Principal Mutual Fund

Investment Manager:Principal Pnb Asset Management Company Private Limited

5th Floor, Apeejay House, 3 Dinshaw Vaccha Road, Churchgate, Mumbai 400 020.

Portfolio Statement of the Schemes of Principal Mutual Fund as on March 31, 2006

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

Principal Equity Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Siemens Ltd	Industrial Capital Goods	7,374	418.46	5.10
Larsen & Toubro Ltd	Industrial Capital Goods	16,720	406.75	4.95
Cipla Ltd	Pharmaceuticals	57,500	380.79	4.64
I T C Ltd	Consumer Non Durables	162,885	317.87	3.87
Oil & Natural Gas Corporation Ltd	Oil	23,000	301.61	3.67
Jain Irrigation Systems Ltd	Industrial Products	118,225	297.51	3.62
Pfizer Ltd	Pharmaceuticals	25,683	296.29	3.61
Punjab National Bank	Banks	62,685	294.87	3.59
Bharat Heavy Electricals Ltd	Industrial Capital Goods	12,892	289.03	3.52
Grasim Industries Ltd	Cement	13,200	272.24	3.31
Aventis Pharma Ltd	Pharmaceuticals	13,900	268.26	3.27
Associated Cement Companies Ltd	Cement	34,100	266.73	3.25
Reliance Industries Ltd	Petroleum Products	33,000	262.47	3.20
Indian Petrochemicals Corporation Ltd	Chemicals	97,230	255.08	3.11
Infosys Technologies Ltd	Software	8,299	247.43	3.01
Sundaram Fasteners Ltd	Auto Ancillaries	139,305	235.84	2.87
Punjab Tractors Ltd	Auto	92,000	232.48	2.83
State Bank of India	Banks	23,500	227.60	2.77
Mahindra & Mahindra Ltd	Auto	35,000	219.47	2.67
Asian Paints Ltd	Consumer Non Durables	33,940	219.27	2.67
Container Corporation of India Ltd	Transportation	14,958	216.21	2.63
Jaiprakash Associates Ltd	Construction	41,000	192.35	2.34
Hindustan Petroleum Corporation Ltd	Petroleum Products	57,200	182.95	2.23
IVRCL Infrastructures & Projects Ltd	Construction	64,970	180.62	2.20
Ballarpur Industries Ltd	Paper	130,000	179.34	2.18
Hindustan Lever Ltd	Consumer Non Durables	65,900	179.25	2.18
Finolex Industries Ltd	Chemicals	244,769	170.11	2.07
SREI Infrastructure Finance Ltd	Finance	260,000	146.38	1.78
Ranbaxy Laboratories Ltd	Pharmaceuticals	32,000	138.35	1.68
JSW Steel Ltd	Ferrous Metals	44,000	133.25	1.62
Gujarat Alkalies & Chemicals Ltd	Chemicals	85,000	129.97	1.58
Novartis India Ltd	Pharmaceuticals	22,000	129.50	1.58
Gokaldas Exports Ltd	Textile Products	2,632	20.64	0.25
Reliance Energy Ventures Ltd	Power	43,000	18.66	0.23
Apollo Tyres Ltd *#	Auto Ancillaries	1,650	–	–
Total			**7,727.63**	**94.08**
B) Privately Placed / Unlisted$$				
Sandur Laminates Ltd	Miscellaneous	200,000	0.02	***
Crystal Cable Industries Ltd	Miscellaneous	100,000	0.01	***
Tirrihannah Company Ltd	Miscellaneous	50,000	0.01	***
Volant Textile Mills Ltd	Miscellaneous	75,000	0.01	***
Gujarat Petrosynthse Ltd	Commodity Chemicals	20,000	–	–
Western Paques (India) Ltd	Environmental Services	900	–	–
Kashipur Holdings Ltd	Miscellaneous	50	–	–
Minerva Holding Ltd	Finance - Others	20	–	–
Total			**0.05**	*****
II. Cash & Cash Equivalents			**1,112.74**	**13.55**
III. Other Receivables / (Payables)			**(627.79)**	**(7.63)**
Net Assets			**8,212.63**	**100.00**

Principal Growth Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Bharat Heavy Electricals Ltd	Industrial Capital Goods	53,464	1,198.64	3.30
Infosys Technologies Ltd	Software	37,019	1,103.68	3.04
HCL Technologies Ltd	Software	156,000	1,020.55	2.81
Godrej Consumer Products Ltd	Consumer Non Durables	138,922	1,014.76	2.80
I T C Ltd	Consumer Non Durables	501,000	977.70	2.70
Greaves Cotton Ltd	Industrial Products	295,200	966.19	2.66
Indian Hotels Co. Ltd	Hotels	69,666	946.03	2.61
Hindalco Industries Ltd	Non Ferrous Metals	498,000	909.85	2.51
Wipro Ltd	Software	161,000	901.12	2.48
CESC Ltd	Power	253,000	868.30	2.39
E.I.D Parry (India) Ltd	Consumer Non Durables	297,947	852.87	2.35
Cipla Ltd	Pharmaceuticals	128,000	847.68	2.34
Crompton Greaves Ltd	Industrial Capital Goods	80,404	844.20	2.33
Patel Engineering Ltd	Construction	174,464	825.48	2.28
Reliance Industries Ltd	Petroleum Products	103,702	824.79	2.27
Larsen & Toubro Ltd	Industrial Capital Goods	33,454	813.84	2.24
Hero Honda Motors Ltd	Auto	89,969	801.13	2.21
UTI Bank Ltd	Banks	216,993	772.60	2.13
Tata Consultancy Services Ltd	Software	39,600	758.54	2.09
Oil & Natural Gas Corporation Ltd	Oil	56,787	744.68	2.05
IVRCL Infrastructures & Projects Ltd	Construction	261,030	725.66	2.00
Jindal Steel & Power Ltd	Ferrous Metals	37,914	718.77	1.98
Balrampur Chinni Mills Ltd	Consumer Non Durables	377,420	708.61	1.95
National Aluminium Company Ltd	Non Ferrous Metals	241,000	707.70	1.95
Reliance Communications Ventures Ltd	Telecom - Services	224,702	693.66	1.91
Hindustan Construction Company Ltd	Construction	393,623	680.77	1.88
Bharti Tele-Ventures Ltd	Telecom - Services	160,000	660.40	1.82
Lakshmi Machine Works Ltd	Industrial Capital Goods	2,999	655.55	1.81
K E C International Ltd	Power	141,424	613.14	1.69
Blue Dart Express Ltd	Courier	94,532	594.04	1.64
Indian Overseas Bank	Banks	610,000	590.18	1.63
Gujarat Ambuja Cement Ltd	Cement	565,000	583.65	1.61
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	40,821	580.23	1.60
Celebrity Fashions Ltd	Textile Products	283,433	567.01	1.56
Bajaj Hindustan Ltd	Consumer Non Durables	103,755	523.39	1.44
Punjab National Bank	Banks	109,345	514.36	1.42
KEI Industries Ltd	Industrial Products	132,140	487.60	1.34
Satyam Computers Services Ltd	Software	57,000	483.65	1.33
Maharashtra Seamless Ltd	Ferrous Metals	67,412	456.55	1.26
Mahindra & Mahindra Financial Services Ltd	Finance	187,984	455.20	1.25
Hindustan Lever Ltd	Consumer Non Durables	161,916	440.41	1.21
Rajshree Sugar & Chemicals Ltd	Consumer Non Durables	215,250	401.12	1.11
Bharti Shipyard Ltd	Industrial Capital Goods	102,881	395.58	1.09
Associated Cement Companies Ltd	Cement	50,500	395.01	1.09
HDFC Bank Ltd	Banks	47,679	369.15	1.02
Mahindra & Mahindra Ltd	Auto	58,650	367.76	1.01
Goodlass Nerolac Paints Ltd	Consumer Non Durables	36,786	332.36	0.92
Kalyani Steels Ltd	Ferrous Metals	117,396	331.41	0.91
Gateway Distriparks Ltd	Transportation	129,007	327.10	0.90
Reliance Energy Ltd	Power	51,500	315.03	0.87
Tata Chemicals Ltd	Fertilisers	114,726	302.48	0.83
BL Kashyap & Sons Ltd	Construction	21,200	247.00	0.68
Total			**34,217.16**	**94.30**
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 Contianers 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	***
Niryat Sam Apparels (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 Servises	39,500	–	–
Precision Fasteners Ltd	Auto Parts & Equipment	200	–	–
Total			**0.10**	**0.00**
II. Cash & Cash Equivalents			**1,432.10**	**3.95**
III. Other Receivables / (Payables)			**627.37**	**1.75**
Net Assets			**36,276.73**	**100.00**

Principal Child Benefit Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Bharat Bijlee Ltd	Industrial Capital Goods	5,100	70.66	5.78
Automotive Axles Ltd	Auto Ancillaries	8,000	55.90	4.57
Jaiprakash Associates Ltd	Construction	10,000	46.92	3.84
Easun Reyrolle Ltd	Industrial Capital Goods	5,000	45.03	3.68
Blue Star Ltd	Consumer Durables	6,100	43.01	3.52
E.I.D Parry (India) Ltd	Consumer Non Durables	14,000	40.08	3.28
Steel Strips Wheels Ltd	Auto Ancillaries	32,028	38.79	3.17
Mahindra & Mahindra Ltd	Auto	6,000	37.62	3.08
State Bank of India	Banks	3,500	33.90	2.77
PVR Ltd	Media & Entertainment	10,500	32.35	2.65
Reliance Industries Ltd	Petroleum Products	4,000	31.81	2.60
Super Sales India Ltd	Textiles - Cotton	12,207	30.22	2.47
Camilin Ltd	Consumer Non Durables	22,995	29.34	2.40
Reliance Natural Resources Ltd	Gas	85,000	28.39	2.32
Indo Gulf Fertilisers Ltd	Fertilisers	12,209	27.15	2.22
Goodlass Nerolac Paints Ltd	Consumer Non Durables	3,000	27.11	2.22
Indo Tech Transformers Ltd	Power	11,555	24.94	2.04
Pantaloon Retail (India) Ltd	Retailing	1,200	23.55	1.93
Gujarat Industries Power Company Ltd	Power	35,400	22.78	1.86
HBL Nife Power Systems Ltd	Industrial Products	6,611	18.12	1.48
Phoenix Mills Ltd	Construction	1,575	15.38	1.26
WPIL Ltd	Industrial Products	40,000	11.82	0.97
Total			**734.87**	**60.11**
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
9.40% Government of India Security 2012	Sovereign	200	0.22	0.02
Total			**0.22**	**0.02**
B) Privately Placed / Unlisted**				
i) Securitized Debt				
SIL RIF Trust 2005 Series I (Rabo India Finance Ltd)	P1+(SO)	1	101.30	8.28
RPS Securitisation Trust (Tata Tele Services)	LAAA(SO)	1,000,000	77.05	6.30
Indian Retail ABS Trust Series XXXII - A13 (ICICI Bank)	LAAA(SO)	10	39.73	3.25
Total			**218.08**	**17.80**
III. Cash & Cash Equivalents			**281.40**	**23.01**
IV. Other Receivables / (Payables)			**(11.85)**	**(0.97)**
Net Assets			**1,222.72**	**100.00**

Principal Balanced Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Grasim Industries Ltd	Cement	8,100	167.06	4.37
K E C International Ltd	Power	34,026	147.52	3.86
Crompton Greaves Ltd	Industrial Capital Goods	13,294	139.58	3.65
Mcleod Russel (India) Ltd	Consumer Non Durables	100,392	139.29	3.64
I T C Ltd	Consumer Non Durables	70,000	136.61	3.57
Jaiprakash Associates Ltd	Construction	28,500	133.71	3.50
Greaves Cotton Ltd	Industrial Products	40,000	130.92	3.43
Bharat Heavy Electricals Ltd	Industrial Capital Goods	5,415	121.40	3.18
State Bank of India	Banks	11,908	115.33	3.02
Mahindra & Mahindra Ltd	Auto	18,002	112.88	2.95
Pfizer Ltd	Pharmaceuticals	9,571	110.42	2.89
Mahavir Spinning Mills Ltd	Textiles - Cotton	30,000	105.68	2.77
Jain Irrigation Systems Ltd	Industrial Products	40,000	100.66	2.63
Agrotech Foods Ltd	Consumer Non Durables	70,000	99.33	2.60
Infosys Technologies Ltd	Software	3,275	97.64	2.55
Oil & Natural Gas Corporation Ltd	Oil	7,165	93.96	2.46
Hindustan Lever Ltd	Consumer Non Durables	34,000	92.48	2.42
Container Corporation of India Ltd	Transportation	6,291	90.93	2.38
Rain Calcining Ltd	Petroleum Products	200,000	83.00	2.17
Punjab National Bank	Banks	17,642	82.99	2.17
SREI Infrastructure Finance Ltd	Finance	132,932	74.84	1.96
Hindustan Construction Company Ltd	Construction	40,000	69.18	1.81
Indo Rama Synthetics Ltd	Textiles - Synthetic	100,000	60.20	1.58
Reliance Communications Ventures Ltd	Telecom - Services	14,100	43.53	1.14
Reliance Energy Ventures Ltd	Power	14,100	6.12	0.16
Total			**2,555.26**	**66.86**
II. Debt Instruments				
A) Privately Placed / Unlisted**				
i) Securitized Debt				
UBL Trust Series XV - A1 (Indusind Bank)	P1+(SO)	7	274.03	7.17
RPS Securitisation Trust (Tata Tele Services)	LAAA(SO)	1,000,000	77.05	2.02
Total			**351.08**	**9.19**
III. Cash & Cash Equivalents			**961.30**	**25.15**
IV. Other Receivables / (Payables)			**(46.02)**	**(1.20)**
Net Assets			**3,821.62**	**100.00**

