

Portfolio Statement of the Schemes of Principal Mutual Fund as on March 31, 2005

Principal Deposit Fund - 91 days Fixed Maturity Plan - Jan. 05

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
Debt Instruments				
<i>Privately Placed / Unlisted</i>				
<i>Non-Convertible Debentures</i>				
5.60% Rabo India Finance Ltd**	P1+	15,00,000	1,500.00	12.72
5.55% ICICI Securities Ltd**	P1+	10,00,000	1,000.00	8.48
5.60% Ford Credit Kotak Ltd**	P1+	10,00,000	1,000.00	8.48
5.60% Kotak Mahindra Primus Ltd**	P1+	10,00,000	1,000.00	8.48
5.80% Bajaj Hindustan Ltd**	INDF1+	10,00,000	1,000.00	8.48
5.85% DCM Shriram Consolidated Ltd**	A1+	10,00,000	1,000.00	8.48
6.10% Srei Infrastructure Finance Ltd**	PR1	10,00,000	1,000.00	8.48
6.50% L&T Finance Ltd**	PR1+	10,00,000	1,000.00	8.48
6.42% L&T Finance Ltd**	UNRATED	1,00,000	100.00	0.85
Total			8,600.00	72.93
Money Market Instruments				
<i>Term Deposit</i>				
Oriental Bank of Commerce	FAAA		975.00	8.27
Oriental Bank of Commerce	AAA		620.00	5.26
<i>Certificate of Deposit</i>				
YES Bank	A1+	5,00,000	1,477.15	12.52
Total			3,072.15	26.05
Total			11,444.00	95.46
Cash & Other Assets			114.00	0.95
Net Assets			11,794.19	100.00
Total NPAs provided for and its percentage to NAV Nil				
Total value and percentage of illiquid equity shares Nil				
NAV at the beginning of the period (Refer point 4.1 of the half yearly results for the period ended 31/3/05)				
NAV at the end of the period (Refer point 4.2 of the half yearly results for the period ended 31/3/05)				
Dividend declared (Refer point 4.3 of the half yearly results for the period ended 31/3/05)				
Total outstanding exposure in derivative instruments at the end of the period Nil				
Total investments in foreign securities/ADRs/GDRs at the end of the period Nil				
Average Maturity of the Portfolio 18 days				

Principal PNB Debt Fund

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
Debt Instruments				
<i>Listed / Awaiting listing on the stock exchange</i>				
<i>Government Securities</i>				
9.40% GOI 2012	Sovereign	200	0.23	0.05
Total			0.23	0.05
<i>Others</i>				
<i>Mutual Fund Units</i>				
Principal Income Fund - Institutional Plan - (Growth Option)	-	839,144	421.32	84.52
Total			421.32	84.52
Money Market Instruments				
Call			90.00	18.05
Total			90.00	18.05
Cash & Other Assets			(13.06)	(2.62)
Net Assets##			498.49	100.00
Total NPAs provided for and its percentage to NAV Nil				
Total value and percentage of illiquid equity shares Nil				
NAV at the beginning of the period (Refer point 4.1 of the half yearly results for the period ended 31/3/05)				
NAV at the end of the period (Refer point 4.2 of the half yearly results for the period ended 31/3/05)				
Dividend declared (Refer point 4.3 of the half yearly results for the period ended 31/3/05)				
Total outstanding exposure in derivative instruments at the end of the period Nil				
Total investments in foreign securities/ADRs/GDRs at the end of the period Nil				
Average Maturity of the Portfolio 0.02 years				
## Net Assets after excluding intra scheme investment is Rs. 77.17 lacs.				

