

October 2014

**TAX BENEFIT\***

**HIGH GROWTH POTENTIAL**


\*Under section 80C of Income Tax act, 1961, the deduction limit for investment in ELSS is now upto ₹ 1.5 lakh






**PRINCIPAL  
TAX SAVINGS  
FUND**

(An open-ended Equity Linked Savings Scheme)

**Product Label** - This product is suitable for investors who are seeking -

- 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)




~ 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.
<b>Principal Large Cap Fund</b> <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth.</li> <li>Investment in equity &amp; equity related securities including equity derivatives of large capitalization Companies</li> </ul>	High Risk  (Brown)	8
<b>Principal Emerging Bluechip Fund</b> <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth.</li> <li>Investment in equity &amp; equity related securities including equity derivatives of mid &amp; small capitalization Companies.</li> </ul>	High Risk  (Brown)	9
<b>Principal Growth Fund</b> <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth.</li> <li>Investment in equity &amp; equity related securities including equity derivatives of companies across market capitalization.</li> </ul>	High Risk  (Brown)	10
<b>Principal Dividend Yield Fund</b> <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth.</li> <li>Investment in equity &amp; equity related securities including equity derivatives of high dividend yield Companies.</li> </ul>	High Risk  (Brown)	11
<b>Principal Index Fund - Nifty</b> <i>(An Open-ended Index Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth.</li> <li>Investment in equity securities including equity derivatives of CNX Nifty (NSE) Companies.</li> </ul>	High Risk  (Brown)	12
<b>Principal Index Fund - Midcap</b> <i>(An Open-ended Index Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth.</li> <li>Investment in equity securities including equity derivatives of CNX Midcap Index.</li> </ul>	High Risk  (Brown)	13
<b>Principal SMART Equity Fund</b> <i>(An Open-ended Equity Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth.</li> <li>Investment in equity &amp; 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 &amp; Debt on the basis of the Price Earnings Ratio of CNX Nifty.</li> </ul>	High Risk  (Brown)	14
<b>Principal Personal Tax Saver Fund</b> <i>(An Open-ended Equity Linked Savings Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth with a three year lock-in.</li> <li>Investment in equity &amp; equity related securities including equity derivatives of large capitalization Companies.</li> </ul>	High Risk  (Brown)	15
<b>Principal Tax Savings Fund</b> <i>(An Open-ended Equity Linked Savings Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth with a three year lock-in.</li> <li>Investment in equity &amp; equity related securities including equity derivatives of companies across market capitalization.</li> </ul>	High Risk  (Brown)	16
<b>Principal Balanced Fund</b> <i>(An Open-ended Balanced Scheme)</i>	<ul style="list-style-type: none"> <li>Income and Long term Capital Growth.</li> <li>Investment in equity &amp; equity related securities, debt/money market securities as well as derivatives.</li> </ul>	Medium Risk  (Yellow)	17
<b>Principal Debt Savings Fund - MIP</b> <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"> <li>Income and Capital Growth over a medium term investment horizon.</li> <li>Investment primarily in debt/money market securities with exposure in equity &amp; equity related instruments including equity derivatives.</li> </ul>	Medium Risk  (Yellow)	18
<b>Principal Government Securities Fund</b> <i>(An Open-ended dedicated Gilt Scheme investing in Government Securities)</i>	<ul style="list-style-type: none"> <li>Income over a long term investment horizon.</li> <li>Investment in Government Securities.</li> </ul>	Low Risk  (Blue)	19
<b>Principal Income Fund - Long Term Plan</b> <i>(An Open-ended Income Scheme)</i>	<ul style="list-style-type: none"> <li>Income over a long term investment horizon.</li> <li>Investment in Debt &amp; Money Market Instruments.</li> </ul>	Low Risk  (Blue)	20
<b>Principal Debt Opportunities Fund - Corporate Bond Plan</b> <i>(An Open-ended Debt Scheme)</i>	<ul style="list-style-type: none"> <li>Income over a long term investment horizon.</li> <li>Investment in Debt &amp; Money Market Instruments of Private &amp; Public Sector Companies.</li> </ul>	Low Risk  (Blue)	21
<b>Principal Income Fund - Short Term Plan</b> <i>(An Open-ended Income Scheme)</i>	<ul style="list-style-type: none"> <li>Income over a medium term investment horizon.</li> <li>Investment in Debt &amp; Money Market Instruments.</li> </ul>	Low Risk  (Blue)	22
<b>Principal Bank CD Fund</b> <i>(An Open-ended Debt Scheme)</i>	<ul style="list-style-type: none"> <li>Income over a medium term investment horizon.</li> <li>Investment in Bank CDs, Debt &amp; Money Market Instruments.</li> </ul>	Low Risk  (Blue)	23
<b>Principal Debt Opportunities Fund - Conservative Plan</b> <i>(An Open-ended Debt Scheme)</i>	<ul style="list-style-type: none"> <li>Income over a short term investment horizon.</li> <li>Investment in Debt &amp; Money Market Instruments.</li> </ul>	Low Risk  (Blue)	24
<b>Principal Cash Management Fund</b> <i>(An Open-ended Liquid Scheme)</i>	<ul style="list-style-type: none"> <li>Income over a short term investment horizon.</li> <li>Investment in Debt &amp; Money Market Instruments, with maturity not exceeding 91 days.</li> </ul>	Low Risk  (Blue)	25
<b>Principal Global Opportunities Fund</b> <i>(An Open-ended Fund of Funds Scheme)</i>	<ul style="list-style-type: none"> <li>Long term Capital Growth.</li> <li>Investment in overseas mutual fund schemes.</li> </ul>	High Risk  (Brown)	26
<b>Principal Retail Money Manager Fund</b> <i>(An Open-ended Debt Scheme)</i>	<ul style="list-style-type: none"> <li>Income over a short term investment horizon.</li> <li>Investment in Debt &amp; Money Market Instruments.</li> </ul>	Low Risk  (Blue)	26
<b>Principal Debt Savings Fund - Retail Plan</b> <i>(An Open-ended Income Scheme)</i>	<ul style="list-style-type: none"> <li>Income over a long term investment horizon.</li> <li>Investment in Debt &amp; Money Market Instruments.</li> </ul>	Low Risk  (Blue)	27

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

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 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 October 2014

#### Key Market Highlights:

- During the month, yields fell across most asset classes sharply. Gilt yields ended the month 20 to 30 bps lower. Money market yields and corporate bond yields also fell by 25-30 bps across maturities. Sharp fall in CPI and WPI, fall in crude oil prices, large bond purchases by FIs and fall in global bond yields were the primary reasons.
- Brent Crude oil prices continued their downward trend ending the month at USD 85 per barrel as compared to USD 94 per barrel in the previous month. The government announced deregulation of diesel prices and further cut in diesel prices taking advantage of the fall in crude oil prices.
- INR closed stronger during the month at 61.37 as compared to 61.75 the previous month. For the month of October, FIs continue to remain buyers in the debt market with net debt purchases totaling ₹ 17,400 crore approx.
- The benchmark ten year g-sec closed the month at 8.28%, 23 bps lower than previous month.
- The ten year AAA Corporate bond benchmark closed at 8.90%, 30 bps lower than previous month. The five year AAA corporate bond benchmark closed at 8.90%, 34 bps lower than previous month.
- 1 year CD rates fell by 27 bps to close at 8.78%. 1 year T bill rate also fell by 27 bps to close at 8.35%.
- Sept WPI data release came lower at 2.38% as compared to 3.74% as in previous month. CPI for September came lower at 6.46% compared to 7.73% in previous month.
- August industrial production (IIP) growth came in at 0.4% yoy reflecting subdued industrial activity. The growth in the output of eight core sector industries came in at 1.9% in September from 5.8% in August.
- Fiscal data released by the government for the period April-September 2014 was ₹ 4.39 lakh crore (\$71.5 billion), or about 82.6% of the full-year target.
- Liquidity deficit was lower during the month at ₹ 51,000 crore average as compared to ₹ 46,000 crore average for the previous month combined for daily LAF, term LAF and MSF. Overnight rates remained stable around 8% during the month.
- During the month, RBI announced an OMO (Open Market Operations) sale of G-secs for ₹ 10,000 crore to suck out liquidity from the banking system. However RBI accepted bids worth ₹ 6582 crore only.

#### Outlook:

- We expect inflation data (WPI and CPI) to be lower as compared to previous data releases. This could support bond prices.
- We expect the new ten yr benchmark G sec to trade in a range of 8.15% to 8.35% during the month. Further OMO sales by RBI can lead to bouts of profit taking and higher yields given the current sustained rally. The five year AAA PSU corporate bond benchmark is expected to trade in a range of 8.70 to 9.00%.
- Banking system liquidity deficit is expected to go up in range of ₹ 70,000 crore to 100,000 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 range of 8.40-8.80%.

### Review of Equity Market for the Month of October 2014

October was a month of two halves for the Indian markets, like other equity markets (both developed and emerging). The first half of the month was weak, with markets down (nearly 3%) followed by a smart recovery in the second half (markets were up more than 7% in the second half). The markets were initially concerned about the impending end of the QE by the US Fed and potential hawkishness in the statement. Also, weak data from Europe and China, and weak commodity prices led to talk of deflation which impacted the market. However, statement from a Fed governor calling for a delay to end of taper as inflation expectations remained muted was a positive trigger for the markets. Also, the announcement from the Japanese central bank about the increased purchase of assets towards the end of the month positively surprised the markets. As far as India is concerned, the second half of the month opened with the results of the election of the state assemblies of Maharashtra and Haryana in which the BJP emerged as the largest party in both the states. Following the results, the union government announced a series of reforms. Most importantly, taking advantage of the weak oil prices, the government decontrolled prices of diesel. The government finally took a decision on the price of natural gas, and announced that there would be an auction of the surrendered coal blocks. There were also reforms on factory inspection and easing of limits on FDI in construction etc.

#### PERFORMANCE AS ON OCTOBER 31, 2014\*

	Index	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)
<b>Broad Markets</b>					
CNX Nifty Index	8322	4.49	7.78	24.28	32.12
S&P BSE Sensex	27866	4.64	7.61	24.30	31.66
S&P BSE 100	8384	4.59	7.49	24.85	33.70
S&P BSE 200	3392	4.32	7.87	26.20	36.21
S&P BSE 500	10595	4.14	7.76	27.00	38.38
S&P BSE Mid Cap	9835	3.19	7.04	34.29	61.03
S&P BSE Small Cap	10931	2.34	9.43	45.94	85.39
<b>Sectoral Performance</b>					
S&P BSE Auto	18579	4.69	19.94	38.94	53.87
S&P BSE Bankex	19505	10.73	11.55	32.63	49.04
S&P BSE CG	15925	11.61	8.69	31.41	74.00
S&P BSE CD	9875	0.25	15.41	51.52	56.59
S&P BSE FMCG	7497	-1.75	4.57	10.85	10.02
S&P BSE Metal	11850	3.86	-9.29	18.72	29.14
S&P BSE Oil & Gas	11160	4.02	3.82	16.88	24.89
S&P BSE PSU	8343	7.21	4.14	28.50	43.75
S&P BSE Teck	5938	0.32	8.19	21.67	23.32
S&P BSE HC	14354	0.01	16.31	33.43	49.38

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

Source - MFI Explorer

Flows into equity markets remained strong, especially from mutual funds. Domestic mutual funds were net buyers with USD 894 million while insurance companies remained small sellers. Mutual funds have received inflows of over ₹ 39,000 crores in the period April - October 2014. FIIS were purchasers of about USD 135 million (last month, about USD 900 million). In terms of sectoral performance, financials and capital goods were stand out sectors during the month. Financials were driven by lower long bond yields as weak inflation numbers led to a rally there.

