

September 2014



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AN OPEN-ENDED EQUITY SCHEME

Product Label for Principal Emerging Bluechip Fund

This product is suitable for investors who are seeking -

- Long term capital Growth.
- Investment in equity & equity related securities including equity derivatives of mid & small capitalization Companies.
- High Risk. (BROWN)




- Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note: Risk may be represented as: Investors understand that their principal will be at Low Risk (Blue);
Investors understand that their principal will be at Medium Risk (Yellow);
Investors understand that their principal will be at High Risk (Brown)

PRODUCT SUITABILITY

Scheme Names	This product is suitable for investors who are seeking ~	Product Label	Pg. No.
Principal Large Cap Fund <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth. Investment in equity & equity related securities including equity derivatives of large capitalization Companies 	High Risk  (Brown)	8
Principal Emerging Bluechip Fund <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth. Investment in equity & equity related securities including equity derivatives of mid & small capitalization Companies. 	High Risk  (Brown)	9
Principal Growth Fund <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth. Investment in equity & equity related securities including equity derivatives of companies across market capitalization. 	High Risk  (Brown)	10
Principal Dividend Yield Fund <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth. Investment in equity & equity related securities including equity derivatives of high dividend yield Companies. 	High Risk  (Brown)	11
Principal Index Fund - Nifty <i>(An Open-ended Index Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth. Investment in equity securities including equity derivatives of CNX Nifty (NSE) Companies. 	High Risk  (Brown)	12
Principal Index Fund - Midcap <i>(An Open-ended Index Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth. Investment in equity securities including equity derivatives of CNX Midcap Index. 	High Risk  (Brown)	13
Principal SMART Equity Fund <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth. Investment in equity & equity related securities including equity derivatives of large capitalization Companies as well as Debt/Money Market securities through a systematic allocation of Funds between Equity & Debt on the basis of the Price Earnings Ratio of CNX Nifty. 	High Risk  (Brown)	14
Principal Personal Tax Saver Fund <i>(An Open-ended Equity Linked Savings Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth with a three year lock-in. Investment in equity & equity related securities including equity derivatives of large capitalization Companies. 	High Risk  (Brown)	15
Principal Tax Savings Fund <i>(An Open-ended Equity Linked Savings Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth with a three year lock-in. Investment in equity & equity related securities including equity derivatives of companies across market capitalization. 	High Risk  (Brown)	16
Principal Balanced Fund <i>(An Open-ended Balanced Scheme)</i>	<ul style="list-style-type: none"> Income and Long term Capital Growth. Investment in equity & equity related securities, debt/money market securities as well as derivatives. 	Medium Risk  (Yellow)	17
Principal Debt Savings Fund - MIP <i>An Open-ended Income Fund (Monthly Income is not assured and is subject to the availability of distributable surplus)</i>	<ul style="list-style-type: none"> Income and Capital Growth over a medium term investment horizon. Investment primarily in debt/money market securities with exposure in equity & equity related instruments including equity derivatives. 	Medium Risk  (Yellow)	18
Principal Government Securities Fund <i>(An Open-ended dedicated Gilt Scheme investing in Government Securities)</i>	<ul style="list-style-type: none"> Income over a long term investment horizon. Investment in Government Securities. 	Low Risk  (Blue)	19
Principal Income Fund - Long Term Plan <i>(An Open-ended Income Scheme)</i>	<ul style="list-style-type: none"> Income over a long term investment horizon. Investment in Debt & Money Market Instruments. 	Low Risk  (Blue)	20
Principal Debt Opportunities Fund - Corporate Bond Plan <i>(An Open-ended Debt Scheme)</i>	<ul style="list-style-type: none"> Income over a long term investment horizon. Investment in Debt & Money Market Instruments of Private & Public Sector Companies. 	Low Risk  (Blue)	21
Principal Income Fund - Short Term Plan <i>(An Open-ended Income Scheme)</i>	<ul style="list-style-type: none"> Income over a medium term investment horizon. Investment in Debt & Money Market Instruments. 	Low Risk  (Blue)	22
Principal Bank CD Fund <i>(An Open-ended Debt Scheme)</i>	<ul style="list-style-type: none"> Income over a medium term investment horizon. Investment in Bank CDs, Debt & Money Market Instruments. 	Low Risk  (Blue)	23
Principal Debt Opportunities Fund - Conservative Plan <i>(An Open-ended Debt Scheme)</i>	<ul style="list-style-type: none"> Income over a short term investment horizon. Investment in Debt & Money Market Instruments. 	Low Risk  (Blue)	24
Principal Cash Management Fund <i>(An Open-ended Liquid Scheme)</i>	<ul style="list-style-type: none"> Income over a short term investment horizon. Investment in Debt & Money Market Instruments, with maturity not exceeding 91 days. 	Low Risk  (Blue)	25
Principal Global Opportunities Fund <i>(An Open-ended Fund of Funds Scheme)</i>	<ul style="list-style-type: none"> Long term Capital Growth. Investment in overseas mutual fund schemes. 	High Risk  (Brown)	26
Principal Retail Money Manager Fund <i>(An Open-ended Debt Scheme)</i>	<ul style="list-style-type: none"> Income over a short term investment horizon. Investment in Debt & Money Market Instruments. 	Low Risk  (Blue)	26
Principal Debt Savings Fund - Retail Plan <i>(An Open-ended Income Scheme)</i>	<ul style="list-style-type: none"> Income over a long term investment horizon. Investment in Debt & Money Market Instruments. 	Low Risk  (Blue)	27

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Note: Risk may be represented as: Investors understand that their principal will be at Low Risk  (Blue);
Investors understand that their principal will be at Medium Risk  (Yellow);
Investors understand that their principal will be at High Risk  (Brown)

Fixed Income Update for September 2014

Key Market Highlights:

- During the month, yields fell across most asset classes. Gilt yields ended the month 1 to 6 bps lower. Money market yields and corporate bond yields also fell by 10 bps across maturities. Fall in banking system liquidity deficit, fall in inflation and revision of India's sovereign bond rating outlook (from negative to stable) by S&P were the main factors.
- RBI kept key rates unchanged at its Monetary Policy Review on 30th Sept 2014 as expected. Liquidity provided under Export Credit Refinance (ECR) facility has been reduced from 32 per cent of eligible credit outstanding to 15 per cent with effect from October 10, 2014. RBI continues to maintain a cautious stance on inflation and reiterated the glide path for CPI. RBI also introduced some measures to further develop the financial markets and addressed operational constraints in terms of settlement for FIs. For Banks RBI has allowed g-secs held by them upto another 5 per cent of NDTL as level 1 HQLA in order to facilitate their meeting the LCR (Liquidity Coverage) norms.
- INR closed weaker during the month at 61.75 as compared to 60.45 the previous month. For the month of September, FIs continue to remain buyers in the debt market with net debt purchases totaling ₹ 14,600 crore approx.
- The benchmark ten year G-sec closed the month at 8.51%, 5 bps lower than previous month.
- The ten year AAA Corporate bond benchmark closed at 9.20%. The five year AAA corporate bond benchmark closed at 9.24%, 10 bps lower than previous month.
- 1 year CD rates fell marginally by 3 bps to close at 9.05%. 1 year T-bill rate also fell by 8 bps to close at 8.62%.

- August WPI data release came lower at 3.74% as compared to 5.19% as in previous month. CPI for August came lower at 7.80% compared to 7.96% in previous month.
- July industrial production (IIP) growth came in at 0.5% yoy reflecting subdued industrial activity. The growth in the output of eight core sector industries came in at 5.8% in August from 2.6% in July.
- Fiscal data released by the govt. for the period April-August 2014 was ₹ 3.98 lakh crore (\$64.4 billion), or about 74.9% of the full-year target.
- Liquidity deficit was lower during the month at ₹ 46,000 crore average as compared to ₹ 79,211 crore average for the previous month combined for daily LAF, term LAF and MSF. Overnight rates remained stable around 8% during the month.

Outlook:

- We expect inflation data (WPI and CPI) to be lower as compared to previous data releases. This should support bond prices.
- We expect the new ten year benchmark G-sec to trade in a range of 8.40% to 8.60% during the month. The five year AAA PSU corporate bond benchmark is expected to trade in a range of 9.15 to 9.30%.
- Banking system liquidity deficit is expected to remain around current levels in the range of ₹ 40,000 crore to 70,000 crore for the month.
- Short term money market yields upto 3 month maturity are expected to remain range bound. We expect the 3 month CD rate to remain in the range of 8.50-9.00%.

Review of Equity Market for the Month of September 2014

After the strong rally that the equity markets have seen since the beginning of the year, the markets took a breather during the month of September. As shown in the table below, the large cap indices were absolutely flat while the small and mid-cap indices did slightly better. In terms of sectors, there was a fair bit of divergence as seen below. The 'defensives' like IT and Healthcare, and to some extent FMCG, did much better than Capital Goods, Financials or Metals. Financials, especially PSU banks were impacted by continuing concerns on asset quality. These concerns were heightened by the cancellation of the coal blocks. Metals were impacted by the slowdown in China.

Flows from FIIs into India were slightly lower in September (at USD 900 million) compared to the previous month in line with global trends as flows into EMs slowed in the second fortnight of September. There was rise in geopolitical tension (particularly in the Middle East) though they did not have much impact on the markets. For the quarter ended September, India received about USD 4.2 Billion in cash equity which is about

30% of total flows into Asia ex-Japan during the period which is substantially more than its weight in the index. Domestically, the mutual funds invested about ₹ 4200 crores (about USD 680 million) during the month.

In terms of news, the big event was the deallocation of coal blocks by the Supreme Court. The markets hope that the government will move quickly to auction the blocks which could reduce uncertainty in the sector. The RBI left the rates unchanged in the bi monthly policy statement and the consensus expectations of a rate cut have been pushed back. In data releases, the WPI came in at a five year low of 3.75 for the month of August. The CPI however, came in at 7.8% though the core CPI (ex food, energy) was at 6.9%. The July IIP growth came in at 0.5% but this number is quite volatile. However, the sense on the ground is that general recovery in industrial capex is 2-3 quarters away though businessmen are more optimistic than before. The composite PMI for September was 51.8 helped by Services PMI. The manufacturing PMI was lower at 51.0.

In other data, auto sales (cars and 2-Wheelers) have been strong. For September, 2-Wheeler sales for OEMs were up 26%. Car sales for Maruti also grew about 10%.

Going forward, the markets may watch for earnings for the September quarter. The earnings for Q1 were quite good and consensus estimates for earnings have been raised with particularly strong growth expectations for FY 16. Other things the markets may watch for could be election results to Maharashtra and Haryana state assemblies, action on GST, forward movement on coal auction, and some policy action (gas price issue etc.). In addition, the actions of the US Fed and geopolitical situation which is quite volatile could be the key.

During the month we bought or added to our positions in Apollo Tyres, Ashok Leyland, Cipla, Coromandel International, Cox & Kings, DB Corp, Hindustan Construction, Hindustan Unilever, Infosys, Jindal Steel & Power, J K Tyre & Industries, NCC Ltd., P C Jewellers, Persistent Systems, Tata Motors, Tata Steel and Wipro among other stocks.

We sold or reduced our positions in ABB, Adani Enterprises, Adani Ports, Aditya Birla Nuvo, Amara Raja Batteries, Aurobindo Pharma, Bharat Forge, Cyient (Infotech Enterprises), Hindustan Petroleum, ITC, ICICI Bank, Kaveri Seed, Kolte-Patil Developers, Larsen & Toubro, Lupin, National Aluminium, Oriental Bank of Commerce, Shree Cement and TVS Motors Co. among other stocks.

PERFORMANCE AS ON SEPTEMBER 30, 2014*

	Index	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)
Broad Markets					
CNX Nifty Index	7965	0.12	4.64	18.75	38.87
S&P BSE Sensex	26631	-0.03	4.79	19.00	37.41
S&P BSE 100	8016	-0.01	3.53	19.71	40.05
S&P BSE 200	3252	0.53	4.08	21.55	42.50
S&P BSE 500	10173	0.72	3.90	22.98	44.92
S&P BSE Mid Cap	9530	2.34	1.61	35.56	70.00
S&P BSE Small Cap	10681	3.82	4.69	52.05	95.41
Sectoral Performance					
S&P BSE Auto	17747	2.46	16.38	34.65	61.39
S&P BSE Bankex	17615	-2.03	0.80	20.55	60.66
S&P BSE CG	14268	-4.07	-11.93	18.03	85.14
S&P BSE CD	9851	6.85	11.06	54.31	70.63
S&P BSE FMCG	7631	2.91	14.30	8.67	11.60
S&P BSE Metal	11409	-6.47	-12.91	17.62	36.29
S&P BSE Oil & Gas	10729	-3.83	-3.78	13.32	30.58
S&P BSE PSU	7783	-3.64	-9.86	22.05	42.90
S&P BSE Teck	5919	5.45	12.39	20.63	33.39
S&P BSE HC	14352	7.00	25.21	42.03	51.65

* Performance for less than one year period are absolute returns and more than one year are compounded annualized returns.

Source - MFI Explorer

Funds at a Glance

Particulars	EQUITY SCHEMES					
	Principal Large Cap Fund	Principal Emerging Bluechip Fund	Principal Growth Fund	Principal Dividend Yield Fund	Principal Index Fund - Nifty	Principal Index Fund - Midcap
Nature of the Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Equity Scheme	An Open-ended Index Scheme	An Open-ended Index Scheme
Allotment Date - Regular Plan	November 11, 2005	November 12, 2008	October 25, 2000	October 15, 2004	July 27, 1999	May 12, 2014
- Direct Plan	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	May 12, 2014
Investment Plans / Options	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plans offers facility of Payout, Reinvestment and Sweep.					
Fund Manager & Managing the Current Fund from	Anupam Tiwari July 2011	Dhimant Shah June 2011	P.V.K. Mohan September 2010	Dhimant Shah December 2011	Rupali Pandit October 2012	Rupali Pandit May 2014
Total Investment Experience	9 years	22 years	21 years	22 years	18 years	18 years
Benchmark	S&P BSE 100 Index	CNX Midcap Index	S&P BSE 200 Index	CNX Dividend Opportunities Index	CNX Nifty Index	CNX Midcap Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000
Cut Off Time[#]	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including SIP / STP / SWP, if available)	If redeemed on or before 1 Year from the date of allotment - 1%		1% - If redeemed within 365 days from the date of allotment. Nil - If redeemed after 365 days from the date of allotment.	If redeemed on or before 1 Year from the date of allotment - 1%	1% - if redeemed on or before 90 days from the date of allotment; Nil - if redeemed after 90 days from the date of allotment.	
SIP / SWP / STP	Available					
Minimum No. & Amt. of SIP/SWP/STP (if available)	6 installments of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.					

Particulars	EQUITY SCHEME	EQUITY LINKED SAVINGS SCHEME (ELSS) [^]		TARGET RISK FUNDS	
	Principal SMART Equity Fund	Principal Personal Tax Saver Fund	Principal Tax Savings Fund	Principal Balanced Fund	Principal Debt Savings Fund - Monthly Income Plan
Nature of the Scheme	An Open-ended Equity Scheme	An Open-ended Equity Linked Savings Scheme	An Open-ended Equity Linked Savings Scheme	An Open-ended Balanced Scheme	An Open-ended Income Fund (Monthly Income is not assured and is subject to the availability of distributable surplus)
Allotment Date - Regular Plan	December 16, 2010	March 31, 1996	March 31, 1996	January 14, 2000	May 23, 2002
- Direct Plan	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013
Investment Plans / Options	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plans offers facility of Payout, Reinvestment and Sweep.	Regular Plan & Direct Plan. Both the Plan do not have any options at present.	Regular Plan & Direct Plan. Both the Plan do not have any options at present.	Regular Plan and Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plan offers facility of Payout, Reinvestment and Sweep.	Regular Plan & Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequencies - Monthly / Quarterly
Fund Manager & Managing the Current Fund from	Anupam Tiwari July 2011	Anupam Tiwari July 2011	P.V.K. Mohan September 2010	P.V.K. Mohan May 2010	Pankaj Jain January 2012
Total Investment Experience	9 years	9 years	21 years	21 years	12 years
Benchmark	Crisil Balanced Fund Index	S&P BSE 100 Index	S&P BSE 200 Index	Crisil Balanced Fund Index	Crisil MIP Blended Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 500 Existing Investor: ₹ 500	New Investor: ₹ 500 Existing Investor: ₹ 500	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000
Cut Off Time[#]	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including SIP / STP / SWP, if available)	1% if redeemed within 1 year from the date of allotment.	Nil	Nil	If redeemed on or before 1 Year from the date of allotment - 1%.	
SIP	Available				
SWP / STP	Available	Available after lock-in period		Available	Available
Minimum No. & Amt. of SIP/SWP/STP (if available)	6 installment of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.	6 installments of ₹ 500/- each.		6 installment of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.	

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

[^] Lock-in of 3 years.

Funds at a Glance (Contd.)

DEBT SCHEMES					
Particulars	Principal Government Securities Fund	Principal Income Fund - Long Term Plan	Principal Debt Opportunities Fund - Corporate Bond Plan	Principal Income Fund - Short Term Plan	Principal Bank CD Fund
Nature of the Scheme	An Open-ended dedicated Gilt Scheme investing in Government Securities	An Open-ended Income Scheme	An Open-ended Debt Scheme	An Open-ended Income Scheme	An Open-ended Debt Scheme
Allotment Date - Regular Plan	August 23, 2001	May 09, 2003	September 14, 2004	May 09, 2003	November 6, 2007
- Direct Plan	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013
Investment Plans / Options	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option.				
Dividend Frequencies	Quarterly / Annual	Quarterly / Annual	Monthly	Monthly	Monthly
Fund Manager & Managing the Current Fund from	Bekxy Kuriakose October 2012	Bekxy Kuriakose January 2013	Bekxy Kuriakose January 2013	Gurvinder Singh Wasan April 2011	Gurvinder Singh Wasan April 2011
Total Investment Experience	14 years	14 years	14 years	10 years	10 years
Benchmark	I-Sec Composite Index	Crisil Composite Bond Fund Index	Crisil Composite Bond Fund Index	CRISIL Short-Term Bond Fund Index	Crisil Liquid Fund Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000
Cut Off Time Subscription#	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Redemption	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
Exit Load (including SIP/STP/SWP, if available)	Nil	If redeemed on or before 1 Year from the date of allotment - 1%.	0.50% - if redeemed on or before 60 days from the date of allotment; Nil - if redeemed after 60 days from the date of allotment.	If redeemed within 180 days from the date of allotment - 0.50%	1% - if redeemed within 180 days from the date of allotment; 0.50% - if redeemed after 180 days but within 270 days from the date of allotment; 0.25% - if redeemed after 270 days but within 365 days from the date of allotment; Nil - if redeemed after 365 days from the date of allotment.
SIP / SWP / STP	Available				
Minimum number & Amount of SIP/SWP/STP (if available)	6 installments of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.				