Principal Resurgent India Equity Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	187,000	1,487.30	5.44
I T C Ltd	Consumer Non Durables	740,000	1,444.11	5.29
Infosys Technologies Ltd	Software	48,000	1,431.07	5.24
Oil & Natural Gas Corporation Ltd	Oil	89,000	1,167.10	4.27
Bharat Heavy Electricals Ltd	Industrial Capital Goods	43,000	964.04	3.53
K E C International Ltd	Power	218,941	949.22	3.47
Reliance Communications Ventures Ltd	Telecom - Services	300,000	926.10	3.39
State Bank of India	Banks	93,000	900.71	3.30
HDFC Bank Ltd	Banks	111,100	860.19	3.15
GHCL Ltd	Chemicals	482,886	800.38	2.93
Gujarat Industries Power Company Ltd	Power	1,216,831	783.03	2.87
Siemens Ltd	Industrial Capital Goods	13,783	782.16	2.86
Satyam Computers Services Ltd	Software	90,000	763.65	2.80
Indo Gulf Fertilisers Ltd	Fertilisers	313,327	696.84	2.55
Automotive Axles Ltd	Auto Ancillaries	97,559	681.64	2.50
Maharashtra Seamless Ltd	Ferrous Metals	82,847	561.08	2.05
Crompton Greaves Ltd	Industrial Capital Goods	53,315	559.78	2.05
HEG Ltd	Industrial Products	330,000	558.20	2.04
Reliance Energy Ventures Ltd	Power	1,254,000	544.24	1.99
National Aluminium Company Ltd	Non Ferrous Metals	180,000	528.57	1.93
Bharti Tele-Ventures Ltd	Telecom - Services	125,000	515.94	1.89
Graphite India Ltd	Industrial Products	169,375	500.50	1.83
Jaiprakash Associates Ltd	Construction	101,835	477.76	1.75
ABB Ltd	Industrial Capital Goods	16,278	476.63	1.74
Spice Jet Ltd	Transportation	565,000	405.95	1.49
Mahindra & Mahindra Ltd	Auto	60,000	376.23	1.38
Larsen & Toubro Ltd	Industrial Capital Goods	14,480	352.25	1.29
Astra Microwave Products Ltd	Telecom Equip. & Accessories	160,000	312.56	1.14
Bharti Shipyard Ltd	Industrial Capital Goods	69,530	267.34	0.98
Raymond Ltd	Textile Products	46,530	240.84	0.88
Housing Development Finance Corporation Ltd	Finance	15,200	203.19	0.74
Mid-Day Multimedia Ltd	Media & Entertainment	250,000	197.13	0.72
Vijaya Bank	Banks	68,997	36.12	0.13
Total			**21,751.85**	**79.61**
II. Cash & Cash Equivalents			**1,757.87**	**6.43**
III. Other Receivables / (Payables)			**3,809.69**	**13.96**
Net Assets			**27,319.41**	**100.00**

Principal Personal Tax Saver Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	21,000	167.02	5.38
Bharat Bijlee Ltd	Industrial Capital Goods	12,000	166.25	5.36
Phoenix Mills Ltd	Construction	16,425	160.35	5.17
Easun Reyrolle Ltd	Industrial Capital Goods	16,222	146.10	4.71
E.I.D Parry (India) Ltd	Consumer Non Durables	51,000	145.99	4.70
Indo Tech Transformers Ltd	Power	62,575	135.07	4.35
Blue Star Ltd	Consumer Durables	18,983	133.84	4.31
Infosys Technologies Ltd	Software	4,000	119.26	3.84
Maharashtra Seamless Ltd	Ferrous Metals	17,000	115.13	3.71
Siemens Ltd	Industrial Capital Goods	2,000	113.50	3.66
Om Metals & Minerals Ltd	00	168,969	103.41	3.33
State Bank of India	Banks	10,000	96.85	3.12
Super Sales India Ltd	Textiles - Cotton	37,484	92.79	2.99
Williamson Tea Assam Ltd	Consumer Non Durables	25,748	92.74	2.99
Gujarat Industries Power Company Ltd	Power	140,000	90.09	2.90
Bharat Heavy Electricals Ltd	Industrial Capital Goods	4,000	89.68	2.89
PVR Ltd	Media & Entertainment	25,788	79.45	2.56
Britannia Industries Ltd	Consumer Non Durables	4,203	74.95	2.42
Subros Ltd	Auto Ancillaries	43,676	72.04	2.32
Oil & Natural Gas Corporation Ltd	Oil	5,000	65.57	2.11
GlaxoSmithline Consumer Healthcare Ltd	Consumer Non Durables	10,022	65.33	2.11
Reliance Natural Resources Ltd	Gas	190,000	63.46	2.04
Bajaj Auto Finance Ltd	Finance	9,745	52.16	1.68
Balmer Lawrie Investments Ltd	Finance	40,000	48.40	1.56
Reliance Energy Ventures Ltd	Power	110,000	47.74	1.54
Jay Shree Tea & Industries Ltd	Consumer Non Durables	22,000	36.98	1.19
SRF Polymers Ltd	Textiles	17,000	36.24	1.17
Torrent Cables Ltd	Industrial Products	15,000	34.88	1.12
Ennore Foundaries Ltd	Industrial Products	21,585	32.38	1.04
Dhunseri Tea & Industries Ltd	Consumer Non Durables	31,000	31.73	1.02
ABC Bearings Ltd	Miscellaneous	25,000	30.04	0.97
Pantaloon Industries Ltd	Textile Products	5,830	23.98	0.77
WPIL Ltd	Industrial Products	9,716	2.87	0.09
Photoquip India Ltd	Consumer Non Durables	25,000	2.70	0.09
Steel Strips Wheels Ltd	Auto Ancillaries	1,849	2.24	0.07
Astra Microwave Products Ltd	Telecom Equipment & Accessories	920	1.80	0.06
Apollo Tyres Ltd *#	Auto Ancillaries	25	–	–
Total			**2,773.01**	**89.34**
B) Privately Placed / Unlisted$$				
Virtual Dynamics Software Ltd	IT Consulting & Services	200,000	0.02	***
Punjab Wireless Systems Ltd	Telecommunications Equipment	8,600	0.00	***
Total			**0.02**	**89.34**
II. Cash & Cash Equivalents			**235.50**	**7.59**
III. Other Receivables / (Payables)			**94.91**	**3.07**
Net Assets			**3,103.44**	**189.34**

Principal Global Opportunities Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. International Equity & Equity Related Instruments - Listed / Awaiting listing on the stock exchanges				
Atlas Copco AB	Industrial Machinery	5,380	67.45	5.07
Nestle SA	Packaged Foods	462	61.04	4.59
Ingersoll-Rand Company Ltd	Industrial Machinery	3,160	58.92	4.43
Denso Corporation	Auto Parts & Equipment	3,300	58.02	4.36
Mitsubishi Corporation	Trading Companies & Distributors	5,600	56.75	4.27
Wyeth	Pharmaceuticals	2,562	55.46	4.17
Matsushita Electric Indl.	Consumer Electronics	5,000	49.44	3.72
Bayer AG	Diversified Chemicals	2,711	48.45	3.64
Sumitomo Corporation	Trading Companies & Distributors	7,000	44.36	3.33
Colgate Palmolive Co.	Household Products	1,700	43.31	3.26
3M Company	Industrial Conglomerates	1,273	42.99	3.23
Sulzer AG	Industrial Machinery	138	41.90	3.15
Procter & Gamble Co.	Household Products	1,600	41.13	3.09
Novartis AG	Pharmaceuticals	1,575	38.98	2.93
The Timken Co.	Industrial Machinery	2,067	29.76	2.24
Ricoh Company	Electrical Components & Equipment	3,000	26.09	1.96
Siemens AG	Industrial Conglomerates	534	22.18	1.67
Mazda Motor Corporation	Automobile Manufacturers	5,000	13.52	1.02
Sumitomo Wiring Systems Ltd	Electrical Components & Equipment	1,000	13.23	0.99
Honda Motor Co. Ltd	Automobile Manufacturers	400	11.03	0.83
Total			**824.01**	**61.95**
II. Balance held in US Dollar denominated account			**32.79**	**2.46**
III. Cash & Cash Equivalents			**258.64**	**19.44**
IV. Other Receivables / (Payables)			**214.88**	**16.15**
Net Assets			**1,330.32**	**100.00**

Principal Tax Savings Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Bharat Heavy Electricals Ltd	Industrial Capital Goods	37,000	829.52	5.31
Reliance Industries Ltd	Petroleum Products	97,000	771.49	4.94
Godrej Consumer Products Ltd	Chemicals	110,000	661.27	4.23
Maharashtra Seamless Ltd	Ferrous Metals	91,907	622.44	3.98
Oil & Natural Gas Corporation Ltd	Oil	40,000	524.54	3.36
Godrej Consumer Products Ltd	Consumer Non Durables	70,000	511.32	3.27
United Breweries Holdings Ltd	Consumer Non Durables	70,000	508.83	3.26
Crompton Greaves Ltd	Industrial Capital Goods	47,000	493.48	3.16
Automative Axles Ltd	Auto Ancillaries	70,000	489.09	3.13
State Bank of India	Banks	50,000	484.25	3.10
Pantaloon Retail (India) Ltd	Retailing	24,256	476.05	3.05
Greaves Cotton Ltd	Industrial Products	144,497	472.94	3.03
Jaiprakash Associates Ltd	Construction	100,000	469.15	3.00
Goodlass Nerolac Paints Ltd	Consumer Non Durables	50,000	451.75	2.89
HDFC Bank Ltd	Banks	57,000	441.32	2.82
Mahindra & Mahindra Ltd	Auto	70,000	438.94	2.81
Omax Autos Ltd	Auto Ancillaries	365,272	434.49	2.78
Blue Star Ltd	Consumer Durables	58,198	410.32	2.63
Jindal Steel & Power Ltd	Ferrous Metals	21,200	401.91	2.57
PVR Ltd	Media & Entertainment	127,000	391.29	2.50
Blue Dart Express Ltd	Courier	56,944	357.84	2.29
Kirloskar Brothers Ltd	Industrial Products	89,946	350.92	2.25
Infosys Technologies Ltd	Software	11,000	327.95	2.10
Rajshree Sugar & Chemicals Ltd	Consumer Non Durables	175,289	326.65	2.09
ABB Ltd	Industrial Capital Goods	11,000	322.09	2.06
CESC Ltd	Power	90,000	308.88	1.98
Hindustan Construction Company Ltd	Construction	160,660	277.86	1.78
Spice Jet Ltd	Transportation	370,000	265.85	1.70
Mahavir Spinning Mills Ltd	Textiles - Cotton	70,000	246.58	1.58
South Indian Bank Ltd	Banks	395,598	242.30	1.55
Graphite Ltd	Industrial Products	79,536	235.03	1.50
E.I.D Parry (India) Ltd	Consumer Non Durables	69,435	198.76	1.27
Mid-Day Multimedia Ltd	Media & Entertainment	250,000	197.13	1.26
Reliance Natural Resources Ltd	Gas	570,000	190.38	1.22
Super Sales India Ltd	Textiles - Cotton	71,596	177.24	1.13
Bannari Amman Sugar Ltd	Consumer Non Durables	12,000	166.43	1.07
Vardhaman Spinning & General Mills Ltd	Textiles - Cotton	30,548	145.10	0.93
Phoenix Mills Ltd	Construction	10,983	107.22	0.69
Lloyds Steel Industries Ltd *#	Ferrous Metals	400,000	0.00	***
Apollo Tyres Ltd *#	Auto Ancillaries	225	–	–
Total			**14,728.60**	**94.27**
II. Cash & Cash Equivalents			**452.37**	**2.90**
III. Other Receivables / (Payables)			**442.18**	**2.83**
Net Assets			**15,623.15**	**100.00**

