Principal Mutual Fund

Investment Manager:Principal Pnb Asset Management Company Private Limited

Exchange Plaza, 'B' Wing, 2nd Floor, NSE Building, Bandra Kurla Complex, Bandra (East), Mumbai-400 051

Half Yearly Portfolio Statement of the Schemes of Principal Mutual Fund as on September 30, 2010

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

Principal Large Cap Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	255,000	2,517.49	5.22
Infosys Technologies Ltd	Software	80,000	2,440.40	5.06
State Bank of India	Banks	62,000	2,009.08	4.17
Allahabad Bank	Banks	770,000	1,787.94	3.71
HDFC Bank Ltd	Banks	70,000	1,742.55	3.61
ICICI Bank Ltd	Banks	155,000	1,725.07	3.58
Larsen & Toubro Ltd	Construction Project	81,000	1,663.05	3.45
I T C Ltd	Consumer Non Durables	840,000	1,497.72	3.11
Oil & Natural Gas Corporation Ltd	Oil	106,180	1,490.87	3.09
Cipla Ltd	Pharmaceuticals	443,827	1,430.68	2.97
Bharti Airtel Ltd	Telecom - Services	385,000	1,410.26	2.92
Bajaj Holdings & Investment Ltd	Finance	164,939	1,369.82	2.84
Oracle Financial Services Software Ltd	Software	60,820	1,359.60	2.82
Housing Development Finance Corporation Ltd	Finance	165,000	1,209.78	2.51
Indian Oil Corporation Ltd	Petroleum Products	285,000	1,187.88	2.46
Shree Cements Ltd	Cement	52,716	1,117.55	2.32
Bharat Heavy Electricals Ltd	Industrial Capital Goods	44,000	1,090.54	2.26
Hindalco Industries Ltd	Non - Ferrous Metals	550,000	1,083.78	2.25
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	75,000	1,081.28	2.24
Castrol India Ltd	Petroleum Products	212,388	1,081.27	2.24
Lupin Ltd	Pharmaceuticals	275,000	1,067.28	2.21
Tata Consultancy Services Ltd	Software	115,000	1,065.99	2.21
Godrej Consumer Products Ltd	Consumer Non Durables	250,000	1,014.75	2.10
Crompton Greaves Ltd	Industrial Capital Goods	315,372	986.17	2.05
Siemens Ltd	Industrial Capital Goods	115,000	946.97	1.96
Tata Chemicals Ltd	Fertilisers	235,000	939.06	1.95
Sterlite Industries (India) Ltd	Non - Ferrous Metals	560,000	934.64	1.94
Dabur India Ltd	Consumer Non Durables	860,000	928.80	1.93
Grasim Industries Ltd	Cement	41,000	910.32	1.89
NTPC Ltd	Power	410,000	889.50	1.84
Glaxosmithkline Pharmaceuticals Ltd	Pharmaceuticals	35,000	773.48	1.60
Tata Motors Ltd	Auto	70,000	768.67	1.59
Nagarjuna Construction Co. Ltd	Construction Project	485,000	760.97	1.58
Maruti Suzuki India Ltd	Auto	46,000	662.81	1.37
Reliance Infrastructure Ltd	Power	61,000	652.15	1.35
HCL Technologies Ltd	Software	140,000	589.05	1.22
Sun TV Network Ltd	Media & Entertainment	113,216	587.59	1.22
Oil India Ltd	Oil	38,022	571.17	1.18
Infrastructure Development Finance Co. Ltd	Finance	280,000	567.70	1.18
Hindustan Petroleum Corporation Ltd	Petroleum Products	110,000	557.87	1.16
Tata Power Co. Ltd	Power	40,000	542.08	1.12
Nestle India Ltd	Consumer Non Durables	11,782	398.48	0.83
Total			**47,412.11**	**98.31**
II. Money Market Instruments				
i) Reverse Repo and CBLO			615.49	1.28
Total			**615.49**	**1.28**
III. Cash & Cash Equivalents			**0.06**	***
IV. Other Receivables / (Payables)			**187.19**	**0.41**
Net Assets			**48,214.85**	**100.00**