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

Funds at a Glance (Contd.)

Particulars	DEBT SCHEMES	LIQUID SCHEME*	RETAIL SCHEMES		FUND OF FUNDS SCHEME
	Principal Debt Opportunities Fund - Conservative Plan	Principal Cash Management Fund	Principal Retail Money Manager Fund~	Principal Debt Savings Fund - Retail Plan~	Principal Global Opportunities Fund
Nature of the Scheme	An Open-ended Debt Scheme	An Open-ended Liquid Scheme	An Open-ended Debt Scheme	An Open-ended Income Fund	An Open-ended Fund of Funds Scheme
Allotment Date - Regular Plan	September 14, 2004	August 30, 2004	December 28, 2007	December 30, 2003	March 29, 2004
- Direct Plan	January 2, 2013	January 1, 2013	January 1, 2013	January 2, 2013	January 2, 2013
Investment Plans/ Options/ Dividend Frequencies	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequency - Daily / Weekly / Monthly	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option. Dividend Frequency - Daily / Weekly / Monthly	Growth & Dividend Both the Plans offer Dividend & Growth Option. Dividend Frequency - Regular Plan~: Daily / Weekly / Monthly. Direct Plan: Monthly (Reinvestment)	Regular Plan and Direct Plan. Both the Plans offer Dividend~ and Growth Option. Dividend Frequency - Monthly / Quarterly	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plan offers facility of Payout, Reinvestment and Sweep.
Fund Manager & Managing the Current Fund from	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Rajat Jain March 2004
Total Investment Experience	12 years	12 years	12 years	12 years	25 years
Benchmark	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Short Term Bond Fund Index	MSCI World Index
Minimum Application Amount	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 5,000 Existing Investor: ₹ 1,000	New Investor: ₹ 10,000 Existing Investor: ₹ 1,000
Cut Off Time Subscription#	3.00 pm	2.00 pm	3.00 pm	3.00 pm	12.30 pm
Redemption	3.00 pm	3.00 pm	3.00 pm	3.00 pm	12.30 pm
Exit Load (including SIP/STP/SWP, if available)	Nil	Nil	Nil	If redeemed on or before 30 days from the date of allotment - 1%.	If redeemed on or before 1 Year from the date of allotment - 1%.
SIP / SWP / STP	Available				
Minimum number & Amount of SIP/SWP/STP (if available)	6 installments of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.				

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

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

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

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

FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 308.97 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 43.18	₹ 42.75
Dividend Option :	₹ 29.57	₹ 29.27

INVESTMENT OBJECTIVE

To provide capital appreciation and /or dividend distribution by predominantly investing in companies having a large market capitalization.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
June 24, 2010	1.5000	20.2200
July 28, 2009	2.0000	17.6700
February 5, 2008	2.0000	23.5600
May 15, 2007	1.5000	17.7600

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

* On face value of ₹ 10.

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

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	16.21%
Beta [^]	0.92
Sharpe Ratio [^] (Annualised)	0.69
Portfolio Turnover Ratio ^{**}	0.80
Expense Ratio (Regular Plan) ^{#+}	2.54%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

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

MARKET CAP ALLOCATION (As on September 30, 2014)

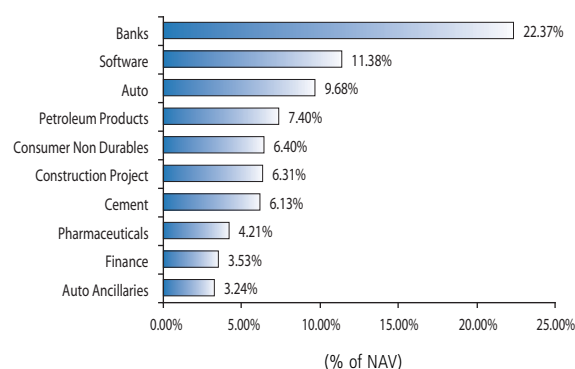
	% of NAV
Equity & Equity Related Instruments of Large Cap Companies	96.54
Equity & Equity Related Instruments of Mid Cap & Other Companies	-
Cash and Other Assets	1.52
Mutual Funds	1.94

PORTFOLIO (As on September 30, 2014)

Instrument	Industry	% of NAV
Equity		96.54
ITC	Consumer Non Durables	5.95
ICICI Bank	Banks	5.81
Larsen & Toubro	Construction Project	5.50
Infosys	Software	4.90
Tata Motors	Auto	4.37
Shree Cements	Cement	4.29
Divi's Laboratories	Pharmaceuticals	4.21
Reliance Industries	Petroleum Products	4.06
State Bank of India	Banks	3.97
Maruti Suzuki India	Auto	3.74

HDFC Bank	Banks	3.65
Housing Development Finance Corporation	Finance	3.53
Tech Mahindra	Software	3.36
Axis Bank	Banks	3.02
Bharat Petroleum Corporation	Petroleum Products	2.73
HCL Technologies	Software	2.53
Crompton Greaves	Industrial Capital Goods	2.43
Motherson Sumi Systems	Auto Ancillaries	2.16
Indraprastha Gas	Gas	1.91
Sesa Sterlite	Minerals/Mining	1.86
ING Vysya Bank	Banks	1.60
The Federal Bank	Banks	1.59
IndusInd Bank	Banks	1.53
Adani Ports and Special Economic Zone	Transportation	1.44
National Aluminium Company	Non - Ferrous Metals	1.35
UltraTech Cement	Cement	1.34
Aditya Birla Nuvo	Services	1.24
Bank of Baroda	Banks	1.20
Oil India	Oil	1.15
Apollo Tyres	Auto Ancillaries	1.08
Hero MotoCorp	Auto	0.95
D.B.Corp	Media & Entertainment	0.93
Tata Steel	Ferrous Metals	0.92
Voltas	Construction Project	0.81
Jindal Steel & Power	Ferrous Metals	0.75
IRB Infrastructure Developers	Construction	0.72
Ashok Leyland	Auto	0.62
Hindustan Petroleum Corporation	Petroleum Products	0.61
Wipro	Software	0.59
Oil & Natural Gas Corporation	Oil	0.58
The Ramco Cements	Cement	0.50
Asian Paints	Consumer Non Durables	0.45
GAIL (India)	Gas	0.40
Coromandel International	Fertilisers	0.13
Gujarat State Petronet	Gas	0.08
Investment Funds/Mutual Funds		1.94
Principal Cash Management Fund - Direct Plan- Growth Option	Mutual Funds	1.94
Cash and Other Assets		1.52
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on September 30, 2014)



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

FUND FEATURES

QAAUM (For the period July to September 2014): ₹ 353.89 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 56.93	₹ 56.30
Dividend Option :	₹ 43.34	₹ 42.90

INVESTMENT OBJECTIVE

To achieve long-term capital appreciation by investing in equity & equity related instruments of Mid Cap & Small Cap companies.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
October 15, 2010	1.0000	27.4300
June 19, 2009	4.0000	19.3500

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

* On face value of ₹ 10.

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

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	19.83%
Beta [^]	0.84
Sharpe Ratio [^] (Annualised)	1.02
Portfolio Turnover Ratio ^{**}	0.76
Expense Ratio (Regular Plan) ^{#+}	2.54%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

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

MARKET CAP ALLOCATION (As on September 30, 2014)

	% of NAV
Equity and equity related instruments of Mid Cap Companies	82.38
Equity and equity related instruments of Small Cap Companies	10.72
Equity and equity related instruments of Companies other than Mid & Small Cap	2.96
Cash and Money Market / Fixed Income Securities (including MIBOR Linked Short Term Papers & Securitised Debt)	-0.76
Mutual Funds	3.96
Derivatives	0.74

Market Cap Range for CNX Midcap Stocks
As on June 30, 2014

₹ 70,689.59 Cr – ₹ 3,388.34 Crs

PORTFOLIO (As on September 30, 2014)

Instrument	Industry	% of NAV
Equity		96.06
Motherson Sumi Systems	Auto Ancillaries	3.90
Tech Mahindra	Software	3.53
Eicher Motors	Auto	3.17
The Federal Bank	Banks	3.01
Sadbhav Engineering	Construction Project	2.96
ICICI Bank	Banks	2.96
Aurobindo Pharma	Pharmaceuticals	2.91
Amara Raja Batteries	Auto Ancillaries	2.87
Shree Cements	Cement	2.77
Divi's Laboratories	Pharmaceuticals	2.43
Gateway Distriparks	Transportation	2.07
Symphony	Consumer Durables	1.96
Bharat Forge	Industrial Products	1.88
UPL	Pesticides	1.82
Britannia Industries	Consumer Non Durables	1.78
IndusInd Bank	Banks	1.76
Bata India	Consumer Durables	1.76

Hindustan Petroleum Corporation	Petroleum Products	1.73
JK Cement	Cement	1.64
Glenmark Pharmaceuticals	Pharmaceuticals	1.64
Lupin	Pharmaceuticals	1.62
Oil India	Oil	1.60
ING Vysya Bank	Banks	1.59
IPCA Laboratories	Pharmaceuticals	1.59
Aditya Birla Nuvo	Services	1.57
Cummins India	Industrial Products	1.53
Kaveri Seed Company	Consumer Non Durables	1.49
Power Finance Corporation	Finance	1.44
National Buildings Construction Corporation	Construction	1.44
SRF	Textile Products	1.44
Arvind	Textile Products	1.43
The Jammu & Kashmir Bank	Banks	1.40
Yes Bank	Banks	1.37
AIA Engineering	Industrial Capital Goods	1.33
CESC	Power	1.26
Crompton Greaves	Industrial Capital Goods	1.25
Finolex Cables	Industrial Products	1.25
V.S.T Tillers Tractors	Auto	1.20
Indraprastha Gas	Gas	1.19
Orient Cement	Cement	1.13
Karur Vysya Bank	Banks	1.11
Indiabulls Housing Finance	Finance	1.08
Atul	Chemicals	1.08
Dynomatic Technologies	Auto Ancillaries	1.05
Max India	Finance	1.04
Voltas	Construction Project	1.01
Pidilite Industries	Chemicals	1.01
JK Tyre & Industries	Auto Ancillaries	1.01
Cyient	Software	1.00
Persistent Systems	Software	0.98
Torrent Pharmaceuticals	Pharmaceuticals	0.95
Reliance Infrastructure	Power	0.93
Kalpataru Power Transmission	Power	0.91
Hindustan Zinc	Non - Ferrous Metals	0.91
D.B.Corp	Media & Entertainment	0.90
Oriental Bank of Commerce	Banks	0.86
Cox & Kings	Transportation	0.77
Tata Chemicals	Chemicals	0.69
Ramkrishna Forgings	Industrial Products	0.62
Hindustan Construction Company	Construction Project	0.61
Sarda Energy & Minerals	Ferrous Metals	0.38
NCC	Construction Project	0.33
NCC - Rights	Construction Project	0.16

Derivatives

Apollo Tyres Oct 2014	Stock Futures	0.58
Tata Chemicals Oct 2014	Stock Futures	0.16

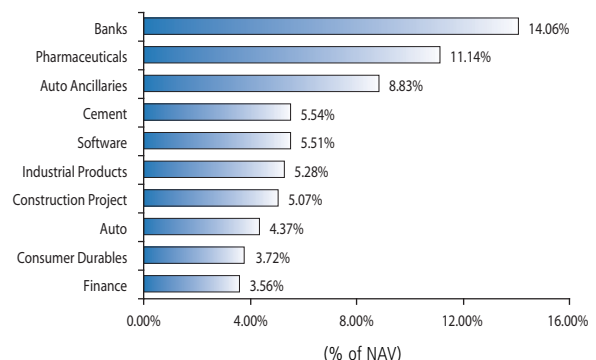
Investment Funds/Mutual Funds

Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds	3.15
Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	0.81

Cash and Other Assets

Net Assets **100.00**

SECTOR ALLOCATION (TOP 10) (As on September 30, 2014)



Principal Growth Fund (An open-ended equity scheme)

FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 367.71 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 88.51	₹ 87.63
Dividend Option :	₹ 40.12	₹ 39.70

INVESTMENT OBJECTIVE

To achieve long-term capital appreciation.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
December 31, 2007	2.5000	37.1400
March 20, 2006	2.5000	24.6400

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

* On face value of ₹ 10.

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

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	18.76%
Beta [^]	1.04
Sharpe Ratio [^] (Annualised)	0.87
Portfolio Turnover Ratio ^{**}	1.14
Expense Ratio (Regular Plan) ^{#+}	2.53%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

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

PORTFOLIO (As on September 30, 2014)

Instrument	Industry	% of NAV
Equity		93.36
ICICI Bank	Banks	4.31
ITC	Consumer Non Durables	4.05
Tata Motors	Auto	3.48
Reliance Industries	Petroleum Products	3.03
Maruti Suzuki India	Auto	2.94
The Federal Bank	Banks	2.62
Aurobindo Pharma	Pharmaceuticals	2.49
Infosys	Software	2.44
HCL Technologies	Software	2.42
Ashok Leyland	Auto	2.31
Tech Mahindra	Software	2.30
HDFC Bank	Banks	2.23
Lupin	Pharmaceuticals	2.14
Housing Development Finance Corporation	Finance	2.06
JK Cement	Cement	2.05
Tata Consultancy Services	Software	2.01
TVS Motor Company	Auto	1.99
Bharat Forge	Industrial Products	1.95
State Bank of India	Banks	1.94
Sesa Sterlite	Minerals/Mining	1.78
Britannia Industries	Consumer Non Durables	1.77

Cipla	Pharmaceuticals	1.75
Hindustan Zinc	Non - Ferrous Metals	1.74
Bharat Petroleum Corporation	Petroleum Products	1.56
Wipro	Software	1.56
PC Jeweller	Consumer Durables	1.49
National Aluminium Company	Non - Ferrous Metals	1.48
Jain Irrigation Systems	Industrial Products	1.47
Crompton Greaves	Industrial Capital Goods	1.42
Hindustan Construction Company	Construction Project	1.37
Oil & Natural Gas Corporation	Oil	1.36
Oil India	Oil	1.31
Andhra Bank	Banks	1.30
Motherson Sumi Systems	Auto Ancillaries	1.28
Tata Steel	Ferrous Metals	1.27
Aditya Birla Nuvo	Services	1.24
The India Cements	Cement	1.24
UltraTech Cement	Cement	1.22
Bank of Baroda	Banks	1.20
Oriental Bank of Commerce	Banks	1.20
The Ramco Cements	Cement	1.10
Apollo Tyres	Auto Ancillaries	1.09
Voltas	Construction Project	1.09
Larsen & Toubro	Construction Project	1.08
Cyient	Software	1.08
Indraprastha Gas	Gas	1.07
Indiabulls Power	Power	1.07
ING Vysya Bank	Banks	1.02
Persistent Systems	Software	0.98
Axis Bank	Banks	0.94
Prestige Estates Projects	Construction	0.93
Hindalco Industries	Non - Ferrous Metals	0.84
UPL	Pesticides	0.80
Power Finance Corporation	Finance	0.78
Jet Airways (India)	Transportation	0.70
Mile Stone Global	Construction	0.02

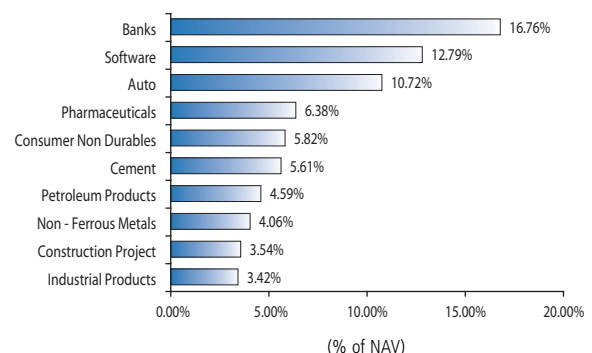
Investment Funds/Mutual Funds **3.08**

Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds	2.26
Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	0.82

Cash and Other Assets **3.56**

Net Assets **100.00**

SECTOR ALLOCATION (TOP 10) (As on September 30, 2014)



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

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 121.15 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 34.13	₹ 33.81
Dividend Option :	₹ 25.20	₹ 24.96

INVESTMENT OBJECTIVE

To provide capital appreciation and / or dividend distribution by investing predominantly in a well-diversified portfolio of companies that have a relatively high dividend yield.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
October 12, 2007	1.5000	15.4400
April 24, 2006	1.5000	15.7200
October 3, 2005	0.7500	13.5100
April 20, 2005	0.5000	11.0900

* On face value of ₹ 10.