Principal Index Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Oil & Natural Gas Corporation Ltd	Oil	4,834	63.39	12.09
Reliance Industries Ltd	Petroleum Products	4,705	37.42	7.13
Tata Consultancy Services Ltd	Software	1,537	29.44	5.61
Infosys Technologies Ltd	Software	868	25.88	4.93
Wipro Ltd	Software	4,517	25.28	4.82
Bharti Tele-Ventures Ltd	Telecom - Services	6,009	24.80	4.73
I T C Ltd	Consumer Non Durables	11,860	23.14	4.41
Hindustan Lever Ltd	Consumer Non Durables	7,415	20.17	3.85
Bharat Heavy Electricals Ltd	Industrial Capital Goods	780	17.49	3.33
State Bank of India	Banks	1,759	17.04	3.25
ICICI Bank Ltd	Banks	2,563	15.10	2.88
Tata Motors Ltd	Auto	1,206	11.24	2.14
Steel Authority of India Ltd	Ferrous Metals	13,217	10.99	2.10
Housing Development Finance Corporation Ltd	Finance	795	10.63	2.03
Larsen & Toubro Ltd	Industrial Capital Goods	422	10.27	1.96
Tata Steel Ltd	Ferrous Metals	1,773	9.51	1.81
Bajaj Auto Ltd	Auto	324	8.90	1.70
Satyam Computers Services Ltd	Software	1,025	8.70	1.66
Gail (India) Ltd	Gas	2,706	8.62	1.64
Maruti Udyog Ltd	Auto	928	8.11	1.55
HDFC Bank Ltd	Banks	996	7.71	1.47
HCL Technologies Ltd	Software	1,024	6.70	1.28
Cipla Ltd	Pharmaceuticals	962	6.37	1.21
National Aluminium Company Ltd	Non Ferrous Metals	2,063	6.06	1.16
Grasim Industries Ltd	Cement	293	6.04	1.15
Hero Honda Motors Ltd	Auto	641	5.71	1.09
Hindalco Industries Ltd	Non Ferrous Metals	2,939	5.37	1.02
Ranbaxy Laboratories Ltd	Pharmaceuticals	1,193	5.16	0.98
Sun Pharmaceuticals Industries Ltd	Pharmaceuticals	592	5.09	0.97
Punjab National Bank	Banks	1,008	4.74	0.90
Mahindra & Mahindra Ltd	Auto	741	4.65	0.89
Associated Cement Companies Ltd	Cement	582	4.55	0.87
Gujarat Ambuja Cement Ltd	Cement	4,353	4.50	0.86
Videsh Sanchar Nigam Ltd	Telecom - Services	916	4.30	0.82
Bharat Petroleum Corporation Ltd	Petroleum Products	956	4.07	0.78
ABB Ltd	Industrial Capital Goods	135	3.95	0.75
Glaxosmithkline Pharma Ltd	Pharmaceuticals	270	3.92	0.75
Reliance Energy Ltd	Power	635	3.88	0.74
Mahanagar Telephone Nigam Ltd	Telecom - Services	2,014	3.70	0.71
Tata Power Company Ltd	Power	631	3.67	0.70
Hindustan Petroleum Corporation Ltd	Petroleum Products	1,092	3.49	0.67
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	245	3.48	0.66
Zee Telefilms Ltd	Media & Entertainment	1,316	3.15	0.60
Jet Airways (India) Ltd	Transportation	278	2.73	0.52
Dabur India Ltd	Consumer Non Durables	1,842	2.28	0.43
Indian Petrochemicals Corporation Ltd	Chemicals	793	2.08	0.40
Oriental Bank of Commerce	Banks	801	1.88	0.36
Tata Chemicals Ltd	Fertilisers	697	1.84	0.35
Tata Tea Ltd	Consumer Non Durables	181	1.57	0.30
Shipping Corporation of India Ltd	Transportation	904	1.53	0.29
Hindalco Industries Ltd (Partly Paid Up) - Rights Issue	Non Ferrous Metals	775	1.13	0.22
Total			**511.42**	**97.52**
II. Cash & Cash Equivalents			**3.64**	**0.69**
III. Other Receivables / (Payables)			**9.39**	**1.79**
Net Assets			**524.46**	**100.00**

Principal Focussed Advantage Fund

Name of Instrument	Sector	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
GlaxoSmithline Consumer Healthcare Ltd	Consumer Goods	65,644	427.93	3.75
Bajaj Auto Ltd	Automobile	15,000	411.94	3.61
I T C Ltd	Consumer Goods	191,629	373.96	3.28
Infosys Technologies Ltd	IT	12,490	372.38	3.27
Subex Systems Ltd	IT	85,446	371.01	3.25
CESC Ltd	Energy	103,000	353.50	3.10
HCL Technologies Ltd	IT	51,000	333.64	2.93
Wipro Ltd	IT	59,000	330.22	2.90
E.I.D Parry (India) Ltd	Consumer Goods	110,761	317.05	2.78
Rain Calcining Ltd	Energy	745,000	309.18	2.71
Hero Honda Motors Ltd	Automobile	34,500	307.21	2.69
Greaves Cotton Ltd	Industrial Manufacturing	92,814	303.78	2.66
Punjab Tractors Ltd	Automobile	118,904	300.47	2.64
UTI Bank Ltd	Financial Services	84,000	299.08	2.62
K E C International Ltd	Energy	68,620	297.50	2.61
KEI Industries Ltd	Industrial Manufacturing	80,256	296.14	2.60
Tata Consultancy Services Ltd	IT	15,400	294.99	2.59
Bharat Heavy Electricals Ltd	Industrial Manufacturing	13,014	291.77	2.56
Larsen & Toubro Ltd	Industrial Manufacturing	11,800	287.06	2.52
Reliance Industries Ltd	Energy	36,000	286.33	2.51
Lakshmi Machine Works Ltd	Industrial Manufacturing	1,300	284.17	2.49
Crompton Greaves Ltd	Industrial Manufacturing	27,032	283.82	2.49
Oil & Natural Gas Corporation Ltd	Energy	20,500	268.83	2.36
Reliance Energy Ltd	Energy	43,000	263.03	2.31
Satyam Computers Services Ltd	IT	30,500	258.79	2.27
Balrampur Chinni Mills Ltd	Consumer Goods	127,277	238.96	2.10
Rajshree Sugar & Chemicals Ltd	Consumer Goods	119,449	222.59	1.95
SREI Infrastructure Finance Ltd	Financial Services	392,341	220.89	1.94
Indian Overseas Bank	Financial Services	228,000	220.59	1.93
Punjab National Bank	Financial Services	43,601	205.10	1.80
Bajaj Hindustan Ltd	Consumer Goods	33,005	166.49	1.46
Mahindra & Mahindra Financial Services Ltd	Financial Services	64,395	155.93	1.37
Hindustan Lever Ltd	Consumer Goods	56,506	153.70	1.35
Bharti Shipyard Ltd	Industrial Manufacturing	34,534	132.78	1.16
Siemens Ltd	Industrial Manufacturing	2,139	121.38	1.06
Mahindra & Mahindra Ltd	Automobile	18,954	118.85	1.04
HDFC Bank Ltd	Financial Services	15,000	116.14	1.02
Talbros Automotive Components Ltd	Automobile	121,321	106.76	0.94
Cummins India Ltd	Industrial Manufacturing	43,212	102.87	0.90
Omax Autos Ltd	Automobile	62,254	74.05	0.65
NTPC Ltd	Energy	43,000	57.66	0.51
Castrol India Ltd	Energy	19,056	47.62	0.42
Gitanjali Gems Ltd	Consumer Goods	18,564	31.83	0.28
Total			**10,417.97**	**91.38**
II. Cash & Cash Equivalents			**74.28**	**0.65**
III. Other Receivables / (Payables)			**908.76**	**7.97**
Net Assets			**11,401.01**	**100.00**

Portfolio Statement of the Schemes of Principal Mutual Fund as on March 31, 2006 *(Contd.)*

Principal Dividend Yield Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Godrej Consumer Products Ltd	Consumer Non Durables	152,129	1,111.23	5.80
Hero Honda Motors Ltd	Auto	111,453	992.43	5.18
Punjab Tractors Ltd	Auto	391,013	988.09	5.16
Procter & Gamble Hygiene and Health Care Ltd	Consumer Non Durables	82,313	913.26	4.77
Gail (India) Ltd	Gas	267,000	850.40	4.44
Tata Steel Ltd	Ferrous Metals	158,000	847.67	4.43
GlaxoSmithline Consumer Healthcare Ltd	Consumer Non Durables	121,452	791.75	4.13
Tamilnadu Newsprint & Papers Ltd	Paper	660,069	769.97	4.02
Glaxosmithkline Pharma Ltd	Pharmaceuticals	52,725	765.75	4.00
HCL Technologies Ltd	Software	101,000	660.74	3.45
Allahabad Bank	Banks	826,000	652.95	3.41
Tata Chemicals Ltd	Fertilisers	241,459	636.61	3.32
Hindustan Lever Ltd	Consumer Non Durables	202,790	551.59	2.88
Varun Shipping Company Ltd	Transportation	701,861	531.31	2.77
Greaves Cotton Ltd	Industrial Products	161,375	528.18	2.76
Ashok Leyland Ltd	Auto	1,208,073	486.85	2.54
Chambal Fertilisers & Chemicals Ltd	Fertilisers	1,234,770	482.18	2.52
E.I.D Parry (India) Ltd	Consumer Non Durables	162,000	463.73	2.42
Oil & Natural Gas Corporation Ltd	Oil	35,000	458.97	2.40
Castrol India Ltd	Petroleum Products	168,626	421.40	2.20
Andhra Bank	Banks	510,628	412.33	2.15
Indian Overseas Bank	Banks	400,000	387.00	2.02
Punjab National Bank	Banks	74,716	351.46	1.83
Cummins India Ltd	Industrial Products	146,160	347.93	1.82
National Aluminium Company Ltd	Non Ferrous Metals	110,000	323.02	1.69
Hindustan Construction Company Ltd	Construction	177,451	306.90	1.60
Deepak Fertilisers & Petrochemicals Corporation Ltd	Chemicals	272,931	271.29	1.42
Great Eastern Shipping Company Ltd	Transportation	100,672	263.41	1.38
Bharti Shipyard Ltd	Industrial Capital Goods	65,631	252.35	1.32
Bharat Electronics Ltd	Industrial Capital Goods	18,500	244.97	1.28
Colgate - Palmolive (India) Ltd	Consumer Non Durables	52,557	227.13	1.19
Kalyani Steels Ltd	Ferrous Metals	69,132	195.16	1.02
Indian Oil Corporation Ltd	Petroleum Products	16,094	94.05	0.49
Total			**17,582.06**	**91.81**
II. Cash & Cash Equivalents			**536.56**	**2.80**
III. Other Receivables / (Payables)			**1,037.66**	**5.39**
Net Assets			**19,156.28**	**100.00**

Principal Junior Cap Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Siemens Ltd	Industrial Capital Goods	20,000	1,134.96	7.56
Automotive Axles Ltd	Auto Ancillaries	140,000	978.18	6.51
Jindal Steel & Power Ltd	Ferrous Metals	51,000	966.86	6.44
Sterlite Industries (India) Ltd	Non Ferrous Metals	47,000	822.97	5.48
Jaiprakash Associates Ltd	Construction	170,000	797.56	5.31
Maharashtra Seamless Ltd	Ferrous Metals	110,000	744.98	4.96
Bharat Forge Ltd	Industrial Products	117,000	521.06	3.47
I-Flex Solutions Ltd	Software	39,000	517.53	3.45
Bharat Electronics Ltd	Industrial Capital Goods	37,000	489.94	3.26
Cummins India Ltd	Industrial Products	190,000	452.30	3.01
Gujarat Industries Power Company Ltd	Power	700,000	450.45	3.00
Indian Overseas Bank	Banks	450,000	435.38	2.90
Bharat Earth Movers Ltd	Industrial Capital Goods	29,000	430.35	2.87
Kirloskar Brothers Ltd	Industrial Products	110,000	429.17	2.86
Kotak Mahindra Bank Ltd	Banks	150,000	418.88	2.79
Lupin Ltd	Pharmaceuticals	37,000	375.16	2.50
Phoenix Mills Ltd	Construction	35,428	345.87	2.30
Gujarat Fluro Chemicals Ltd	Industrial Products	70,000	335.06	2.23
Asian Paints Ltd	Consumer Non Durables	50,588	326.82	2.18
HEG Ltd	Industrial Products	190,000	321.39	2.14
IBP Co. Ltd	Petroleum Products	54,943	311.09	2.07
Ashok Leyland Ltd	Auto	770,000	310.31	2.07
Mid-Day Multimedia Ltd	Media & Entertainment	370,000	291.75	1.94
PVR Ltd	Media & Entertainment	70,000	215.67	1.44
Indo Tech Transformers Ltd	Power	95,000	205.06	1.37
Mahindra & Mahindra Ltd	Auto	30,000	188.12	1.25
Bank of Baroda	Banks	77,000	177.52	1.18
Reliance Natural Resources Ltd	Gas	496,000	165.66	1.10
Reliance Capital Ltd	Finance	30,000	155.73	1.04
Raymond Ltd	Textile Products	30,000	155.28	1.03
Chennai Petroleum Corporation Ltd	Petroleum Products	70,000	154.35	1.03
UTI Bank Ltd	Banks	42,500	151.32	1.01
Williamson Tea Assam Ltd	Consumer Non Durables	27,000	97.25	0.65
Omax Autos Ltd	Auto Ancillaries	17,000	20.22	0.13
Total			**13,894.20**	**92.53**
II. Cash & Cash Equivalents			**526.73**	**3.51**
III. Other Receivables / (Payables)			**596.61**	**3.96**
Net Assets			**15,017.54**	**100.00**