Place : Mumbai
Date : April 29, 2005

Contact Details: Tel: 022-5659 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-settlers.
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 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

Principal Deposit Fund - 91 days Fixed Maturity Plan - Feb. 05

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
Debt Instruments				
<i>Privately Placed / Unlisted</i>				
<i>Non-Convertible Debentures</i>				
5.95% Srei Infrastructure Finance Ltd**	PR1+	5,00,000	500.00	8.29
Total			500.00	8.29
Money Market Instruments				
<i>Certificate of Deposit</i>				
Jammu & Kashmir Bank	P1+	10,00,000	986.29	16.36
UTI Bank Ltd	A1+	10,00,000	986.44	16.36
Total			1,972.74	32.72
<i>Commercial Paper</i>				
BHW Birla Home Finance Ltd	P1+	10,00,000	986.94	16.37
Standard Chartered Investment & Loans Ltd	P1+	10,00,000	985.18	16.36
National Housing Bank Ltd	INDF1+	10,00,000	985.30	16.34
Apollo Tyres Ltd	P1+	5,00,000	493.81	8.19
Total			3,452.23	57.26
Others				
<i>Mutual Fund Units</i>				
Principal CMF - Liquid Plan (Growth Option)	-	5,21,837	68.27	1.13
Total			68.27	1.13
Total			7.50	0.12
Cash & Other Assets			29.07	0.48
Net Assets##			6,029.81	100.00
Total NPAs provided for and its percentage to NAV Nil				
Total value and percentage of illiquid equity shares Nil				
NAV at the beginning of the period (Refer point 4.1 of the half yearly results for the period ended 31/3/05)				
NAV at the end of the period (Refer point 4.2 of the half yearly results for the period ended 31/3/05)				
Dividend declared (Refer point 4.3 of the half yearly results for the period ended 31/3/05)				
Total outstanding exposure in derivative instruments at the end of the period Nil				
Total investments in foreign securities/ADRs/GDRs at the end of the period Nil				
Average Maturity of the Portfolio 58 days				
## Net Assets after excluding intra scheme investment is Rs. 5,961.54 lacs.				

Principal Trust Benefit Fund

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
Debt Instruments				
<i>Listed / Awaiting listing on the stock exchange</i>				
<i>Non-Convertible Debentures</i>				
10.90% IRFC**	AAA	1	104.62	12.17
11.22% Hindalco**	AAA	100,000	103.92	12.09
8.05% NTPC**	AAA	100,000	102.40	11.92
7.70% Reliance Industries Ltd**	AAA	10	101.83	11.85
<i>Government Securities</i>				
7.55% GOI 2010	Sovereign	100,000	105.05	12.22
Total			517.81	60.25
<i>Privately Placed / Unlisted</i>				
<i>Securitized Debt</i>				
Mumbai Auto Receivable Trust 2003**	AAA(SO)	1	48.06	5.59
Total			48.06	5.59
Money Market Instruments				
Call			88.00	10.24
Total			88.00	10.24
Cash & Other Assets			205.51	23.91
Net Assets			859.38	100.00
Total NPAs provided for and its percentage to NAV Nil				
Total value and percentage of illiquid equity shares Nil				
NAV at the beginning of the period (Refer point 4.1 of the half yearly results for the period ended 31/3/05)				
NAV at the end of the period (Refer point 4.2 of the half yearly results for the period ended 31/3/05)				
Dividend declared (Refer point 4.3 of the half yearly results for the period ended 31/3/05)				
Total outstanding exposure in derivative instruments at the end of the period Nil				
Total investments in foreign securities/ADRs/GDRs at the end of the period Nil				
Average Maturity of the Portfolio 1.2 years				

For Principal Pnb Asset Management Company Pvt. Ltd.

Sd/-
Sanjay Sachdev
Managing Director & CEO

Mutual Fund, Principal Cash Management Fund (An open-ended liquid scheme), Principal Income Fund (An open-ended income scheme), Principal Monthly Income Plan (An open-ended fund), Monthly Income is not assured and is subject to the availability of distributable surplus), Principal Balanced Fund (An open-ended balanced scheme), Principal Growth Fund (An open-ended equity scheme), Principal Index Fund (An open-ended index scheme), Principal Government Securities Fund (An open-ended dedicated gilt scheme Investing in Government Securities), Principal Deposit Fund (An open-ended debt scheme), Principal Child Benefit Fund (An open-ended growth scheme), Principal Equity Fund (An open-ended equity scheme), Principal Tax Savings Fund (An open-ended equity-linked savings scheme), Principal Trust Benefit Fund (An open-ended income scheme), Principal Global Opportunities Fund (An Open-ended Growth Scheme), Principal PNB Debt Fund (An Open-ended Debt Scheme), Principal Money Value Bond Fund (An Open-ended Income Scheme), Principal Resurgent India Equity Fund (An Open-ended Equity Scheme), Principal Personal Tax Saver Fund (An Open-ended Equity Linked Savings Scheme), Principal Floating Rate Fund (An Open-ended Income Scheme), Principal Focussed Advantage Fund (An Open-ended Equity Scheme), Principal Dividend Yield Fund (An Open-ended Equity Scheme) 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 are mentioned in the Offer Document. Please refer to the Offer Documents of the respective schemes before investing.