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

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

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	19.03%
Beta [^]	0.90
Sharpe Ratio [^] (Annualised)	0.48
Portfolio Turnover Ratio ^{**}	0.50
Expense Ratio (Regular Plan) ^{#+}	2.67%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

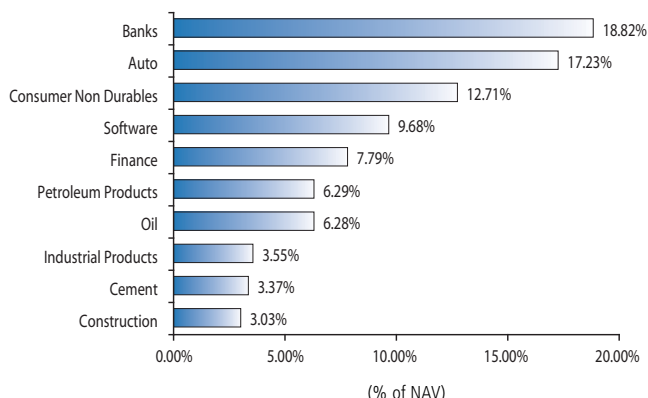
[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees. ⁺ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on September 30, 2014)

Instrument	Industry	% of NAV
Equity		98.19
Hero MotoCorp	Auto	5.30
Oil & Natural Gas Corporation	Oil	4.34
Tata Motors - A Class	Auto	4.31
ICICI Bank	Banks	4.19
Bajaj Holdings & Investment	Finance	3.90
State Bank of India	Banks	3.76
Bank of Baroda	Banks	3.69
Hindustan Unilever	Consumer Non Durables	3.66
Bajaj Auto	Auto	3.61
Tech Mahindra	Software	2.73
Tata Consultancy Services	Software	2.62
Colgate Palmolive (India)	Consumer Non Durables	2.55
VST Industries	Consumer Non Durables	2.38
HCL Technologies	Software	2.35
Gateway Distriparks	Transportation	2.33
National Buildings Construction Corporation	Construction	2.24
Cummins India	Industrial Products	2.12
Oil India	Oil	1.94

SML Isuzu	Auto	1.89
Bharat Petroleum Corporation	Petroleum Products	1.84
The Jammu & Kashmir Bank	Banks	1.80
Power Finance Corporation	Finance	1.78
Hindustan Petroleum Corporation	Petroleum Products	1.76
ACC	Cement	1.71
Castrol India	Petroleum Products	1.71
Century Textiles & Industries	Cement	1.66
Karur Vysya Bank	Banks	1.66
The Federal Bank	Banks	1.61
Supreme Industries	Industrial Products	1.43
HDFC Bank	Banks	1.43
Rural Electrification Corporation	Finance	1.37
Maruti Suzuki India	Auto	1.36
Aurobindo Pharma	Pharmaceuticals	1.25
DCM Shriram	Consumer Non Durables	1.17
ITC	Consumer Non Durables	1.16
Cyient	Software	1.10
IPCA Laboratories	Pharmaceuticals	1.02
Crompton Greaves	Industrial Capital Goods	1.01
Reliance Industries	Petroleum Products	0.98
Tata Global Beverages	Consumer Non Durables	0.94
Hindustan Zinc	Non - Ferrous Metals	0.91
Aurionpro Solutions	Software	0.88
Mcleod Russel India	Consumer Non Durables	0.85
Kolte - Patil Developers	Construction	0.79
Tata Chemicals	Chemicals	0.78
V.S.T Tillers Tractors	Auto	0.76
Hinduja Ventures	Media & Entertainment	0.75
IDFC	Finance	0.74
National Aluminium Company	Non - Ferrous Metals	0.70
D.B.Corp	Media & Entertainment	0.69
Oriental Bank of Commerce	Banks	0.68
Derivatives		0.90
Apollo Tyres Oct 2014	Stock Futures	0.90
Investment Funds/Mutual Funds		1.63
Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds	1.63
Cash and Other Assets		-0.72
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on September 30, 2014)



Principal Index Fund - Nifty (An open-ended index scheme)

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 13.42 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 55.2227	₹ 54.8027
Dividend Option :	₹ 32.4539	₹ 32.2087

INVESTMENT OBJECTIVE

To invest principally in securities that comprise CNX Nifty (NSE) and subject to tracking errors endeavour to attain results commensurate with the Nifty.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
December 24, 2008	3.7500	15.7934

* On face value of ₹ 10.

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

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

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	16.32%
Beta [^]	0.99
Sharpe Ratio [^] (Annualised)	0.55
Portfolio Turnover Ratio ^{**}	0.97
Expense Ratio (Regular Plan) ^{#+}	1.00%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

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

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

TRACKING DEVIATION

1.03%*

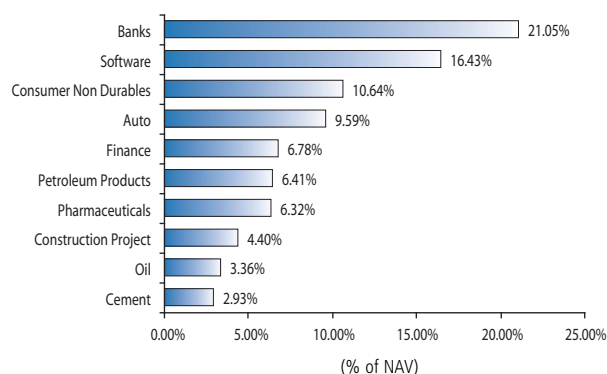
* Trailing 12 months ended September 30, 2014 (Annualized).

PORTFOLIO (As on September 30, 2014)

Instrument	Industry	% of NAV
Equity		99.63
ITC	Consumer Non Durables	7.63
Infosys	Software	6.72
ICICI Bank	Banks	6.16
Housing Development Finance Corporation	Finance	6.14
HDFC Bank	Banks	6.05
Reliance Industries	Petroleum Products	5.78
Tata Consultancy Services	Software	5.18
Larsen & Toubro	Construction Project	4.40
Tata Motors	Auto	3.34
State Bank of India	Banks	2.80
Oil & Natural Gas Corporation	Oil	2.71
Sun Pharmaceuticals Industries	Pharmaceuticals	2.39
Axis Bank	Banks	2.33
Mahindra & Mahindra	Auto	2.32
Bharti Airtel	Telecom - Services	2.07
Hindustan Unilever	Consumer Non Durables	1.95

HCL Technologies	Software	1.70
Kotak Mahindra Bank	Banks	1.60
Dr. Reddy's Laboratories	Pharmaceuticals	1.52
Maruti Suzuki India	Auto	1.50
Wipro	Software	1.45
Tech Mahindra	Software	1.38
Hero MotoCorp	Auto	1.26
Lupin	Pharmaceuticals	1.23
Sesa Sterlite	Minerals/Mining	1.18
Cipla	Pharmaceuticals	1.18
Bajaj Auto	Auto	1.17
Tata Steel	Ferrous Metals	1.13
Power Grid Corporation of India	Power	1.10
NTPC	Power	1.06
Asian Paints	Consumer Non Durables	1.06
UltraTech Cement	Cement	1.00
IndusInd Bank	Banks	0.99
Grasim Industries	Cement	0.84
Coal India	Minerals/Mining	0.83
GAIL (India)	Gas	0.77
Hindalco Industries	Non - Ferrous Metals	0.75
Bharat Heavy Electricals	Industrial Capital Goods	0.67
Cairn India	Oil	0.65
IDFC	Finance	0.64
Zee Entertainment Enterprises	Media & Entertainment	0.63
Bharat Petroleum Corporation	Petroleum Products	0.63
Bank of Baroda	Banks	0.63
Ambuja Cements	Cement	0.61
Tata Power Company	Power	0.56
Punjab National Bank	Banks	0.49
NMDC	Minerals/Mining	0.49
ACC	Cement	0.48
DLF	Construction	0.25
Jindal Steel & Power	Ferrous Metals	0.23
Cash and Other Assets		0.37
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on September 30, 2014)



Principal Index Fund - Midcap (An open-ended index scheme)

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 14.18 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 12.6370	₹ 12.6096
Dividend Option :	₹ 12.6370	₹ 12.6096

INVESTMENT OBJECTIVE

To invest principally in securities that comprise CNX Midcap Index and subject to tracking errors endeavour to attain results commensurate with the CNX Midcap Index.

RATIOS & OTHER DETAILS (As on September 30, 2014)

Portfolio Turnover Ratio**	0.48
Expense Ratio (Regular Plan)#+	1.00%

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

Calculated as year to date ratio to average AUM.

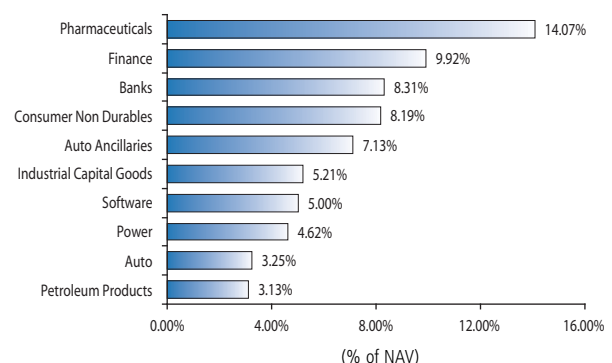
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

PORTFOLIO (As on September 30, 2014)

Instrument	Industry	% of NAV
Equity		99.24
Aurobindo Pharma	Pharmaceuticals	2.37
Motherson Sumi Systems	Auto Ancillaries	2.21
Eicher Motors	Auto	2.18
Divi's Laboratories	Pharmaceuticals	2.11
UPL	Pesticides	1.88
Bharat Forge	Industrial Products	1.88
Bharti Infratel	Telecom - Equipment & Accessories	1.87
Glenmark Pharmaceuticals	Pharmaceuticals	1.86
Container Corporation of India	Transportation	1.85
Ranbaxy Laboratories	Pharmaceuticals	1.82
Indian Oil Corporation	Petroleum Products	1.66
Aditya Birla Nuvo	Services	1.62
Oil India	Oil	1.58
Apollo Hospitals Enterprise	Healthcare Services	1.57
Power Finance Corporation	Finance	1.55
MRF	Auto Ancillaries	1.54
Britannia Industries	Consumer Non Durables	1.51
Hindustan Petroleum Corporation	Petroleum Products	1.47
Reliance Infrastructure	Power	1.46
Indiabulls Housing Finance	Finance	1.45
Exide Industries	Auto Ancillaries	1.43
Mahindra & Mahindra Financial Services	Finance	1.37
Siemens	Industrial Capital Goods	1.35
Shree Cements	Cement	1.34
Oracle Financial Services Software	Software	1.33
Crompton Greaves	Industrial Capital Goods	1.33
Tata Chemicals	Chemicals	1.29
MindTree	Software	1.27
Cadila Healthcare	Pharmaceuticals	1.25
Bajaj Finserv	Finance	1.24
ING Vysya Bank	Banks	1.19
GlaxoSmithKline Consumer Healthcare	Consumer Non Durables	1.18
Tata Global Beverages	Consumer Non Durables	1.18
Havells India	Consumer Durables	1.14
Karur Vysya Bank	Banks	1.14
Piramal Enterprises	Pharmaceuticals	1.13
Pidilite Industries	Chemicals	1.12
ABB India	Industrial Capital Goods	1.12
Ashok Leyland	Auto	1.07
Apollo Tyres	Auto Ancillaries	1.07
Steel Authority of India	Ferrous Metals	1.06
Petronet LNG	Gas	1.04
Voltas	Construction Project	1.00
IPCA Laboratories	Pharmaceuticals	0.97
Reliance Capital	Finance	0.94
Procter & Gamble Hygiene and Health Care	Consumer Non Durables	0.94
Canara Bank	Banks	0.92
Bank of India	Banks	0.91
Reliance Power	Power	0.89
The Indian Hotels Company	Hotels	0.88
Amara Raja Batteries	Auto Ancillaries	0.88
CRISIL	Finance	0.86
United Breweries	Consumer Non Durables	0.85
Union Bank of India	Banks	0.85
Bajaj Finance	Finance	0.84
The Great Eastern Shipping Company	Transportation	0.81
Arvind	Textile Products	0.80
CESC	Power	0.80
The Ramco Cements	Cement	0.79
Emami	Consumer Non Durables	0.77
Torrent Pharmaceuticals	Pharmaceuticals	0.76
Jubilant Foodworks	Consumer Non Durables	0.73
Max India	Finance	0.72
Just Dial	Software	0.72
Bata India	Consumer Durables	0.72
Bharat Electronics	Industrial Capital Goods	0.71
Biocon	Pharmaceuticals	0.71
Thermax	Industrial Capital Goods	0.70
Hindustan Zinc	Non - Ferrous Metals	0.67
Mphasis	Software	0.64
The South Indian Bank	Banks	0.63
Sun TV Network	Media & Entertainment	0.60
CMC	Software	0.59
The Jammu & Kashmir Bank	Banks	0.58
Kansai Nerolac Paints	Consumer Non Durables	0.56
Strides Arcolab	Pharmaceuticals	0.55
IRB Infrastructure Developers	Construction	0.55
NHPC	Power	0.54
Century Textiles & Industries	Cement	0.54
Sanofi India	Pharmaceuticals	0.54
Indraprastha Gas	Gas	0.53
JSW Energy	Power	0.52
L&T Finance Holdings	Finance	0.51
Oriental Bank of Commerce	Banks	0.50
GMR Infrastructure	Construction Project	0.49
Gujarat State Petronet	Gas	0.48
Godrej Industries	Consumer Non Durables	0.47
Unitech	Construction	0.46
Jain Irrigation Systems	Industrial Products	0.46
Tata Communications	Telecom - Services	0.46
KPIT Technologies	Software	0.45
IFCI	Finance	0.44
Housing Development and Infrastructure	Construction	0.41
IDBI Bank	Banks	0.41
Torrent Power	Power	0.41
Syndicate Bank	Banks	0.40
Allahabad Bank	Banks	0.40
The Karnataka Bank	Banks	0.38
TV18 Broadcast	Media & Entertainment	0.37
Bhushan Steel	Ferrous Metals	0.15
Cash and Other Assets		0.76
Net Assets		100.00

Procter & Gamble Hygiene and Health Care	Consumer Non Durables	0.94
Canara Bank	Banks	0.92
Bank of India	Banks	0.91
Reliance Power	Power	0.89
The Indian Hotels Company	Hotels	0.88
Amara Raja Batteries	Auto Ancillaries	0.88
CRISIL	Finance	0.86
United Breweries	Consumer Non Durables	0.85
Union Bank of India	Banks	0.85
Bajaj Finance	Finance	0.84
The Great Eastern Shipping Company	Transportation	0.81
Arvind	Textile Products	0.80
CESC	Power	0.80
The Ramco Cements	Cement	0.79
Emami	Consumer Non Durables	0.77
Torrent Pharmaceuticals	Pharmaceuticals	0.76
Jubilant Foodworks	Consumer Non Durables	0.73
Max India	Finance	0.72
Just Dial	Software	0.72
Bata India	Consumer Durables	0.72
Bharat Electronics	Industrial Capital Goods	0.71
Biocon	Pharmaceuticals	0.71
Thermax	Industrial Capital Goods	0.70
Hindustan Zinc	Non - Ferrous Metals	0.67
Mphasis	Software	0.64
The South Indian Bank	Banks	0.63
Sun TV Network	Media & Entertainment	0.60
CMC	Software	0.59
The Jammu & Kashmir Bank	Banks	0.58
Kansai Nerolac Paints	Consumer Non Durables	0.56
Strides Arcolab	Pharmaceuticals	0.55
IRB Infrastructure Developers	Construction	0.55
NHPC	Power	0.54
Century Textiles & Industries	Cement	0.54
Sanofi India	Pharmaceuticals	0.54
Indraprastha Gas	Gas	0.53
JSW Energy	Power	0.52
L&T Finance Holdings	Finance	0.51
Oriental Bank of Commerce	Banks	0.50
GMR Infrastructure	Construction Project	0.49
Gujarat State Petronet	Gas	0.48
Godrej Industries	Consumer Non Durables	0.47
Unitech	Construction	0.46
Jain Irrigation Systems	Industrial Products	0.46
Tata Communications	Telecom - Services	0.46
KPIT Technologies	Software	0.45
IFCI	Finance	0.44
Housing Development and Infrastructure	Construction	0.41
IDBI Bank	Banks	0.41
Torrent Power	Power	0.41
Syndicate Bank	Banks	0.40
Allahabad Bank	Banks	0.40
The Karnataka Bank	Banks	0.38
TV18 Broadcast	Media & Entertainment	0.37
Bhushan Steel	Ferrous Metals	0.15
Cash and Other Assets		0.76
Net Assets		100.00

SECTOR ALLOCATION (TOP 10) (As on September 30, 2014)



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

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 58.21 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 15.81	₹ 15.59
Dividend Option :	₹ 15.81	₹ 15.59

INVESTMENT OBJECTIVE

The primary objective of the scheme is to seek to generate long term capital appreciation with relatively lower volatility through systematic allocation of funds into equity; and in debt / money market instruments for defensive purposes. The Scheme will decide on allocation of funds into equity assets based on equity market Price Earning Ratio (PE Ratio) levels. When the markets become expensive in terms of 'Price to Earnings' Ratio'; the Scheme will reduce its allocation to equities and move assets into debt and/or money market instruments and vice versa.