Principal Large Cap Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Bharat Heavy Electricals Ltd	Industrial Capital Goods	60,000	1,345.17	4.60
Oil & Natural Gas Corporation Ltd	Oil	93,172	1,221.81	4.17
ABB Ltd	Industrial Capital Goods	41,000	1,200.50	4.10
Siemens Ltd	Industrial Capital Goods	21,000	1,191.71	4.07
State Bank of India	Banks	120,000	1,162.20	3.97
Infosys Technologies Ltd	Software	38,200	1,138.89	3.89
Tata Consultancy Services Ltd	Software	59,100	1,132.06	3.87
I T C Ltd	Consumer Non Durables	570,000	1,112.36	3.80
Jindal Steel & Power Ltd	Ferrous Metals	56,858	1,077.91	3.68
Tata Motors Ltd	Auto	115,000	1,071.63	3.66
HDFC Bank Ltd	Banks	135,000	1,045.24	3.57
Grasim Industries Ltd	Cement	50,123	1,033.76	3.53
Mahindra & Mahindra Ltd	Auto	158,500	993.87	3.40
Hindustan Lever Ltd	Consumer Non Durables	360,000	979.20	3.35
Associated Cement Companies Ltd	Cement	125,000	977.75	3.34
Crompton Greaves Ltd	Industrial Capital Goods	89,878	943.67	3.22
Jaiprakash Associates Ltd	Construction	200,884	942.45	3.22
Tata Chemicals Ltd	Fertilisers	355,000	935.96	3.20
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	65,000	923.91	3.16
Reliance Industries Ltd	Petroleum Products	115,000	914.65	3.13
Hindalco Industries Ltd	Non Ferrous Metals	500,000	913.50	3.12
Satyam Computers Services Ltd	Software	105,700	896.86	3.06
Gail (India) Ltd	Gas	260,000	828.10	2.83
Bharti Tele-Ventures Ltd	Telecom - Services	200,000	825.50	2.82
Reliance Energy Ltd	Power	130,000	795.21	2.72
NTPC Ltd	Power	585,000	784.49	2.68
Orchid Chemicals & Pharmaceuticals Ltd	Pharmaceuticals	180,000	668.43	2.28
Reliance Communications Ventures Ltd	Telecom - Services	180,000	555.66	1.90
HCL Technologies Ltd	Software	78,228	511.77	1.75
Hindalco Industries Ltd (Partly Paid Up) - Rights Issue	Non Ferrous Metals	92,500	90.70	0.31
Reliance Energy Ventures Ltd	Power	100,000	43.40	0.15
Total			**28,258.32**	**96.55**
II. Cash & Cash Equivalents			**32.32**	**0.11**
III. Other Receivables / (Payables)			**976.79**	**3.34**
Net Assets			**29,267.43**	**100.00**

Principal Infrastructure & Services Industries Fund

Name of Instrument	Industry	Quantity	Market Value (Rs lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
ABB Ltd	Industrial Capital Goods	55,061	1,612.21	3.24
Indian Hotels Co. Ltd	Hotels	116,266	1,578.83	3.17
Crompton Greaves Ltd	Industrial Capital Goods	146,846	1,541.81	3.10
Bharti Tele-Ventures Ltd	Telecom - Services	355,978	1,469.30	2.95
HDFC Bank Ltd	Banks	182,000	1,409.14	2.83
Jaiprakash Associates Ltd	Construction	299,000	1,402.76	2.82
Bharat Heavy Electricals Ltd	Industrial Capital Goods	62,000	1,390.01	2.79
Wipro Ltd	Software	246,000	1,376.86	2.76
Larsen & Toubro Ltd	Industrial Capital Goods	55,963	1,361.41	2.73
Gateway Distriparks Ltd	Transportation	533,910	1,353.73	2.72
Gujarat Ambuja Cement Ltd	Cement	1,255,539	1,296.97	2.60
UTI Bank Ltd	Banks	359,305	1,279.31	2.57
Infosys Technologies Ltd	Software	42,525	1,267.84	2.55
Ashok Leyland Ltd	Auto	3,135,000	1,263.41	2.54
Bharat Electronics Ltd	Industrial Capital Goods	95,200	1,260.59	2.53
Hindalco Industries Ltd	Non Ferrous Metals	673,000	1,229.57	2.47
Reliance Energy Ltd	Power	200,500	1,226.46	2.46
National Aluminium Company Ltd	Non Ferrous Metals	416,888	1,224.19	2.46
Satyam Computers Services Ltd	Software	142,400	1,208.26	2.43
Reliance Communications Ventures Ltd	Telecom - Services	385,000	1,188.50	2.39
Jet Airways (India) Ltd	Transportation	120,000	1,179.18	2.37
CESC Ltd	Power	342,000	1,173.74	2.36
IVRCL Infrastructures & Projects Ltd	Construction	414,095	1,151.18	2.31
ICICI Bank Ltd	Banks	189,000	1,113.30	2.24
Maharashtra Seamless Ltd	Ferrous Metals	162,002	1,097.16	2.20
Pantaloon Retail (India) Ltd	Retailing	55,775	1,094.64	2.20
Syndicate Bank	Banks	1,210,000	1,087.19	2.18
Grasim Industries Ltd	Cement	52,000	1,072.47	2.15
Associated Cement Companies Ltd	Cement	134,000	1,048.15	2.10
HCL Technologies Ltd	Software	153,167	1,002.02	2.01
Inox Leisure Ltd	Media & Entertainment	434,892	921.10	1.85
Royal Orchid Hotels Ltd	Hotels	416,615	856.35	1.72
Hindustan Construction Company Ltd	Construction	426,209	737.13	1.48
Suzlon Energy Ltd	Industrial Capital Goods	55,350	720.77	1.45
PVR Ltd	Media & Entertainment	222,717	686.19	1.38
Indian Overseas Bank	Banks	691,396	668.93	1.34
Mahindra & Mahindra Financial Services Ltd	Finance	271,975	658.59	1.32
Gammon India Ltd	Construction	100,000	541.75	1.09
Tulip IT Services Ltd	Telecom - Services	140,000	433.79	0.87
NTPC Ltd	Power	320,000	429.12	0.86
BL Kashyap & Sons Ltd	Construction	33,975	395.84	0.79
Total			**45,009.75**	**90.38**
II. Cash & Cash Equivalents			**3,058.43**	**6.14**
III. Other Receivables / (Payables)			**1,739.92**	**3.48**
Net Assets			**49,808.10**	**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 lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Thermax Ltd	Industrial Capital Goods	15,000	46.70	0.65
Mahindra & Mahindra Financial Services Ltd	Finance	15,397	37.28	0.52
Britannia Industries Ltd	Consumer Non Durables	2,000	35.67	0.49
Inox Leisure Ltd	Media & Entertainment	14,306	30.30	0.42
Navneet Publication (India) Ltd	Consumer Non Durables	10,000	30.18	0.42
Indian Hotels Co. Ltd	Hotels	2,000	27.16	0.38
Royal Orchid Hotels Ltd	Hotels	12,794	26.30	0.36
HCL Technologies Ltd	Software	4,000	26.17	0.36
CESC Ltd	Power	7,500	25.74	0.36
Rajshree Sugar & Chemicals Ltd	Consumer Non Durables	13,500	25.16	0.35
UTI Bank Ltd	Banks	7,000	24.92	0.35
Rain Calcining Ltd	Petroleum Products	59,000	24.49	0.34
Cipla Ltd	Pharmaceuticals	3,600	23.84	0.33
Gitanjali Gems Ltd	Consumer Non Durables	13,362	22.91	0.32
Bharat Heavy Electricals Ltd	Industrial Capital Goods	1,000	22.42	0.31
Reliance Industries Ltd	Petroleum Products	2,800	22.27	0.31
Bharti Shipyard Ltd	Industrial Capital Goods	5,500	21.15	0.29
National Aluminium Company Ltd	Non Ferrous Metals	7,000	20.56	0.28
Punjab National Bank	Banks	4,250	19.99	0.28
Indian Overseas Bank	Banks	20,000	19.35	0.27
Patel Engineering Ltd	Construction	4,000	18.93	0.26
Tamilnadu Newsprint & Papers Ltd	Paper	16,000	18.66	0.26
BL Kashyap & Sons Ltd	Construction	1,559	18.16	0.25
Bajaj Hindustan Ltd	Consumer Non Durables	3,500	17.66	0.24
I T C Ltd	Consumer Non Durables	9,000	17.56	0.24
Infosys Technologies Ltd	Software	587	17.50	0.24
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	1,200	17.06	0.24
Oil & Natural Gas Corporation Ltd	Oil	1,300	17.05	0.24
Bharti Tele-Ventures Ltd	Telecom - Services	4,000	16.51	0.23
Associated Cement Companies Ltd	Cement	2,000	15.64	0.22
Reliance Communications Ventures Ltd	Telecom - Services	5,000	15.44	0.21
Hindustan Construction Company Ltd	Construction	8,500	14.70	0.20
E.I.D Parry (India) Ltd	Consumer Non Durables	5,000	14.31	0.20
Satyam Computers Services Ltd	Software	1,600	13.58	0.19
Balrampur Chinni Mills Ltd	Consumer Non Durables	7,000	13.14	0.18
HDFC Bank Ltd	Banks	1,400	10.84	0.15
Gujarat Ambuja Cement Ltd	Cement	10,000	10.33	0.14
Larsen & Toubro Ltd	Industrial Capital Goods	400	9.73	0.13
Hindalco Industries Ltd	Non Ferrous Metals	5,000	9.14	0.13
Celebrity Fashions Ltd	Textile Products	3,413	6.83	0.09
Total			**825.33**	**11.43**
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
i) Non-Convertible Debentures				
Citi Financial Consumer Finance India Ltd	AAA	900,000	878.71	12.17
Industrial Development Bank of India Ltd	LAA+	400,000	419.63	5.81
Mahindra & Mahindra Financial Services Ltd	AA+	300,000	292.24	4.05
Housing Development Finance Corporation Ltd	AAA	300,000	291.00	4.03
Total			**1,881.58**	**26.06**
ii) Floating Rate Notes / Bonds				
Indian Railway Finance Corporation	AAA	800,000	800.77	11.09
Housing Development Finance Corporation Ltd	AAA	700,000	702.98	9.74
Mahindra & Mahindra Financial Services Ltd	AA+	400,000	400.00	5.54
Mahindra & Mahindra Financial Services Ltd	AA+	300,000	300.00	4.16
Total			**2,203.75**	**30.52**
B) Privately Placed / Unlisted**				
i) Securitized Debt				
Loan Securitisation Trust (PGC)	AAA(SO)	10	690.51	9.56
RPS Securitisation Trust (Tata Tele Services)	LAAA(SO)	6,000,000	462.31	6.40
Indian Retail ABS Trust Series XI - A3 (ICICI Bank)	AAA(SO)	7	241.77	3.35
Asset Securitisation Trust Series A (Chola)	AAA(SO)	3	216.03	2.99
BHPC Auto Securitisation Trust Sep 2004 Series A4 (Tata Motors)	MAAA(SO)	3	131.67	1.82
Fleet Trust Dec 2003 - A3 (Citicorp)	AAA(SO)	10	67.02	0.93
Fleet Trust Sep 2003 - A3 (CFIL)	AAA(SO)	2	55.95	0.77
Mumbai Auto Receivables Trust 2003 Series II - A2 (SCB)	AAA(SO)	4	16.87	0.23
UBL Trust July 2003 Series II - A1 (ALFL)	AAA(SO)	5	3.18	0.04
Total			**1,885.31**	**26.11**
III. Cash & Cash Equivalents			**337.46**	**4.67**
IV. Other Receivables / (Payables)			**86.64**	**1.20**
Net Assets			**7,220.07**	**100.00**