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

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
Debt Instruments				
<i>Listed / Awaiting listing on the stock exchange</i>				
<i>Non-Convertible Debentures</i>				
11.55% SBI**	AAA	200	2,105.32	12.69
6.75% IDBI**	LAA+	5,00,000	1,506.44	9.08
6.90% M&M Financial Services Ltd**	AA+	10,00,000	1,006.83	6.07
11.50% IDBI**	LAA+	2,000	103.95	0.63
Total			4,722.54	28.47
<i>Privately Placed / Unlisted</i>				
<i>Non-Convertible Debentures</i>				
6.05% Citifinancial Consumer Finance Ltd**	AAA	5,00,000	498.32	3.00
20% IDBI**	LAA+	50,000	54.10	0.33
13.50% IDBI**	LAA+	50,000	53.16	0.32
Total			605.58	3.65
<i>Securitized Debt</i>				
2005 UPGE Trust**	A1+(SO)	15	1,504.92	9.07
Total			1,504.92	9.07
Money Market Instruments				
<i>Certificate of Deposit</i>				
UTI Bank Ltd	A1+	25,00,000	2,353.98	14.19
UCO Bank	P1+	20,00,000	1,883.37	11.35
Federal Bank Ltd	P1+	15,00,000	1,417.39	8.54
Indusind Bank	P1+	10,00,000	941.04	5.67
YES Bank	A1+	10,00,000	941.15	5.67
Total			7,536.94	45.42
Call			22.00	0.13
Total			22.00	0.13
Cash & Other Assets			2,201.83	13.26
Net Assets			16,593.79	100.00
Total NPAs provided for and its percentage to NAV Nil				
Total value and percentage of illiquid equity shares Nil				
NAV at the beginning of the period (Refer point 4.1 of the half yearly results for the period ended 31/3/05)				
NAV at the end of the period (Refer point 4.2 of the half yearly results for the period ended 31/3/05)				
Dividend declared (Refer point 4.3 of the half yearly results for the period ended 31/3/05)				
Total outstanding exposure in derivative instruments at the end of the period Nil				
Total investments in foreign securities/ADRs/GDRs at the end of the period Nil				
Average Maturity of the Portfolio 383 days				

Principal Money Value Bond Fund

Name of Instrument	Rating	Quantity	Market Value (Rs lakhs)	% of NAV
Others				
<i>Mutual Fund Units</i>				
Principal Income Fund - Institutional Plan - (Growth Option)	-	13,713,165	1,504.92	99.31
Total			1,504.92	99.31
Money Market Instruments				
Call			16.00	1.06
Total			16.00	1.06
Cash & Other Assets			(5.58)	(0.37)
Net Assets##			1,515.34	100.00
Total NPAs provided for and its percentage to NAV Nil				
Total value and percentage of illiquid equity shares Nil				
NAV at the beginning of the period (Refer point 4.1 of the half yearly results for the period ended 31/3/05)				
NAV at the end of the period (Refer point 4.2 of the half yearly results for the period ended 31/3/05)				
Dividend declared (Refer point 4.3 of the half yearly results for the period ended 31/3/05)				
Total outstanding exposure in derivative instruments at the end of the period Nil				
Total investments in foreign securities/ADRs/GDRs at the end of the period Nil				
Average Maturity of the Portfolio 1 day				
## Net Assets after excluding intra scheme investment is Rs. 10.36 lacs.				

* NPAs in accordance with SEBI Regulations and Guidelines. ** Thinly traded / non-traded debt securities

*** Denotes value below 0.01% of NAV. ^{§§} Illiquid securities

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

Note: 1. Industry classification as released by Association of Mutual Funds in India (AMFI).
2. All the information provided is as on March 31, 2005 unless specified otherwise.