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	13.92%
Beta [^]	1.16
Sharpe Ratio [^] (Annualised)	0.68
Portfolio Turnover Ratio ^{**}	0.76
Expense Ratio (Regular Plan) ^{#+}	2.71%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

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

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

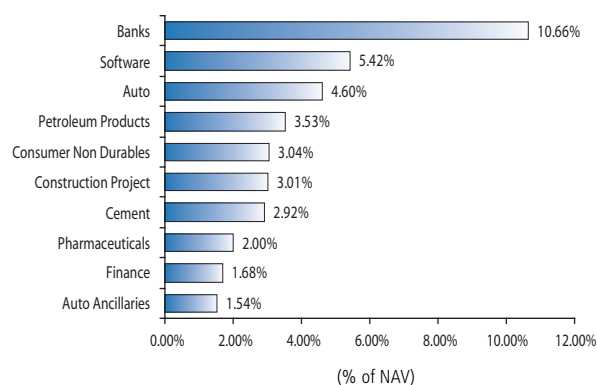
PORTFOLIO (As on September 30, 2014)

Instrument	Industry/Rating	% of NAV
Equity		45.96
ITC	Consumer Non Durables	2.83
ICICI Bank	Banks	2.77
Larsen & Toubro	Construction Project	2.62
Infosys	Software	2.33
Tata Motors	Auto	2.08
Shree Cements	Cement	2.04
Divi's Laboratories	Pharmaceuticals	2.00
Reliance Industries	Petroleum Products	1.94
State Bank of India	Banks	1.89
Maruti Suzuki India	Auto	1.78
HDFC Bank	Banks	1.74
Housing Development Finance Corporation	Finance	1.68
Tech Mahindra	Software	1.60
Axis Bank	Banks	1.44
Bharat Petroleum Corporation	Petroleum Products	1.30
HCL Technologies	Software	1.21
Crompton Greaves	Industrial Capital Goods	1.16
Motherson Sumi Systems	Auto Ancillaries	1.03
Indraprastha Gas	Gas	0.91
Sesa Sterlite	Minerals/Mining	0.88
ING Vysya Bank	Banks	0.76

The Federal Bank	Banks	0.76
IndusInd Bank	Banks	0.73
Adani Ports and Special Economic Zone	Transportation	0.69
National Aluminium Company	Non - Ferrous Metals	0.64
UltraTech Cement	Cement	0.64
Aditya Birla Nuvo	Services	0.59
Bank of Baroda	Banks	0.57
Oil India	Oil	0.55
Apollo Tyres	Auto Ancillaries	0.51
Hero MotoCorp	Auto	0.45
D.B.Corp	Media & Entertainment	0.44
Tata Steel	Ferrous Metals	0.44
Voltas	Construction Project	0.39
Jindal Steel & Power	Ferrous Metals	0.36
IRB Infrastructure Developers	Construction	0.34
Ashok Leyland	Auto	0.29
Hindustan Petroleum Corporation	Petroleum Products	0.29
Wipro	Software	0.28
Oil & Natural Gas Corporation	Oil	0.27
The Ramco Cements	Cement	0.24
Asian Paints	Consumer Non Durables	0.21
GAIL (India)	Gas	0.19
Coromandel International	Fertilisers	0.06
Gujarat State Petronet	Gas	0.04

Certificate of Deposit		7.84
Axis Bank	A1+	7.84
Commercial Paper		42.47
L&T Fincorp	A1+	15.64
JM Financial Products	A1+	11.04
Sabero Organics Gujarat	A1+	7.91
Dewan Housing Finance Corporation	A1+	7.88
Investment Funds/Mutual Funds		6.35
Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds	6.35
Cash and Other Assets		-2.62
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on September 30, 2014)



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

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 370.43 crore

NAV per unit (As on September 30, 2014)

Direct Plan : ₹ 142.18

Regular Plan : ₹ 140.83

INVESTMENT OBJECTIVE

To provide long term growth of capital. The Investment Manager will aim to achieve a return on assets in excess of the performance of S&P BSE 100 Index.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
March 25, 2008	40.0000	124.66
February 26, 2008	20.0000	172.57
December 31, 2007	11.0000	221.26
October 30, 2007	11.0000	190.53
March 13, 2006	10.0000	118.96
November 2, 2005	40.0000	124.43

* On face value of ₹ 10.

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

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

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	16.45%
Beta [^]	0.93
Sharpe Ratio [^] (Annualised)	0.67
Portfolio Turnover Ratio ^{**}	0.81
Expense Ratio (Regular Plan) ^{#+}	2.53%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

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

PORTFOLIO (As on September 30, 2014)

Instrument	Industry	% of NAV
Equity		97.07
ITC	Consumer Non Durables	6.01
ICICI Bank	Banks	5.82
Larsen & Toubro	Construction Project	5.55
Infosys	Software	4.92
Tata Motors	Auto	4.38
Shree Cements	Cement	4.32
Divi's Laboratories	Pharmaceuticals	4.26
Reliance Industries	Petroleum Products	4.11
State Bank of India	Banks	4.00
Maruti Suzuki India	Auto	3.78
HDFC Bank	Banks	3.70
Housing Development Finance Corpn.	Finance	3.57
Tech Mahindra	Software	3.40
Axis Bank	Banks	3.06
Bharat Petroleum Corporation	Petroleum Products	2.72
HCL Technologies	Software	2.56

Crompton Greaves	Industrial Capital Goods	2.41
Motherson Sumi Systems	Auto Ancillaries	2.18
Indraprastha Gas	Gas	1.93
Sesa Sterlite	Minerals/Mining	1.85
ING Vysya Bank	Banks	1.59
The Federal Bank	Banks	1.59
IndusInd Bank	Banks	1.53
Adani Ports and Special Economic Zone	Transportation	1.44
National Aluminium Company	Non - Ferrous Metals	1.34
UltraTech Cement	Cement	1.34
Aditya Birla Nuvo	Services	1.23
Bank of Baroda	Banks	1.21
Oil India	Oil	1.15
Apollo Tyres	Auto Ancillaries	1.09
Hero MotoCorp	Auto	0.95
D.B.Corp	Media & Entertainment	0.93
Tata Steel	Ferrous Metals	0.93
Volta	Construction Project	0.81
Jindal Steel & Power	Ferrous Metals	0.76
IRB Infrastructure Developers	Construction	0.69
Ashok Leyland	Auto	0.62
Hindustan Petroleum Corporation	Petroleum Products	0.61
Wipro	Software	0.59
Oil & Natural Gas Corporation	Oil	0.58
The Ramco Cements	Cement	0.49
Asian Paints	Consumer Non Durables	0.45
GAIL (India)	Gas	0.40
Coromandel International	Fertilisers	0.13
Gujarat State Petronet	Gas	0.09

Investment Funds/Mutual Funds **1.50**

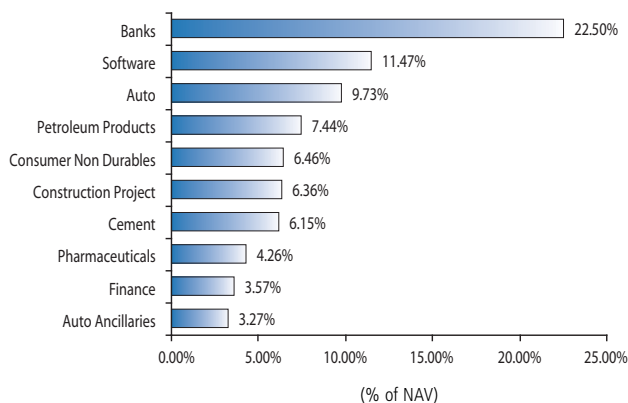
Principal Cash Management Fund -
Direct Plan - Growth Option

Mutual Funds 1.50

Cash and Other Assets **1.43**

Net Assets **100.00**

SECTOR ALLOCATION (TOP 10) (As on September 30, 2014)



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

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 251.23 crore

NAV per unit (As on September 30, 2014)

Direct Plan : ₹ 130.37

Regular Plan : ₹ 129.28

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
September 30, 2008	8.0000	90.1200
January 15, 2007	5.0000	83.6600

* On face value of ₹ 10.

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

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

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	18.67%
Beta [^]	1.04
Sharpe Ratio [^] (Annualised)	0.89
Portfolio Turnover Ratio ^{**}	1.04
Expense Ratio (Regular Plan) ^{#+}	2.56%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

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

PORTFOLIO (As on September 30, 2014)

Instrument	Industry	% of NAV
Equity		95.36
ICICI Bank	Banks	4.32
ITC	Consumer Non Durables	4.12
Tata Motors	Auto	3.51
Reliance Industries	Petroleum Products	3.07
Maruti Suzuki India	Auto	2.98
The Federal Bank	Banks	2.65
Aurobindo Pharma	Pharmaceuticals	2.53
Infosys	Software	2.46
HCL Technologies	Software	2.44
Ashok Leyland	Auto	2.43
Tech Mahindra	Software	2.32
HDFC Bank	Banks	2.25
Lupin	Pharmaceuticals	2.16
Housing Development Finance Corpn.	Finance	2.09
JK Cement	Cement	2.07
Tata Consultancy Services	Software	2.03
TVS Motor Company	Auto	2.02
Bharat Forge	Industrial Products	1.98
State Bank of India	Banks	1.95
Hindustan Zinc	Non - Ferrous Metals	1.80
Sesa Sterlite	Minerals/Mining	1.80

Britannia Industries	Consumer Non Durables	1.79
Cipla	Pharmaceuticals	1.77
Wipro	Software	1.58
Bharat Petroleum Corporation	Petroleum Products	1.58
PC Jeweller	Consumer Durables	1.51
National Aluminium Company	Non - Ferrous Metals	1.50
Jain Irrigation Systems	Industrial Products	1.49
Oil & Natural Gas Corporation	Oil	1.46
Crompton Greaves	Industrial Capital Goods	1.46
Hindustan Construction Company	Construction Project	1.45
Oil India	Oil	1.42
Aditya Birla Nuvo	Services	1.34
The India Cements	Cement	1.31
Andhra Bank	Banks	1.31
Motherson Sumi Systems	Auto Ancillaries	1.29
Tata Steel	Ferrous Metals	1.28
UltraTech Cement	Cement	1.23
Bank of Baroda	Banks	1.23
Oriental Bank of Commerce	Banks	1.21
Larsen & Toubro	Construction Project	1.18
Indiabulls Power	Power	1.16
The Ramco Cements	Cement	1.11
Apollo Tyres	Auto Ancillaries	1.11
ING Vysya Bank	Banks	1.10
Volta	Construction Project	1.10
Cyient	Software	1.09
Indraprastha Gas	Gas	1.08
Prestige Estates Projects	Construction	1.00
Persistent Systems	Software	0.99
Axis Bank	Banks	0.95
UPL	Pesticides	0.90
Hindalco Industries	Non - Ferrous Metals	0.85
Power Finance Corporation	Finance	0.80
Jet Airways (India)	Transportation	0.75

Investment Funds/Mutual Funds **1.18**

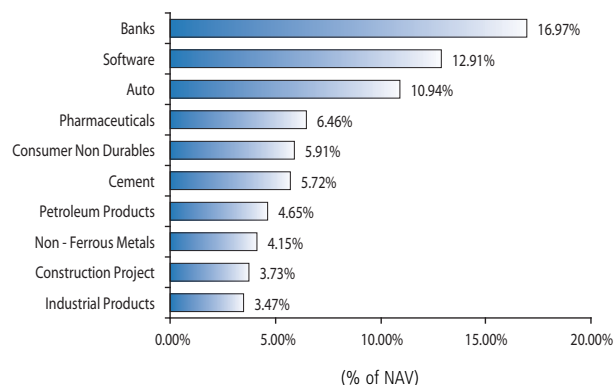
Principal Cash Management Fund - Direct Plan - Growth Option

Mutual Funds 1.18

Cash and Other Assets **3.46**

Net Assets 100.00

SECTOR ALLOCATION (TOP 10) (As on September 30, 2014)



Principal Balanced Fund (An open-ended balanced scheme)

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 21.91 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 47.64	₹ 46.94
Dividend Option :	₹ 24.10	₹ 23.73

INVESTMENT OBJECTIVE

To provide long term appreciation and current income by investing in a portfolio of equity, equity related securities and fixed income securities.

DIVIDEND UPDATE (REGULAR PLAN)

Date	Dividend (₹/Unit)*	Cum Dividend NAV
March 24, 2008	2.5000	14.9200
November 5, 2007	6.0000	23.9000
November 9, 2005	3.2000	16.4100

Past performance may or may not be sustained in the future. * On face value of ₹ 10.
Note: All Dividend (₹/Unit) figures are Gross Dividend.

RATIOS & OTHER DETAILS (As on September 30, 2014)

Standard Deviation [^] (Annualised)	13.35%
Beta [^]	1.08
Sharpe Ratio [^] (Annualised)	0.74
Portfolio Turnover Ratio ^{**}	0.77
Expense Ratio (Regular Plan) ^{#+}	2.71%

Note: [^] The above measures have been calculated by taking rolling returns for a 3 year period with 8.5201% risk free rate of return (91 days - T Bill Rate as on Sept. 24, 2014).

^{**} The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

[#] Calculated as year to date ratio to average AUM, excluding service tax on management fees.

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

AVERAGE MATURITY (As on September 30, 2014)

2.57 years

MODIFIED DURATION (As on September 30, 2014)

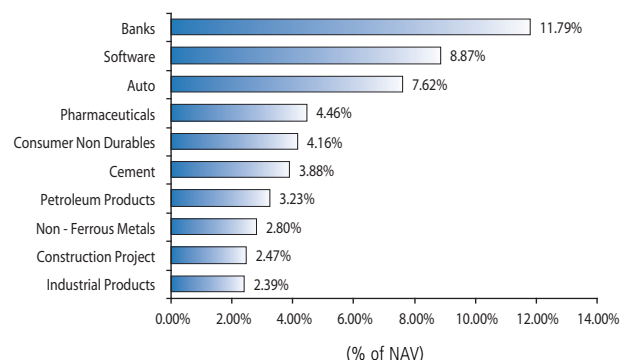
1.56 years

PORTFOLIO (As on September 30, 2014)

Instrument	Industry / Rating	% of NAV
Equity		65.42
ICICI Bank	Banks	3.04
ITC	Consumer Non Durables	2.85
Tata Motors	Auto	2.43
Reliance Industries	Petroleum Products	2.11
Maruti Suzuki India	Auto	2.05
The Federal Bank	Banks	1.82
Aurobindo Pharma	Pharmaceuticals	1.76
Ashok Leyland	Auto	1.73
Infosys	Software	1.69
HCL Technologies	Software	1.68
Tech Mahindra	Software	1.60
HDFC Bank	Banks	1.55
Lupin	Pharmaceuticals	1.52
JK Cement	Cement	1.45
Housing Development Finance Corpn.	Finance	1.42
TVS Motor Company	Auto	1.41
Tata Consultancy Services	Software	1.40
Bharat Forge	Industrial Products	1.39
State Bank of India	Banks	1.37

Britannia Industries	Consumer Non Durables	1.31
Sesa Sterlite	Minerals/Mining	1.24
Hindustan Zinc	Non - Ferrous Metals	1.23
Cipla	Pharmaceuticals	1.18
Bharat Petroleum Corporation	Petroleum Products	1.12
Wipro	Software	1.08
PC Jeweller	Consumer Durables	1.02
Jain Irrigation Systems	Industrial Products	1.00
Crompton Greaves	Industrial Capital Goods	0.99
National Aluminium Company	Non - Ferrous Metals	0.98
Oil & Natural Gas Corporation	Oil	0.97
Hindustan Construction Company	Construction Project	0.93
Motherson Sumi Systems	Auto Ancillaries	0.91
Oil India	Oil	0.90
Andhra Bank	Banks	0.90
Aditya Birla Nuvo	Services	0.89
Tata Steel	Ferrous Metals	0.88
Bank of Baroda	Banks	0.88
Oriental Bank of Commerce	Banks	0.85
UltraTech Cement	Cement	0.84
The India Cements	Cement	0.82
Larsen & Toubro	Construction Project	0.78
The Ramco Cements	Cement	0.77
Cyient	Software	0.76
Indraprastha Gas	Gas	0.76
Volta	Construction Project	0.76
Apollo Tyres	Auto Ancillaries	0.74
ING Vysya Bank	Banks	0.73
Indiabulls Power	Power	0.72
Prestige Estates Projects	Construction	0.71
Persistent Systems	Software	0.66
Axis Bank	Banks	0.65
Hindalco Industries	Non - Ferrous Metals	0.59
Power Finance Corporation	Finance	0.57
UPL	Pesticides	0.56
Jet Airways (India)	Transportation	0.47
Commercial Paper		17.68
JM Financial Products	A1+	8.84
Dewan Housing Finance Corporation	A1+	8.84
Treasury Bill		0.22
T-Bill 91 Day 2014	Sovereign	0.22
Sovereign		6.67
8.60% GOI -M- 02-JUN-2028	Sovereign	4.43
08.83% GOI -M- 25-NOV-2023	Sovereign	2.24
Bonds & NCDs		0.23
Housing Development Finance Corporation	AAA	2.23
Cash and Other Assets		7.78
Net Assets		100.00

SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on September 30, 2014)



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

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

FUND FEATURES

QAUM (For the period July to September 2014):
₹ 24.67 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 26.9339	₹ 26.5720
Dividend Option (Monthly) :	₹ 10.8639	₹ 10.7714
Dividend Option (Quarterly) :	₹ 12.4463	₹ 12.1881

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
September 24, 2014	0.0882	10.8704	0.0785	10.9520
August 22, 2014	0.0778	10.8567	0.0534	10.9058
July 24, 2014	0.1197	10.8986	0.1268	10.9480
Quarterly Dividend (Last 3 Quarters)				
September 24, 2014	0.3005	12.5012	0.11747	12.5748
June 24, 2014	0.4923	12.6638	0.58530	12.8054
June 24, 2013	0.1000	12.3283	0.1000	12.3757

* On face value of ₹ 10.

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

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

RATIO (As on September 30, 2014)

Portfolio Turnover Ratio** -

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

AVERAGE MATURITY OF THE DEBT PORTFOLIO (As on September 30, 2014)

7.23 years

MODIFIED DURATION OF THE DEBT PORTFOLIO (As on September 30, 2014)

4.56 years

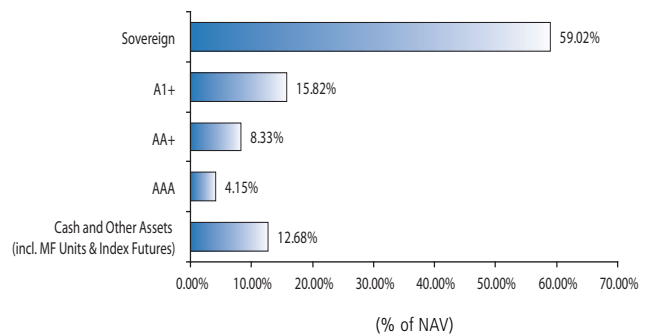
PORTFOLIO (As on September 30, 2014)

Instrument	Industry/Rating	% of NAV
Derivatives		
NIFTY Index Future Oct 2014	Index Futures	1.99
Commercial Paper		
IFMR Capital Finance Private	A1+	15.82
Treasury Bill		
T-Bill 91 Day 2014	Sovereign	1.48
Sovereign		
8.40% GOI -M- 28-JUL-2024	Sovereign	41.07
8.60% GOI -M- 02-JUN-2028	Sovereign	16.47
Bonds & NCDs		
Fullerton India Credit Company Ltd	AA+	6.27
LIC Housing Finance	AAA	4.15
Lafarge India Pvt. Ltd.	AA+	2.06
Investment Funds/Mutual Funds		
Principal Index Fund - Direct - Growth Plan	Mutual Funds	9.97
Cash and Other Assets		
		0.72
Net Assets		100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Industry / Ratings	% of NAV
Sovereign	59.54
Commercial Paper	15.82
Bonds & NCDs	12.48
Investment Funds/Mutual Funds	9.97
Derivatives	1.99
Treasury Bill	1.48
Cash and Other Assets	0.72

RATING PROFILE (As on September 30, 2014)



Principal Government Securities Fund

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

FUND FEATURES

QAUM (For the period July to September 2014):
₹ 50.36 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 25.4661	₹ 25.2450
Dividend Option (Quarterly) :	₹ 11.8549	₹ 11.8225
Dividend Option (Annual) :	₹ 13.4415	₹ 13.0498

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Quarterly Dividend Option (Last 3 Quarters)				
September 24, 2014	0.2602	12.0872	0.2747	12.1324
June 24, 2014	0.0717	11.8658	0.1317	11.9551
June 24, 2013	0.3000	12.1624	0.3000	12.1911
Annual Dividend Option (Last 3 Years)				
September 24, 2014	1.1532	14.2079	1.2578	14.7028
September 24, 2013	0.7559	13.7794	0.4192	13.8300
September 24, 2012	0.8000	14.1275	–	–

* On face value of ₹ 10.