Principal Personal Tax Saver Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
i) Equity Shares				
Reliance Industries Ltd	Petroleum Products	307,530	3,036.09	4.20
ICICI Bank Ltd	Banks	266,175	2,962.39	4.10
HDFC Bank Ltd	Banks	108,350	2,697.21	3.73
I T C Ltd	Consumer Non Durables	1,463,600	2,609.60	3.61
Larsen & Toubro Ltd	Construction Project	125,950	2,585.94	3.58
Oil & Natural Gas Corporation Ltd	Oil	173,704	2,438.98	3.37
State Bank of India	Banks	74,550	2,415.76	3.34
Crompton Greaves Ltd	Industrial Capital Goods	675,169	2,111.25	2.92
Bharti Airtel Ltd	Telecom - Services	550,240	2,015.53	2.79
Infosys Technologies Ltd	Software	65,950	2,011.80	2.78
Tata Consultancy Services Ltd	Software	187,200	1,735.25	2.40
Bajaj Holdings & Investment Ltd	Finance	194,911	1,618.74	2.24
Pantaloon Retail (India) Ltd	Retailing	329,180	1,593.56	2.21
Cipla Ltd	Pharmaceuticals	450,000	1,450.58	2.01
Oracle Financial Services Software Ltd	Software	63,907	1,428.61	1.98
Corporation Bank	Banks	202,117	1,400.57	1.94
Hindalco Industries Ltd	Non - Ferrous Metals	700,000	1,379.35	1.91
Bharat Heavy Electricals Ltd	Industrial Capital Goods	55,230	1,368.88	1.89
Oil India Ltd	Oil	89,807	1,349.08	1.87
Housing Development Finance Corpn. Ltd	Finance	180,000	1,319.76	1.83
Sterlite Industries (India) Ltd	Non - Ferrous Metals	785,076	1,310.29	1.81
Sintex Industries Ltd	Industrial Products	325,531	1,251.02	1.73
Power Finance Corporation Ltd	Finance	351,837	1,208.56	1.67
Union Bank of India	Banks	308,661	1,200.38	1.66
Lanco Infratech Ltd	Construction Project	1,663,630	1,197.81	1.66
Siemens Ltd	Industrial Capital Goods	140,000	1,152.83	1.60
NTPC Ltd	Power	510,599	1,107.74	1.53
DLF Ltd	Construction	280,000	1,058.96	1.47
Maruti Suzuki India Ltd	Auto	72,910	1,050.56	1.45
Bajaj Auto Ltd	Auto	66,186	972.87	1.35
Wipro Ltd	Software	215,916	970.43	1.34
Castrol India Ltd	Petroleum Products	188,014	957.18	1.32
Petronet LNG Ltd	Gas	900,000	953.55	1.32
Tata Steel Ltd	Ferrous Metals	140,000	912.59	1.26
Glenmark Pharmaceuticals Ltd	Pharmaceuticals	300,532	900.84	1.25
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	60,000	865.02	1.20
Indian Oil Corporation Ltd	Petroleum Products	200,448	835.47	1.16
Infrastructure Development Finance Co. Ltd	Finance	400,000	811.00	1.12
Cairn India Ltd	Oil	240,938	807.14	1.12
Tata Chemicals Ltd	Fertilisers	200,000	799.20	1.11
Bharat Petroleum Corporation Ltd	Petroleum Products	97,067	727.57	1.01
KSK Energy Ventures Ltd	Power	415,000	721.69	1.00
Tata Power Co. Ltd	Power	51,657	700.06	0.97
Reliance Infrastructure Ltd	Power	60,000	641.46	0.89
Nagarjuna Construction Co. Ltd	Construction Project	400,000	627.60	0.87
GVK Power & Infrastructure Ltd	Power	1,319,831	613.72	0.85
Godrej Properties Ltd	Construction	82,991	610.11	0.84
Federal Bank Ltd	Banks	154,674	606.48	0.84
HCL Technologies Ltd	Software	135,000	568.01	0.79
UltraTech Cement Ltd	Cement	51,850	550.96	0.76
Tata Motors Ltd	Auto	50,000	549.05	0.76
CESC Ltd	Power	135,000	519.41	0.72
NHPC Ltd	Power	1,578,497	500.38	0.69
CRISIL Ltd	Finance	7,623	463.44	0.64
Indian Bank	Banks	149,151	415.68	0.58
The Great Eastern Shipping Co. Ltd	Transportation	100,000	314.05	0.43
Engineers India Ltd	Engineering	21,603	75.42	0.10
Idea Cellular Ltd	Telecom - Services	50	0.04	***
Future Mall Management Ltd (Refer Note 9)	Retailing	16,459	0.00	***
Apollo Tyres Ltd $$#	Auto Ancillaries	250	–	–
Total			**69,057.50**	**95.57**
ii) Indian Depository Receipts				
Standard Chartered PLC	Banks	204,093	243.69	0.34
Total			**243.69**	**0.34**
B) Privately Placed / Unlisted $$				
Virtual Dynamics Software Ltd	IT Consulting & Services	200,000	0.02	***
Punjab Wireless Ltd	Telecom - Equipment & Accessories	8,600	0.00	***
Total			**0.02**	***
II. Money Market Instruments				
i) Certificate of Deposit **				
Corporation Bank -M-01-Jun-2011	P1+	1,500,000	1,428.76	1.98
Total			**1,428.76**	**1.98**
ii) Reverse Repo and CBLO			1,632.95	2.26
Total			**1,632.95**	**2.26**
III. Cash & Cash Equivalents			**0.10**	***
IV. Other Receivables / (Payables)			**(95.17)**	**(0.15)**
Net Assets			**72,267.85**	**100.00**

