual Dividend Plan)	09/09/2003	08/09/03
Principal Cash Management Fund - Money at Call Option - Institutional Plan (Daily Dividend)	23/07/2003	22/07/03
Principal Income Fund - Short Term Plan - Institutional Plan (Weekly Dividend)	27/06/2003	26/06/03
Principal Deposit Fund - 371 Days (G) - June 03	23/06/2003	19/06/03
Principal Income Fund - Short Term Plan - Institutional Plan (Monthly Dividend Option)	13/05/2003	09/05/03
Principal Income Fund - Short Term Plan - Institutional Plan (Growth)	13/05/2003	09/05/03
Principal Income Fund - Institutional Plan (Quarterly Dividend)	13/05/2003	09/05/03
Principal Income Fund - Institutional Plan (Growth)	13/05/2003	09/05/03
Principal Cash Management Fund - Money at Call Option - Institutional Plan (Growth)	13/05/2003	09/05/03
Principal Cash Management Fund - Liquid Option - Institutional Plan (Weekly Dividend)	13/05/2003	09/05/03
Principal Cash Management Fund - Liquid Option - Institutional Plan (Monthly Dividend)	13/05/2003	09/05/03
Principal Cash Management Fund - Liquid Option - Institutional Plan (Growth)	13/05/2003	09/05/03
Principal Cash Management Fund - Liquid Option - Institutional Plan (Daily Dividend)	13/05/2003	09/05/03
Principal Cash Management Fund - Liquid Option (Daily Dividend)	19/04/2003	17/04/03
Principal Cash Management Fund - Liquid Option (Monthly Dividend)	11/04/2003	10/04/03

5. Returns are calculated on compounded annualised basis for a period of more than 30 days and absolute basis for a period less than 30 days, with reinvestment of dividends(if any) w.r.t. the Cash Management Fund (Money at Call Option and Liquid Option) schemes.
6. In the case of all other schemes besides Cash Management Fund, Returns are calculated on compounded annualised basis for a period of more than a year and absolute basis for a period less than a year, with reinvestment of dividends(if any).
7. None of the Schemes have declared bonus during the half year
8. None of the Schemes have exposure in derivative products
9. None of the Schemes have investment in Foreign Securities/ ADR/ GDR

For and on behalf of
Principal Asset Management Company Ltd.

Place : Mumbai
Date : 29 October, 2003

Sanjay Sachdev
Chief Executive Officer and Managing Director

Statutory Details: Principal Mutual Fund has been constituted as a trust with Principal Financial Group (Mauritius) Limited as the Settlor. The Sponsor of Principal Mutual Fund is Principal Financial Services Inc, USA. Principal Trustee Company Limited is sole Trustee to Principal Mutual Fund. Principal Asset Management Company Limited has been appointed as the Investment Manager to Principal Mutual Fund. **Risk Factors:** Mutual funds and securities investments are subject to market risks and there can be no assurance and no guarantee that the objectives of Principal Mutual Fund will be achieved. As with any investment in securities, the NAV of the units issued under the Scheme(s) can go up or down, depending up on the factors and forces affecting the capital markets. Past performance of the Sponsor/AMC/ Principal Mutual Fund does not indicate or guarantee the future performance of the Scheme(s) of Principal Mutual Fund. PRINCIPAL CASH MANAGEMENT FUND (open-ended liquid scheme; to provide investors with a high level of income from short-term investments in money markets and in investment grade debt instruments), PRINCIPAL INCOME FUND (open-ended income scheme; to generate regular income and capital appreciation through investments in debt instruments and related securities), PRINCIPAL INCOME FUND - SHORT TERM PLAN (open-ended income scheme; the investment objective is the same as that of the Principal Income Fund. However, STP is designed to achieve stable returns over shorter-term investment horizons), PRINCIPAL MONTHLY INCOME PLAN (open-ended income scheme with no assured monthly returns; generate regular income through investments in fixed income securities so as to make periodical income distribution and also to generate long-term capital appreciation by investing a portion of the schemes assets in equity and equity related instruments), PRINCIPAL BALANCED FUND (open-ended balanced scheme; to provide periodic returns and capital appreciation through a judicious mix of equity and debt instruments), PRINCIPAL GROWTH FUND (open-ended equity scheme; to achieve long-term capital appreciation through investments in equity and equity related instruments), PRINCIPAL INDEX FUND (open-ended index linked growth scheme; to invest principally in securities that comprise the S&P CNX Nifty (NSE) in the same proportion so as to attain results commensurate with the Nifty, subject to tracking errors), PRINCIPAL GOVERNMENT SECURITIES FUND (open-ended dedicated gilt scheme Investing in Government Securities; to generate risk free returns and provide medium to long term capital appreciation and income distribution with emphasis on capital preservation), PRINCIPAL DEPOSIT FUND (open-ended debt scheme; to build a high quality income oriented portfolio and provide returns alongwith regular liquidity to investors), PRINCIPAL CHILD BENEFIT FUND (open-ended growth scheme; to build an income-oriented portfolio to generate continuous and regular returns to the Beneficiary with the aim of giving handsome capital growth at the end of the target period), PRINCIPAL EQUITY FUND (open-ended equity growth scheme; to provide investors long term capital appreciation), PRINCIPAL TAX SAVINGS FUND (open-ended equity-linked savings scheme; to build a high quality growth-oriented portfolio to provide long-term capital gains to the investors aiming at providing returns through capital appreciation), PRINCIPAL TRUST BENEFIT FUND (open-ended income scheme; to build a high quality income-oriented portfolio and provide returns and/or capital appreciation along with regular liquidity to a distinct class of investors who have special needs, such as charitable and religious trusts and other non-profit making bodies), are only the names of the Schemes and do not in any manner indicate either the quality of the Schemes, their future prospects or returns. Investors are therefore urged to read the Offer Document carefully, and consult their legal/tax/investment advisor before they invest in the Scheme(s). The Sponsor is not responsible or liable for any loss resulting from the operations of the Principal Mutual Fund beyond the initial contribution of an amount of Rs 1 lakh and an additional amount of Rs 24.99 crores towards setting up of Principal Mutual Fund.