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

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

AVERAGE MATURITY (As on September 30, 2014)

10.22 years

MODIFIED DURATION (As on September 30, 2014)

6.4 years

MATURITY PROFILE

Period	Portfolio (%)
Less than 3 years	2.17
5 - 10 years	49.80
10 - 15 years	15.61
Above 15 years	24.49
Cash and Other Assets	7.93

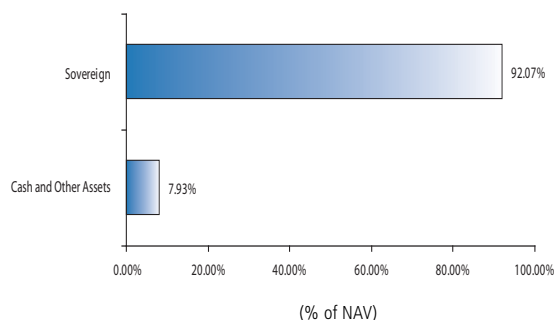
PORTFOLIO (As on September 30, 2014)

Instrument	Rating	% of NAV
Treasury Bill		2.17
T-Bill 91 Day 2014	Sovereign	2.17
Sovereign		89.90
8.83% GOI -M- 25-NOV-2023	Sovereign	28.62
9.20% GOI -M- 30-SEP-2030	Sovereign	24.49
8.60% GOI -M- 02-JUN-2028	Sovereign	15.61
7.16% GOI -M- 20-MAY-2023	Sovereign	11.53
8.27% GOI -M- 09-JUN-2020	Sovereign	9.65
Cash and Other Assets		7.93
Net Assets		100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Ratings	% of NAV
Sovereign	89.90
Treasury Bill	2.17
Cash and Other Assets	7.93

RATING PROFILE (As on September 30, 2014)



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

FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 73.42 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 22.2492	₹ 21.9462
Dividend Option (Quarterly) :	₹ 13.0307	₹ 12.9784
Dividend Option (Annual) :	₹ 11.4976	₹ 11.1850

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Quarterly Dividend Option (Last 3 Quarters)				
September 24, 2014	0.2291	13.2017	0.2495	13.2729
June 24, 2014	0.3918	13.3283	0.5050	13.4906
June 24, 2013	0.3000	13.2785	0.3000	13.3264
Annual Dividend Option (Last 3 Years)				
September 24, 2014	0.9630	12.1429	1.0896	12.5807
September 24, 2013	0.7029	11.8468	0.4597	11.9117
September 24, 2012	1.0000	12.3525	-	-

* On face value of ₹ 10.

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

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

AVERAGE MATURITY (As on September 30, 2014)

7.75 years

MODIFIED DURATION (As on September 30, 2014)

5.05 years

MATURITY PROFILE

Period	Portfolio (%)
Less than 1 year	6.84
1 - 3 years	8.21
3 - 5 years	7.19
5 - 10 years	47.55
Above 10 years	22.04
Cash and Other Assets	8.17

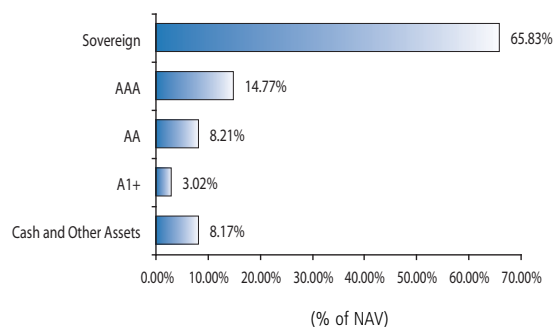
PORTFOLIO (As on September 30, 2014)

Instrument	Rating	% of NAV
Commercial Paper		
Vodafone India	A1+	3.02
Treasury Bill		
T-Bill 91 Day 2014	Sovereign	3.11
Sovereign		
62.72		
8.83% GOI -M- 25-NOV-2023	Sovereign	29.02
9.20% GOI -M- 30-SEP-2030	Sovereign	12.00
8.60% GOI -M- 02-JUN-2028	Sovereign	10.04
8.27% GOI -M- 09-JUN-2020	Sovereign	7.09
7.16% GOI -M- 20-MAY-2023	Sovereign	4.57
Bonds & NCDs		
22.98		
Cholamandalam Investment and Finance Co.	AA	8.21
Housing Development Finance Corporation	AAA	7.33
Reliance Utilities and Power P. Ltd	AAA	6.87
Rural Electrification Corporation	AAA	0.57
Cash and Other Assets		
8.17		
Net Assets		
100.00		

COMPOSITION BY ASSETS (As on September 30, 2014)

Ratings	% of NAV
Sovereign	62.72
Bonds & NCDs	22.98
Treasury Bill	3.11
Commercial Paper	3.02
Cash and Other Assets	8.17

RATING PROFILE (As on September 30, 2014)



Principal Debt Opportunities Fund - Corporate Bond Plan

(An open-ended debt scheme)

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 5.93 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 2072.8019	₹ 2052.3754
Dividend Option (Monthly) :	₹ 1244.3149	₹ 1241.4407

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
September 24, 2014	10.4597	1245.9782	11.3617	1249.8256
August 22, 2014	6.1422	1241.6607	6.8594	1245.3233
July 24, 2014	7.9112	1243.4297	8.6428	1247.1067

* On face value of ₹ 1,000/-.

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

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

AVERAGE MATURITY (As on September 30, 2014)

38 days

MODIFIED DURATION (As on September 30, 2014)

37 days

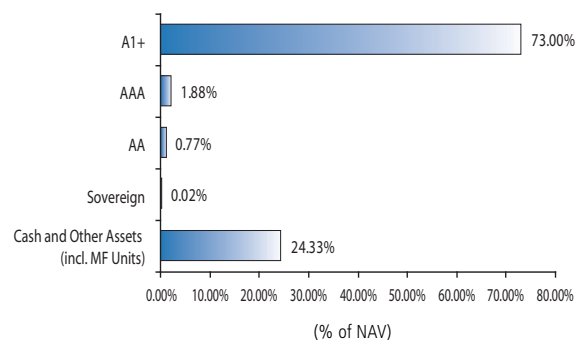
PORTFOLIO (As on September 30, 2014)

Instrument	Rating	% of NAV
Commercial Paper		
Sabero Organics Gujarat	A1+	27.84
JK Lakshmi Cement	A1+	27.74
Bilt Graphic Paper Products Ltd	A1+	15.24
Cox & Kings	A1+	1.15
Vodafone India	A1+	1.03
Treasury Bill		
T-Bill 91 Day 2014	Sovereign	0.02
Bonds & NCDs		
Power Finance Corporation	AAA	0.93
Cholamandalam Investment and Finance Company	AA	0.77
Rural Electrification Corporation	AAA	0.76
Power Grid Corporation of India	AAA	0.19
Investment Funds/Mutual Funds		
Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds	20.17
Cash and Other Assets		
Net Assets		
		100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Industry / Ratings	% of NAV
Commercial Paper	73.00
Investment Funds/Mutual Funds	20.17
Bonds & NCDs	2.65
Treasury Bill	0.02
Cash and Other Assets	4.16

RATING PROFILE (As on September 30, 2014)



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

FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 92.28 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 23.4988	₹ 23.2279
Dividend Option (Monthly) :	₹ 12.8724	₹ 12.8385

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
September 24, 2014	0.1175	12.9369	0.1254	12.9772
August 22, 2014	0.0611	12.8805	0.0679	12.9197
July 24, 2014	0.0765	12.8959	0.0836	12.9354

* On face value of ₹ 10.

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

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

AVERAGE MATURITY (As on September 30, 2014)

2.04 years

MODIFIED DURATION (As on September 30, 2014)

1.64 years

PORTFOLIO (As on September 30, 2014)

Instrument	Rating	% of NAV
Certificate of Deposit		5.16
Union Bank of India	A1+	5.16
Commercial Paper		19.96
IFMR Capital Finance Private	A1+	7.02
Cox & Kings	A1+	5.17
Bilt Graphic Paper Products Ltd	A1+	5.16
JK Lakshmi Cement	A1+	2.61
Treasury Bill		1.25
T-Bill 91 Day 2014	Sovereign	1.25

Sovereign 10.11

8.12% GOI -M- 10-DEC-2020	Sovereign	5.11
7.28% GOI -M- 03-JUN-2019	Sovereign	5.00

Bonds & NCDs 58.74

Power Finance Corporation	AAA	17.15
Housing Development Finance Corporation	AAA	10.59
Tata Motors	AA+	10.46
LIC Housing Finance	AAA	5.28
Power Grid Corporation of India	AAA	5.28
Rural Electrification Corporation	AAA	5.27
Cholamandalam Investment and Finance Company	AA	4.71

Investment Funds/Mutual Funds 2.10

Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds	2.10
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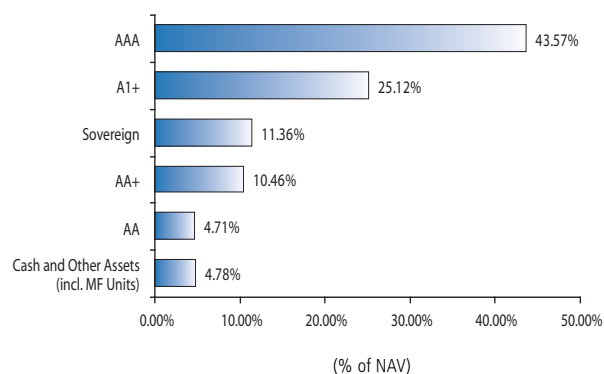
Cash and Other Assets 2.68

Net Assets 100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Ratings	% of NAV
Bonds & NCDs	58.74
Commercial Paper	19.96
Sovereign	10.11
Certificate of Deposit	5.16
Investment Funds/Mutual Funds	2.10
Treasury Bill	1.25
Cash and Other Assets	2.68

RATING PROFILE (As on September 30, 2014)



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

FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 135.40 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1726.1808	₹ 1714.6319
Dividend Option (Monthly) :	₹ 1127.5162	₹ 1126.2967

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
September 24, 2014	8.4039	1133.0300	9.0796	1134.8023
August 22, 2014	6.6676	1131.2937	7.2594	1132.9821
July 24, 2014	6.6884	1131.3145	7.3002	1133.0229

* On face value of ₹ 1,000/-

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

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

AVERAGE MATURITY (As on September 30, 2014)

156 days

MODIFIED DURATION (As on September 30, 2014)

153 days

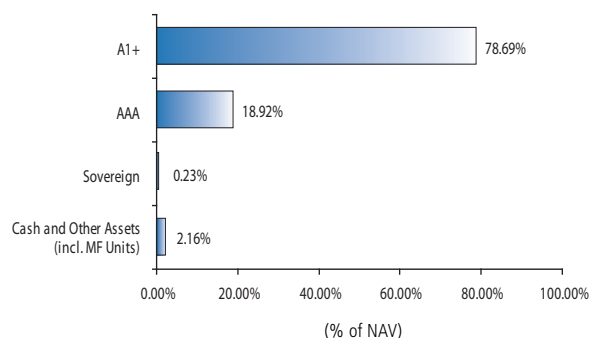
PORTFOLIO (As on September 30, 2014)

Instrument	Rating	% of NAV
Certificate of Deposit		78.69
Canara Bank	A1+	21.87
Corporation Bank	A1+	18.23
Bank of Baroda	A1+	15.69
Bank of India	A1+	8.23
The Jammu And Kashmir Bank	A1+	7.31
Union Bank of India	A1+	7.29
The Ratnakar Bank	A1+	0.07
Treasury Bill		0.23
T-Bill 91 Day 2014	Sovereign	0.23
Bonds & NCDs		18.92
Kotak Mahindra Prime	AAA	7.57
Housing Development Finance Corporation	AAA	7.56
Small Industries Development Bank of India	AAA	3.79
Investment Funds/Mutual Funds		0.76
Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds	0.76
Cash and Other Assets		1.40
Net Assets		100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Ratings	% of NAV
Certificate of Deposit	78.69
Bonds & NCDs	18.92
Investment Funds/Mutual Funds	0.76
Treasury Bill	0.23
Cash and Other Assets	1.40

RATING PROFILE (As on September 30, 2014)



Principal Debt Opportunities Fund - Conservative Plan

(An open-ended debt scheme)

Credit
Risk Rating
[ICRA] AAAmfs⁺⁺

FUND FEATURES

QAAUM (For the period July to September 2014):

₹ 472.17 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 2134.4869	₹ 2111.0546
Dividend Option (Daily) :	₹ 1001.7605	₹ 1001.5677
Dividend Option (Weekly) :	₹ 1004.0661	₹ 1001.9392
Dividend Option (Monthly) :	₹ 1142.9266	₹ 1140.7922

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
September 24, 2014	8.1726	1147.2919	9.1655	1150.2394
August 22, 2014	6.8938	1146.0131	7.7642	1148.8381
July 24, 2014	6.9737	1146.0930	7.8797	1148.9536

* On face value of ₹ 1,000/-.

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

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

AVERAGE MATURITY (As on September 30, 2014)

96 days

MODIFIED DURATION (As on September 30, 2014)

96 days

PORTFOLIO (As on September 30, 2014)

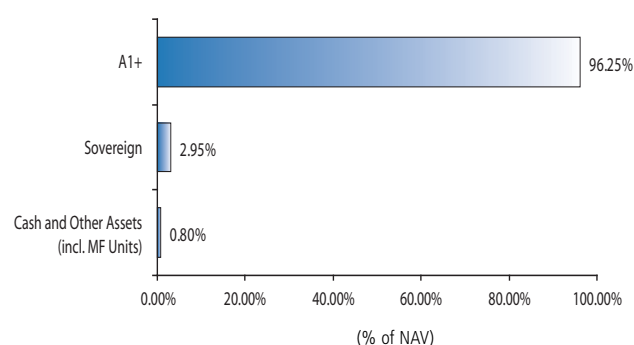
Instrument	Rating	% of NAV
Certificate of Deposit		
37.36		
State Bank of Bikaner and Jaipur	A1+	10.80
Union Bank of India	A1+	9.73
Canara Bank	A1+	5.42
State Bank of Patiala	A1+	5.41
Corporation Bank	A1+	5.16
Indian Bank	A1+	0.84

Commercial Paper			58.89
Dewan Housing Finance Corporation	A1+		10.86
National Bank for Agriculture & Rural Development	A1+		10.82
JM Financial Products	A1+		10.66
Bilt Graphic Paper Products Ltd	A1+		6.91
Magma Housing Finance	A1+		5.42
Power Finance Corporation	A1+		5.15
Cox & Kings	A1+		4.16
IFMR Capital Finance Private	A1+		2.73
Religare Housing Development Financial Corporation	A1+		2.18
Treasury Bill			2.95
T-Bill 91 Day 2014	Sovereign		2.95
Investment Funds/Mutual Funds			3.30
Principal Cash Management Fund - Direct Plan - Growth Option	Mutual Funds		3.30
Cash and Other Assets			-2.50
Net Assets			100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Ratings	% of NAV
Commercial Paper	58.89
Certificate of Deposit	37.36
Investment Funds/Mutual Funds	3.30
Treasury Bill	2.95
Cash and Other Assets	-2.50

RATING PROFILE (As on September 30, 2014)



Past performance is no guarantee of future result. (** for rating methodology please refer page 35.)

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



FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 1,579.56 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1303.8206	₹ 1301.6315
Dividend Option (Daily) :	₹ 1000.3870	₹ 1000.3037
Dividend Option (Weekly) :	₹ 1008.2696	₹ 1007.5455
Dividend Option (Monthly) :	₹ 1024.2856	₹ 1024.2571

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
September 24, 2014	7.9351	1030.6595	8.0010	1030.7422
August 22, 2014	6.8699	1029.5943	6.9269	1029.6681
July 24, 2014	7.1836	1029.9080	7.2431	1029.9843

* On face value of ₹ 1,000/-.