Principal Resurgent India Equity Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	63,300	624.93	5.36
Infosys Technologies Ltd	Software	19,250	587.22	5.04
I T C Ltd	Consumer Non Durables	259,000	461.80	3.96
Larsen & Toubro Ltd	Construction Project	22,200	455.80	3.91
Oil & Natural Gas Corporation Ltd	Oil	29,921	420.12	3.60
Crompton Greaves Ltd	Industrial Capital Goods	128,327	401.28	3.44
State Bank of India	Banks	12,344	400.00	3.43
ICICI Bank Ltd	Banks	34,300	381.74	3.28
Bharat Heavy Electricals Ltd	Industrial Capital Goods	15,400	381.69	3.27
Tata Consultancy Services Ltd	Software	37,900	351.31	3.01
Rural Electrification Corporation Ltd	Finance	89,639	307.33	2.64
Lupin Ltd	Pharmaceuticals	77,830	302.06	2.59
Housing Development Finance Corporation Ltd	Finance	37,760	276.86	2.38
Sun TV Network Ltd	Media & Entertainment	52,772	273.89	2.35
Bharti Airtel Ltd	Telecom - Services	73,000	267.40	2.29
Cipla Ltd	Pharmaceuticals	82,000	264.33	2.27
Sobha Developers Ltd	Construction	67,730	258.46	2.22
Maruti Suzuki India Ltd	Auto	17,500	252.16	2.16
The Great Eastern Shipping Co. Ltd	Transportation	79,000	248.10	2.13
Oracle Financial Services Software Ltd	Software	10,083	225.40	1.93
TVS Motor Company Ltd	Auto	309,498	221.45	1.90
NTPC Ltd	Power	102,050	221.40	1.90
Oil India Ltd	Oil	14,602	219.35	1.88
Oriental Bank of Commerce	Banks	47,454	218.67	1.88
NHPC Ltd	Power	673,270	213.43	1.83
Dena Bank	Banks	180,000	190.89	1.64
Nagarjuna Construction Co. Ltd	Construction Project	119,606	187.66	1.61
CESC Ltd	Power	46,173	177.65	1.52
Hindustan Petroleum Corporation Ltd	Petroleum Products	34,550	175.22	1.50
HDFC Bank Ltd	Banks	7,000	174.25	1.49
Infinite Computer Solutions (India) Ltd	Software	98,997	167.21	1.43
Tata Motors Ltd	Auto	14,840	162.96	1.40
GlaxoSmithkline Consumer Healthcare Ltd	Consumer Non Durables	7,889	160.46	1.38
Corporation Bank	Banks	21,000	145.52	1.25
Torrent Pharmaceuticals Ltd	Pharmaceuticals	25,307	143.34	1.23
PTC India Ltd	Power	123,400	142.22	1.22
Bajaj Auto Ltd	Auto	9,574	140.73	1.21
Sterlite Industries (India) Ltd	Non - Ferrous Metals	83,760	139.80	1.20
Infrastructure Development Finance Co. Ltd	Finance	68,000	137.87	1.18
Tata Power Co. Ltd	Power	9,872	133.79	1.15
Kesoram Industries Ltd	Cement	40,169	126.37	1.08
Aurobindo Pharma Ltd	Pharmaceuticals	11,969	124.24	1.07
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	8,600	123.99	1.06
HT Media Ltd	Media & Entertainment	74,000	119.07	1.02
Power Finance Corporation Ltd	Finance	34,000	116.79	1.00
The Jammu & Kashmir Bank Ltd	Banks	14,204	114.37	0.98
Siemens Ltd	Industrial Capital Goods	13,110	107.95	0.93
Bajaj Holdings & Investment Ltd	Finance	11,625	96.55	0.83
Tata Global Beverages Ltd	Consumer Non Durables	80,230	96.44	0.83
MphasiS Ltd	Software	10,700	66.52	0.57
Total			**11,708.04**	**100.43**
II. Money Market Instruments				
i) Reverse Repo and CBLO			246.91	2.12
Total			**246.91**	**2.12**
III. Cash & Cash Equivalents			**1.23**	**0.01**
IV. Other Receivables / (Payables)			**(300.45)**	**(2.56)**
Net Assets			**11,655.73**	**100.00**