Principal Monthly Income Plan - MIP Plus

(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 lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Hindalco Industries Ltd	Non Ferrous Metals	11,000	20.10	0.61
Britannia Industries Ltd	Consumer Non Durables	1,100	19.62	0.60
Indian Hotels Co. Ltd	Hotels	1,300	17.65	0.54
Navneet Publication (India) Ltd	Consumer Non Durables	5,700	17.20	0.52
Rain Calcining Ltd	Petroleum Products	41,000	17.02	0.52
Reliance Communications Ventures Ltd	Telecom - Services	5,500	16.98	0.52
HCL Technologies Ltd	Software	2,500	16.36	0.50
Cipla Ltd	Pharmaceuticals	2,400	15.89	0.48
Thermax Ltd	Industrial Capital Goods	5,000	15.57	0.47
National Aluminium Company Ltd	Non Ferrous Metals	5,000	14.68	0.45
E.I.D Parry (India) Ltd	Consumer Non Durables	5,100	14.60	0.44
Patel Engineering Ltd	Construction	3,000	14.19	0.43
Rajshree Sugar & Chemicals Ltd	Consumer Non Durables	7,500	13.98	0.43
Punjab National Bank	Banks	2,950	13.88	0.42
I T C Ltd	Consumer Non Durables	7,000	13.66	0.42
Mahindra & Mahindra Financial Services Ltd	Finance	5,599	13.56	0.41
Indian Overseas Bank	Banks	14,000	13.55	0.41
Inox Leisure Ltd	Media & Entertainment	5,716	12.11	0.37
Reliance Industries Ltd	Petroleum Products	1,500	11.93	0.36
Bharat Heavy Electricals Ltd	Industrial Capital Goods	500	11.21	0.34
Bajaj Auto Ltd	Auto	400	10.99	0.33
Royal Orchid Hotels Ltd	Hotels	5,331	10.96	0.33
PVR Ltd	Media & Entertainment	3,500	10.78	0.33
UTI Bank Ltd	Banks	3,000	10.68	0.32
BL Kashyap & Sons Ltd	Construction	904	10.53	0.32
CESC Ltd	Power	3,000	10.30	0.31
Bajaj Hindustan Ltd	Consumer Non Durables	2,000	10.09	0.31
Celebrity Fashions Ltd	Textile Products	4,892	9.79	0.30
Oil & Natural Gas Corporation Ltd	Oil	700	9.18	0.28
Tulip IT Services Ltd	Telecom - Services	3,000	9.30	0.28
Gitanjali Gems Ltd	Consumer Non Durables	5,200	8.92	0.27
Infosys Technologies Ltd	Software	298	8.88	0.27
Associated Cement Companies Ltd	Cement	1,000	7.82	0.24
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	550	7.82	0.24
Bharti Shipyard Ltd	Industrial Capital Goods	2,000	7.69	0.23
Reliance Energy Ltd	Power	1,200	7.34	0.22
Gujarat Ambuja Cement Ltd	Cement	6,000	6.20	0.19
Satyam Computers Services Ltd	Software	700	5.94	0.18
Hindustan Construction Company Ltd	Construction	3,161	5.47	0.17
Suzlon Energy Ltd	Industrial Capital Goods	350	4.56	0.14
Bharti Tele-Ventures Ltd	Telecom - Services	1,000	4.13	0.13
Total			**481.11**	**14.63**
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
i) Non-Convertible Debentures				
Citi Financial Consumer Finance India Ltd	AAA	400,000	390.54	11.88
Mahindra & Mahindra Financial Services Ltd	AA+	200,000	194.83	5.93
Housing Development Finance Corporation Ltd	AAA	200,000	194.00	5.90
Industrial Development Bank of India Ltd	LAA+	100,000	104.91	3.19
Hindalco Industries Ltd	INDAAA	20	96.50	2.94
Total			**980.78**	**29.84**
ii) Floating Rate Notes / Bonds				
Indian Railway Finance Corporation	AAA	400,000	400.38	12.18
Housing Development Finance Corporation Ltd	AAA	200,000	200.85	6.11
Mahindra & Mahindra Financial Services Ltd	AA+	200,000	200.00	6.08
Total			**801.23**	**24.37**
B) Privately Placed / Unlisted**				
i) Securitized Debt				
Loan Securitisation Trust (PGC)	AAA(SO)	5	345.25	10.50
RPS Securitisation Trust (Tata Tele Services)	LAAA(SO)	2,000,000	154.10	4.69
Asset Securitisation Trust Series A (Chola)	AAA(SO)	2	144.02	4.38
Fleet Trust Dec 2003 - A3 (Citicorp)	AAA(SO)	5	33.51	1.02
Total			**676.88**	**20.59**
III. Cash & Cash Equivalents			**317.85**	**9.67**
IV. Other Receivables / (Payables)			**29.59**	**0.90**
Net Assets			**3,287.44**	**100.00**

Principal Government Securities Fund - Investment Plan

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
9.39% Government of India Security 2011	Sovereign	375,000	408.60	27.32
11.90% Government of India Security 2007	Sovereign	250,000	264.75	17.70
8.07% Government of India Security 2017	Sovereign	125,000	129.88	8.68
5.66% Government of India Security 2016	Sovereign	50,000	48.95	3.27
Total			**852.18**	**56.97**
II. Cash & Cash Equivalents			**743.21**	**49.68**
III. Other Receivables / (Payables)			**(99.54)**	**(6.65)**
Net Assets			**1,495.85**	**100.00**

Principal Cash Management Fund - Liquid Option

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
*i) Non-Convertible Debentures ** *				
Indian Aluminium Company Ltd	AAA	500,000	503.42	0.26
SREI Infrastructure Finance Ltd	PR1+	500,000	500.00	0.26
Total			**1,003.42**	**0.52**
ii) Floating Rate Notes / Bonds				
Housing Development Finance Corporation Ltd **	AAA	5,000,000	4,981.61	2.59
National Housing Bank **	AAA	4,500,000	4,500.00	2.34
Housing Development Finance Corporation Ltd **	AAA	4,300,000	4,318.28	2.24
Citi Financial Consumer Finance India Ltd **	AAA	2,500,000	2,512.69	1.31
Industrial Development Bank of India Ltd **	LAA+	2,500,000	2,502.35	1.30
Housing Development Finance Corporation Ltd **	AAA	2,500,000	2,500.00	1.30
Housing & Urban Develpment Corporation Ltd **	PR1+	2,500,000	2,500.00	1.30
Mahindra & Mahindra Financial Services Ltd **	AA+	2,500,000	2,500.00	1.30
Deccan Chronicle Holdings Ltd **	PR1+	2,500,000	2,499.40	1.30
Export-Import Bank of India **	AAA	2,000,000	2,001.42	1.04
Citi Financial Consumer Finance India Ltd **	AAA	2,000,000	2,000.00	1.04
Sundaram Finance Ltd **	A1+	2,000,000	2,000.00	1.04
Housing Development Finance Corporation Ltd @	AAA	1,500,000	1,491.54	0.78
Indian Railway Finance Corporation **	AAA	1,000,000	1,033.66	0.54
Industrial Development Bank of India Ltd **	LAA+	1,000,000	1,001.17	0.52
Indian Railway Finance Corporation **	AAA	1,000,000	1,000.96	0.52
Housing Development Finance Corporation Ltd **	AAA	1,000,000	1,000.04	0.52
Citicorp Finance (India) Ltd **	AAA	100	1,000.00	0.52
Citi Financial Consumer Finance India Ltd **	AAA	1,000,000	1,000.00	0.52
Citi Financial Consumer Finance India Ltd **	AAA	1,000,000	1,000.00	0.52
Citi Financial Consumer Finance India Ltd **	AAA	1,000,000	1,000.00	0.52
Kotak Mahindra Prime Ltd **	MAA+	1,000,000	1,000.00	0.52
Mahindra & Mahindra Financial Services Ltd **	AA+	100	1,000.00	0.52
LIC Housing Finance Ltd **	AAA	60	600.00	0.31
Mahindra & Mahindra Financial Services Ltd **	AA+	600,000	600.00	0.31
Industrial Development Bank of India Ltd **	LAA+	500,000	500.47	0.26
Citicorp Finance (India) Ltd **	AAA	100	100.15	0.05
Total			**48,143.74**	**25.03**
B) Privately Placed / Unlisted**				
i) Non-Convertible Debentures				
GE Capital Services India	AAA	5,000,000	5,000.00	2.60
GE Countrywide Financial Services	AAA	2,500,000	2,500.00	1.30
Hindustan Construction Co.Ltd	PR1+	2,000,000	2,000.00	1.04
Citi Financial Consumer Finance India Ltd	P1+	1,000,000	1,000.00	0.52
Total			**10,500.00**	**5.46**
ii) Floating Rate Notes / Bonds				
Rabo India Finance Pvt.Ltd	P1+	3,000,000	3,000.00	1.56
Rabo India Finance Pvt.Ltd	P1+	2,000,000	2,000.00	1.04
Rabo India Finance Pvt.Ltd	AAA	1,500,000	1,501.77	0.78
GE Capital Services India	AAA	1,500,000	1,500.00	0.78
ICICI Securities Ltd	P1+	500,000	500.00	0.26
Total			**8,501.77**	**4.42**
iii) Securitized Debt				
Auto Receivable Trust Aug 2005 - Series A1 (Sundaram Finance)	AAA(SO)	74	4,464.17	2.32
Retail Trust May 2005 -AP1 (HDFC Bank)	AAA(SO)	63	4,156.03	2.16
UBL Trust Series XV - A3 (Indusind Bank)	AAA(SO)	30	3,197.12	1.66
Indian Retail ABS Trust Series XXXVII - A1 (ICICI Bank)	LAAA(SO)	50	3,061.49	1.59
Indian Retail Trust Series XXXIX - A2 (ICICI Bank)	LAAA(SO)	40	2,981.20	1.55
Indian Retail ABS Trust Series XIII (ICICI Bank)	AAA(SO)	30	2,979.43	1.55
VE Trust IX - Series A1 (M&MFSL)	AAA(SO)	40	2,706.35	1.41
Indian Retail Trust Series XLIX - A2 (ICICI Bank)	P1+(SO)	26	2,575.38	1.34
Retail Pool Trust Aug 2005 (Centurion Bank)	AAA (SO)	65	2,216.76	1.15
SIL RIF Trust 2005 Series I (Rabo India Finance Ltd)	P1+(SO)	19	1,924.67	1.00
IGD Loan Trust Series II (GE Capital Services India)	AA(SO)	23	1,740.84	0.90
Indian Retail Trust Series XLIX - A2 (ICICI Bank)	P1+(SO)	17	1,728.22	0.90
Indian Retail Trust Series XLIV - A1 (ICICI Bank)	AAA(SO)	15	1,029.47	0.54
SIL Trust 2005 Series II (Rabo India Finance Ltd)	P1+(SO)	10	1,010.85	0.53
BIL Trust 2005 (Rabo India Finance Ltd)	P1+(SO)	10	1,005.45	0.52
UBL Trust Series VII (Ashok Leyland)	P1+(SO)	25	728.19	0.38
Indian Retail ABS Trust Series XXXIII A1 (ICICI Bank)	AAA(SO)	20	607.07	0.32
UBL Trust Series XV - A1 (Indusind Bank)	P1+(SO)	15	587.20	0.31
BHPC Auto Securitisation Trust Sep 2004 Series A4 (Tata Motors)	MAAA(SO)	12	526.68	0.27
Indian Retail ABS Trust Series XXXVII - IO - A (ICICI Bank)	LAAA(SO)	10	458.76	0.24
Indian Retail ABS Trust Series XI - A3 (ICICI Bank)	AAA(SO)	8	276.30	0.14
Indian Loan Securitisation Trust Series -IO-A1 (Indusind Bank)	P1+(SO)	5	88.99	0.05
Mumbai Auto Receivables Trust 2003 Series II - A2 (SCB)	AAA(SO)	7	29.52	0.02
Securitisation Trust April 2004 - Series A1 (Sundaram Finance)	AAA(SO)	10	26.33	0.01
UBL Trust July 2003 Series II - A1 (ALFL)	AAA(SO)	5	3.18	***
Total			**40,109.65**	**20.86**
II. Money Market Instruments				
i) Certificate of Deposit				
State Bank of Patiala	A1+	11,000,000	10,649.95	5.54
State Bank of Indore	P1+	9,000,000	8,447.23	4.39
Allahabad Bank	PR1+	5,000,000	4,604.37	2.39
Jammu and Kashmir Bank Ltd	P1+	4,500,000	4,386.87	2.28
State Bank of Mysore	A1+	3,000,000	2,940.55	1.53
ABN Amro Bank	A1+	2,500,000	2,452.94	1.27
Kotak Mahindra Bank Ltd	P1+	2,500,000	2,331.65	1.21
ICICI Bank Ltd	A1+	2,500,000	2,299.36	1.20
ICICI Bank Ltd	A1+	2,200,000	2,158.16	1.12
ING Vysya Bank Ltd	P1+	1,500,000	1,450.31	0.75
Kotak Mahindra Bank Ltd	P1+	1,500,000	1,380.25	0.72
Karnataka Bank Ltd	A1+	1,000,000	956.85	0.50
UTI Bank Ltd	A1+	1,000,000	956.39	0.50
Allahabad Bank	PR1+	1,000,000	920.25	0.48
UCO Bank	P1+	900,000	867.55	0.45
Allahabad Bank	PR1+	500,000	490.35	0.25
Jammu and Kashmir Bank Ltd	P1+	500,000	479.49	0.25
Jammu and Kashmir Bank Ltd	P1+	500,000	477.15	0.25
Union Bank of India	A1+	400,000	391.83	0.20
Indian Bank	F1+	400,000	391.79	0.20
Allahabad Bank	PR1+	400,000	391.74	0.20
Total			**49,425.03**	**25.68**
ii) Commercial Paper				
Standard Chartered Investments & Loans (I) Ltd	P1+	2,500,000	2,469.29	1.28
Standard Chartered Investments & Loans (I) Ltd	P1+	1,700,000	1,670.77	0.87
Citi Financial Consumer Finance India Ltd	P1+	1,000,000	984.30	0.51
Total			**5,124.36**	**2.66**
III. Deposits				
Punjab National Bank	MAAA		10,000.00	5.20
Total			**10,000.00**	**5.20**
IV. Cash & Cash Equivalents			**28,812.53**	**14.97**
V. Other Receivables / (Payables)			**(9,210.22)**	**(4.80)**
Net Assets			**192,410.28**	**100.00**