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

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

AVERAGE MATURITY (As on September 30, 2014)

67 days

MODIFIED DURATION (As on September 30, 2014)

66 days

PORTFOLIO (As on September 30, 2014)

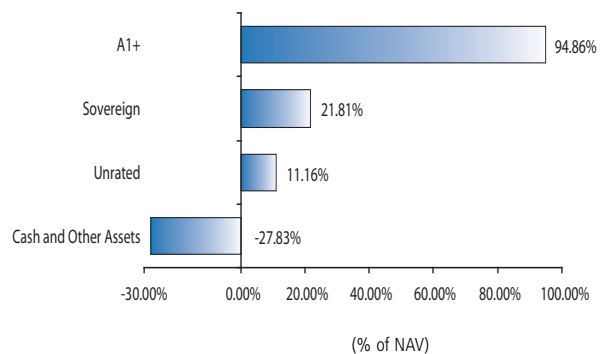
Instrument	Rating	% of NAV
Certificate of Deposit		
Canara Bank	A1+	18.52
The Jammu & Kashmir Bank	A1+	2.22
Commercial Paper		
National Bank for Agriculture & Rural Development	A1+	10.99
Magma ITL Finance	A1+	8.30
Magma Housing Finance	A1+	7.81
Dewan Housing Finance Corporation	A1+	7.21
Religare Finvest	A1+	5.54
Maithon Power	A1+	5.53
Edelweiss Commodities Services	A1+	5.51

TVS Credit Services	A1+	5.51
JM Financial Products	A1+	4.21
JK Lakshmi Cement	A1+	2.77
The Ramco Cements	A1+	2.77
Sabero Organics Gujarat	A1+	2.43
Kotak Commodity Services	A1+	1.66
Religare Housing Development Financial Corporation	A1+	1.66
Edelweiss Financial Services	A1+	1.11
Hero Cycles	A1+	1.11
Treasury Bill		21.81
T-Bill 91 Day 2014	Sovereign	16.87
T-Bill 364 Day 2014	Sovereign	2.75
T-Bill 182 Day 2014	Sovereign	2.19
Fixed Deposit		11.16
Corporation Bank	Unrated	11.16
Cash and Other Assets		-27.83
Net Assets		100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Ratings	% of NAV
Commercial Paper	74.12
Treasury Bill	21.81
Certificate of Deposit	20.74
Fixed Deposit	11.16
Cash and Other Assets	-27.83

RATING PROFILE (As on September 30, 2014)



Past performance is no guarantee of future result. (** for rating methodology please refer page 35.)

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

FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 23.96 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 22.7386	₹ 22.5980
Dividend Option:	₹ 22.7386	₹ 22.5980

INVESTMENT OBJECTIVE

To provide long term capital appreciation by predominantly investing in overseas mutual fund schemes, and a certain portion of its corpus in Money Market Securities and/or units of Money Market / Liquid Schemes of Principal Mutual Fund.

PORTFOLIO (As on September 30, 2014)

Instrument	% of NAV
Foreign Securities	
I. Units of Mutual Fund / Unit Trust	95.44
Principal Global Investors Funds - Emerging Markets Equity Fund	
II. Cash and Other Current Assets	4.56
Net Assets	100.00

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

FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 24.38 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1513.0976	₹ 1510.4608
Dividend Option (Daily) :	N.A.	₹ 1005.4300
Dividend Option (Weekly) :	N.A.	₹ 1013.8571
Dividend Option (Monthly) :	₹ 1060.4709	₹ 1060.4143

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
September 24, 2014	8.4281	1067.2573	8.5247	1067.3933
August 22, 2014	7.3173	1066.1465	7.4029	1066.2715
July 24, 2014	7.6405	1066.4697	7.7278	1066.5964

* On face value of ₹ 1,000/-.

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

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

AVERAGE MATURITY (As on September 30, 2014)

40 days

MODIFIED DURATION (As on September 30, 2014)

40 days

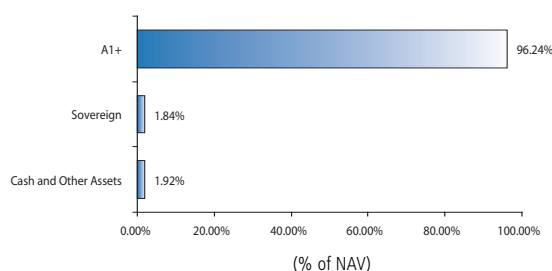
PORTFOLIO (As on September 30, 2014)

Instrument	Rating	% of NAV
Certificate of Deposit		18.78
Canara Bank	A1+	18.78
Commercial Paper		77.46
Sabero Organics Gujarat	A1+	18.93
JK Lakshmi Cement	A1+	17.04
Magma Housing Finance	A1+	15.03
Dewan Housing Finance Corporation	A1+	11.36
JM Financial Products	A1+	11.36
Bilt Graphic Paper Products Ltd	A1+	3.74
Treasury Bill		1.84
T-Bill 91 Day 2014	Sovereign	1.84
Cash and Other Assets		1.92
Net Assets		100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Ratings	% of NAV
Commercial Paper	77.46
Certificate of Deposit	18.78
Treasury Bill	1.84
Cash and Other Assets	1.92

RATING PROFILE (As on September 30, 2014)



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

- Retail Plan

FUND FEATURES

QAAUM (For the period July to September 2014):
₹ 23.78 crore

NAV per unit (As on September 30, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 23.6273	₹ 23.2866
Dividend Plan (Monthly) :	N.A.	₹ 10.2599
Dividend Plan (Quarterly) :	₹ 11.9234	₹ 11.8547

INVESTMENT OBJECTIVE

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

DIVIDEND UPDATE

Date	Regular Plan		Direct Plan	
	Dividend (₹/Unit)*	Cum Dividend NAV	Dividend (₹/Unit)*	Cum Dividend NAV
Monthly Dividend (Last 3 Months)				
September 24, 2014	0.0807	10.3277	-	-
August 24, 2014	0.0659	10.3129	-	-
July 24, 2014	0.0722	10.3192	-	-
Quarterly Dividend (Last 3 Quarters)				
September 24, 2014	0.2332	12.073	0.2557	12.1627
June 24, 2014	0.2491	12.0679	0.2714	12.1556
March 24, 2014	0.2170	12.0393	0.2380	12.124

* On face value of ₹ 10.

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

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

RATIO (As on September 30, 2014)

Portfolio Turnover Ratio** -

** The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during the 12 month rolling year/period divided by the 12 month rolling year/period Average asset under Management for the relevant year/period.

AVERAGE MATURITY (As on September 30, 2014)

1.88 years

MODIFIED DURATION (As on September 30, 2014)

1.57 years

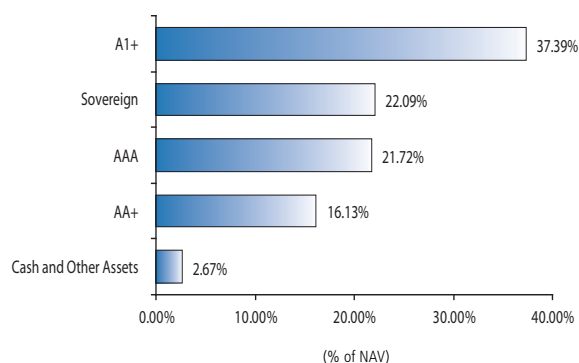
PORTFOLIO (As on September 30, 2014)

Instrument	Rating	% of NAV
Certificate of Deposit		
The Jammu And Kashmir Bank	A1+	16.24
Canara Bank	A1+	8.53
Commercial Paper		
Bilt Graphic Paper Products Ltd	A1+	8.49
IFMR Capital Finance Private	A1+	4.13
Treasury Bill		
T-Bill 91 Day 2014	Sovereign	1.51
Sovereign		
7.28% GOI -M- 03-JUN-2019	Sovereign	20.58
Bonds & NCDs		
Housing Development Finance Corporation	AAA	19.53
Fullerton India Credit Company Ltd	AA+	10.92
Bajaj Finance	AA+	4.35
Power Grid Corporation of India	AAA	2.19
Lafarge India Pvt. Ltd.	AA+	0.86
Cash and Other Assets		
		2.67
Net Assets		100.00

COMPOSITION BY ASSETS (As on September 30, 2014)

Industry / Ratings	of NAV
Bonds & NCDs	37.85
Certificate of Deposit	24.77
Sovereign	20.58
Commercial Paper	12.62
Treasury Bill	1.51
Cash and Other Assets	2.67

RATING PROFILE (As on September 30, 2014)



SCHEMES MANAGED BY MR. ANUPAM TIWARI

PRINCIPAL LARGE CAP FUND

Performance Date	Scheme Returns				Scheme's Benchmark (S&P BSE 100 Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	49.79	14978.98	50.56	15055.79	40.05	14005.15	38.87	13887.33
28-Sep-12 to 30-Sep-13	-1.89	9810.93	N.A.	N.A.	0.39	10038.60	0.56	10056.11
30-Sep-11 to 28-Sep-12	16.31	11631.35	N.A.	N.A.	14.13	11412.66	15.38	11537.55
Since Inception 11-Nov-05 to 30-Sep-14	17.75	42750.00	N.A.	N.A.	13.54	30919.20	13.67	31251.05
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	20.46	13830.88	17.27	13199.06	17.73	13289.62

PRINCIPAL PERSONAL TAX SAVER FUND

Performance Date	Scheme Returns				Scheme's Benchmark (S&P BSE 100 Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	49.93	14993.08	50.69	15069.42	40.05	14005.15	38.87	13887.33
28-Sep-12 to 30-Sep-13	-1.62	9837.66	N.A.	N.A.	0.39	10038.60	0.56	10056.11
30-Sep-11 to 28-Sep-12	15.82	11581.76	N.A.	N.A.	14.13	11412.66	15.38	11537.55
Since Inception 31-Mar-96 to 30-Sep-14	22.33	417184.20	N.A.	N.A.	12.55	89205.18	11.95	80836.29
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	20.63	13864.46	17.27	13199.06	17.73	13289.62

PRINCIPAL SMART EQUITY FUND

Performance Date	Scheme Returns				Scheme's Benchmark (Crisil Balanced Fund Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	42.50	14250.46	43.47	14346.64	28.89	12889.12	38.87	13887.33
28-Sep-12 to 30-Sep-13	0.00	10000.00	N.A.	N.A.	1.87	10187.27	0.56	10056.11
30-Sep-11 to 28-Sep-12	15.89	11588.98	N.A.	N.A.	13.72	11372.04	15.38	11537.55
Since Inception 16-Dec-10 to 30-Sep-14	12.42	15590.00	N.A.	N.A.	8.25	13507.29	8.00	13389.03
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	19.33	13605.85	14.20	12603.00	17.73	13289.62

SCHEMES MANAGED BY MR. RAJAT JAIN

PRINCIPAL GLOBAL OPPORTUNITIES FUND

Performance Date	Scheme Returns				Scheme's Benchmark (MSCI World Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	-0.25	9975.32	0.13	10012.81	13.09	11308.52	38.87	13887.33
28-Sep-12 to 30-Sep-13	14.30	11430.11	N.A.	N.A.	19.78	11978.38	0.56	10056.11
30-Sep-11 to 28-Sep-12	24.11	12411.08	N.A.	N.A.	18.37	11836.69	15.38	11537.55
Since Inception 29-Mar-04 to 30-Sep-14	8.06	22598	N.A.	N.A.	4.32	15602.97	15.43	45201.90
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	2.19	10384.91	16.00	12951.97	17.73	13289.62

SCHEMES MANAGED BY RUPALI PANDIT

PRINCIPAL INDEX FUND - NIFTY

Performance Date	Scheme Returns				Scheme's Benchmark (CNX Nifty Index)		Additional Benchmark (S&P BSE Sensex)	
	Plan - Regular		Plan - Direct		^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)
	^Returns (%)	§PTP Returns (₹)	^Returns (%)	§PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	38.48	13848.02	39.17	13917.36	38.87	13887.33	37.41	13741.40
28-Sep-12 to 30-Sep-13	1.78	10178.08	N.A.	N.A.	0.56	10056.11	3.29	10328.86
30-Sep-11 to 28-Sep-12	14.71	11470.97	N.A.	N.A.	15.38	11537.55	14.03	11403.31
Since Inception 27-Jul-99 to 30-Sep-14	11.85	54802.70	N.A.	N.A.	12.62	60806.96	12.27	57977.74
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	18.81	13503.47	17.73	13289.62	18.84	13508.26

PRINCIPAL INDEX FUND - MIDCAP#

Performance Date	Scheme Returns				Scheme's Benchmark (CNX Midcap Index)	Additional Benchmark (CNX Nifty Index)
	Plan - Regular		Plan - Direct			
	^Returns (%)					
Since Inception 12-May-14 to 30-Sep-14	N.A.		N.A.		N.A.	N.A.

Past performance may or may not be sustained in future. Since Inception Returns (in %) are calculated on Compounded Annualised Basis.

§ PTP (Point to Point) Returns is based on standard investment of ₹ 10,000/- made at the beginning of relevant period.

Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

^ Growth Option

As the scheme has not completed one year, the performance/returns for this scheme is not provided

SCHEMES MANAGED BY MR. DHIMANT SHAH

PRINCIPAL EMERGING BLUECHIP FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CNX Midcap Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	87.42	18741.68	88.51	18850.99	63.17	16316.64	38.87	13887.33
28-Sep-12 to 30-Sep-13	-2.85	9715.39	N.A.	N.A.	-10.75	8925.33	0.56	10056.11
30-Sep-11 to 28-Sep-12	23.06	12299.12	N.A.	N.A.	10.55	11052.37	15.38	11537.55
Since Inception 12-Nov-08 to 30-Sep-14	34.13	56300.00	N.A.	N.A.	21.32	31185.61	19.09	27961.87
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	33.39	16520.60	17.40	13225.50	17.73	13289.62

PRINCIPAL DIVIDEND YIELD FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CNX Dividend Opportunities Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	55.45	15544.83	56.20	15620.14	35.53	13553.28	38.87	13887.33
28-Sep-12 to 30-Sep-13	-10.05	8995.04	N.A.	N.A.	-8.11	9189.20	0.56	10056.11
30-Sep-11 to 28-Sep-12	16.53	11653.01	N.A.	N.A.	14.88	11488.33	15.38	11537.55
Since Inception 15-Oct-04 to 30-Sep-14	13.00	33810.00	N.A.	N.A.	N.A.	N.A.	16.13	44372.14
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	15.16	12787.56	8.49	11526.49	17.73	13289.62

SCHEMES MANAGED BY BEKXY KURIAKOSE

PRINCIPAL GOVERNMENT SECURITIES FUND

Performance Date	Scheme Returns				Scheme's Benchmark (I-Sec Composite Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	8.72	10872.05	9.27	10926.56	11.12	11111.65	6.85	10684.74
28-Sep-12 to 30-Sep-13	3.60	10359.96	N.A.	N.A.	4.97	10496.92	2.45	10244.68
29-Sep-11 to 28-Sep-12	8.10	10810.13	N.A.	N.A.	10.07	11007.12	8.03	10802.90
Since Inception 23-Aug-01 to 30-Sep-14	7.32	25245.00	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	5.87	11045.13	7.22	11291.83	3.46	10610.02

PRINCIPAL DEBT OPPORTUNITIES FUND - CORPORATE BOND PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (Crissil Composite Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	9.83	10982.78	10.50	11049.98	11.61	11161.16	6.85	10684.74
28-Sep-12 to 30-Sep-13	6.53	10653.07	N.A.	N.A.	3.49	10349.47	2.45	10244.68
29-Sep-11 to 28-Sep-12	9.68	10967.55	N.A.	N.A.	9.53	10952.72	8.03	10802.90
Since Inception 14-Sep-04 to 30-Sep-14	7.42	20523.75	N.A.	N.A.	6.25	18381.69	4.92	16206.22
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	8.65	11554.59	7.13	11275.29	3.46	10610.02

PRINCIPAL INCOME FUND - LONG TERM PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (Crissil Composite Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	8.55	10854.78	9.43	10943.43	11.61	11161.16	6.85	10684.74
28-Sep-12 to 30-Sep-13	4.65	10465.40	N.A.	N.A.	3.49	10349.47	2.45	10244.68
29-Sep-11 to 28-Sep-12	11.28	11127.50	N.A.	N.A.	9.53	10952.72	8.03	10802.90
Since Inception 09-May-03 to 30-Sep-14	7.14	21946.20	N.A.	N.A.	5.87	19172.86	4.97	17381.55
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	6.81	11215.61	7.13	11275.29	3.46	10610.02

Past performance may or may not be sustained in future. Since Inception Returns (in %) are calculated on Compounded Annualised Basis.

^ PTP (Point to Point) Returns is based on standard investment of ₹ 10,000/- made at the beginning of relevant period.

Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

^ Growth Option

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

PRINCIPAL GROWTH FUND

Performance Date	Scheme Returns				Scheme's Benchmark (S&P BSE 200 Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	64.75	16474.90	65.66	16565.60	42.50	14250.39	38.87	13887.33
28-Sep-12 to 30-Sep-13	0.95	10094.89	N.A.	N.A.	-1.11	9888.84	0.56	10056.11
30-Sep-11 to 28-Sep-12	20.16	12015.96	N.A.	N.A.	13.77	11377.08	15.38	11537.55
Since Inception 25-Oct-00 to 30-Sep-14	16.85	87630.00	N.A.	N.A.	16.06	79715.64	14.65	67275.95
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	26.64	15091.22	17.28	13200.88	17.73	13289.62

PRINCIPAL TAX SAVINGS FUND

Performance Date	Scheme Returns				Scheme's Benchmark (S&P BSE 200 Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	64.90	16489.79	65.53	16552.82	42.50	14250.39	38.87	13887.33
28-Sep-12 to 30-Sep-13	1.00	10100.49	N.A.	N.A.	-1.11	9888.84	0.56	10056.11
30-Sep-11 to 28-Sep-12	21.04	12103.55	N.A.	N.A.	13.77	11377.08	15.38	11537.55
Since Inception 31-Mar-96 to 30-Sep-14	17.41	195018.50	N.A.	N.A.	12.88	94147.08	11.95	80836.29
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	26.68	15099.61	17.28	13200.88	17.73	13289.62

PRINCIPAL BALANCED FUND

Performance Date	Scheme Returns				Scheme's Benchmark (Crisil Balanced Fund Index)		Additional Benchmark (CNX Nifty Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	44.30	14429.76	45.55	14555.45	28.89	12889.12	38.87	13887.33
28-Sep-12 to 30-Sep-13	1.82	10181.53	N.A.	N.A.	1.87	10187.27	0.56	10056.11
30-Sep-11 to 28-Sep-12	14.97	11496.94	N.A.	N.A.	13.72	11372.04	15.38	11537.55
Since Inception 14-Jan-00 to 30-Sep-14	11.08	46940.00	N.A.	N.A.	N.A.	N.A.	11.41	49082.11
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	20.11	13760.83	14.20	12603.00	17.73	13289.62

SCHEMES MANAGED BY MR. GURVINDER SINGH WASAN

PRINCIPAL BANK CD FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	9.35	10935.38	9.88	10988.38	9.49	10948.61	8.35	10835.47
28-Sep-12 to 30-Sep-13	8.65	10865.27	N.A.	N.A.	8.59	10858.83	5.70	10569.65
29-Sep-11 to 28-Sep-12	9.56	10955.57	N.A.	N.A.	8.67	10867.33	8.14	10813.62
Since Inception 06-Nov-07 to 30-Sep-14	8.12	17146.32	N.A.	N.A.	7.55	16531.06	6.00	14952.21
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	9.45	11704.86	9.19	11654.93	6.85	11223.23

PRINCIPAL INCOME FUND - SHORT TERM PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Short-Term Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	9.09	10908.65	9.87	10987.22	10.12	11011.72	6.85	10684.74
28-Sep-12 to 30-Sep-13	7.73	10772.97	N.A.	N.A.	7.78	10777.58	2.45	10244.68
29-Sep-11 to 28-Sep-12	10.20	11020.33	N.A.	N.A.	9.21	10920.83	8.03	10802.90
Since Inception 09-May-03 to 30-Sep-14	7.67	23227.90	N.A.	N.A.	6.83	21232.12	4.97	17381.55
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	8.98	11616.33	9.02	11623.25	3.46	10610.02

Past performance may or may not be sustained in future. Since Inception Returns (in %) are calculated on Compounded Annualised Basis.