As mentioned above, inflation numbers for September came in lower. WPI for September came in at 2.4% (August was 3.7%) while the CPI came in at 6.5% (previous month, 7.8%), sharply below consensus. The 'core' inflation number have also moderated. Inflation has been helped by a favourable base effect, and weaker food and commodity prices. In negative macroeconomic news, the fiscal deficit of the union government stood at 83% of FY15 estimates for the first half of the year. This is primarily due to weaker tax collections as economic growth remains weak. The Rupee remained virtually flat during the month, appreciating 0.6% vs the USD.

On the whole, the second quarter results that have been declared so far have been in line with the estimates. The ones which have had a positive surprise are Telecom and Healthcare while consumer staples and financials have broadly been in line with the estimates. We will get a clearer picture as more companies declare results.

The markets expect continuation of the reforms process with GST legislation likely to be introduced in the parliament in the winter session. However, geopolitical events will also be watched. Another factor that might weigh on the markets could be PSU disinvestment as the government now has just over four months remaining in the fiscal year and tax revenues are running low which is impacting the fiscal deficit.

During the month we bought or added to our positions in Axis Bank, Bajaj Auto, Bank of Baroda, Bank of India, State Bank of India, HDFC Bank, National Aluminium, Oriental Bank of Commerce, V S T Tillers and Tractors, AIA Engineering, Atul Products, CESC, Cox & Kings, Cyient, Indiabulls Housing Finance, Karur Vysya Bank, NCC Ltd., Oil India, Orient Cement, Ramkrishna Forgings, Shriram Transport Finance, Tata Chemicals, Power Finance Corporation, Yes Bank, ICICI Bank and Infosys among other stocks.

We sold or reduced our positions in Persistent Systems, Bajaj Holding & Investments, Cummins India, Tata Consultancy Services, Tata Motors, Hinduja Ventures, National Buildings Construction, Supreme Industries, Amara Raja Batteries, Hindustan Construction Company, Indraprastha Gas, Shree Cement, Symphony, Motherson Sumi Systems, ING Vysya Bank, Ashok Leyland, Bharat Petroleum Corporation, Gujarat State Petronet, Maruti Suzuki India, Hero Motocorp and IRB Infrastructure Developers among other stocks.



# 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
<b>Nature of the Scheme</b>	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
<b>Allotment Date - Regular Plan</b>	November 11, 2005	November 12, 2008	October 25, 2000	October 15, 2004	July 27, 1999	May 12, 2014
<b>- Direct Plan</b>	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	May 12, 2014
<b>Investment Plans / Options</b>	Regular Plan & Direct Plan. Both the Plans offer Growth & Dividend Option. Dividend Option under both the Plans offers facility of Payout, Reinvestment and Sweep.					
<b>Fund Manager &amp; Managing the Current Fund from</b>	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
<b>Total Investment Experience</b>	9 years	22 years	21 years	22 years	18 years	18 years
<b>Benchmark</b>	S&P BSE 100 Index	CNX Midcap Index	S&P BSE 200 Index	CNX Dividend Opportunities Index	CNX Nifty Index	CNX Midcap Index
<b>Minimum Application Amount</b>	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
<b>Cut Off Time<sup>#</sup></b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
<b>Exit Load (including SIP / STP / SWP, if available)</b>	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.	
<b>SIP / SWP / STP</b>	Available					
<b>Minimum No. &amp; Amt. of SIP/SWP/STP (if available)</b>	6 installments of SIP - ₹ 2,000/- each, STP - ₹ 1,000/- each & SWP - ₹ 500/- each.					

Particulars	EQUITY SCHEME	EQUITY LINKED SAVINGS SCHEME (ELSS) <sup>^</sup>		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
<b>Nature of the Scheme</b>	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)
<b>Allotment Date - Regular Plan</b>	December 16, 2010	March 31, 1996	March 31, 1996	January 14, 2000	May 23, 2002
<b>- Direct Plan</b>	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013
<b>Investment Plans / Options</b>	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
<b>Fund Manager &amp; Managing the Current Fund from</b>	Anupam Tiwari July 2011	Anupam Tiwari July 2011	P.V.K. Mohan September 2010	P.V.K. Mohan May 2010	Pankaj Jain January 2012
<b>Total Investment Experience</b>	9 years	9 years	21 years	21 years	12 years
<b>Benchmark</b>	Crisil Balanced Fund Index	S&P BSE 100 Index	S&P BSE 200 Index	Crisil Balanced Fund Index	Crisil MIP Blended Index
<b>Minimum Application Amount</b>	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
<b>Cut Off Time<sup>#</sup></b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
<b>Exit Load (including SIP / STP / SWP, if available)</b>	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%.	
<b>SIP</b>	Available				
<b>SWP / STP</b>	Available	Available after lock-in period		Available	Available
<b>Minimum No. &amp; Amt. of SIP/SWP/STP (if available)</b>	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.	

<sup>#</sup> 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).

<sup>^</sup> 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
<b>Nature of the Scheme</b>	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
<b>Allotment Date - Regular Plan</b>	August 23, 2001	May 09, 2003	September 14, 2004	May 09, 2003	November 6, 2007
<b>- Direct Plan</b>	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013	January 2, 2013
<b>Investment Plans / Options</b>	Regular Plan and Direct Plan. Both the Plans offer Dividend & Growth Option.				
<b>Dividend Frequencies</b>	Quarterly / Annual	Quarterly / Annual	Monthly	Monthly	Monthly
<b>Fund Manager &amp; Managing the Current Fund from</b>	Bekxy Kuriakose October 2012	Bekxy Kuriakose January 2013	Bekxy Kuriakose January 2013	Gurvinder Singh Wasan April 2011	Gurvinder Singh Wasan April 2011
<b>Total Investment Experience</b>	14 years	14 years	14 years	10 years	10 years
<b>Benchmark</b>	I-Sec Composite Index	Crisil Composite Bond Fund Index	Crisil Composite Bond Fund Index	CRISIL Short-Term Bond Fund Index	Crisil Liquid Fund Index
<b>Minimum Application Amount</b>	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
<b>Cut Off Time Subscription#</b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
<b>Redemption</b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	3.00 pm
<b>Exit Load (including SIP/STP/SWP, if available)</b>	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 30 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.
<b>SIP / SWP / STP</b>	Available				
<b>Minimum number &amp; Amount of SIP/SWP/STP (if available)</b>	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
<b>Nature of the Scheme</b>	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
<b>Allotment Date - Regular Plan</b>	September 14, 2004	August 30, 2004	December 28, 2007	December 30, 2003	March 29, 2004
<b>- Direct Plan</b>	January 2, 2013	January 1, 2013	January 1, 2013	January 2, 2013	January 2, 2013
<b>Investment Plans/ Options/ Dividend Frequencies</b>	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.
<b>Fund Manager &amp; Managing the Current Fund from</b>	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Pankaj Jain January 2012	Rajat Jain March 2004
<b>Total Investment Experience</b>	12 years	12 years	12 years	12 years	25 years
<b>Benchmark</b>	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Short Term Bond Fund Index	MSCI World Index
<b>Minimum Application Amount</b>	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
<b>Cut Off Time Subscription#</b>	3.00 pm	2.00 pm	3.00 pm	3.00 pm	12.30 pm
<b>Redemption</b>	3.00 pm	3.00 pm	3.00 pm	3.00 pm	12.30 pm
<b>Exit Load (including SIP/STP/SWP, if available)</b>	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%.
<b>SIP / SWP / STP</b>	Available				
<b>Minimum number &amp; Amount of SIP/SWP/STP (if available)</b>	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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 45.35	₹ 44.87
Dividend Option :	₹ 31.06	₹ 30.73

## 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	16.24%
Beta <sup>^</sup>	0.92
Sharpe Ratio <sup>^</sup> (Annualised)	0.66
Portfolio Turnover Ratio <sup>**</sup>	0.76
Expense Ratio (Regular Plan) <sup>#+</sup>	2.53%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 October 31, 2014)

	% of NAV
Equity & Equity Related Instruments of Large Cap Companies	97.66
Equity & Equity Related Instruments of Mid Cap & Other Companies	-
Cash and Other Assets	2.34

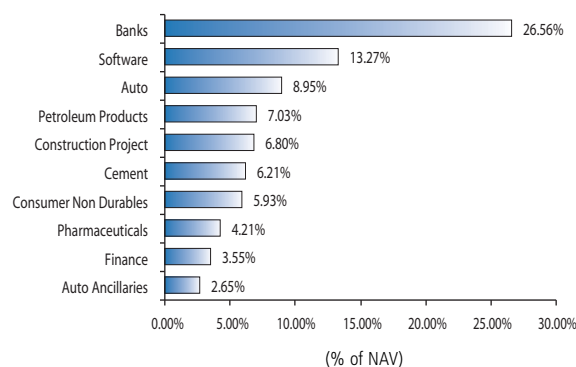
## PORTFOLIO (As on October 31, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>97.66</b>
ICICI Bank	Banks	7.53
Larsen & Toubro	Construction Project	5.99
Infosys	Software	5.93
ITC	Consumer Non Durables	5.48
State Bank of India	Banks	5.08
Tata Motors	Auto	4.47
Shree Cements	Cement	4.45
Divi's Laboratories	Pharmaceuticals	4.21
Tech Mahindra	Software	4.14

Reliance Industries	Petroleum Products	4.13
HDFC Bank	Banks	3.66
Housing Development Finance Corporation	Finance	3.55
Axis Bank	Banks	3.37
Maruti Suzuki India	Auto	3.37
Bharat Petroleum Corporation	Petroleum Products	2.90
HCL Technologies	Software	2.28
Crompton Greaves	Industrial Capital Goods	1.79
Indraprastha Gas	Gas	1.75
The Federal Bank	Banks	1.73
IndusInd Bank	Banks	1.70
ING Vysya Bank	Banks	1.59
Motherson Sumi Systems	Auto Ancillaries	1.53
Adani Ports and Special Economic Zone	Transportation	1.43
Sesa Sterlite	Minerals/Mining	1.32
National Aluminium Company	Non - Ferrous Metals	1.29
UltraTech Cement	Cement	1.25
Aditya Birla Nuvo	Services	1.24
Oil India	Oil	1.16
Apollo Tyres	Auto Ancillaries	1.12
Yes Bank	Banks	1.05
Tata Steel	Ferrous Metals	0.94
Wipro	Software	0.92
D.B.Corp	Media & Entertainment	0.90
Bank of Baroda	Banks	0.85
Voltas	Construction Project	0.81
Ashok Leyland	Auto	0.67
Oil & Natural Gas Corporation	Oil	0.55
The Ramco Cements	Cement	0.51
Asian Paints	Consumer Non Durables	0.45
Bajaj Auto	Auto	0.44
Coromandel International	Fertilisers	0.13

<b>Cash and Other Assets</b>	<b>2.34</b>
<b>Net Assets</b>	<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 60.36	₹ 59.67
Dividend Option :	₹ 45.96	₹ 45.47

## 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	19.77%
Beta <sup>^</sup>	0.84
Sharpe Ratio <sup>^</sup> (Annualised)	1.06
Portfolio Turnover Ratio <sup>**</sup>	0.78
Expense Ratio (Regular Plan) <sup>#+</sup>	2.53%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 October 31, 2014)