Principal Government Securities Fund - Provident Fund Plan

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
9.39% Government of India Security 2011	Sovereign	2,725,000	2,969.16	34.07
11.90% Government of India Security 2007	Sovereign	2,250,000	2,382.75	27.34
5.66% Government of India Security 2016	Sovereign	450,000	440.55	5.06
8.07% Government of India Security 2017	Sovereign	375,000	389.63	4.47
Total			**6,182.09**	**70.94**
II. Cash & Cash Equivalents			**2,402.08**	**27.56**
III. Other Receivables / (Payables)			**130.07**	**1.50**
Net Assets			**8,714.24**	**100.00**

Principal Government Securities Fund - Savings Plan

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Cash & Cash Equivalents			**2,243.04**	**100.00**
II. Other Receivables / (Payables)			**(0.10)**	***
Net Assets			**2,242.94**	**100.00**

Principal Income Fund

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
9.39% Government of India Security 2011	Sovereign	900,000	980.64	21.19
Total			**980.64**	**21.19**
*ii) Non-Convertible Debentures ** *				
Hindalco Industries Ltd	INDAAA	60	289.51	6.25
Citi Financial Consumer Finance India Ltd	AAA	200,000	195.27	4.22
Total			**484.78**	**10.47**
*iii) Floating Rate Notes / Bonds ** *				
Housing Development Finance Corporation Ltd	AAA	300,000	301.28	6.51
Indian Railway Finance Corporation	AAA	300,000	300.29	6.49
Total			**601.57**	**13.00**
B) Privately Placed / Unlisted**				
i) Securitized Debt				
Asset Securitisation Trust Series A (Chola)	AAA(SO)	3	216.03	4.67
Retail Trust May 2005 -AP1 (HDFC Bank)	AAA(SO)	3	197.91	4.28
Indian Retail ABS Trust Series XXXIII A1 (ICICI Bank)	AAA(SO)	5	151.77	3.28
UBL Trust Series VII (Ashok Leyland)	P1+(SO)	5	145.64	3.15
Total			**711.35**	**15.37**
II. Money Market Instruments				
i) Treasury Bills				
364 days Treasury Bill (05-Jan-2007)	Sovereign	1,000,000	954.06	20.61
Total			**954.06**	**20.61**
ii) Certifcate of Deposit				
Allahabad Bank	PR1+	300,000	294.21	6.36
State Bank of Mysore	A1+	300,000	294.05	6.35
State Bank of Patiala	P1+	300,000	276.28	5.97
Total			**864.54**	**18.68**
III. Cash & Cash Equivalents			**164.35**	**3.55**
IV. Other Receivables / (Payables)			**(132.52)**	**(2.86)**
Net Assets			**4,628.77**	**100.00**

Portfolio Statement of the Schemes of Principal Mutual Fund as on March 31, 2006 *(Contd.)*

Principal Income Fund - Short Term Plan

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
Citi Financial Consumer Finance India Ltd	AAA	1,000,000	986.72	6.19
Hindalco Industries Ltd	INDAAA	20	96.50	0.61
Total			**1,083.22**	**6.80**
ii) Floating Rate Notes / Bonds				
Housing Development Finance Corporation Ltd	AAA	1,000,000	1,004.25	6.30
Industrial Development Bank of India Ltd	LAA+	1,000,000	1,000.94	6.28
Mahindra & Mahindra Financial Services Ltd	AA+	500,000	500.00	3.14
Total			**2,505.19**	**15.73**
B) Privately Placed / Unlisted**				
i) Securitized Debt				
Corporate Loan Securitisation Trust 2005 Series I (KMBL)	LAAA(SO)	10	1,005.29	6.31
VE Trust Series IX - A2 (M&MFSL)	AAA(SO)	10	956.67	6.01
Auto Receivable Trust Aug 2005 - Series A1 (Sundaram Finance)	AAA(SO)	15	904.90	5.68
UBL Trust Series XIII - A2 (Indusind Bank)	AAA(SO)	15	904.76	5.68
UBL Trust Series XII - A2 (Indusind Bank)	AAA(SO)	10	850.34	5.34
Indian Retail ABS Trust Series XXXIII - IO-A1 (ICICI Bank)	AAA(SO)	15	259.87	1.63
Indian Retail ABS Trust Series XI - A3 (ICICI Bank)	AAA(SO)	5	172.69	1.08
Indian Retail ABS Trust Series XXXIII A1 (ICICI Bank)	AAA(SO)	5	151.77	0.95
UBL Trust Series VII (Ashok Leyland)	P1+(SO)	5	145.64	0.91
Fleet Trust Sep 2003 - A3 (CFIL)	AAA(SO)	3	83.93	0.53
Fleet Trust Dec 2003 - A3 (Citicorp)	AAA(SO)	5	33.51	0.21
Securitisation Trust June 2004 - Series A2 (TVS Financial Services Ltd.)	INDAAA (SO)	5	27.17	0.17
Total			**5,496.54**	**34.51**
II. Money Market Instruments				
i) Certificate of Deposit				
ABN Amro Bank	A1+	1,000,000	981.17	6.16
Jammu and Kashmir Bank Ltd	P1+	1,000,000	979.23	6.15
Allahabad Bank	PR1+	700,000	686.49	4.31
State Bank of Mysore	A1+	500,000	490.09	3.08
State Bank of Patiala	P1+	200,000	184.19	1.16
Total			**3,321.17**	**20.85**
ii) Commercial Paper				
Standrad Chartered Investments & Loans (I) Ltd	P1+	500,000	490.33	3.08
Total			**490.33**	**3.08**
III. Deposits				
Punjab National Bank	MAAA		1,000.00	6.28
Total			**1,000.00**	**6.28**
IV. Cash & Cash Equivalents			**140.03**	**0.88**
V. Other Receivables / (Payables)			**1,892.84**	**11.88**
Net Assets			**15,929.32**	**100.00**

Principal Deposit Fund - 371 days Fixed Maturity Plan - Mar. 05

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
State Bank of India	AAA	200	2,000.22	**11.37**
Total			**2,000.22**	**11.37**
B) Privately Placed / Unlisted**				
i) Securitized Debt				
Indian Retail ABS Trust Series XXXII - A13 (ICICI Bank)	LAAA(SO)	580	2,304.55	13.10
Retail Trust May 2005 -AP1 (HDFC Bank)	AAA(SO)	15	989.53	5.63
Retail Pool Trust Aug 2005 (Centurion Bank)	AAA(SO)	2	68.21	0.39
Total			**3,362.29**	**19.12**
II. Deposits				
Oriental Bank of Commerce	FAAA		2,500.00	14.21
Allahabad Bank	PR1+		2,500.00	14.21
State Bank of Patiala	MAAA		2,000.00	11.37
Total			**7,000.00**	**39.80**
III. Cash & Cash Equivalents			**5,113.79**	**29.08**
IV. Other Receivables / (Payables)			**111.27**	**0.63**
Net Assets			**17,587.57**	**100.00**

Principal Deposit Fund - 371 days Fixed Maturity Plan - Oct. 05

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
Kotak Mahindra Prime Ltd	P1+	1,000,000	986.08	9.66
LIC Housing Finance Ltd	AAA	100	979.17	9.59
Reliance Industries Ltd	AAA	250,000	250.71	2.46
Citi Financial Consumer Finance India Ltd	AAA	100,000	97.97	0.96
Total			**2,313.93**	22.66
B) Privately Placed / Unlisted**				
i) Deep Discount Bond				
SREI Infrastructure Finance Ltd	PR1+	1,500,000	1,426.28	13.97
			1,426.28	**13.97**
II. Money Market Instruments				
i) Certificate of Deposit				
State Bank of Bikaner and Jaipur	P1+	1,500,000	1,413.44	13.84
Kotak Mahindra Bank Ltd	P1+	1,500,000	1,413.26	13.84
UTI Bank Ltd	A1+	1,500,000	1,411.99	13.83
UCO Bank	P1+	1,500,000	1,411.33	13.82
State Bank of Patiala	A1+	500,000	473.74	4.64
Total			**6,123.76**	**59.97**
III. Cash & Cash Equivalents			**132.42**	**1.30**
IV. Other Receivables / (Payables)			**213.42**	**2.10**
Net Assets			**10,209.81**	**100.00**

Principal Deposit Fund - 91 days Fixed Maturity Plan - Nov 05

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
Shriram Transport Finance Co.Ltd	F1+	1,100,000	1,100.46	5.76
Total			**1,100.46**	**5.76**
B) Privately Placed / Unlisted**				
i) Non-Convertible Debentures				
Kotak Mahindra Investments Ltd	A1+	2,500,000	2,500.00	13.09
SREI Infrastructure Finance Ltd	PR1+	2,500,000	2,500.00	13.09
GE Capital Services India	AAA	2,000,000	2,000.00	10.47
Kotak Securities Ltd	A1+	2,000,000	2,000.00	10.47
Kotak Mahindra Prime Ltd	P1+	800,000	800.00	4.19
Total			**9,800.00**	**51.31**
ii) Securitized Debt				
Retail Trust May 2005 -AP1 (HDFC Bank)	AAA(SO)	19	1,253.41	6.56
Total			**1,253.41**	**6.56**
II. Money Market Instruments				
i) Certificate of Deposit				
ICICI Bank Ltd	A1+	2,800,000	2,746.76	14.38
UCO Bank	P1+	1,000,000	969.40	5.08
Total			**3,716.16**	**19.46**
ii) Commercial Paper				
Standard Chartered Investments & Loans (India) Ltd	P1+	2,800,000	2,745.84	14.38
Total			**2,745.84**	**14.38**
III. Cash & Cash Equivalents			**259.40**	**1.36**
IV. Other Receivables / (Payables)			**225.36**	**1.17**
Net Assets			**19,100.63**	**100.00**

Principal Pnb Fixed Maturity Plan - 91 Days - Series III

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
SREI Infrastructure Finance Ltd	PR1+	2,000,000	2,000.00	13.59
Total			**2,000.00**	**13.59**
B) Privately Placed / Unlisted**				
i) Non-Convertible Debentures				
Hindustan Construction Co.Ltd	PR1+	2,000,000	2,000.00	13.59
Total			**2,000.00**	**13.59**
II. Money Market Instruments				
i) Certificate of Deposit				
Union Bank of India	A1+	2,100,000	2,057.32	13.97
Allahabad Bank	PR1+	2,100,000	2,056.71	13.97
Indian Bank	F1+	2,100,000	2,055.40	13.96
Jammu and Kashmir Bank Ltd	P1+	2,000,000	1,958.45	13.30
UCO Bank	P1+	600,000	591.68	4.02
Total			**8,719.56**	**59.22**
ii) Commercial Paper				
Jindal Steel & Power Ltd	A1+	2,000,000	1,957.05	13.29
Total			**1,957.05**	**13.29**
III. Cash & Cash Equivalents			**18.18**	**0.12**
IV. Other Receivables / (Payables)			**27.00**	**0.19**
Net Assets			**14,721.79**	**100.00**