^ PTP (Point to Point) Returns is based on standard investment of ₹ 10,000/- made at the beginning of relevant period.

Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

^ Growth Option

SCHEMES MANAGED BY MR. PANKAJ JAIN

PRINCIPAL DEBT OPPORTUNITIES FUND - CONSERVATIVE PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	8.65	10864.68	9.58	10957.86	9.49	10948.61	8.35	10835.47
28-Sep-12 to 30-Sep-13	8.93	10893.36	N.A.	N.A.	8.59	10858.83	5.70	10569.65
29-Sep-11 to 28-Sep-12	10.00	10999.94	N.A.	N.A.	8.67	10867.33	8.14	10813.62
Since Inception 14-Sep-04 to 30-Sep-14	7.72	21110.55	N.A.	N.A.	7.01	19749.44	5.70	17452.86
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	9.40	11694.89	9.19	11654.93	6.85	11223.23

PRINCIPAL DEBT SAVINGS FUND - MONTHLY INCOME PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (Crisil MIP Blended Index)		Additional Benchmark (Crisil 10 year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	11.44	11144.10	12.28	11228.07	15.45	11545.35	6.85	10684.74
28-Sep-12 to 30-Sep-13	1.61	10160.52	N.A.	N.A.	3.22	10321.65	2.45	10244.68
29-Sep-11 to 28-Sep-12	8.27	10827.25	N.A.	N.A.	10.38	11038.42	8.03	10802.90
Since Inception 23-May-02 to 30-Sep-14	8.22	26572.00	N.A.	N.A.	8.53	27518.13	6.15	20918.78
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	6.16	11098.52	8.81	11585.80	3.46	10610.02

PRINCIPAL DEBT SAVINGS FUND - RETAIL PLAN

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Short-Term Bond Fund Index)		Additional Benchmark (CRISIL 10 Year Gilt Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	9.27	10926.88	10.09	11009.16	10.12	11011.72	6.85	10684.74
28-Sep-12 to 30-Sep-13	6.26	10625.79	N.A.	N.A.	7.78	10777.58	2.45	10244.68
29-Sep-11 to 28-Sep-12	8.54	10854.45	N.A.	N.A.	9.21	10920.83	8.03	10802.90
Since Inception 30-Dec-03 to 30-Sep-14	8.17	23286.60	N.A.	N.A.	6.88	20462.32	4.40	15888.28
Since Inception 02-Jan-13 to 30-Sep-14	N.A.	N.A.	8.04	11442.35	9.02	11623.25	3.46	10610.02

PRINCIPAL CASH MANAGEMENT FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	9.31	10930.95	9.41	10940.91	9.49	10948.61	8.35	10835.47
28-Sep-12 to 30-Sep-13	8.97	10896.57	N.A.	N.A.	8.59	10858.83	5.70	10569.65
29-Sep-11 to 28-Sep-12	9.82	10982.35	N.A.	N.A.	8.67	10867.33	8.14	10813.62
Since Inception 30-Aug-04 to 30-Sep-14	7.54	20826.10	N.A.	N.A.	6.99	19779.65	5.68	17467.20
Since Inception 01-Jan-13 to 30-Sep-14	N.A.	N.A.	9.27	11673.07	9.19	11657.50	6.89	11233.14

PRINCIPAL RETAIL MONEY MANAGER FUND

Performance Date	Scheme Returns				Scheme's Benchmark (CRISIL Liquid Fund Index)		Additional Benchmark (CRISIL 1 Year T-Bill Index)	
	Plan - Regular		Plan - Direct		^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)
	^Returns (%)	^PTP Returns (₹)	^Returns (%)	^PTP Returns (₹)				
30-Sep-13 to 30-Sep-14	9.68	10968.48	9.79	10979.46	9.49	10948.61	8.35	10835.47
28-Sep-12 to 30-Sep-13	9.48	10948.33	N.A.	N.A.	8.59	10858.83	5.70	10569.65
29-Sep-11 to 28-Sep-12	9.84	10983.81	N.A.	N.A.	8.67	10867.33	8.14	10813.62
Since Inception 28-Dec-07 to 30-Sep-14	6.29	15104.61	N.A.	N.A.	7.57	16373.84	6.06	14882.33
Since Inception 01-Jan-13 to 30-Sep-14	N.A.	N.A.	9.77	11765.99	9.19	11657.50	6.89	11233.14

Past performance may or may not be sustained in future. Since Inception Returns (in %) are calculated on Compounded Annualised Basis.

^ PTP (Point to Point) Returns is based on standard investment of ₹ 10,000/- made at the beginning of relevant period.

Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

^ Growth Option

Tax Rates for Mutual Fund Investors¹ as per the Finance (No.2) Act, 2014 – SNAPSHOT



EQUITY ORIENTED FUNDS (SUBJECT TO STT³)

Financial Year	Short Term Capital Gains Tax (STCG) ²		Long Term Capital Gains Tax (LTCG) ²		Dividend Income		Tax on Distributed Income		TDS on Capital Gains ⁷	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15
Resident Individual / HUF / AOP / BOI	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
Resident Partnership Firms	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
Domestic Companies	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	Nil	Nil
NRIs ⁴	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil
FIs ^{4 & 10}	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶
QFI ^{4 & 10} (Individual / HUF)	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil
QFI ^{4 & 10} (Companies)	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% ² LTCG - Nil	STCG - 15% ² LTCG - Nil
FPI ^{4 & 10}	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶

OTHER THAN EQUITY ORIENTED FUNDS (including Infrastructure Debt Funds⁸)

	Short Term Capital Gains Tax ^{2 & 13}		Long Term Capital Gains Tax ^{2 & 13}		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains ⁷	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14 ¹¹	2014-15 ^{11&12}	2013-14 ¹¹	2014-15 ^{11&12}	2013-14	2014-15
Resident Individual / HUF	As per slab rates	As per slab rates	10% (20% with Indexation)	20% (With Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014)	Exempt	Exempt	12.50% (from 1-4-2013 to 31-5-2013) 25% (from 1-6-2013 onwards)	25%	25%	25%	Nil	Nil
AOP/BOI	As per slab rates	As per slab rates	10% (20% with Indexation)	20% (With Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014)	Exempt	Exempt	30%	30%	30%	30%	Nil	Nil
Domestic Companies / Firms	30%	30%	10% (20% with Indexation)	20% (With Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014)	Exempt	Exempt	30%	30%	30%	30%	Nil	Nil
NRIs ⁴	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ⁵	Listed Units - 20% (with Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014) Unlisted Units - 10% (without Indexation) ⁵	Exempt	Exempt	12.50% (from 1-4-2013 to 31-5-2013) 25% (from 1-6-2013 onwards) 5% for IDFs (from 1-6-2013 onwards)	25% 5% for IDFs	25%	25%	STCG - 30% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵	STCG - 30% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵

(Contd. on next page)

Tax Rates for Mutual Fund Investors¹ as per the Finance (No.2) Act, 2014 – SNAPSHOT



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

	Short Term Capital Gains Tax ^{2 & 13}		Long Term Capital Gains Tax ^{2 & 13}		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains ⁷	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14 ¹¹	2014-15 ^{11&12}	2013-14 ¹¹	2014-15 ^{11&12}	2013-14	2014-15
FIs^{4 & 10}	30%	30%	10% without Indexation	10% without Indexation	Exempt	Exempt	30%	30%	30%	30%	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶
QFI^{4 & 10} (Individual/ HUF)	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ³	Listed Units - 20% (with Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014) Unlisted Units - 10% (without Indexation) ³	Exempt	Exempt	12.50% (from 1-4-2013 to 31-5-2013) 25% (from 1-6-2013 onwards) 5% for IDFs (from 1-6-2013 onwards)	25% 5% for IDFs	25%	25%	STCG - 30% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵	STCG - 30% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵
QFI¹⁰ (Companies)⁴	40%	40%	Listed Units - 10% (20% with Indexation) Unlisted Units - 10% (without Indexation) ³	Listed Units - 20% (with Indexation) Option to tax @10% Without Indexation (if transferred between 1-4-2014 to 10-7-2014) Unlisted Units - 10% (without Indexation) ³	Exempt	Exempt	30%	30%	30%	30%	STCG - 40% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵	STCG - 40% ² LTCG - 20% ² with indexation for listed units. 10% ² without indexation for unlisted units ⁵
FPI^{4 & 10}	30%	30%	10% without Indexation	10% without Indexation	Exempt	Exempt	30%	30%	30%	30%	STCG - Nil ⁶ LTCG - Nil ⁶	STCG - Nil ⁶ LTCG - Nil ⁶

- It is assumed that the mutual fund units are held as capital assets by the investors.
- Plus applicable surcharge [refer note 9], if any, and Education Cess at the rate of 2% on income-tax and surcharge and Secondary and Higher Education cess at the rate of 1% on income-tax and surcharge.
- Securities Transaction Tax ('STT') is applicable only in respect of sale of units of Equity-oriented funds ('EOFs') on a recognised stock exchange and redemption of EOUs by the mutual fund. Purchase/ sale/ redemption of units other than EOUs are not subject to STT.
- Non-resident investors (such as FIs, QFIs, FPIs, etc.) shall be entitled to be governed by provisions of the applicable Tax Treaty, which India has entered with the country of residence of the non-resident investor, if that is more beneficial than the provisions of the Income-tax Act, 1961('the Act'), subject to certain conditions. As per section 90(4) of the Act, a non-resident shall not be entitled to claim treaty benefits, unless the non-resident obtains a Tax Residency Certificate of being a resident of his home country. Furthermore, as per section 90(5) of the Act, non-resident is also required to provide such other documents and information, as prescribed by CBDT, as applicable.
- As per section 112 of the Act (as amended by the Finance Act, 2012), long-term capital gains in case of non-residents would be taxable @ 10% on transfer of capital assets, being unlisted securities, computed without giving effect to first & second proviso to section 48 i.e. without taking benefit of foreign currency fluctuation and indexation benefit.
- Section 196D of the Act provides that no tax is required to be withheld for payment to a FII / FPI in respect of capital gains arising on transfer of units.
- As per provisions of Section 206AA of the Act, if there is default on the part of a non-resident investor (entitled to receive redemption proceeds from the Mutual Fund on which tax is deductible under Chapter XVII of the Act) to provide its Permanent Account Number, the tax shall be deducted at higher of the following rates: i) rates specified in relevant provisions of the Act; or ii) rate or rates in force; or iii) rate of 20%.
- "Infrastructure debt fund" means an infrastructure debt fund as defined in clause 1 of the regulation 49L of the Securities and Exchange Board of India (Mutual Fund) Regulations, 1996. As per clause 1 of regulation 49L, an "infrastructure debt fund scheme" would mean, a scheme which invests primarily (minimum 90% of scheme assets) in debt securities or securitized debt instrument of infrastructure companies or infrastructure capital companies or infrastructure projects or special purpose vehicles, etc. or other permissible assets in accordance with these regulations or bank loans in respect of completed and revenue generating projects of infrastructure companies or projects or special purpose vehicles.

(Contd. on next page)

Tax Rates for Mutual Fund Investors¹ as per the Finance (No.2) Act, 2014 – SNAPSHOT



9 Surcharge applicable for FY 2014-15:

Type of Investor	Surcharge rate as a % of Income-tax		
	If income is less than ₹ 1 crores	If income exceeds ₹ 1 crore but less than ₹ 10 crores	If income exceeds ₹ 10 crores
Resident Individual, HUF, AOP and Partnership Firm	Nil	10%	10%
Domestic Company	Nil	5%	10%
Foreign Company	Nil	2%	5%
Foreign non-corporate	Nil	10%	10%

10 The FPI Regulations replaced the existing SEBI (Foreign Institutional Investor) Regulations, 1995 and the Qualified Foreign Investors framework, and are effective from 7 January 2014. As per Notification No. 9/2014 dated 22 January 2014, the Central Government has specified the Foreign Portfolio Investors registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as 'Foreign Institutional Investor' for the purposes of clause (a) of the Explanation to section 115AD of the Act.

11 Rates are exclusive of surcharge at the rate of 10% and education cess at the rate of 3%.

12 With effect from 1 October 2014, as per Finance (No. 2) Act, 2014, additional tax on income distributed to unit-holders would be levied on the amount of income to be distributed including such additional tax (i.e. grossing-up), as against levy on only the amount of income to be distributed, thereby resulting in a higher effective rate of tax on distributed income.

13 Capital gains arising on the transfer or redemption of other than equity oriented units (from 1 April 2014 to 10 July 2014) held for a period of 12 months or more, immediately preceding the date of transfer should be regarded as 'long term capital gains'. Capital gains arising on transfer or redemption of such units on or after 11 July 2014 should be regarded as long-term capital gains if such units are held for a period of 36 months or more immediately preceding the date of transfer.

INCOME TAX RATES FOR INDIVIDUAL / HUF / AOP / BOI for AY 2015-16

Total Income	Tax Rates (c)
Up to ₹ 250,000 (a)(b)(d)	NIL
₹ 250,001 to ₹ 500,000	10%
₹ 500,001 to ₹ 1,000,000	20%
₹ 1,000,001 and above	30%

(a) In the case of a resident individual of the age of 60 years or more but less than 80 years, the basic exemption limit is ₹ 300,000.
 (b) In the case of a resident individual of the age of 80 years or more, the basic exemption limit is ₹ 5,00,000.
 (c) Plus, surcharge on income-tax, as applicable and education cess is applicable at the rate of 2% on income-tax and secondary and higher education cess at the rate of 1% on income-tax.
 (d) Rebate of upto ₹ 2,000 available for resident individuals whose total income does not exceed ₹ 5,00,000.

WEALTH TAX ON MF UNITS

Wealth Tax	MF units are exempt
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SECURITIES TRANSACTION TAX

Equity Oriented Fund
STT on sale of a unit of equity oriented mutual fund to the mutual fund is levied at 0.001%.
No STT is chargeable on purchase of units of an equity oriented mutual fund entered into in recognised stock exchange w.e.f. 1.6.2013.
STT on sale of a unit of an equity oriented mutual fund where the transaction is entered into in recognized stock exchange and the contract for sale is settled by the actual delivery is levied at 0.001%.
Other than Equity Oriented Fund: Purchase/ sale/ redemption of units other than equity-oriented units shall not be subject to STT.
Mutual Fund would also pay securities transaction tax wherever applicable on the securities bought/sold.
As per Section 94(7): The loss due to sale of Units in the schemes (where income distributed on MF units is tax free) will not be available for set-off to the extent of the tax free income distributed; if units are: (A) Bought within three months prior to the record date fixed for income distribution; and (B) sold within nine months after the record date fixed for income distribution.
As per Section 94(8): The loss due to sale of original Units in the schemes, where bonus Units are issued, will not be available for setoff; if original units are :- (A) Bought within three months prior to the record date fixed for allotment of bonus units; and (B) sold within nine months after the record date fixed for allotment of bonus units. However, the amount of loss so ignored shall be deemed to be the cost of purchase or acquisition of such unsold bonus units held on the date of transfer of original units.

This information is being provided for basic guidance for investments in mutual funds and is based on provisions of the Income-tax Act, 1961, as amended by the Finance (No. 2) Act, 2014. The tax implications may vary for each assessee based on the details of his income. All rates and figures appearing are for illustrative purposes only. Tax benefits are subject to change in tax laws. Contents of this note have been drawn for informative purpose only and the same should not be used or considered as an investment/tax advice. The AMC/Trustee/Sponsor accepts no liability whatsoever for any direct or consequential loss arising from any information provided in this note.

Understanding Ratios & Risk Measures

➤ **STANDARD DEVIATION** - Is the average deviation from the mean returns. It is an indication of volatility i.e. deviation from mean returns. Lower the better.

- For instance a scheme that has a consistent four-year return of 3% would have a mean or average of 3%. The standard deviation for this scheme would then be zero because the scheme's return in any given year does not differ from its four-year mean of 3%.
- On the other hand, a scheme that in each of the last four years returned -5%, 17%, 2% and 30% will have a mean return of 11%. The scheme will also exhibit a high standard deviation because each year the return of the scheme differs from the mean return. This scheme is therefore riskier because it fluctuates widely between negative and positive returns within a short period.

Calculation = Square Root of Variance. Where Variance is the average of the squared deviations from mean returns.

➤ **BETA** - Can be interpreted as percentage change in price of a scheme for every one percentage change in the market benchmark. For example if a scheme's beta is 1.1 and the market is expected to go up/down by 10% then the scheme will move up/down by 11%.

Calculation = Covariance of Market and Scheme's Returns Divided by Variance of the Market. Where Covariance is the Deviation of Mean Returns of Market multiplied by Deviation of Mean Returns of the scheme.