Principal Tax Savings Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	143,900	1,420.65	4.57
Infosys Technologies Ltd	Software	40,025	1,220.96	3.93
Crompton Greaves Ltd	Industrial Capital Goods	382,347	1,195.60	3.85
I T C Ltd	Consumer Non Durables	653,000	1,164.30	3.75
State Bank of India	Banks	30,888	1,000.91	3.22
Oil & Natural Gas Corporation Ltd	Oil	70,716	992.92	3.20
Tata Consultancy Services Ltd	Software	97,490	903.68	2.91
Larsen & Toubro Ltd	Construction Project	42,765	878.03	2.83
Bharat Heavy Electricals Ltd	Industrial Capital Goods	33,000	817.91	2.63
ICICI Bank Ltd	Banks	72,000	801.32	2.58
Bharti Airtel Ltd	Telecom - Services	218,000	798.53	2.57
Lupin Ltd	Pharmaceuticals	202,720	786.76	2.53
Rural Electrification Corporation Ltd	Finance	229,165	785.69	2.53
Sun TV Network Ltd	Media & Entertainment	141,117	732.40	2.36
Wipro Ltd	Software	162,300	729.46	2.35
Tata Motors Ltd	Auto	65,800	722.55	2.33
The Great Eastern Shipping Co. Ltd	Transportation	225,260	707.43	2.28
Sobha Developers Ltd	Construction	182,707	697.21	2.24
Cipla Ltd	Pharmaceuticals	204,000	657.59	2.12
Housing Development Finance Corporation Ltd	Finance	86,815	636.53	2.05
Oriental Bank of Commerce	Banks	131,346	605.24	1.95
Hindustan Petroleum Corporation Ltd	Petroleum Products	116,350	590.07	1.90
Dena Bank	Banks	515,000	546.16	1.76
TVS Motor Company Ltd	Auto	758,884	542.98	1.75
Nagarjuna Construction Co. Ltd	Construction Project	329,714	517.32	1.67
HDFC Bank Ltd	Banks	18,000	448.08	1.44
PTC India Ltd	Power	381,649	439.85	1.42
Maruti Suzuki India Ltd	Auto	29,600	426.51	1.37
Bajaj Auto Ltd	Auto	28,524	419.27	1.35
Corporation Bank	Banks	59,000	408.84	1.32
Oil India Ltd	Oil	26,727	401.49	1.29
CESC Ltd	Power	99,703	383.61	1.23
Infinite Computer Solutions (India) Ltd	Software	226,490	382.54	1.23
NTPC Ltd	Power	173,400	376.19	1.21
Torrent Pharmaceuticals Ltd	Pharmaceuticals	65,780	372.58	1.20
Oracle Financial Services Software Ltd	Software	15,500	346.49	1.12
Sterlite Industries (India) Ltd	Non - Ferrous Metals	204,040	340.54	1.10
NHPC Ltd	Power	1,059,002	335.70	1.08
Infrastructure Development Finance Co. Ltd	Finance	163,000	330.48	1.06
Aurobindo Pharma Ltd	Pharmaceuticals	31,355	325.46	1.05
Power Finance Corporation Ltd	Finance	93,450	321.00	1.03
Kesoram Industries Ltd	Cement	97,990	308.28	0.99
CRISIL Ltd	Finance	5,016	304.95	0.98
HT Media Ltd	Media & Entertainment	189,063	304.20	0.98
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	21,000	302.76	0.97
Tata Power Co. Ltd	Power	21,077	285.64	0.92
Siemens Ltd	Industrial Capital Goods	32,011	263.59	0.85
Bajaj Holdings & Investment Ltd	Finance	28,032	232.81	0.75
Tata Global Beverages Ltd	Consumer Non Durables	192,000	230.78	0.74
MphasiS Ltd	Software	14,243	88.55	0.29
Lloyds Steel Industries Ltd $$#	Ferrous Metals	400,000	0.00	***
Apollo Tyres Ltd $$#	Auto Ancillaries	2,250	–	–
Total			**28,832.39**	**92.83**
II. Money Market Instruments				
i) Reverse Repo and CBLO			2,447.21	7.88
Total			**2,447.21**	**7.88**
III. Cash & Cash Equivalents			**0.16**	***
IV. Other Receivables / (Payables)			**(210.12)**	**(0.71)**
Net Assets			**31,069.64**	**100.00**