	% of NAV
Equity and equity related instruments of Mid Cap Companies	88.69
Equity and equity related instruments of Small Cap Companies	5.72
Equity and equity related instruments of Companies other than Mid & Small Cap	3.22
Cash and Money Market / Fixed Income Securities (including MIBOR Linked Short Term Papers & Securitised Debt)	0.99
Mutual Funds	0.79
Derivatives	0.59

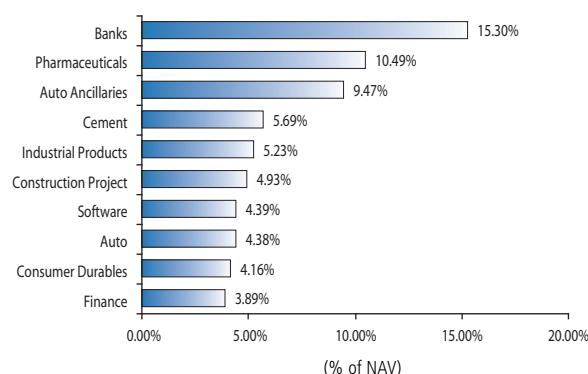
**Market Cap Range for CNX Midcap Stocks**  
As on Sept. 30, 2014 ₹ 88,426.03 Cr – ₹ 2,971.67 Crs

## PORTFOLIO (As on October 31, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>97.63</b>
Motherson Sumi Systems	Auto Ancillaries	3.88
Tech Mahindra	Software	3.35
ICICI Bank	Banks	3.22
The Federal Bank	Banks	3.19
Eicher Motors	Auto	3.16
Sadbhav Engineering	Construction Project	2.95
Shree Cements	Cement	2.77
Amara Raja Batteries	Auto Ancillaries	2.66
Aurobindo Pharma	Pharmaceuticals	2.66
Symphony	Consumer Durables	2.54
Divi's Laboratories	Pharmaceuticals	2.43
Gateway Distriparks	Transportation	2.21
Yes Bank	Banks	1.94
IndusInd Bank	Banks	1.91
Britannia Industries	Consumer Non Durables	1.88
Hindustan Petroleum Corporation	Petroleum Products	1.82

Bharat Forge	Industrial Products	1.75
UPL	Pesticides	1.75
JK Cement	Cement	1.69
Power Finance Corporation	Finance	1.68
Kaveri Seed Company	Consumer Non Durables	1.65
Bata India	Consumer Durables	1.62
Glenmark Pharmaceuticals	Pharmaceuticals	1.60
Oil India	Oil	1.60
Cummins India	Industrial Products	1.56
Arvind	Textile Products	1.54
National Buildings Construction Corpn.	Construction	1.53
Aditya Birla Nuvo	Services	1.53
SRF	Textile Products	1.52
ING Vysya Bank	Banks	1.49
Lupin	Pharmaceuticals	1.46
Dynatomic Technologies	Auto Ancillaries	1.40
IPCA Laboratories	Pharmaceuticals	1.39
AIA Engineering	Industrial Capital Goods	1.31
The Jammu & Kashmir Bank	Banks	1.29
Orient Cement	Cement	1.23
Finolex Cables	Industrial Products	1.23
V.S.T Tillers Tractors	Auto	1.22
Karur Vysya Bank	Banks	1.20
CESC	Power	1.13
Indiabulls Housing Finance	Finance	1.12
Crompton Greaves	Industrial Capital Goods	1.10
Shriram Transport Finance Company	Finance	1.09
Oriental Bank of Commerce	Banks	1.06
Reliance Infrastructure	Power	1.06
Cyient	Software	1.04
Atul	Chemicals	1.02
Tata Chemicals	Chemicals	1.00
Kalpataru Power Transmission	Power	0.99
NCC	Construction Project	0.99
Pidilite Industries	Chemicals	0.99
Volta	Construction Project	0.99
Indraprastha Gas	Gas	0.98
Torrent Pharmaceuticals	Pharmaceuticals	0.95
JK Tyre & Industries	Auto Ancillaries	0.95
Hindustan Zinc	Non - Ferrous Metals	0.94
D.B.Corp	Media & Entertainment	0.84
Cox & Kings	Transportation	0.84
Ramkrishna Forgings	Industrial Products	0.69
Apollo Tyres	Auto Ancillaries	0.58
Transport Corporation of India	Transportation	0.47
<b>Derivatives</b>		<b>0.59</b>
Apollo Tyres Nov 2014	Stock Futures	0.59
<b>Investment Funds/Mutual Funds</b>		<b>0.79</b>
Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	0.79
<b>Cash and Other Assets</b>		<b>0.99</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 92.78	₹ 91.81
Dividend Option :	₹ 42.05	₹ 41.60

## 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	18.75%
Beta <sup>^</sup>	1.04
Sharpe Ratio <sup>^</sup> (Annualised)	0.87
Portfolio Turnover Ratio <sup>**</sup>	1.07
Expense Ratio (Regular Plan) <sup>#+</sup>	2.52%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 October 31, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>97.14</b>
ICICI Bank	Banks	5.67
State Bank of India	Banks	4.08
ITC	Consumer Non Durables	3.69
Maruti Suzuki India	Auto	3.04
Reliance Industries	Petroleum Products	3.04
The Federal Bank	Banks	2.80
Infosys	Software	2.50
Aurobindo Pharma	Pharmaceuticals	2.36
Tata Motors	Auto	2.36
HDFC Bank	Banks	2.21
Tech Mahindra	Software	2.20
Bank of Baroda	Banks	2.16
HCL Technologies	Software	2.15
TVS Motor Company	Auto	2.14
JK Cement	Cement	2.11
Housing Development Finance Corpn.	Finance	2.05
Lupin	Pharmaceuticals	1.99
Ashok Leyland	Auto	1.98
Britannia Industries	Consumer Non Durables	1.85
Bharat Forge	Industrial Products	1.83
Tata Consultancy Services	Software	1.82

The India Cements	Cement	1.79
Cipla	Pharmaceuticals	1.76
Hindustan Zinc	Non - Ferrous Metals	1.75
Sesa Sterlite	Minerals/Mining	1.58
Andhra Bank	Banks	1.58
Jain Irrigation Systems	Industrial Products	1.55
Axis Bank	Banks	1.53
PC Jeweller	Consumer Durables	1.46
National Aluminium Company	Non - Ferrous Metals	1.40
Wipro	Software	1.39
Oil India	Oil	1.30
Hindustan Construction Company	Construction Project	1.30
Motherson Sumi Systems	Auto Ancillaries	1.29
Tata Steel	Ferrous Metals	1.29
Oriental Bank of Commerce	Banks	1.28
Oil & Natural Gas Corporation	Oil	1.28
Crompton Greaves	Industrial Capital Goods	1.27
Aditya Birla Nuvo	Services	1.22
Larsen & Toubro	Construction Project	1.17
The Ramco Cements	Cement	1.12
UltraTech Cement	Cement	1.12
Apollo Tyres	Auto Ancillaries	1.11
Cyient	Software	1.09
Voltas	Construction Project	1.07
ING Vysya Bank	Banks	1.05
Bajaj Auto	Auto	1.01
Bharat Petroleum Corporation	Petroleum Products	0.99
Indraprastha Gas	Gas	0.97
Indiabulls Power	Power	0.96
Prestige Estates Projects	Construction	0.90
Hindalco Industries	Non - Ferrous Metals	0.83
UPL	Pesticides	0.78
Bank of India	Banks	0.76
Jet Airways (India)	Transportation	0.73
Union Bank of India	Banks	0.72
Power Finance Corporation	Finance	0.69
Mile Stone Global	Construction	0.02

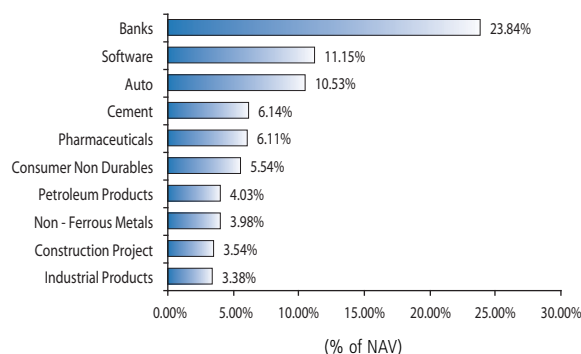
## Investment Funds/Mutual Funds

Principal Index Fund - Midcap - Direct Plan - Growth	Mutual Funds	0.81
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## Cash and Other Assets

<b>Net Assets</b>	<b>100.00</b>
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## SECTOR ALLOCATION (TOP 10) (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 35.75	₹ 35.40
Dividend Option :	₹ 26.39	₹ 26.13

## 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	18.98%
Beta <sup>^</sup>	0.90
Sharpe Ratio <sup>^</sup> (Annualised)	0.51
Portfolio Turnover Ratio <sup>**</sup>	0.50
Expense Ratio (Regular Plan) <sup>#+</sup>	2.66%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

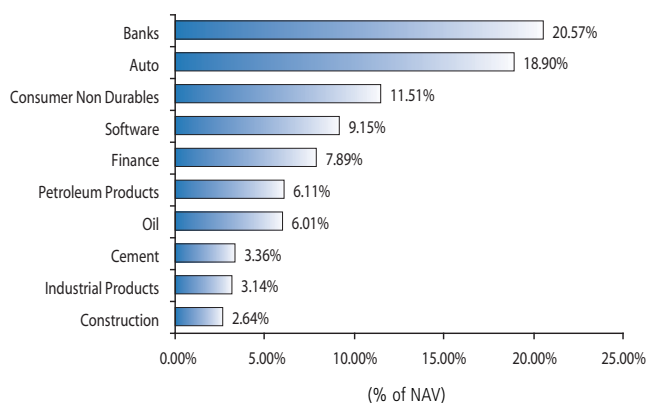
<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees. <sup>+</sup> Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

## PORTFOLIO (As on October 31, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>98.64</b>
Hero MotoCorp	Auto	5.49
ICICI Bank	Banks	4.57
State Bank of India	Banks	4.56
Bajaj Auto	Auto	4.34
Oil & Natural Gas Corporation	Oil	4.13
Tata Motors - A Class	Auto	4.03
Bank of Baroda	Banks	3.64
Hindustan Unilever	Consumer Non Durables	3.48
Bajaj Holdings & Investment	Finance	3.25
VST Industries	Consumer Non Durables	2.55
SML Isuzu	Auto	2.51
Gateway Distriparks	Transportation	2.49
Tech Mahindra	Software	2.42
Tata Consultancy Services	Software	2.40
HCL Technologies	Software	2.38
Colgate Palmolive (India)	Consumer Non Durables	2.37
Power Finance Corporation	Finance	2.10

Cummins India	Industrial Products	2.04
Oil India	Oil	1.88
National Buildings Construction Corporation	Construction	1.84
The Federal Bank	Banks	1.80
Hindustan Petroleum Corporation	Petroleum Products	1.74
The Jammu & Kashmir Bank	Banks	1.70
Bharat Petroleum Corporation	Petroleum Products	1.70
Century Textiles & Industries	Cement	1.69
ACC	Cement	1.67
HDFC Bank	Banks	1.64
Karur Vysya Bank	Banks	1.63
Rural Electrification Corporation	Finance	1.63
Castrol India	Petroleum Products	1.58
Maruti Suzuki India	Auto	1.42
ITC	Consumer Non Durables	1.15
Cyient	Software	1.12
V.S.T Tillers Tractors	Auto	1.11
Supreme Industries	Industrial Products	1.10
Reliance Industries	Petroleum Products	1.09
DCM Shriram	Consumer Non Durables	1.05
Oriental Bank of Commerce	Banks	1.03
Aurobindo Pharma	Pharmaceuticals	0.97
Hindustan Zinc	Non - Ferrous Metals	0.93
National Aluminium Company	Non - Ferrous Metals	0.93
IDFC	Finance	0.91
Tata Global Beverages	Consumer Non Durables	0.91
IPCA Laboratories	Pharmaceuticals	0.91
Crompton Greaves	Industrial Capital Goods	0.90
Tata Chemicals	Chemicals	0.86
Aurionpro Solutions	Software	0.83
Kolte - Patil Developers	Construction	0.80
PI Industries	Pesticides	0.75
D.B.Corp	Media & Entertainment	0.62
<b>Derivatives</b>		<b>0.93</b>
Apollo Tyres Nov 2014	Stock Futures	0.93
<b>Cash and Other Assets</b>		<b>0.43</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 57.7256	₹ 57.2622
Dividend Option :	₹ 33.9248	₹ 33.6542

## 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	16.29%
Beta <sup>^</sup>	0.99
Sharpe Ratio <sup>^</sup> (Annualised)	0.51
Portfolio Turnover Ratio <sup>**</sup>	0.97
Expense Ratio (Regular Plan) <sup>#+</sup>	1.00%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM.