Principal Floating Rate Fund - Flexible Maturity Plan

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
Industrial Development Bank of India Ltd	LAA+	25,000	25.03	0.15
Total			**25.03**	**0.15**
ii) Floating Rate Notes / Bonds				
Indian Railway Finance Corporation	AAA	1,000,000	1,008.43	6.03
ICICI Bank Ltd	AAA	1,000,000	1,006.66	6.02
Housing Development Finance Corporation Ltd	AAA	1,000,000	1,004.25	6.00
Industrial Development Bank of India Ltd	LAA+	1,000,000	1,000.94	5.98
Mahindra & Mahindra Financial Services Ltd	AA+	1,000,000	1,000.16	5.98
LIC Housing Finance Ltd	AAA	100	1,000.00	5.98
Citicorp Finance (India) Ltd	AAA	500,000	501.04	3.00
Citicorp Finance (India) Ltd	AAA	400	400.60	2.40
Citicorp Finance (India) Ltd	AAA	250,000	252.46	1.51
Total			**7,174.54**	**42.90**
B) Privately Placed / Unlisted**				
i) Securitized Debt				
Corporate Loan Securitisation Trust 2005 Series I (KMBL)	LAAA(SO)	10	1,005.29	6.01
Asset Securitisation Trust Series A (Chola)	AAA(SO)	10	720.09	4.31
Asset Securitisation Trust Series B (Chola)	AAA(SO)	7	655.03	3.92
UBL Trust Series XIII - A2 (Indusind Bank)	AAA(SO)	10	603.17	3.61
VE Trust IX - Series A2 (M&MFSL)	AAA(SO)	6	574.00	3.43
Indian Retail ABS Trust Series XXXVII - A1 (ICICI Bank)	LAAA(SO)	5	306.15	1.83
UBL Trust Series VII (Ashok Leyland)	P1+(SO)	5	145.64	0.87
India Infrastructure Developers Ltd	AA(SO)	11	143.31	0.86
Indian Retail ABS Trust Series XXXIII - IO-A1 (ICICI Bank)	AAA(SO)	7	121.27	0.73
15 VE Trust 5 Series A4 (M&MFSL)	AAA(SO)	10	8.44	0.05
Mumbai Auto Receivables Trust 2003 Series II - A2 (SCB)	AAA(SO)	1	4.22	0.03
Total			**4,286.61**	**25.65**
II. Money Market Instruments				
i) Certificate of Deposit				
Jammu and Kashmir Bank Ltd	P1+	1,000,000	973.15	5.82
State Bank of Mysore	A1+	500,000	490.09	2.93
Kotak Mahindra Bank Ltd	P1+	500,000	466.33	2.79
Allahabad Bank	PR1+	500,000	460.12	2.75
Kotak Mahindra Bank Ltd	P1+	500,000	460.08	2.75
Total			**2,849.77**	**17.04**
III. Deposits				
Punjab National Bank	MAAA		500.00	2.99
Total			**500.00**	**2.99**
IV. Cash & Cash Equivalents			**1,402.68**	**8.39**
V. Other Receivables / (Payables)			**486.84**	**2.88**
Net Assets			**16,725.47**	**100.00**

Principal Pnb Fixed Maturity Plan - 91 Days - Series I

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
Shriram Transport Finance Co.Ltd	F1+	1,400,000	1,400.59	5.65
Total			**1,400.59**	**5.65**
ii) Floating Rate Notes / Bonds				
Housing Development Finance Corporation Ltd	AAA	1,500,000	1,500.06	6.05
Total			**1,500.06**	**6.05**
B) Privately Placed / Unlisted**				
i) Non-Convertible Debentures				
Kotak Securities Ltd	A1+	2,500,000	2,500.00	10.08
GE Capital Services India	AAA	2,000,000	2,000.00	8.06
Kotak Mahindra Investments Ltd	A1+	2,000,000	2,000.00	8.06
GE Capital Services India	AAA	1,500,000	1,500.00	6.05
Kotak Mahindra Prime Ltd	P1+	1,200,000	1,200.00	4.84
Total			**9,200.00**	**37.09**
II. Money Market Instruments				
i) Certificate of Deposit				
UCO Bank	P1+	1,500,000	1,470.42	5.93
UCO Bank	P1+	1,000,000	984.01	3.97
Total			**2,454.43**	**9.90**
ii) Commercial Paper				
DSP Merrill Lynch Ltd	P1+	2,500,000	2,456.09	9.90
GE Countrywide Financial Services	P1+	2,000,000	1,966.72	7.93
Export-Import Bank of India	P1+	2,000,000	1,965.38	7.93
Standrad Chartered Investments & Loans (I) Ltd	P1+	2,000,000	1,965.35	7.93
Citi Financial Consumer Finance India Ltd	P1+	1,500,000	1,476.83	5.96
Total			**9,830.37**	**39.65**
III. Cash & Cash Equivalents			**69.03**	**0.28**
IV. Other Receivables / (Payables)			**344.11**	**1.38**
Net Assets			**24,798.59**	**100.00**

Principal Pnb Fixed Maturity Plan - 460 Days - Series I

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
Mahindra & Mahindra Financial Services Ltd	AA+	2,500,000	2,493.37	14.26
Kotak Mahindra Prime Ltd	LAA	1,500,000	1,492.33	8.53
Citi Financial Consumer Finance India Ltd	AAA	1,400,000	1,371.63	7.84
Kotak Mahindra Prime Ltd	LAA	1,000,000	995.04	5.69
UTI Bank Ltd	LAA+	500,000	516.32	2.95
UTI Bank Ltd	LAA+	200,000	201.37	1.15
Total		**7,100,000**	**7,070.06**	**40.42**
B) Privately Placed / Unlisted**				
i) Non-Convertible Debentures				
GE Capital Services India	AAA	2,500,000	2,495.96	14.27
GE Countrywide Financial Services	AAA	2,500,000	2,495.96	14.27
Industrial Development Bank of India Ltd	LAA+	500,000	519.46	2.97
Total			**5,511.38**	**31.51**
ii) Securitized Debt				
Loan Receivable Trust (Citi Corp)	AA(SO)	15	1,510.80	8.64
Loan Receivable Trust Mar 2003 Series II (Gujarat Ambuja)	AAA(SO)	5	429.72	2.46
Asset Securitisation Trust Series A (Chola)	AAA(SO)	2	144.02	0.82
			2,084.54	**11.92**
II. Money Market Instruments				
i) Certificate of Deposit				
Allahabad Bank	PR1+	1,500,000	1,382.91	7.91
State Bank of Patiala	P1+	1,200,000	1,104.64	6.32
Total			**2,487.55**	**14.23**
III. Cash & Cash Equivalents			**115.12**	**0.66**
IV. Other Receivables / (Payables)			**216.91**	**1.26**
Net Assets			**17,485.56**	**100.00**

Principal Pnb Fixed Maturity Plan - 385 Days - Series I

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
Mahindra & Mahindra Financial Services Ltd	AA+	500,000	487.20	2.54
Total			**487.20**	**2.54**
B) Privately Placed / Unlisted**				
i) Non-Convertible Debentures				
L & T Finance Ltd	AA+	2,500,000	2,499.35	13.02
Kotak Mahindra Investments Ltd	A1+	1,500,000	1,499.80	7.81
Total			**3,999.15**	**20.83**
II. Money Market Instruments				
i) Certificate of Deposit				
ICICI Bank Ltd	A1+	2,800,000	2,575.28	13.42
UTI Bank Ltd	A1+	2,000,000	1,846.72	9.62
State Bank of Patiala	P1+	2,000,000	1,841.88	9.60
Kotak Mahindra Bank Ltd	P1+	1,000,000	920.17	4.79
State Bank of Patiala	P1+	800,000	737.48	3.84
Allahabad Bank	PR1+	500,000	461.72	2.41
Total			**8,383.25**	**43.68**
ii) Commercial Paper				
SBI Cards & Payments Services Ltd	P1+	2,500,000	2,298.30	11.97
Standrad Chartered Investments & Loans (I) Ltd	P1+	2,000,000	1,840.31	9.59
Total			**4,138.61**	**21.56**
III. Cash & Cash Equivalents			**73.18**	**0.38**
IV. Other Receivables / (Payables)			**2,112.24**	**11.01**
Net Assets			**19,193.63**	**100.00**

Principal Floating Rate Fund - Short Maturity Plan

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges **				
i) Non-Convertible Debentures				
Bharat Petroleum Corporation Ltd	AAA	500,000	501.09	1.93
Total			**501.09**	**1.93**
ii) Floating Rate Notes / Bonds				
Housing Development Finance Corporation Ltd	AAA	1,500,000	1,501.13	5.78
Mahindra & Mahindra Financial Services Ltd	AA+	1,500,000	1,500.23	5.78
LIC Housing Finance Ltd	AAA	140	1,400.00	5.39
Citicorp Finance (India) Ltd	AAA	1,000,000	1,002.32	3.86
Indian Railway Finance Corporation	AAA	1,000,000	1,000.96	3.86
Kotak Mahindra Prime Ltd	MAA+	1,000,000	1,000.00	3.85
Citicorp Finance (India) Ltd	AAA	250,000	252.46	0.97
Total			**7,657.10**	**29.49**
B) Privately Placed / Unlisted**				
i) Floating Rate Notes / Bonds				
GE Capital Services India	AAA	1,500,000	1,500.00	5.78
Total			**1,500.00**	**5.78**
ii) Securitized Debt				
Retail Pool Trust Aug 2005 (Centurion Bank)	AAA(SO)	33	1,125.43	4.33
SIL Trust 2005 Series II (Rabo India Finance Ltd)	P1+(SO)	10	1,010.85	3.89
Indian Retail ABS Trust Series XXXVII - A1 (ICICI Bank)	LAAA(SO)	15	918.45	3.54
Indian Retail Trust Series XXXIX - A2 (ICICI Bank)	LAAA(SO)	10	745.30	2.87
Indian Retail Trust Series XLIX - A2 (ICICI Bank)	P1+(SO)	7	693.37	2.67
Indian Retail Trust Series XLIV - A1 (ICICI Bank)	AAA(SO)	10	686.31	2.64
Auto Receivable Trust Aug 2005 - Series A1 (Sundaram Finance)	AAA(SO)	11	663.59	2.56
Asset Securitisation Trust Series A (Chola)	AAA(SO)	8	576.07	2.22
UBL Trust Series XV - A3 (Indusind Bank)	AAA(SO)	5	532.85	2.05
UBL Trust Series XV - A1 (Indusind Bank)	P1+(SO)	3	117.44	0.45
Indian Retail ABS Trust Series XXXIII - IO-A1 (ICICI Bank)	AAA(SO)	3	51.97	0.20
Securitisation Trust Feb 2004 (TVS Financial Services Ltd)	INDAAA(SO)	5	26.59	0.10
Total			**7,148.22**	**27.52**
II. Money Market Instruments				
i) Certificate of Deposit				
Jammu and Kashmir Bank Ltd	P1+	1,500,000	1,456.18	5.61
Karnataka Bank Ltd	A1+	1,000,000	956.83	3.69
Allahabad Bank	PR1+	1,000,000	920.25	3.54
Kotak Mahindra Bank Ltd	P1+	1,000,000	920.17	3.54
State Bank of Mysore	A1+	700,000	687.36	2.65
Total			**4,940.79**	**19.03**
III. Deposits				
Punjab National Bank	MAAA		1,000.00	3.85
Total			**1,000.00**	**3.85**
IV. Cash & Cash Equivalents			**3,021.08**	**11.64**
V. Other Receivables / (Payables)			**195.50**	**0.76**
Net Assets			**25,963.78**	**100.00**

Principal Pnb Fixed Maturity Plan - 91 Days - Series II

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Privately Placed / Unlisted**				
i) Non-Convertible Debentures				
Mahindra & Mahindra Financial Services Ltd	P1+	2,500,000	2,500.00	9.98
Canbank Factors Ltd	P1+	2,500,000	2,500.00	9.98
Hindustan Construction Co.Ltd	PR1+	2,000,000	2,000.00	7.98
Citi Financial Consumer Finance India Ltd	P1+	1,000,000	1,000.00	3.99
Kotak Mahindra Prime Ltd	P1+	1,000,000	1,000.00	3.99
Citi Financial Consumer Finance India Ltd	P1+	500,000	500.00	2.00
Total			**9,500.00**	**37.92**
ii) Deep Discount Bonds				
SREI Infrastructure Finance Ltd	PR1+	1,500,000	1,455.34	5.81
			1,455.34	**5.81**
II. Money Market Instruments				
i) Certificate of Deposit				
Allahabad Bank	PR1+	3,500,000	3,432.46	13.70
Jammu and Kashmir Bank Ltd	P1+	2,500,000	2,452.11	9.79
ICICI Bank Ltd	A1+	2,500,000	2,451.87	9.79
UCO Bank	P1+	1,500,000	1,472.92	5.88
UTI Bank Ltd	A1+	1,000,000	982.51	3.92
Total			**10,791.87**	**43.08**
ii) Commercial Paper				
Reliance Telecom Ltd	A1+	2,500,000	2,453.53	9.79
Mahindra & Mahindra Financial Services Ltd	P1+	500,000	490.92	1.96
Total			**2,944.45**	**11.75**
III. Cash & Cash Equivalents			**210.18**	**0.84**
IV. Other Receivables / (Payables)			**151.15**	**0.60**
Net Assets			**25,052.99**	**100.00**

Principal Deposit Fund - Plan 54 EA/EB

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
I. Debt Instruments				
A) Privately Placed / Unlisted**				
i) Securitized Debt				
Indian Retail ABS Trust Series XXXII - A13 (ICICI Bank)	LAAA(SO)	10	39.73	7.85
Total			**39.73**	**7.85**
II. Mutual Fund Units				
Principal Cash Management Fund - Institutional Growth Plan	AAAf	3,684,123	425.79	84.12
Total			**425.79**	**84.12**
III. Cash & Cash Equivalents			**41.85**	**8.27**
IV. Other Receivables / (Payables)			**(1.22)**	**(0.24)**
Net Assets			**506.15**	**100.00**

* NPAs in accordance with SEBI regulations and guidelines . ** Thinly traded / non - traded debt securities.
*** Value below 0.01% of NAV. $$ Illiquid securities @ Valued at traded price on March 31, 2006
# Valued at Nil as these equity shares have been pending under objection for considerable period of time.