Principal Global Opportunities Fund

Name of Instrument	Quantity	Market Value (₹ in lakhs)	% of NAV
Foregin Securities			
I. Units of Mutual Fund / Units Trust			
Principal Global Investors Fund - Emerging Markets Equity Fund	341,291	7,849.38	97.58
Total		**7,849.38**	**97.58**
II. Money Market Instruments			
i) Reverse Repo and CBLO		105.56	1.31
Total		**105.56**	**1.31**
III. Cash & Cash Equivalents		**0.53**	**0.01**
IV. Other Receivables / (Payables)		**88.70**	**1.10**
Net Assets		**8,044.17**	**100.00**

Principal Emerging Bluechip Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
i) Equity Shares				
Asian Paints Ltd	Consumer Non Durables	41,489	1,104.94	3.44
Lupin Ltd	Pharmaceuticals	235,000	912.04	2.84
Union Bank of India	Banks	230,000	894.47	2.78
Sun TV Network Ltd	Media & Entertainment	171,250	888.79	2.77
Hindustan Petroleum Corporation Ltd	Petroleum Products	169,093	857.56	2.67
Voltas Ltd	Construction Project	330,000	796.62	2.48
GlaxoSmithkline Consumer Healthcare Ltd	Consumer Non Durables	37,961	772.13	2.40
Crompton Greaves Ltd	Industrial Capital Goods	240,975	753.53	2.34
TVS Motor Company Ltd	Auto	981,032	701.93	2.18
Tata Motors Ltd	Auto	60,000	658.86	2.05
Mahindra & Mahindra Financial Services Ltd	Finance	100,508	649.73	2.02
The Great Eastern Shipping Co. Ltd	Transportation	205,000	643.80	2.00
HCL Technologies Ltd	Software	150,000	631.13	1.96
Rural Electrification Corporation Ltd	Finance	184,000	630.84	1.96
Exide Industries Ltd	Auto Ancillaries	384,210	628.76	1.96
Cummins India Ltd	Industrial Products	85,000	625.43	1.95
Tata Global Beverages Ltd	Consumer Non Durables	499,400	600.28	1.87
Torrent Pharmaceuticals Ltd	Pharmaceuticals	105,610	598.18	1.86
Jyothy Laboratories Ltd	Consumer Non Durables	200,000	596.50	1.86
Godrej Consumer Products Ltd	Consumer Non Durables	146,353	594.05	1.85
Kec International Ltd	Power	118,301	591.92	1.84
Pantaloon Retail (India) Ltd	Retailing	120,955	585.54	1.82
Usha Martin Ltd	Ferrous Metals	654,825	569.70	1.77
Spice Jet Ltd	Transportation	750,000	561.00	1.75
GVK Power & Infrastructures Ltd	Power	1,176,000	546.84	1.70
Petronet LNG Ltd	Gas	500,000	529.75	1.65
Biocon Ltd	Pharmaceuticals	145,000	520.99	1.62
Housing Development and Infrastructure Ltd	Construction	199,800	517.58	1.61
Power Finance Corporation Ltd	Finance	147,500	506.66	1.58
Dena Bank	Banks	460,000	487.83	1.52
The Jammu & Kashmir Bank Ltd	Banks	60,219	484.88	1.51
Aurobindo Pharma Ltd	Pharmaceuticals	42,667	442.88	1.38
Oracle Financial Services Software Ltd	Software	19,781	442.19	1.38
B L Kashyap & Sons Ltd	Construction	950,000	440.80	1.37
Great Offshore Ltd	Oil	120,000	438.66	1.36
Corporation Bank	Banks	62,500	433.09	1.35
Shree Cement Ltd	Cement	19,188	406.78	1.27
Lanco Infratech Ltd	Construction Project	558,380	402.03	1.25
Sadbhav Engineering Ltd	Construction	26,876	398.93	1.24
Gammon Infrastructure Projects Ltd	Construction	1,604,634	391.53	1.22
Apollo Tyres Ltd	Auto Ancillaries	480,000	389.28	1.21
Arvind Ltd	Textile Products	831,300	377.83	1.18
CESC Ltd	Power	96,025	369.46	1.15
Glenmark Pharmaceuticals Ltd	Pharmaceuticals	114,926	344.49	1.07
Sintex Industries Ltd	Industrial Products	86,693	333.16	1.04
Orient Paper & Industries Ltd	Cement	557,169	332.63	1.03
HT Media Ltd	Media & Entertainment	200,000	321.80	1.00
KNR Constructions Ltd	Construction	170,000	315.86	0.98
Bank of Baroda	Banks	36,000	314.10	0.98
KSK Energy Ventures Ltd	Power	178,500	310.41	0.97
Nagarjuna Construction Co. Ltd	Construction Project	195,200	306.27	0.95
Max India Ltd	Industrial Products	178,958	303.69	0.94
Graphite India Ltd	Industrial Products	306,410	285.11	0.89
CRISIL Ltd	Finance	4,655	283.00	0.88
Infotech Enterprises Ltd	Software	180,000	282.60	0.88
Gujarat NRE Coke Ltd	Minerals/Mining	400,399	247.25	0.77
Chambal Fertilizers & Chemicals Ltd	Fertilisers	338,340	233.12	0.73
Sundaram Clayton Ltd	Auto Ancillaries	95,299	209.09	0.65
Gayatri Projects Ltd	Construction	52,475	202.68	0.63
Texmaco Ltd	Industrial Capital Goods	120,000	201.36	0.63
Engineers India Ltd	Engineering	6,279	21.92	0.07
Gujarat NRE Coke Ltd (DVR)	Minerals/Mining	40,039	17.36	0.05
Future Mall Management Ltd (Refer Note 9)	Retailing	6,047	0.00	***
Total			**30,241.62**	**94.11**
ii) Warrants				
Sadbhav Engineering Ltd	Construction	3,837	36.74	0.11
Total			**36.74**	**0.11**
II. Money Market Instruments				
i) Reverse Repo and CBLO			1,900.76	5.91
Total			**1,900.76**	**5.91**
III. Cash & Cash Equivalents			**0.10**	***
IV. Other Receivables / (Payables)			**(39.74)**	**(0.13)**
Net Assets			**32,139.48**	**100.00**