<sup>+</sup> 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

1.04%\*

\* Trailing 12 months ended October 31, 2014 (Annualized).

## PORTFOLIO (As on October 31, 2014)

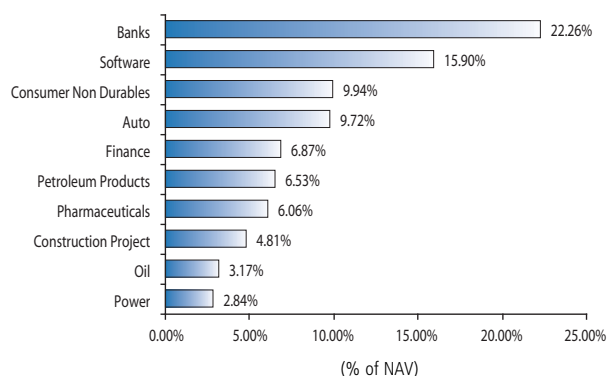
Instrument	Industry	% of NAV
<b>Equity</b>		<b>100.00</b>
ITC	Consumer Non Durables	7.02
Infosys	Software	6.96
ICICI Bank	Banks	6.70
Housing Development Finance Corpn.	Finance	6.17
HDFC Bank	Banks	6.07
Reliance Industries	Petroleum Products	5.86
Larsen & Toubro	Construction Project	4.81
Tata Consultancy Services	Software	4.74
Tata Motors	Auto	3.43
State Bank of India	Banks	2.97
Axis Bank	Banks	2.61
Oil & Natural Gas Corporation	Oil	2.59
Sun Pharmaceuticals Industries	Pharmaceuticals	2.26
Mahindra & Mahindra	Auto	2.16
Bharti Airtel	Telecom - Services	1.96
Hindustan Unilever	Consumer Non Durables	1.86

Kotak Mahindra Bank	Banks	1.70
Maruti Suzuki India	Auto	1.57
HCL Technologies	Software	1.54
Dr. Reddy's Laboratories	Pharmaceuticals	1.43
Tech Mahindra	Software	1.35
Wipro	Software	1.31
Hero MotoCorp	Auto	1.31
Bajaj Auto	Auto	1.25
Cipla	Pharmaceuticals	1.20
Lupin	Pharmaceuticals	1.17
Tata Steel	Ferrous Metals	1.16
Power Grid Corporation of India	Power	1.14
IndusInd Bank	Banks	1.10
NTPC	Power	1.10
Sesa Sterlite	Minerals/Mining	1.07
Asian Paints	Consumer Non Durables	1.06
UltraTech Cement	Cement	0.93
GAIL (India)	Gas	0.87
Coal India	Minerals/Mining	0.86
Bharat Heavy Electricals	Industrial Capital Goods	0.83
Grasim Industries	Cement	0.79
Hindalco Industries	Non - Ferrous Metals	0.75
IDFC	Finance	0.70
Zee Entertainment Enterprises	Media & Entertainment	0.67
Bharat Petroleum Corporation	Petroleum Products	0.67
Ambuja Cements	Cement	0.62
Bank of Baroda	Banks	0.62
Tata Power Company	Power	0.60
Cairn India	Oil	0.58
ACC	Cement	0.50
Punjab National Bank	Banks	0.49
NMDC	Minerals/Mining	0.48
Jindal Steel & Power	Ferrous Metals	0.21
DLF	Construction	0.20

**Cash and Other Assets** **0.00**

**Net Assets** **100.00**

## SECTOR ALLOCATION (TOP 10) (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 13.0970	₹ 13.0632
Dividend Option :	₹ 13.0970	₹ 13.0632

## 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 October 31, 2014)

Portfolio Turnover Ratio**	0.49
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.

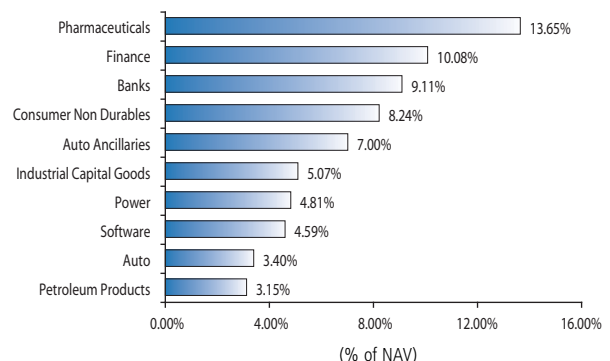
+ Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

## PORTFOLIO (As on October 31, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>99.62</b>
Aurobindo Pharma	Pharmaceuticals	2.28
Motherson Sumi Systems	Auto Ancillaries	2.25
Eicher Motors	Auto	2.24
Divi's Laboratories	Pharmaceuticals	2.11
UPL	Pesticides	1.85
Bharti Infratel	Telecom - Equipment & Accessories	1.80
Power Finance Corporation	Finance	1.79
Bharat Forge	Industrial Products	1.78
Glenmark Pharmaceuticals	Pharmaceuticals	1.78
Container Corporation of India	Transportation	1.78
Ranbaxy Laboratories	Pharmaceuticals	1.74
Aditya Birla Nuvo	Services	1.61
Indian Oil Corporation	Petroleum Products	1.60
Britannia Industries	Consumer Non Durables	1.60
Oil India	Oil	1.58
Hindustan Petroleum Corporation	Petroleum Products	1.55
Reliance Infrastructure	Power	1.52
Apollo Hospitals Enterprise	Healthcare Services	1.50
Indiabulls Housing Finance	Finance	1.45
MRF	Auto Ancillaries	1.42
Mahindra & Mahindra Financial Services	Finance	1.41
Shree Cements	Cement	1.40
Siemens	Industrial Capital Goods	1.37
Cadila Healthcare	Pharmaceuticals	1.28
Exide Industries	Auto Ancillaries	1.28
Oracle Financial Services Software	Software	1.27
Tata Chemicals	Chemicals	1.26
ING Vysya Bank	Banks	1.24
Steel Authority of India	Ferrous Metals	1.21
Havells India	Consumer Durables	1.21
Crompton Greaves	Industrial Capital Goods	1.20
Piramal Enterprises	Pharmaceuticals	1.16
Ashok Leyland	Auto	1.16
Karur Vysya Bank	Banks	1.14
GlaxoSmithKline Consumer Healthcare	Consumer Non Durables	1.14
Tata Global Beverages	Consumer Non Durables	1.14
MindTree	Software	1.13
Bajaj Finserv	Finance	1.13
Pidilite Industries	Chemicals	1.12
Apollo Tyres	Auto Ancillaries	1.10
ABB India	Industrial Capital Goods	1.09
Bank of India	Banks	1.08
Petronet LNG	Gas	1.06
Voltas	Construction Project	1.02
Canara Bank	Banks	1.02

Union Bank of India	Banks	1.01
Amara Raja Batteries	Auto Ancillaries	0.95
Reliance Power	Power	0.95
Reliance Capital	Finance	0.95
The Indian Hotels Company	Hotels	0.93
Procter & Gamble Hygiene and Health Care	Consumer Non Durables	0.91
Emami	Consumer Non Durables	0.89
IPCA Laboratories	Pharmaceuticals	0.88
Bajaj Finance	Finance	0.86
The Ramco Cements	Cement	0.84
United Breweries	Consumer Non Durables	0.82
Max India	Finance	0.78
Arvind	Textile Products	0.77
Torrent Pharmaceuticals	Pharmaceuticals	0.75
CRISIL	Finance	0.74
The Great Eastern Shipping Company	Transportation	0.74
Bharat Electronics	Industrial Capital Goods	0.74
Jubilant Foodworks	Consumer Non Durables	0.73
CECSC	Power	0.71
Hindustan Zinc	Non - Ferrous Metals	0.71
Bata India	Consumer Durables	0.68
Thermax	Industrial Capital Goods	0.67
The South Indian Bank	Banks	0.66
Just Dial	Software	0.64
Oriental Bank of Commerce	Banks	0.62
Biocon	Pharmaceuticals	0.62
GMR Infrastructure	Construction Project	0.60
Mphasis	Software	0.59
JSW Energy	Power	0.58
IRB Infrastructure Developers	Construction	0.58
Sun TV Network	Media & Entertainment	0.57
NHPC	Power	0.57
Kansai Nerolac Paints	Consumer Non Durables	0.56
The Jammu & Kashmir Bank	Banks	0.56
Century Textiles & Industries	Cement	0.55
Sanofi India	Pharmaceuticals	0.54
L&T Finance Holdings	Finance	0.53
CMC	Software	0.51
Strides Arcolab	Pharmaceuticals	0.51
Jain Irrigation Systems	Industrial Products	0.51
Tata Communications	Telecom - Services	0.51
Indraprastha Gas	Gas	0.49
Gujarat State Petronet	Gas	0.49
Unitech	Construction	0.49
Torrent Power	Power	0.48
IDBI Bank	Banks	0.47
Allahabad Bank	Banks	0.45
Syndicate Bank	Banks	0.45
Godrej Industries	Consumer Non Durables	0.45
KPIT Technologies	Software	0.45
IFCI	Finance	0.44
The Karnataka Bank	Banks	0.41
Housing Development and Infrastructure	Construction	0.39
TV18 Broadcast	Media & Entertainment	0.37
Bhushan Steel	Ferrous Metals	0.12
<b>Cash and Other Assets</b>		<b>0.38</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 16.25	₹ 16.02
Dividend Option :	₹ 16.25	₹ 16.02

## 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	13.92%
Beta <sup>^</sup>	1.16
Sharpe Ratio <sup>^</sup> (Annualised)	0.68
Portfolio Turnover Ratio <sup>**</sup>	0.71
Expense Ratio (Regular Plan) <sup>#+</sup>	2.70%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM.