➤ **JENSEN'S ALPHA** - Gives the average return of the portfolio over and above the risk free rate and market determined return. This is the addition by the fund manager over and above the market return and hence higher the better.

Calculation = Portfolio Return - (Risk Free Rate of Return + beta [market return - Risk Free Rate of Return]).

➤ **SHARPE** - Gives the returns per unit of risk. i.e. for every 1 unit of risk what is the returns of the scheme. For this purpose risk is defined as standard deviation of the scheme. Higher the Sharpe, the better.

It signifies that scheme with a higher sharpe ratio generates returns taking lesser risk. In other words, the scheme is less volatile and yet generating good returns. Thus, given same returns, the scheme with a higher Sharpe ratio offers a better avenue for investing.

Calculation = Average Scheme Return - Risk Free Rate of Return ÷ Standard Deviation of the Scheme.

➤ **PORTFOLIO TURNOVER** - Portfolio turnover is a measure of how actively a fund manager trades the portfolio of your scheme. Expressed in percentage or number of times, the inverse of a scheme's turnover ratio is the average holding period for a security in that scheme. If a scheme has a 20 per cent turnover ratio, it would suggest that on average that scheme will hold a security for five years before selling it. A scheme with a 200 per cent turnover ratio will change its portfolio in six months or in other words, replace the entire holdings in its portfolio with new stocks in six months.

Calculation = Lower of sales or purchases divided by average AUM for last rolling 12 months.

++ ICRA has assigned credit risk rating of [ICRA]A1+mfs to Principal Cash Management Fund. The rating is the highest-credit-quality short-term rating assigned by ICRA to debt funds. It has also assigned the credit risk rating of [ICRA] AAAMfs to Principal Debt Opportunities Fund - Conservative Plan. The rating is the highest-credit-quality long term rating assigned by ICRA to debt funds. Rating methodology used by ICRA is based on evaluating the inherent credit quality of the mutual funds portfolio. As a measure of the credit quality of a debt fund's assets, ICRA uses the concept of "credit scores", based on ICRA's assessment of credit risk associated with each exposure of the portfolio taking into account its maturity. To quantify the credit risk scores, ICRA uses its database of historical default rates for various rating categories for various maturity buckets. The credit risk ratings incorporate ICRA's assessment of a debt fund's published investment objectives and policies, its management characteristics, and the creditworthiness of its investment portfolio. ICRA reviews relevant fund information on an ongoing basis to support its published rating opinions. If the portfolio credit score meets the benchmark of the assigned rating during the review, the rating is retained. In an event that the benchmark credit score is breached, ICRA gives a month's time to the debt fund manager to bring the portfolio credit score within the benchmark credit score. If the debt fund manager is able to reduce the portfolio credit score within the benchmark credit score, the rating is retained. If the portfolio still continues to breach the benchmark credit score, the rating is revised to reflect the change in credit quality. The ratings should, however, not be construed as an indication of the prospective performance of the Mutual fund scheme or of volatility in its returns. ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance which may lead to a revision in ratings. **Source:** ICRA Ltd.

DISCLAIMER:

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

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

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

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

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

Principal Pnb Asset Management Company Private Limited - ISC:

• **Ahmedabad:** 102, Megha House, Opp. Kotak Mahindra Bank, Mithakhali Law Garden Road, Ahmedabad-380 006 • **Bengaluru:** Salarpuria Landmark, 2nd Floor, Unit No. 2002, 100 Feet Road, HAL II Stage, Bengaluru-560 038 • **Chandigarh:** SCO No. 145-146, 1st Floor, Sector 9-C, Chandigarh-160 009 • **Chennai:** Nirupama & Neelima Building, New Unit No.55, Vijaya Raghava Road, T. Nagar, Chennai-600 017 • **Hyderabad:** ANR Centre, Unit No. 201, 1st Floor, Road No.1, Banjara Hills, Hyderabad - 500 034 • **Jaipur:** 61-A, Vasanti, Sardar Patel Marg, C-Scheme, Jaipur-302 001 • **Kolkata:** Bachhawati House, Premises No.2, Dr. Martin Luther King Sarani, (Formerly Upper Wood Street), Kolkata-700 016 • **Lucknow:** Rohtas Trident, 1st Floor, 10, Rana Pratap Marg, Lucknow-226 001 • **New Delhi:** Unit No. 001 & 002, Gr. Floor, DLF Capitol Point, Baba Kharag Singh Marg, New Delhi-110 001 • **Pune:** Unit No: 103 & 104, 1st Floor, Rainbow Plaza, Opp. Modern Highschool, Jangali Maharaj Road, Shivaji Nagar, Pune - 411 005.

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

Agra: 1st Floor, Deepak Wasan Plaza, Behind Holiday Inn, Opp. Megdoot Furnitures, Sanjay Place, Agra-282 002 • **Ahmedabad:** 201/202 Shail, Opp. Madhusudan House, Navrangpura, Ahmedabad-380 006 • **Ajmer:** S. No. 1 & 2, 2nd Floor, Ajmer Tower, Kutchery Road, Ajmer-305 001 • **Aligarh:** 1st Floor, Kumar Plaza, Aligarh-202 001 • **Allahabad:** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S.P. Marg, Civil Lines, Allahabad-211 001 • **Amritsar:** 72-A, Taylor's Road, Opp. Aga Heritage Club, Amritsar-143 001 • **Anand:** B-42 Vaibhav Commercial Center, Nr TVS Down Town Show Room, Grid Char Rasta, Anand-380 001 • **Asansol:** 114/71, G.T. Road, Near Sony Centre, Bhanga Pachil, Asansol-713 303 • **Aurangabad:** Ramkunj Niwas, Railway Station Road, Near Osmanpura Circle, Aurangabad-431 005 • **Bangalore:** 59, Skanda Puttanna Road, Basavanagudi, Bangalore-560 004 • **Bankura:** Ambika Market Complex, Gr. Floor, Nutanganj, Post & Dist Bankura, Bankura-722 101 • **Bareilly:** 1st Floor, 165, Civil Lines, Opp. Hotel Bareilly Palace, Near Railway Station, Bareilly-243 001 • **Belgaum:** CTS No. 3939/ A2 A1, Above Raymonds Show Room, Beside Harsha Appliances, Club Road, Belgaum-590 001 • **Bharuch:** Shop No. 147-148, Aditya Complex, Near Kasak Circle, Bharuch-392 001 • **Bhatinda:** #2047-A 2Nd Floor, The Mall Road, Above Max New York Life Insurance, New Delhi-151 001 • **Bhavnagar:** G-11 Giranjali Complex, Beside Bhavnagar Municipal Corporation & Collector Office, Kalanala, Bhavnagar-364 001 • **Bhilai:** Shop No. 1, First Floor, Plot No.1, Commercial Complex, Nehru Nagar (East), Bhilai-490 020 • **Bhopal:** Kay Kay Business Centre, 133, Zone I, M.P. Nagar, Above City Bank, Bhopal-462 011 • **Bhubaneswar:** A/181, Back Side of Shivam Honda Show Room, Saheed Nagar, Bhubaneswar-751 007 • **Bikaner:** 70-71, 2nd Floor, Dr. Chahar Building, Panchsati Circle, Sadul Ganj, Bikaner-334 001 • **Bokaro:** B-1, 1st Floor, City Centre, Sector-4, Near Sona Chandi Jewellers, Bokaro-827 004 • **Burdwan:** 63 G.T. Road, Halder Complex 1st Floor, Burdwan-713 101 • **Calicut:** 2nd Floor, Soubhagya Shopping Complex, Arayidathpalam, Mavoor Road, Calicut-673 004 • **Chandigarh:** SCO 371-372, Above HDFC Bank, Sector 35-B, Chandigarh-160 036 • **Chennai:** F-11, Akshaya Plaza, 1st Floor, 108, Adhithanar Salai, Egmore, Opp. Chief Metropolitan Court, Chennai-600 002 • **Cochin:** Ali Arcade, 1st Floor, Kizhavana Road, Panampilly Nagar, Near Atlantis Junction, Ernakulam-682 036 • **Coimbatore:** 3rd Floor, Jaya Enclave, 1056/1057 Avinashi Road, Coimbatore-641 018 • **Cuttack:** P.O. - Buxi Bazar, Cuttack, Opp. Dargha Bazar, Dargha Bazar, Cuttack-753 001 • **Dehradun:** Kaulagarh Road, Near Sirmour Margabove, Reliance Webworld, Dehradun-248 001 • **Dhanbad:** 208 New Market, 2nd Floor, Bank More, Dhanbad-826 001 • **Durgapur:** 1st Floor, Old Dutta Automobile Bldg., Nachan Road, Benachity, Durgapur-713 213 • **Erode:** No. 4, Veerappan Traders Complex, KMY Salai, Sathy Road, Opp. Erode Bus Stand, Erode-638 003 • **Faridabad:** A-2B, 1st Floor, Nehru Groundnit, Faridabad-121 001 • **Ghaziabad:** 1st Floor, C-7, Lohia Nagar, Ghaziabad-201 001 • **Gorakhpur:** Above V.I.P. House adjacent, A.D. Girls College, Bank Road, Gorakhpur-273 001 • **Gurgaon:** Shop No.18, Gr. Floor, Sector-14, Opp. AKD Tower, Near Huda Office, Gurgaon-122 001 • **Guwahati:** 54 Sagarika Bhawan, 2nd Floor, R.G. Barooah Road, AIDC, Near Baskin Robbins, Guwahati-781 024 • **Gwalior:** 2nd Floor, Rajeev Plaza, Jayendra Ganj, Lashkar, Gwalior. M.P.-474 009 • **Hubli:** 22 & 23, 3rd Floor, Eureka Junction, Travellers Bungalow, Hubli-580 029 • **Hyderabad:** 8-2-596, Avenue 4, Karvy Plaza, Street No. 1, Banjara Hills, Hyderabad-500 034 • **Indore:** 2nd Floor, 203-205, Balaji Corporates, Above ICICI Bank, 19/1 New Palasia, Indore-452 001 • **Jabalpur:** Grover Chamber, 43 Naya Bazar Malviya Chowk, Opp. Shyam Market, Jabalpur-482 002 • **Jaipur:** S-16/A 3rd Floor, Land Mark Building, Opp. Jai Club, Mahaver Marg G-Scheme, Jaipur-302 001 • **Jalandhar:** Arora Prime Tower, Lower Ground Floor, Office No. 3, Plot No. 28, Jalandhar-144 001 • **Jalgaon:** 113, Navi Peth, B/H Mahalaxmi Dairy, Jalgaon-425 001 • **Jammu:** 5 A/D Extension 2, Near Panama Chowk Petrol Pump, Panama Chowk, Jammu-180 012 • **Jamnagar:** 108 Madhav Palaza, Opp. SBI Bank, Near Lal Bungalow, Jamnagar-361 001 • **Jamshedpur:** 2nd Floor, R.R. Square, SB Shop Area, Near Reliance Foot Print & Hotel, BS Park Plaza, Main Road, Bistupur, Jamshedpur-831 001 • **Jodhpur:** 203, Modi Arcade, Chopasni Road, Jodhpur-342 001 • **Junagadh:** 124-125 Punit Shopping Center, M.G. Road, Ranavav Chowk, Junagadh-362 001 • **Kanpur:** 15/46, B, Gr. Floor, Opp. Muir Mills, Civil Lines, Kanpur-208 001 • **Karnal:** 18/369, Char Chaman, Kunjipura Road, Behind Miglani Hospital, Karnal-132 001 • **Kolhapur:** 605/1/4, E Ward, Shahupuri 2nd Lane, Laxmi Niwas, Near Sultane Chambers, Kolhapur-416 001 • **Kolkata:** 166 A, Rashbihari Avenue, 2nd Floor, Opp. Fortish Hospital, Kolkata-700 029 • **Kota:** 29, 1st Floor, Near Lala Lajpat Rai Circle, Shopping Centre, Kota-324 007 • **Kottayam:** 1st Floor Csiascension Square, Railway Station Road, Collectorate P.O., Kottayam-686 002 • **Lucknow:** 24, Prem Nagar, Ashok Marg, Lucknow-226 001 • **Ludhiana:** SCO-136, 1st Floor, Above Airtel Showroom, Feroze Gandhi Market, Ludhiana-141 001 • **Madurai:** Rakesh Towers, 30-C, 1st Floor, Bye Pass Road, Opp. Nagappa Motors, Madurai-625 010 • **Malda:** Sahis Tuli, Under Ward No.6, No.1 Govt Colony, English Bazar Municipality, Malda-732 101 • **Mangalore:** Mahendra Arcade, Opp. Court Road, Karangal Padi, Mangalore-575 003 • **Meerut:** 1st Floor, Medi Centre, Opp. ICICI Bank, Hapur Road, Near Bachha Park, Meerut-250 002 • **Mehsana:** Ul-47, Apollo Enclave, Opp. Simandhar Temple, Modhera Cross Road, Mehsana-384 002 • **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank, Chowk Tari Khana, Moradabad-244 001 • **Mumbai:** 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind BSE Bldg., Fort, Mumbai-400 001 • **Mumbai - Borivali:** Gr. Floor, Himanshu Bldg., Sodawala Lane, Lina Chandawarkar Road, Borivali, Mumbai-400 091 • **Mumbai - Thane:** 101, Yashwant Building, Ram Ganesh, Godkari Path, Ram Maruti Road, Naupada, Thane-400 602 • **Muzaffarpur:** 1st Floor, Uma Market, Thana Gumtimoti Jheel, Muzaffarpur-842 001 • **Mysore:** L-350, Silver Tower, Ashoka Road, Opp. Clock Tower, Mysore-570 001 • **Nadiad:** 104/105, Near Paras Cinema, City Point Nadiad, Nadiad-387 001 • **Nagpur:** Plot No. 2/1, House No 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewelers, Dharampeth, Nagpur-440 010 • **Nasik:** S-12, Suyojit Sankul, Sharanpur Road, Near Rajiv Gandhi Bhavan, Nasik-422 002 • **Navsari:** 1/1 Chinmay Arcade, Opp. Sattapir Road, Tower Road, Navsari-396 445 • **New Delhi:** 305, New Delhi House, 27, Barakhamba Road, New Delhi-110 001 • **Noida:** 307, Jaipuria Plaza, D-68-A, 2nd Floor, Opp. Delhi Public School, Sector 26, Noida-201 301 • **Panipat:** 1st Floor, Krishna Tower, Above Amertex, G.T. Road, Panipat-132 103 • **Panjim:** City Business Centre, Coelho Pereira Building, Room No. 18, 19 & 20, Dada Vaidya Road, Panjim-403 001 • **Patiala:** SCO-27 D, Chhotti Baradari, Near Car Bazaar, Patiala-147 001 • **Patna:** 3-A, 3rd Floor, Anand Tower, Exhibition Road, Opp. ICICI Bank, Patna-800 001 • **Pondicherry:** No. 7, Thiayagaraja Street, Pondicherry-605 001 • **Pune:** Office # 16, Gr. Floor, Shrinath Raj, Near Dyaneshwar Paduka Chowk, F. C. Road, Pune-411 005 • **Raipur:** 2 & 3, Lower Level, Millenium Plaza, Room No. L 1, 2 & 3, Behind Indian Coffee House, Raipur-492 001 • **Rajkot:** 104, Siddhi Vinyak Complex, Opp. Ramkrishna Ashram, Dr. Yagnik Road, Rajkot, Rajkot-360 001 • **Ranchi:** Room No. 307, 3rd Floor, Commerce Tower, Beside Mahabir Tower, Ranchi-834 001 • **Rourkela:** 1st Floor, Sandhu Complex, Kachery Road, Uditnagar, Rourekla-769 012 • **Salem:** No. 40, 2nd Floor, Brindavan Road, Fairlands, Near Perumal Koil, Salem-636 016 • **Shillong:** Annex Mani Bhawan, Lower Thana Road, Near R K M Lp School, Shillong-793 001 • **Shimla:** Triveni Building, By Pas Chowkhalini, Shimla-171 002 • **Siliguri:** Nanak Complex, Sevoke Road, Siliguri-734 001 • **Surat:** G-5, Empire State Building, Near Udhna Darwaja, Ring Road, Surat-395 002 • **Tirunelveli:** 55/18, Jeney Building, S.N. Road, Near Aravind Eye Hospital, Tirunelveli-627 001 • **Trichur:** 2nd Floor, Brothers Complex, Naikkanal Junction, Shornur Road, Near Dhanalakshmi Bank H O, Thrissur-680 001 • **Trichy:** 60, Sri Krishna Arcade, Thennur High Road, Trichy-620 017 • **Trivandrum:** 2nd Floor, Akshaya Tower, Sasthamangalam, Trivandrum-695 010 • **Udaipur:** 201-202, Madhav Chambers, Opp. G P O., Chetak Circle, Udaipur-313 001 • **Vadodara:** SB-5, Mangaldeep Complex, Opp. Masonic Hall, Productivity Road, Alkapuri, Baroda-390 007 • **Valsad:** Shop No. 2, Phiroza Corner, Opp. Next Show Room, Tithal Road, Valsad-396 001 • **Vapi:** Shop No. 12, Ground Floor, Sheetal Appatment, Near K.P. Tower, Vapi-396 195 • **Varanasi:** D-64/132, 1st Floor, Anant Complex, Siga, Varanashi-221 010 • **Vellore:** No. 1, M. N. R. Arcade, Officers Line, Krishna Nagar, Vellore-632 001 • **Vijayawada:** 39-10-7, Opp. Municipal Water Tank, Labbipet, Vijayawada-520 010 • **Visakhapatnam:** Door No: 48-8-7, Dwaraka Dimond, Gr. Floor, Srinagar, Visakhapatnam - 530 016 • **Warangal:** 5-6-95, 1st Floor, Opp. B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal-506 001.

Name, Address and Website of Registrar:

Karvy Computershare Pvt. Ltd. (Unit: Principal Mutual Fund),

Karvy Registry House, #8-2-596, Avenue 4, Street No. 1, Banjara hills, Hyderabad-500 034. Website: www.karvycomputershare.com

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