Principal Child Benefit Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
CRISIL Ltd	Finance	1,815	110.34	3.49
Tata Motors Ltd	Auto	10,000	109.81	3.48
Corporation Bank	Banks	15,000	103.94	3.29
Tata Power Co. Ltd	Power	7,500	101.64	3.22
Pantaloon Retail (India) Ltd	Retailing	19,800	95.85	3.03
Federal Bank Ltd	Banks	23,067	90.45	2.86
ICICI Bank Ltd	Banks	7,850	87.37	2.77
Union Bank of India	Banks	22,000	85.56	2.71
State Bank of India	Banks	2,550	82.63	2.62
Hindustan Petroleum Corporation Ltd	Petroleum Products	15,000	76.07	2.41
Lanco Infratech Ltd	Construction Project	100,000	72.00	2.28
Reliance Industries Ltd	Petroleum Products	7,200	71.08	2.25
Kec International Ltd	Power	14,118	70.64	2.24
HCL Technologies Ltd	Software	16,000	67.32	2.13
GVK Power & Infrastructures Ltd	Power	143,000	66.50	2.11
Oracle Financial Services Software Ltd	Software	2,900	64.83	2.05
TVS Motor Company Ltd	Auto	90,000	64.40	2.04
The Great Eastern Shipping Co. Ltd	Transportation	20,200	63.44	2.01
Graphite India Ltd	Industrial Products	67,310	62.63	1.98
ABG Shipyard Ltd	Industrial Capital Goods	21,600	51.76	1.64
Sterlite Industries (India) Ltd	Non - Ferrous Metals	29,200	48.73	1.54
Chambal Fertilizers & Chemicals Ltd	Fertilisers	70,560	48.62	1.54
Revathi Equipment Ltd	Industrial Capital Goods	7,748	47.10	1.49
Bharti Airtel Ltd	Telecom - Services	12,000	43.96	1.39
Great Offshore Ltd	Oil	12,000	43.87	1.39
Adhunik Metaliks Ltd	Ferrous Metals	38,407	43.53	1.38
Jaiprakash Associates Ltd	Cement	34,500	41.68	1.32
Orient Paper & Industries Ltd	Cement	69,121	41.27	1.31
Hindustan Zinc Ltd	Non - Ferrous Metals	3,812	41.13	1.30
Colgate Palmolive (India) Ltd	Consumer Non Durables	4,593	40.02	1.27
Yes Bank Ltd	Banks	11,000	38.52	1.22
Sintex Industries Ltd	Industrial Products	8,750	33.63	1.06
Godrej Properties Ltd	Construction	4,475	32.90	1.04
Bosch Ltd	Auto Ancillaries	525	32.45	1.03
Cipla Ltd	Pharmaceuticals	10,000	32.24	1.02
Subros Ltd	Auto Ancillaries	63,416	31.39	0.99
Bajaj Auto Ltd	Auto	1,172	17.23	0.55
Texmaco Ltd	Industrial Capital Goods	8,740	14.67	0.46
Oil India Ltd	Oil	707	10.62	0.34
Engineers India Ltd	Engineering	1,884	6.58	0.21
Future Mall Management Ltd (Refer Note 9)	Retailing	990	0.00	***
Total			**2,288.40**	**72.46**
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
7.46% Government of India Security 2017	Sovereign	300,000	293.55	9.29
9.40% Government of India Security 2012	Sovereign	200	0.21	0.01
Total			**293.76**	**9.30**
III. Money Market Instruments				
i) Certificate of Deposit **				
Canara Bank -M-25-Mar-2011	A1+	350,000	337.98	10.70
Total			**337.98**	**10.70**
ii) Reverse Repo and CBLO			189.30	5.99
Total			**189.30**	**5.99**
IV. Cash & Cash Equivalents			**0.06**	***
V. Other Receivables / (Payables)			**49.03**	**1.55**
Net Assets			**3,158.53**	**100.00**