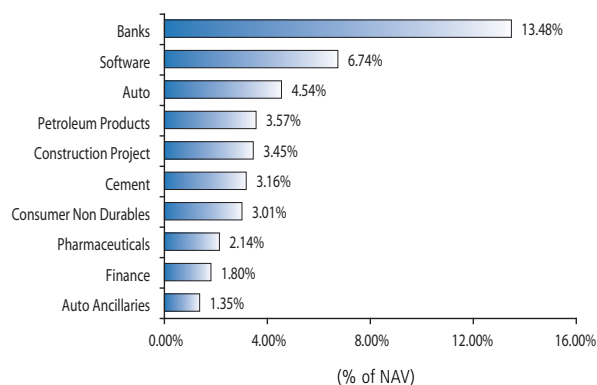
<sup>+</sup> Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

## PORTFOLIO (As on October 31, 2014)

Instrument	Industry/Rating	% of NAV
<b>Equity</b>		<b>49.59</b>
ICICI Bank	Banks	3.82
Larsen & Toubro	Construction Project	3.04
Infosys	Software	3.01
ITC	Consumer Non Durables	2.78
State Bank of India	Banks	2.58
Tata Motors	Auto	2.27
Shree Cements	Cement	2.26
Divi's Laboratories	Pharmaceuticals	2.14
Tech Mahindra	Software	2.10
Reliance Industries	Petroleum Products	2.10
HDFC Bank	Banks	1.86
Housing Development Finance Corporation	Finance	1.80
Maruti Suzuki India	Auto	1.71
Axis Bank	Banks	1.71
Bharat Petroleum Corporation	Petroleum Products	1.47
HCL Technologies	Software	1.16
Crompton Greaves	Industrial Capital Goods	0.91
Indraprastha Gas	Gas	0.89
The Federal Bank	Banks	0.88
IndusInd Bank	Banks	0.86

ING Vysya Bank	Banks	0.81
Motherson Sumi Systems	Auto Ancillaries	0.78
Adani Ports and Special Economic Zone	Transportation	0.72
Sesa Sterlite	Minerals/Mining	0.67
National Aluminium Company	Non - Ferrous Metals	0.65
UltraTech Cement	Cement	0.64
Aditya Birla Nuvo	Services	0.63
Oil India	Oil	0.59
Apollo Tyres	Auto Ancillaries	0.57
Yes Bank	Banks	0.53
Tata Steel	Ferrous Metals	0.48
Wipro	Software	0.47
D.B. Corp	Media & Entertainment	0.46
Bank of Baroda	Banks	0.43
Volta	Construction Project	0.41
Ashok Leyland	Auto	0.34
Oil & Natural Gas Corporation	Oil	0.28
The Ramco Cements	Cement	0.26
Asian Paints	Consumer Non Durables	0.23
Bajaj Auto	Auto	0.22
Coromandel International	Fertilisers	0.07
<b>Certificate of Deposit</b>		<b>14.87</b>
State Bank of Mysore	A1+	7.45
Axis Bank	A1+	7.42
<b>Commercial Paper</b>		<b>32.47</b>
L&T Fincorp	A1+	14.80
JK Cement	A1+	7.37
Edelweiss Commodities Services	A1+	7.35
Muthoot Finance	A1+	2.95
<b>Cash and Other Assets</b>		<b>3.07</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on October 31, 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 October 31, 2014)

**Direct Plan :** ₹ 149.40

**Regular Plan :** ₹ 147.91

## 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	16.45%
Beta <sup>^</sup>	0.93
Sharpe Ratio <sup>^</sup> (Annualised)	0.65
Portfolio Turnover Ratio <sup>**</sup>	0.76
Expense Ratio (Regular Plan) <sup>#+</sup>	2.52%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 October 31, 2014)

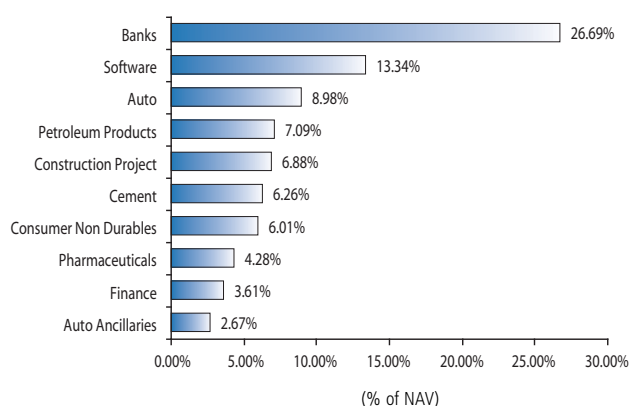
Instrument	Industry	% of NAV
<b>Equity</b>		<b>98.34</b>
ICICI Bank	Banks	7.56
Larsen & Toubro	Construction Project	6.07
Infosys	Software	5.91
ITC	Consumer Non Durables	5.56
State Bank of India	Banks	5.07
Shree Cements	Cement	4.51
Tata Motors	Auto	4.50
Divi's Laboratories	Pharmaceuticals	4.28
Reliance Industries	Petroleum Products	4.19
Tech Mahindra	Software	4.19
HDFC Bank	Banks	3.72
Housing Development Finance Corporation	Finance	3.61
Axis Bank	Banks	3.43
Maruti Suzuki India	Auto	3.36
Bharat Petroleum Corporation	Petroleum Products	2.90
HCL Technologies	Software	2.31

Crompton Greaves	Industrial Capital Goods	1.80
Indraprastha Gas	Gas	1.77
The Federal Bank	Banks	1.73
IndusInd Bank	Banks	1.70
ING Vysya Bank	Banks	1.59
Motherson Sumi Systems	Auto Ancillaries	1.54
Adani Ports and Special Economic Zone	Transportation	1.42
Sesa Sterlite	Minerals/Mining	1.32
National Aluminium Company	Non - Ferrous Metals	1.28
UltraTech Cement	Cement	1.25
Aditya Birla Nuvo	Services	1.23
Oil India	Oil	1.16
Apollo Tyres	Auto Ancillaries	1.13
Yes Bank	Banks	1.05
Tata Steel	Ferrous Metals	0.95
Wipro	Software	0.93
D.B.Corp	Media & Entertainment	0.90
Bank of Baroda	Banks	0.84
Volta	Construction Project	0.81
Ashok Leyland	Auto	0.68
Oil & Natural Gas Corporation	Oil	0.56
The Ramco Cements	Cement	0.50
Asian Paints	Consumer Non Durables	0.45
Bajaj Auto	Auto	0.44
Coromandel International	Fertilisers	0.14

**Cash and Other Assets** **1.66**

**Net Assets** **100.00**

## SECTOR ALLOCATION (TOP 10) (As on October 31, 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 October 31, 2014)

**Direct Plan :** ₹ 136.65

**Regular Plan :** ₹ 135.46

## 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
October 31, 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	18.67%
Beta <sup>^</sup>	1.04
Sharpe Ratio <sup>^</sup> (Annualised)	0.89
Portfolio Turnover Ratio <sup>**</sup>	0.99
Expense Ratio (Regular Plan) <sup>#+</sup>	2.55%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

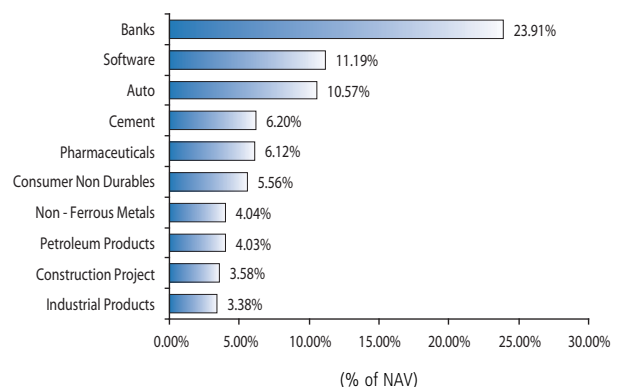
<sup>+</sup> Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

## PORTFOLIO (As on October 31, 2014)

Instrument	Industry	% of NAV
<b>Equity</b>		<b>97.65</b>
ICICI Bank	Banks	5.68
State Bank of India	Banks	4.08
ITC	Consumer Non Durables	3.71
Maruti Suzuki India	Auto	3.04
Reliance Industries	Petroleum Products	3.04
The Federal Bank	Banks	2.81
Infosys	Software	2.50
Tata Motors	Auto	2.38
Aurobindo Pharma	Pharmaceuticals	2.37
HDFC Bank	Banks	2.21
Tech Mahindra	Software	2.21
Bank of Baroda	Banks	2.16
HCL Technologies	Software	2.15
TVS Motor Company	Auto	2.14
JK Cement	Cement	2.11
Housing Development Finance Corporation	Finance	2.05
Ashok Leyland	Auto	1.99
Lupin	Pharmaceuticals	1.99
Britannia Industries	Consumer Non Durables	1.85
Bharat Forge	Industrial Products	1.83
Tata Consultancy Services	Software	1.82

The India Cements	Cement	1.80
Hindustan Zinc	Non - Ferrous Metals	1.76
Cipla	Pharmaceuticals	1.76
Sesa Sterlite	Minerals/Mining	1.58
Andhra Bank	Banks	1.58
Jain Irrigation Systems	Industrial Products	1.55
Axis Bank	Banks	1.53
PC Jeweller	Consumer Durables	1.46
National Aluminium Company	Non - Ferrous Metals	1.43
Wipro	Software	1.39
Motherson Sumi Systems	Auto Ancillaries	1.32
Oriental Bank of Commerce	Banks	1.32
Tata Steel	Ferrous Metals	1.31
Oil India	Oil	1.31
Hindustan Construction Company	Construction Project	1.30
Oil & Natural Gas Corporation	Oil	1.29
Crompton Greaves	Industrial Capital Goods	1.27
Aditya Birla Nuvo	Services	1.23
Larsen & Toubro	Construction Project	1.18
The Ramco Cements	Cement	1.15
UltraTech Cement	Cement	1.14
Apollo Tyres	Auto Ancillaries	1.14
Cyient	Software	1.12
Volta	Construction Project	1.10
ING Vysya Bank	Banks	1.06
Bajaj Auto	Auto	1.02
Bharat Petroleum Corporation	Petroleum Products	0.99
Indraprastha Gas	Gas	0.99
Indiabulls Power	Power	0.97
Prestige Estates Projects	Construction	0.91
Hindalco Industries	Non - Ferrous Metals	0.85
UPL	Pesticides	0.78
Bank of India	Banks	0.76
Jet Airways (India)	Transportation	0.74
Union Bank of India	Banks	0.72
Power Finance Corporation	Finance	0.72
<b>Cash and Other Assets</b>		<b>2.35</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION (TOP 10) (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 49.43	₹ 48.67
Dividend Option :	₹ 25.01	₹ 24.60

## 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 October 31, 2014)

Standard Deviation <sup>^</sup> (Annualised)	13.31%
Beta <sup>^</sup>	1.08
Sharpe Ratio <sup>^</sup> (Annualised)	0.76
Portfolio Turnover Ratio <sup>**</sup>	0.74
Expense Ratio (Regular Plan) <sup>#+</sup>	2.70%

Note: <sup>^</sup> The above measures have been calculated by taking rolling returns for a 3 year period with 8.4364% risk free rate of return (91 days - T Bill Rate as on Oct. 29, 2014).

<sup>\*\*</sup> 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.

<sup>#</sup> Calculated as year to date ratio to average AUM, excluding service tax on management fees.