Notes :

1) NPA's provided for during the half year is Rs. NIL for all the schemes of Principal Mutual Fund.
2) Total value and percentage of illiquid shares to NAV is NIL for all the schemes of Principal Mutual Fund
3) For NAV at the beginning of the period please refer point 4.1 of the half yearly results for the period ended 31/03/2006
4) For NAV at the end of the period please refer point 4.2 of the half yearly results for the period ended 31/03/2006
5) For dividend declared during the half year ended please refer point 4.3 of the half yearly results for the period ended 31/03/2006
6) There is no outstanding exposure in derivative instruments at the end of the half year in any scheme of Principal Mutual Fund.
7) Total investments in foreign securities/ ADRs/ GDRs at the end of the period in Principal Global Opportunities fund are Rs. 824.01 lacs. There are no investments in foreign securities/ ADRs/ GDRs at the end of the period in any other scheme of Principal Mutual Fund.
8) Portfolio Turnover Ratio & Average Maturity of portfolio is as follows:

Name of the scheme	Portfolio Turnover Ratio	Average Maturity
Principal Balanced Fund	0.15	–
Principal Child Benefit Fund	1.28	–
Principal Cash Management Fund - Liquid Option	–	0.7 Years
Principal Deposit Fund - Plan 54EA/54EB	–	0.7 Years
Principal Deposit Fund - 371 Days (FMP-19) - March 2005	–	0.09 Years
371 Days Fixed Maturity Plan (FMP-20) October 2005	–	0.61 Years
91 Days Fixed Maturity Plan (FMP-21) November 2005	–	0.15 Years
Principal Pnb 91 Days Fixed Maturity Plan - Series I (FMP-22) January 2006	–	0.08 Years
Principal Pnb 460 Days Fixed Maturity Plan (FMP-23) February 2006	–	1.03 Years
Principal Pnb 91 Days Fixed Maturity Plan -Series II (FMP 24) February 2006	–	0.17 Years
Principal Pnb 385 Days Fixed Maturity Plan - Series I (FMP-25) - March 2006	–	0.86 Years
Principal Pnb 91 Days Fixed Maturity Plan - Series III- (FMP-26) - March 2006	–	0.23 Years
Principal Equity Fund	0.03	–
Principal Focussed Advantage Fund	1.09	–
Principal Floating Rate Fund - Flexible Maturity Plan	–	1.5 Years
Principal Floating Rate Fund - Short Maturity Plan	–	0.9 Years
Principal Global Opportunities Fund	0.51	–
Principal Government Securities Fund - Investment Plan	–	3 Years
Principal Government Securities Fund - Provident Fund Plan	–	3.2 Years
Principal Government Securities Fund - Savings Plan	–	0.01 Years
Principal Growth Fund	1.39	–
Principal Income Fund	–	2 Years
Principal Income Fund - Short Term Plan	–	0.7 Years
Principal Index Fund	0.09	–
Principal Infrastructure & Services Fund	0.25	–
Principal Junior Cap Fund	0.58	–
Principal Large Cap Fund	0.68	–
Principal Monthly Income Fund	1.66	2 Years
Principal Monthly Income Plan-MIP Plus	1.67	2.1 Years
Principal Personal Tax Saver Fund	1.20	–
Principal Dividend Yield Fund	0.60	–
Principal Resurgent India Equity Fund	2.23	–
Principal Tax Savings Fund	1.02	–

9) Industry classification as released by Association of Mutual Funds in India (AMFI).
10) All the information provided is as on March 31, 2006 unless specified otherwise.

For Principal Pnb Asset Management Company Pvt. Ltd.

Sd/-
John Campbell Tupling
Director

Place : Mumbai
Date : April 27, 2006

Contact Details: Tel: 022-6659 0333, 2204 4988, Fax: 022-2204 4990 or email customer@principalindia.com or visit us at www.principalindia.com

Registrars: Karvy Computershare Pvt. Ltd. Unit: Principal Mutual Fund, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad-500 034.

Statutory Details: Principal Mutual Fund has been constituted as a trust with Principal Financial Group (Mauritius) Limited, Punjab National Bank and Vijaya Bank as the co-settlors. Sponsor: Principal Financial Services Inc., USA. Trustee: Principal Trustee Company Private Limited. Investment Manager: Principal Pnb Asset Management Company Private Limited. Risk Factors: Mutual funds and securities are subject to market risks and there can be no assurance and no guarantee that the objectives of Principal Mutual Fund can 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/Punjab National Bank/ Vijaya Bank does not indicate or guarantee the future performance of the Scheme(s) of Principal Mutual Fund. Principal Equity Fund (An open-ended equity scheme; Investment Objective is to achieve long term capital appreciation.); Principal Growth Fund (An open-ended equity scheme; Investment Objective is to achieve long term capital appreciation.); Principal Child Benefit Fund (An open-ended growth scheme; Investment Objective is to generate regular returns along with capital appreciation to enable lumpsum capital growth to the beneficiary.); Principal Balanced Fund (An open-ended balanced scheme; Investment Objective is to provide periodic returns and capital appreciation through a judicious mix of equity and debt instruments, minimizing capital erosion.); Principal Global Opportunities Fund (An Open-ended Growth Scheme; The investment objective is to build a high quality International Equity portfolio out of the permissible investments as defined and permitted under the regulations from time to time, and provide returns and/or capital appreciation along with regular liquidity to the investors); Principal Resurgent India Equity Fund (An Open-ended Equity Scheme; Investment Objective: The scheme will endeavor to generate long-term capital appreciation by predominantly investing in equity and equity related securities of Indian companies, which represent turnaround, restructuring or acquisition-led growth opportunities); Principal Tax Savings Fund (An open-ended equity-linked savings scheme; Investment Objective is to build a high quality growth oriented portfolio to provide long term capital gains to the investor. The scheme aims at providing returns through capital appreciation over the life of the scheme); Principal Personal Tax Saver Fund (An Open-ended Equity Linked Savings Scheme; Investment Objective is to provide long-term growth of capital); Principal Index Fund (An open-ended index scheme; Investment objective is to invest in securities that comprise S&P CNX Nifty(NSE) in the same proportion so as to attain results co mmensurate with the Nifty.); Principal Focussed Advantage Fund (An Open-ended Equity Scheme; The Investment Objective of the scheme would be to provide capital appreciation and lor dividend distribution by investing in companies from a maximum of six sectors, depending upon their growth prospects and valuation at any given point in time.); Principal Dividend Yield Fund (An Open-ended Equity Scheme; Investment Objective is 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); Principal Junior Cap Fund (An Open-ended Equity Scheme; The investment objective of the scheme is to provide capital appreciation and/ or income in the form of dividend by investing predominantly (at least 65% of net assets) in the equity and equity related instruments of the companies within the market capitalization range of the companies comprising CNX Nifty Junior Index.); Principal Large Cap Fund (An Open-ended Equity Scheme; The Investment Objective of the scheme would be to provide capital appreciation and /or dividend distribution by predominantly investing in companies having a large market capitalization.); Principal Infrastructure & Services Industries Fund (An Open-ended Equity Scheme; The Investment Objective of the scheme is to provide capital appreciation and income distribution to the unit holders by investing predominantly in equity/equity related securities of the companies belonging to the infrastructure and service industries and the balance in debt securities and money market instruments including call money.); Principal Monthly Income Plan (An open-ended fund. Monthly income is not assured and is subject to the availability of distributable surplus; Investment Objective is to generate regular income through debt investments and long term capital appreciation by investing a portion in equity.); Principal Monthly Income Plan - MIP Plus (An open-ended fund; Monthly income is not assured and is subject to the availability of distributable surplus. Investment Objective is to generate regular income through investments in fixed income securities so as to make periodical income distribution to unitholders and also to generate long term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments.); Principal Cash Management Fund (An open end liquid Scheme; Investment Objective is to provide investors with a high level of income from short term instruments. The Scheme will focus on preserving investors' capital and liquidity. Investments will be made in money market and in investment grade debt instruments.); Principal Income Fund (An open-ended income scheme; Investment Objective is to generate regular income and capital appreciation through investment in debt and related securities); Principal Income Fund - Short Term Plan (An open-ended income scheme; Investment objective is the same as that of Principal Income Fund. However, the scheme is designed to achieve stable returns over shorter- term investment horizons); Principal Government Securities Fund (An open-ended dedicated gilt scheme Investing in Government Securities; Investment Objective is to generate risk free returns through investments in sovereign securities issued by the Central Government and/or State Government.); Principal Floating Rate Fund (An Open-ended Income Scheme; Investment Objective is To generate income consistent with the prudent risk from a portfolio comprising substantially of floating rate debt instruments, fixed rate debt instruments swapped for floating rate return, and also fixed rate instruments and money market instruments.); Principal Deposit Fund (An open-ended debt scheme; Investment Objective is to build a high quality income oriented portfolio and provide returns along with regular liquidity to investors.); Principal Deposit Fund (An open-ended debt scheme; Investment Objective is to build a high quality income oriented portfolio and provide returns along with regular liquidity to investors.); Principal Pnb Fixed Maturity Plan - 91 Days - Series I - Jan. 06 (A closed-ended Debt Scheme offering Fixed Maturity Plan; The investment objective of the scheme is to build a high quality income oriented portfolio and provide returns along with regular liquidity to investors.); Principal Pnb Fixed Maturity Plan - 91 Days - Series II - Feb. 06 (A closed-ended Debt Scheme offering Fixed Maturity Plan; The investment objective of the scheme is to build a high quality income oriented portfolio and provide returns along with regular liquidity to investors.); Principal Pnb Fixed Maturity Plan - 91 Days - Series III - Mar. 06 (A closed-ended Debt Scheme offering Fixed Maturity Plan; The investment objective of the scheme is to build a high quality income oriented portfolio and provide returns along with regular liquidity to investors.); Principal Pnb Fixed Maturity Plan - 460 Days - Series I - Feb. 06 (A closed-ended Debt Scheme offering Fixed Maturity Plan; The investment objective of the scheme is to build a high quality income oriented portfolio and provide returns along with regular liquidity to investors.); Principal Pnb Fixed Maturity Plan - 385 Days - Series I - Mar. 06 (A closed-ended Debt Scheme offering Fixed Maturity Plan; The investment objective of the scheme is to build a high quality income oriented portfolio and provide returns along with regular liquidity to investors.) are only the name of the Schemes and do not in any manner indicate either the quality of the Scheme or 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. 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.25 lakhs towards setting up Principal Mutual Fund. Investors in the scheme are not being offered a guaranteed or assured rate of return or monthly or regular/periodical income distribution, and the actual returns and/or periodical income distribution to an investor will be based on the actual NAV, which may go up or down, depending on the market conditions. Investment of the Scheme's assets in fixed income securities is subject to credit risk, interest rate risk, settlement risk and liquidity risk. Scheme specific risk factors asset allocation & terms of issue are mentioned in the Offer Document. Please refer to the Offer Documents of the respective schemes before investing.