Principal
pnb
Asset Management
in association with Vijaya Bank

Half Yearly Portfolio Statement of the Schemes of Principal Mutual Fund as on September 30, 2010 *(Contd.)*

Principal Balanced Fund

Name of Instrument	Industry / Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
ICICI Bank Ltd	Banks	8,335	92.76	3.22
State Bank of India	Banks	2,800	90.73	3.15
Cipla Ltd	Pharmaceuticals	26,901	86.72	3.01
Tata Motors Ltd	Auto	7,500	82.36	2.86
I T C Ltd	Consumer Non Durables	45,500	81.13	2.81
Wipro Ltd	Software	18,000	80.90	2.81
HDFC Bank Ltd	Banks	3,220	80.16	2.78
Reliance Industries Ltd	Petroleum Products	7,992	78.90	2.74
Gillette India Ltd	Consumer Non Durables	3,917	73.58	2.55
Bank of Baroda	Banks	8,300	72.42	2.51
Lanco Infratech Ltd	Construction Project	100,000	72.00	2.50
Indian Oil Corporation Ltd	Petroleum Products	16,600	69.19	2.40
Oil & Natural Gas Corporation Ltd	Oil	4,850	68.10	2.36
Pantaloon Retail (India) Ltd	Retailing	14,067	68.10	2.36
Oracle Financial Services Software Ltd	Software	3,041	67.98	2.36
Glaxosmithkline Pharmaceuticals Ltd	Pharmaceuticals	3,000	66.30	2.30
Union Bank of India	Banks	17,000	66.11	2.29
Hindustan Petroleum Corporation Ltd	Petroleum Products	13,000	65.93	2.29
TVS Motor Company Ltd	Auto	90,000	64.40	2.23
The Great Eastern Shipping Co. Ltd	Transportation	19,800	62.18	2.16
KSK Energy Ventures Ltd	Power	30,500	53.04	1.84
KEC International Ltd	Power	10,548	52.78	1.83
DLF Ltd	Construction	13,300	50.30	1.74
Bharti Airtel Ltd	Telecom - Services	13,488	49.41	1.71
Dena Bank	Banks	45,000	47.72	1.66
Larsen & Toubro Ltd	Construction Project	2,200	45.17	1.57
Great Offshore Ltd	Oil	12,000	43.87	1.52
Bharat Heavy Electricals Ltd	Industrial Capital Goods	1,745	43.25	1.50
CRISIL Ltd	Finance	641	38.97	1.35
Texmaco Ltd	Industrial Capital Goods	20,000	33.56	1.16
Sintex Industries Ltd	Industrial Products	7,900	30.36	1.05
Bosch Ltd	Auto Ancillaries	422	26.08	0.90
Engineers India Ltd	Engineering	1,884	6.58	0.23
Future Mall Management Ltd (Refer Note 9)	Retailing	703	0.00	***
Total			**2,011.04**	**69.75**
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
7.46% Government of India Security 2017	Sovereign	400,000	391.40	13.58
Total			**391.40**	**13.58**
III. Money Market Instruments				
i) Certificate of Deposit **				
Canara Bank -M-25-Mar-2011	A1+	150,000	144.85	5.02
Total			**144.85**	**5.02**
ii) Reverse Repo and CBLO			305.43	10.60
Total			**305.43**	**10.60**
IV. Cash & Cash Equivalents			**0.04**	***
V. Other Receivables / (Payables)			**29.90**	**1.05**
Net Assets			**2,882.66**	**100.00**