<sup>+</sup> 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 October 31, 2014)

0.86 years

## MODIFIED DURATION (As on October 31, 2014)

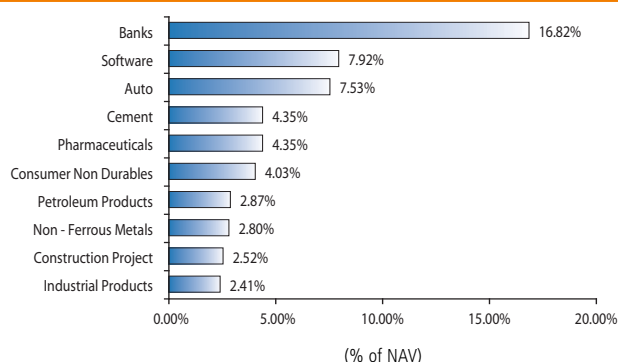
0.6 years

## PORTFOLIO (As on October 31, 2014)

Instrument	Industry / Rating	% of NAV
<b>Equity</b>		<b>69.08</b>
ICICI Bank	Banks	4.01
State Bank of India	Banks	2.83
ITC	Consumer Non Durables	2.64
Maruti Suzuki India	Auto	2.16
Reliance Industries	Petroleum Products	2.16
The Federal Bank	Banks	1.99
Infosys	Software	1.77
Tata Motors	Auto	1.71
Aurobindo Pharma	Pharmaceuticals	1.70
HDFC Bank	Banks	1.57
Tech Mahindra	Software	1.56
TVS Motor Company	Auto	1.55
Bank of Baroda	Banks	1.53
HCL Technologies	Software	1.53
JK Cement	Cement	1.52
Lupin	Pharmaceuticals	1.44
Housing Development Finance Corpn.	Finance	1.44
Ashok Leyland	Auto	1.42
Britannia Industries	Consumer Non Durables	1.39

Bharat Forge	Industrial Products	1.33
Tata Consultancy Services	Software	1.29
Hindustan Zinc	Non - Ferrous Metals	1.27
The India Cements	Cement	1.25
Cipla	Pharmaceuticals	1.21
Andhra Bank	Banks	1.12
Sesa Sterlite	Minerals/Mining	1.12
Jain Irrigation Systems	Industrial Products	1.08
Axis Bank	Banks	1.07
PC Jeweller	Consumer Durables	1.02
Wipro	Software	0.98
National Aluminium Company	Non - Ferrous Metals	0.94
Motherson Sumi Systems	Auto Ancillaries	0.94
Oriental Bank of Commerce	Banks	0.94
Oil & Natural Gas Corporation	Oil	0.93
Oil India	Oil	0.91
Tata Steel	Ferrous Metals	0.91
Crompton Greaves	Industrial Capital Goods	0.90
Aditya Birla Nuvo	Services	0.90
Hindustan Construction Company	Construction Project	0.90
Larsen & Toubro	Construction Project	0.86
The Ramco Cements	Cement	0.79
UltraTech Cement	Cement	0.79
Cyient	Software	0.79
Apollo Tyres	Auto Ancillaries	0.77
ING Vysya Bank	Banks	0.76
Volta	Construction Project	0.76
Bharat Petroleum Corporation	Petroleum Products	0.71
Prestige Estates Projects	Construction	0.70
Indraprastha Gas	Gas	0.70
Bajaj Auto	Auto	0.69
Indiabulls Power	Power	0.66
Hindalco Industries	Non - Ferrous Metals	0.59
UPL	Pesticides	0.55
Power Finance Corporation	Finance	0.53
Bank of India	Banks	0.51
Jet Airways (India)	Transportation	0.50
Union Bank of India	Banks	0.49
<b>Commercial Paper</b>		<b>21.49</b>
State Bank of Mysore	A1+	21.49
<b>Treasury Bill</b>		<b>0.17</b>
T-Bill 182 Day 2014	Sovereign	0.17
<b>Sovereign</b>		<b>2.21</b>
8.83% GOI -M - 25-Nov-2023	Sovereign	2.21
<b>Bonds &amp; NCDs</b>		<b>2.18</b>
Housing Development Finance Corpn.	AAA	2.18
<b>Cash and Other Assets</b>		<b>4.87</b>
<b>Net Assets</b>		<b>100.00</b>

## SECTOR ALLOCATION OF EQUITY INSTRUMENTS (TOP 10) (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 27.5168	₹ 27.1299
Dividend Option (Monthly) :	₹ 11.0199	₹ 10.9231
Dividend Option (Quarterly) :	₹ 12.7157	₹ 12.4440

### 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
<b>Monthly Dividend (Last 3 Months)</b>				
October 22, 2014	0.0738	10.8869	0.0786	10.9855
September 24, 2014	0.0882	10.8704	0.0785	10.9520
August 22, 2014	0.0778	10.8567	0.0534	10.9058
<b>Quarterly Dividend (Last 3 Quarters)</b>				
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 October 31, 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 October 31, 2014)

4.28 years

### MODIFIED DURATION OF THE DEBT PORTFOLIO (As on October 31, 2014)

2.9 years

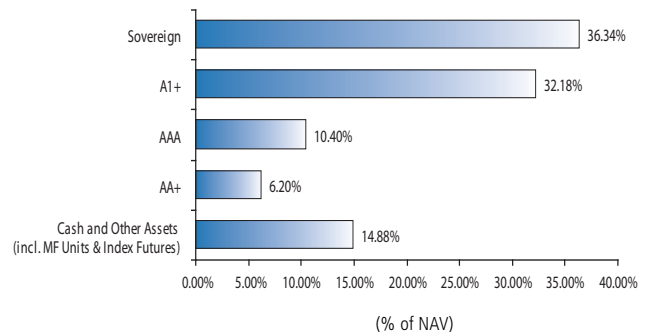
### PORTFOLIO (As on October 31, 2014)

Instrument	Industry/Rating	% of NAV
<b>Derivatives</b>		
NIFTY Index Future Nov 2014	Index Futures	2.05
<b>Certificate of Deposit</b>		
State Bank of Mysore	A1+	16.36
<b>Commercial Paper</b>		
IFMR Capital Finance Private Ltd	A1+	15.82
<b>Treasury Bill</b>		
T-Bill 182 Day 2014	Sovereign	1.01
<b>Sovereign</b>		
8.40% GOI -M- 28-Jul-2024	Sovereign	20.63
08.83% GOI -M- 25-Nov-2023	Sovereign	14.70
<b>Bonds &amp; NCDs</b>		
Power Finance Corporation Ltd	AAA	6.27
Fullerton India Credit Company Ltd	AA+	6.20
LIC Housing Finance Ltd	AAA	4.13
<b>Investment Funds/Mutual Funds</b>		
Principal Index Fund - Direct - Growth Plan	Mutual Funds	10.31
<b>Cash and Other Assets</b>		
<b>Net Assets</b>		
		<b>100.00</b>

### COMPOSITION BY ASSETS (As on October 31, 2014)

Industry / Ratings	% of NAV
Sovereign	35.33
Bonds & NCDs	16.60
Certificate of Deposit	16.36
Commercial Paper	15.82
Investment Funds/Mutual Funds	10.31
Derivatives	2.05
Treasury Bill	1.01
Cash and Other Assets	2.52

### RATING PROFILE (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 26.2322	₹ 25.9934
Dividend Option (Quarterly) :	₹ 12.2117	₹ 12.1730
Dividend Option (Annual) :	₹ 13.8458	₹ 13.4366

## 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
<b>Quarterly Dividend Option (Last 3 Quarters)</b>				
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
<b>Annual Dividend Option (Last 3 Years)</b>				
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 October 31, 2014)

11.6 years

## MODIFIED DURATION (As on October 31, 2014)

6.31 years

## MATURITY PROFILE

Period	Portfolio (%)
Less than 3 years	0.66
5 - 10 years	38.38
10 - 15 years	33.81
Above 15 years	22.43
Cash and Other Assets	4.72

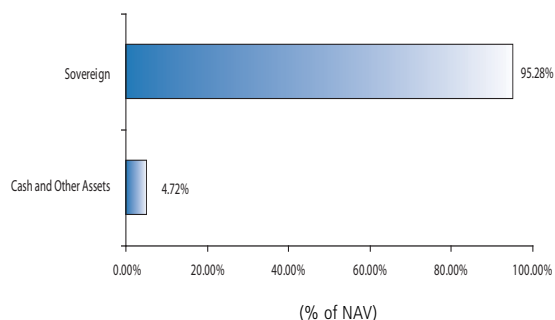
## PORTFOLIO (As on October 31, 2014)

Instrument	Rating	% of NAV
<b>Sovereign</b>		
8.60% GOI -M- 02-JUN-2028	Sovereign	33.81
08.83% GOI -M- 25-NOV-2023	Sovereign	26.11
9.20% GOI -M- 30-SEP-2030	Sovereign	16.61
7.16% GOI -M- 20-MAY-2023	Sovereign	12.27
8.97% GOI -M- 05-DEC-2030	Sovereign	5.82
7.02% KARNATAKA BANK -SDL- M-13-JAN-2015	Sovereign	0.66
<b>Cash and Other Assets</b>		<b>4.72</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on October 31, 2014)

Ratings	% of NAV
Sovereign	95.28
Cash and Other Assets	4.72

## RATING PROFILE (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 22.8039	₹ 22.4812
Dividend Option (Quarterly) :	₹ 13.3555	₹ 13.2948
Dividend Option (Annual) :	₹ 11.7844	₹ 11.4577

## 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
<b>Quarterly Dividend Option (Last 3 Quarters)</b>				
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
<b>Annual Dividend Option (Last 3 Years)</b>				
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 October 31, 2014)

9.13 years

## MODIFIED DURATION (As on October 31, 2014)

4.96 years

## MATURITY PROFILE

Period	Portfolio (%)
Less than 1 year	3.59
3 - 5 years	12.41
5 - 10 years	47.45
Above 10 years	30.24
Cash and Others Assets	6.31

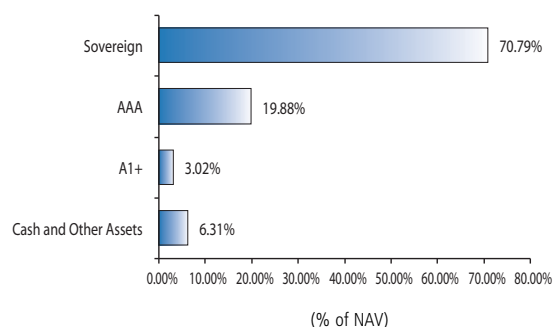
## PORTFOLIO (As on October 31, 2014)

Instrument	Rating	% of NAV
<b>Commercial Paper</b>		
Vodafone India	A1+	3.02
<b>Sovereign</b>		
08.83% GOI -M - 25-NOV-2023	Sovereign	28.64
8.60% GOI -M - 02-JUN-2028	Sovereign	21.87
7.16% GOI - M -20-MAY-2023	Sovereign	11.91
9.20% GOI -M-30-SEP-2030	Sovereign	4.61
8.97% GOI -M-05-DEC-2030	Sovereign	3.76
<b>Bonds &amp; NCDs</b>		
Power Finance Corporation	AAA	12.41
Reliance Utilities and Power P. Ltd	AAA	6.90
Rural Electrification Corporation	AAA	0.57
<b>Cash and Other Assets</b>		
<b>Net Assets</b>		
		<b>100.00</b>

## COMPOSITION BY ASSETS (As on October 31, 2014)

Ratings	% of NAV
Sovereign	70.79
Bonds & NCDs	19.88
Commercial Paper	3.02
Cash and Other Assets	6.31

## RATING PROFILE (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 2089.9139	₹ 2068.9673
Dividend Option (Monthly) :	₹ 1241.5325	₹ 1238.3909

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
October 22, 2014	13.0724	1248.5909	13.1706	1251.6345
September 24, 2014	10.4597	1245.9782	11.3617	1249.8256
August 22, 2014	6.1422	1241.6607	6.8594	1245.3233

\* 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 October 31, 2014)

42 days

## MODIFIED DURATION (As on October 31, 2014)

41 days

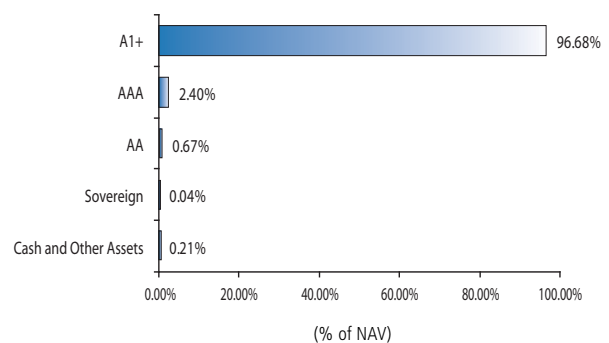
## PORTFOLIO (As on October 31, 2014)

Instrument	Rating	% of NAV
<b>Commercial Paper</b>		<b>96.68</b>
Cox & Kings	A1+	27.64
Aditya Birla Finance	A1+	26.64
JK Cement	A1+	21.25
Bilt Graphic Paper Products Ltd	A1+	20.25
Vodafone India	A1+	0.90
<b>Treasury Bill</b>		<b>0.04</b>
T-Bill 182 Day 2014	Sovereign	0.04
<b>Bonds &amp; NCDs</b>		<b>3.07</b>
ONGC Videsh	AAA	1.34
Cholamandalam Investment and Finance Company	AA	0.67
Rural Electrification Corporation	AAA	0.66
Power Finance Corporation	AAA	0.27
Housing Development Finance Corporation	AAA	0.13
<b>Cash and Other Assets</b>		<b>0.21</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on October 31, 2014)

Industry / Ratings	% of NAV
Commercial Paper	96.68
Bonds & NCDs	3.07
Treasury Bill	0.04
Cash and Other Assets	0.21

## RATING PROFILE (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 23.8133	₹ 23.5252
Dividend Option (Monthly) :	₹ 12.9044	₹ 12.8696

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
October 22, 2014	0.1329	12.9523	0.1399	12.9917
September 24, 2014	0.1175	12.9369	0.1254	12.9772
August 22, 2014	0.0611	12.8805	0.0679	12.9197

\* 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 October 31, 2014)

2.41 years

## MODIFIED DURATION (As on October 31, 2014)

1.85 years

## PORTFOLIO (As on October 31, 2014)

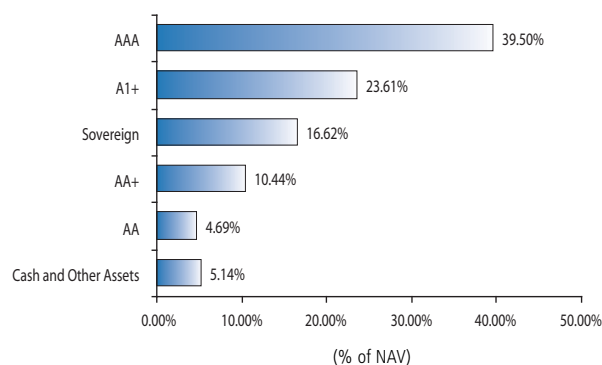
Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		
Union Bank of India	A1+	5.17
Canara Bank	A1+	1.01
<b>Commercial Paper</b>		
IFMR Capital Finance Private	A1+	7.06
Cox & Kings	A1+	5.19
Bilt Graphic Paper Products Ltd	A1+	5.18
<b>Treasury Bill</b>		
T-Bill 182 Day 2014	Sovereign	1.22

<b>Sovereign</b>			<b>15.40</b>
8.35% GOI 2022 14-May-2022	Sovereign		5.21
8.12% GOI -M- 10-DEC-2020	Sovereign		5.16
7.28% GOI -M- 03-JUN-2019	Sovereign		5.03
<b>Bonds &amp; NCDs</b>			<b>54.63</b>
Power Finance Corporation	AAA		18.29
Rural Electrification Corporation	AAA		10.58
Tata Motors	AA+		10.44
Power Grid Corporation of India	AAA		5.33
LIC Housing Finance	AAA		5.30
Cholamandalam Investment and Finance Company	AA		4.69
<b>Cash and Other Assets</b>			<b>5.14</b>
<b>Net Assets</b>			<b>100.00</b>

## COMPOSITION BY ASSETS (As on October 31, 2014)

Ratings	% of NAV
Bonds & NCDs	54.63
Commercial Paper	17.43
Sovereign	15.40
Certificate of Deposit	6.18
Treasury Bill	1.22
Cash and Other Assets	5.14

## RATING PROFILE (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1740.2230	₹ 1727.6261
Dividend Option (Monthly) :	₹ 1128.4695	₹ 1127.1882

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
October 22, 2014	7.6355	1132.2616	8.2090	1133.9317
September 24, 2014	8.4039	1133.0300	9.0796	1134.8023
August 22, 2014	6.6676	1131.2937	7.2594	1132.9821

\* 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 October 31, 2014)

127 days

## MODIFIED DURATION (As on October 31, 2014)

125 days

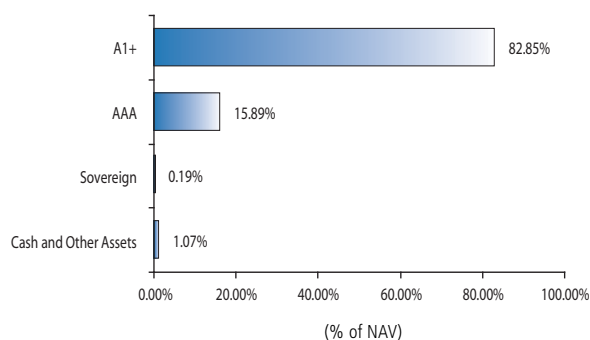
## PORTFOLIO (As on October 31, 2014)

Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		<b>82.85</b>
Canara Bank	A1+	22.33
Corporation Bank	A1+	19.26
Bank Of Baroda	A1+	16.58
Bank of India	A1+	8.70
The Jammu & Kashmir Bank	A1+	8.19
Union Bank of India	A1+	7.71
The Ratnakar Bank	A1+	0.08
<b>Treasury Bill</b>		<b>0.19</b>
T-Bill 182 Day 2014	Sovereign	0.19
<b>Bonds &amp; NCDs</b>		<b>15.89</b>
Kotak Mahindra Prime	AAA	7.94
Small Industries Development Bank of India	AAA	3.98
Housing Development Finance Corporation	AAA	3.97
<b>Cash and Other Assets</b>		<b>1.07</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on October 31, 2014)

Ratings	% of NAV
Certificate of Deposit	82.85
Bonds & NCDs	15.89
Treasury Bill	0.19
Cash and Other Assets	1.07

## RATING PROFILE (As on October 31, 2014)





# Principal Debt Opportunities Fund - Conservative Plan

(An open-ended debt scheme)

Credit  
Risk Rating  
[ICRA] AAAmfs<sup>++</sup>

## FUND FEATURES

**QAAUM** (For the period July to September 2014):

₹ 472.17 crore

**NAV per unit** (As on October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 2151.4438	₹ 2126.1255
Dividend Option (Daily) :	₹ 1001.7605	₹ 1001.5677
Dividend Option (Weekly) :	₹ 1002.9635	₹ 1000.9415
Dividend Option (Monthly) :	₹ 1143.6501	₹ 1141.4229

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
October 22, 2014	7.5059	1146.6252	8.3475	1149.4214
September 24, 2014	8.1726	1147.2919	9.1655	1150.2394
August 22, 2014	6.8938	1146.0131	7.7642	1148.8381

\* 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 October 31, 2014)

61 days

## MODIFIED DURATION (As on October 31, 2014)

60 days

## PORTFOLIO (As on October 31, 2014)

Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		
<b>26.32</b>		
State Bank of Bikaner and Jaipur	A1+	8.54
Union Bank of India	A1+	7.70
Canara Bank	A1+	4.29
Corporation Bank	A1+	4.09
State Bank of Mysore	A1+	1.03
Indian Bank	A1+	0.67

## Commercial Paper

56.77

National Bank for Agriculture & Rural Development	A1+	8.56
JM Financial Products	A1+	8.46
Bilt Graphic Paper Products Ltd	A1+	4.45
Magma Housing Finance	A1+	4.29
Kotak Commodity Services	A1+	4.28
Dewan Housing Finance Corporation	A1+	4.28
Au Financiers (India)	A1	4.27
Power Finance Corporation	A1+	4.08
Muthoot Finance	A1+	3.84
Cox & Kings	A1+	3.30
JK Lakshmi Cement	A1+	2.56
IFMR Capital Finance Private	A1+	2.17
The Ramco Cements	A1+	0.86
Aditya Birla Finance	A1+	0.86
JK Cement	A1+	0.51

## Treasury Bill

2.20

T-Bill 91 Day 2014	Sovereign	1.71
T-Bill 182 Day 2014	Sovereign	0.49

## BONDS & NCDs

1.83

Shriram City Union Finance	AA	1.74
Lafarge India Pvt. Ltd	AA+	0.09

## Cash and Other Assets

12.88

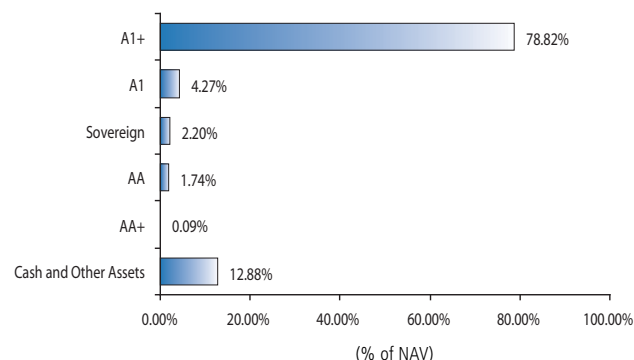
## Net Assets

100.00

## COMPOSITION BY ASSETS (As on October 31, 2014)

Ratings	% of NAV
Commercial Paper	56.77
Certificate of Deposit	26.32
Treasury Bill	2.20
BONDS & NCDs	1.83
Cash and Other Assets	12.88

## RATING PROFILE (As on October 31, 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)

Credit  
Risk Rating  
[ICRA] A1+mfs<sup>+</sup>

## FUND FEATURES

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

**NAV per unit** (As on October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1313.4526	₹ 1311.1694
Dividend Option (Daily) :	₹ 1000.3870	₹ 1000.3037
Dividend Option (Weekly) :	₹ 1007.2238	₹ 1006.5077
Dividend Option (Monthly) :	₹ 1024.9242	₹ 1024.8895

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
October 22, 2014	6.8650	1029.5894	6.9202	1029.6614
September 24, 2014	7.9351	1030.6595	8.0010	1030.7422
August 22, 2014	6.8699	1029.5943	6.9269	1029.6681

\* 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 October 31, 2014)

31 days

## MODIFIED DURATION (As on October 31, 2014)

31 days

## PORTFOLIO (As on October 31, 2014)

Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		<b>35.98</b>
Canara Bank	A1+	15.59
Dena Bank	A1+	11.98
Oriental Bank of Commerce	A1+	4.00
IDBI Bank	A1+	2.01
Corporation Bank	A1+	2.00
IndusInd Bank	A1+	0.40
<b>Commercial Paper</b>		<b>40.76</b>
National Bank for Agriculture & Rural Development	A1+	7.98
Edelweiss Commodities Services	A1+	7.32
Magma Housing Finance	A1+	5.68

Maithon Power	A1+	4.02
TVS Credit Services	A1+	4.00
Magma ITL Finance	A1+	2.81
JK Lakshmi Cement	A1+	2.38
Sabero Organics Gujarat	A1+	1.77
The Ramco Cements	A1+	1.61
Kotak Commodity Services	A1+	1.20
Religare Housing Development Financial Corpn.	A1+	1.19
Cox & Kings	A1+	0.40
Steel Authority of India	A1+	0.40

## Treasury Bill **14.96**

T-Bill 91 Day 2014	Sovereign	9.15
T-Bill 91 Day 2014	Sovereign	2.23
T-Bill 364 Day 2014	Sovereign	1.99
T-Bill 182 Day 2014	Sovereign	1.59

## Fixed Deposit **8.04**

Corporation Bank	Unrated	8.04
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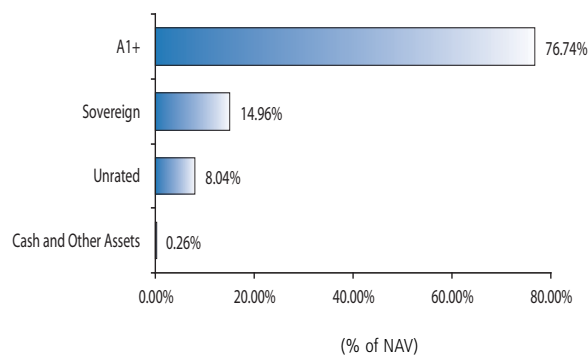
## Cash and Other Assets **0.26**

## Net Assets **100.00**

## COMPOSITION BY ASSETS (As on October 31, 2014)

Ratings	% of NAV
Commercial Paper	40.76
Certificate of Deposit	35.98
Treasury Bill	14.96
Fixed Deposit	8.04
Cash and Other Assets	0.26

## RATING PROFILE (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option:	₹ 22.8937	₹ 22.7435
Dividend Option:	₹ 22.8937	₹ 22.7435

## 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 October 31, 2014)

Instrument	% of NAV
<b>Foreign Securities</b>	
<b>I. Units of Mutual Fund / Unit Trust</b>	<b>96.54</b>
Principal Global Investors Funds - Emerging Markets Equity Fund	
<b>II. Cash and Other Current Assets</b>	<b>3.46</b>
<b>Net Assets</b>	<b>100.00</b>

# 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Option :	₹ 1524.6562	₹ 1521.8696
Dividend Option (Daily) :	N.A.	₹ 1005.4300
Dividend Option (Weekly) :	N.A.	₹ 1012.8202
Dividend Option (Monthly) :	₹ 1061.1854	₹ 1061.1190

## 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
<b>Monthly Dividend (Last 3 Months)</b>				
October 22, 2014	7.2978	1066.127	7.3793	1066.2479
September 24, 2014	8.4281	1067.2573	8.5247	1067.3933
August 22, 2014	7.3173	1066.1465	7.4029	1066.2715

\* 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 October 31, 2014)

33 days

## MODIFIED DURATION (As on October 31, 2014)

33 days

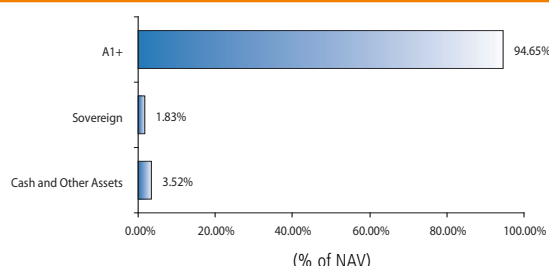
## PORTFOLIO (As on October 31, 2014)

Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		<b>26.05</b>
Canara Bank	A1+	18.57
State Bank of Mysore	A1+	7.48
<b>Commercial Paper</b>		<b>68.60</b>
JK Lakshmi Cement	A1+	18.47
Magma Housing Finance	A1+	14.88
Edelweiss Commodities Services	A1+	11.81
Sabero Organics Gujarat	A1+	11.21
Bilt Graphic Paper Products Ltd	A1+	6.68
JK Cement	A1+	3.70
Muthoot Finance	A1+	1.85
<b>Treasury Bill</b>		<b>1.83</b>
T-Bill 91 Day 2014	Sovereign	1.64
T-Bill 182 Day 2014	Sovereign	0.19
<b>Cash and Other Assets</b>		<b>3.52</b>
<b>Net Assets</b>		<b>100.00</b>

## COMPOSITION BY ASSETS (As on October 31, 2014)

Ratings	% of NAV
Commercial Paper	68.60
Certificate of Deposit	26.05
Treasury Bill	1.83
Cash and Other Assets	3.52

## RATING PROFILE (As on October 31, 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 October 31, 2014)

	Direct Plan	Regular Plan
Growth Plan :	₹ 23.9189	₹ 23.5590
Dividend Plan (Monthly) :	N.A.	₹ 10.2812
Dividend Plan (Quarterly) :	₹ 12.0706	₹ 11.9933

### 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
<b>Monthly Dividend (Last 3 Months)</b>				
October 22, 2014	0.0985	10.3455	-	-
September 24, 2014	0.0807	10.3277	-	-
August 24, 2014	0.0659	10.3129	-	-
<b>Quarterly Dividend (Last 3 Quarters)</b>				
September 24, 2014	0.2332	12.0730	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 October 31, 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 October 31, 2014)

1.35 years

### MODIFIED DURATION (As on October 31, 2014)

1.15 years

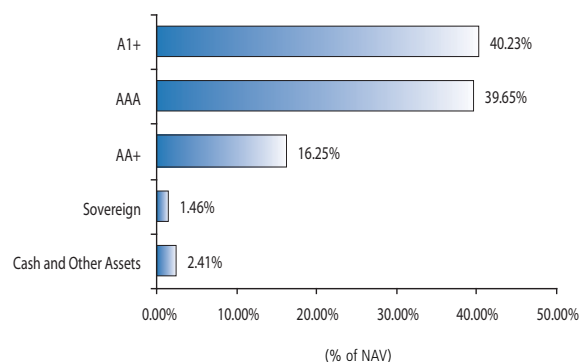
### PORTFOLIO (As on October 31, 2014)

Instrument	Rating	% of NAV
<b>Certificate of Deposit</b>		
The Jammu & Kashmir Bank	A1+	14.36
State Bank of Mysore	A1+	13.04
<b>Commercial Paper</b>		
Bilt Graphic Paper Products Ltd	A1+	8.63
IFMR Capital Finance Private	A1+	4.20
<b>Treasury Bill</b>		
T-Bill 182 Day 2014	Sovereign	1.46
<b>Bonds &amp; NCDs</b>		
Housing Development Finance Corporation	AAA	19.84
Power Finance Corporation	AAA	17.61
Fullerton India Credit Company Ltd	AA+	10.98
Bajaj Finance	AA+	4.40
Power Grid Corporation of India	AAA	2.20
Lafarge India Pvt. Ltd.	AA+	0.87
<b>Cash and Other Assets</b>		
		<b>2.41</b>
<b>Net Assets</b>		<b>100.00</b>

### COMPOSITION BY ASSETS (As on October 31, 2014)

Industry / Ratings	of NAV
Bonds & NCDs	55.90
Certificate of Deposit	27.40
Commercial Paper	12.83
Treasury Bill	1.46
Cash and Other Assets	2.41

### RATING PROFILE (As on October 31, 2014)



## SCHEMES MANAGED BY MR. ANUPAM TIWARI

### PRINCIPAL LARGE CAP FUND

Performance	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 (₹)				
Date								
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	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 (₹)				
Date								
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	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 (₹)				
Date								
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	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 (₹)				
Date								
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	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 (₹)				
Date								
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	^Returns (%)			
	Plan - Regular	Plan - Direct	Scheme's Benchmark (CNX Midcap Index)	Additional Benchmark (CNX Nifty Index)
	Date			
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 Investors<sup>1</sup> as per the Finance (No.2) Act, 2014 – SNAPSHOT



## EQUITY ORIENTED FUNDS (SUBJECT TO STT<sup>3</sup>)

Financial Year	Short Term Capital Gains Tax (STCG) <sup>2</sup>		Long Term Capital Gains Tax (LTCG) <sup>2</sup>		Dividend Income		Tax on Distributed Income		TDS on Capital Gains <sup>7</sup>	
	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 <sup>4</sup>	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% <sup>2</sup> LTCG - Nil	STCG - 15% <sup>2</sup> LTCG - Nil
FII <sup>4 &amp; 10</sup>	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>
QFI <sup>4 &amp; 10</sup> (Individual / HUF)	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% <sup>2</sup> LTCG - Nil	STCG - 15% <sup>2</sup> LTCG - Nil
QFI <sup>4 &amp; 10</sup> (Companies)	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - 15% <sup>2</sup> LTCG - Nil	STCG - 15% <sup>2</sup> LTCG - Nil
FPI <sup>4 &amp; 10</sup>	15%	15%	Nil	Nil	Exempt	Exempt	Nil	Nil	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>

## OTHER THAN EQUITY ORIENTED FUNDS (including Infrastructure Debt Funds<sup>8</sup>)

	Short Term Capital Gains Tax <sup>2 &amp; 13</sup>		Long Term Capital Gains Tax <sup>2 &amp; 13</sup>		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains <sup>7</sup>	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14 <sup>11</sup>	2014-15 <sup>11&amp;12</sup>	2013-14 <sup>11</sup>	2014-15 <sup>11&amp;12</sup>	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 <sup>4</sup>	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation)  Unlisted Units - 10% (without Indexation) <sup>5</sup>	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) <sup>5</sup>	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% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units.  10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>	STCG - 30% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units.  10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>

(Contd. on next page)

# Tax Rates for Mutual Fund Investors<sup>1</sup> as per the Finance (No.2) Act, 2014 – SNAPSHOT



## OTHER THAN EQUITY ORIENTED FUNDS (including Infrastructure Debt Funds<sup>8</sup>) [Contd.]

	Short Term Capital Gains Tax <sup>2 &amp; 13</sup>		Long Term Capital Gains Tax <sup>2 &amp; 13</sup>		Dividend Income		Tax on Distributed Income - Other than Liquid / Money Market Schemes		Tax on Distributed Income - Liquid / Money Market Schemes		TDS on Capital Gains <sup>7</sup>	
	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14 <sup>11</sup>	2014-15 <sup>11&amp;12</sup>	2013-14 <sup>11</sup>	2014-15 <sup>11&amp;12</sup>	2013-14	2014-15
<b>FIIs</b> <sup>4 &amp; 10</sup>	30%	30%	10% without Indexation	10% without Indexation	Exempt	Exempt	30%	30%	30%	30%	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>
<b>QFI</b> <sup>4 &amp; 10</sup> (Individual/ HUF)	As per slab rates	As per slab rates	Listed Units - 10% (20% with Indexation)  Unlisted Units - 10% (without Indexation) <sup>3</sup>	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) <sup>3</sup>	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% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units.  10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>	STCG - 30% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units.  10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>
<b>QFI</b> <sup>10</sup> (Companies) <sup>4</sup>	40%	40%	Listed Units - 10% (20% with Indexation)  Unlisted Units - 10% (without Indexation) <sup>3</sup>	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) <sup>3</sup>	Exempt	Exempt	30%	30%	30%	30%	STCG - 40% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units.  10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>	STCG - 40% <sup>2</sup> LTCG - 20% <sup>2</sup> with indexation for listed units.  10% <sup>2</sup> without indexation for unlisted units <sup>5</sup>
<b>FPI</b> <sup>4 &amp; 10</sup>	30%	30%	10% without Indexation	10% without Indexation	Exempt	Exempt	30%	30%	30%	30%	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>	STCG - Nil <sup>6</sup> LTCG - Nil <sup>6</sup>

- 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 FIIs, 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 Investors<sup>1</sup> 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%.
<b>Other than Equity Oriented Fund:</b> 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.
<b>As per Section 94(7):</b> 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.
<b>As per Section 94(8):</b> 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](http://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](http://www.karvycomputershare.com)

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