Principal Pnb Long Term Equity Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Torrent Pharmaceuticals Ltd	Pharmaceuticals	66,589	377.16	2.27
Lupin Ltd	Pharmaceuticals	95,000	368.70	2.22
Godrej Consumer Products Ltd	Consumer Non Durables	88,221	358.09	2.16
Sun TV Network Ltd	Media & Entertainment	65,000	337.35	2.03
Crompton Greaves Ltd	Industrial Capital Goods	106,500	333.03	2.01
NRB Bearing Ltd	Industrial Products	618,264	328.30	1.98
Numeric Power Systems Ltd	Industrial Capital Goods	96,226	324.43	1.95
Dena Bank	Banks	300,000	318.15	1.92
KEC International Ltd	Power	57,659	288.50	1.74
Pantaloon Retail (India) Ltd	Retailing	58,325	282.35	1.70
Federal Bank Ltd	Banks	70,223	275.34	1.66
Union Bank of India	Banks	70,000	272.23	1.64
CESC Ltd	Power	70,500	271.25	1.63
Jyothy Laboratories Ltd	Consumer Non Durables	88,679	264.49	1.59
Glenmark Pharmaceuticals Ltd	Pharmaceuticals	87,600	262.58	1.58
TVS Motor Company Ltd	Auto	360,000	257.58	1.55
CRISIL Ltd	Finance	4,205	255.64	1.54
The Great Eastern Shipping Co. Ltd	Transportation	76,000	238.68	1.44
Gayatri Projects Ltd	Construction	60,000	231.75	1.40
B. L. Kashyap & Sons Ltd	Construction	495,920	230.11	1.39
Yes Bank Ltd	Banks	65,000	227.60	1.37
Tata Motors Ltd	Auto	20,000	219.62	1.32
Bharat Bijlee Ltd	Industrial Capital Goods	19,733	218.65	1.32
Aurobindo Pharma Ltd	Pharmaceuticals	21,000	217.98	1.31
Chambal Fertilizers & Chemicals Ltd	Fertilisers	310,000	213.59	1.29
HCL Technologies Ltd	Software	50,000	210.38	1.27
Oriental Bank of Commerce	Banks	45,000	207.36	1.25
MphasiS Ltd	Software	33,038	205.40	1.24
Voltamp Transformers Ltd	Industrial Capital Goods	22,033	205.15	1.24
Hindustan Petroleum Corporation Ltd	Petroleum Products	40,000	202.86	1.22
Revathi Equipment Ltd	Industrial Capital Goods	32,855	199.71	1.20
Usha Martin Ltd	Ferrous Metals	225,504	196.19	1.18
Nagarjuna Construction Co. Ltd	Construction Project	115,000	180.44	1.09
Adhunik Metaliks Ltd	Ferrous Metals	159,142	180.39	1.09
WABCO-TVS (India) Ltd	Auto Ancillaries	16,846	179.97	1.08
Lanco Infratech Ltd	Construction Project	240,000	172.80	1.04
Great Offshore Ltd	Oil	42,000	153.53	0.92
Apollo Tyres Ltd	Auto Ancillaries	185,000	150.04	0.90
Sundaram Clayton Ltd	Auto Ancillaries	61,614	135.18	0.81
ABG Shipyard Ltd	Industrial Capital Goods	50,801	121.74	0.73
Jammu & Kashmir Bank Ltd	Banks	15,000	120.78	0.73
Automotive Axles Ltd	Auto Ancillaries	21,610	114.73	0.69
Gujarat NRE Coke Ltd	Minerals/Mining	185,398	114.48	0.69
Infinite Computer Solutions (India) Ltd	Software	65,000	109.79	0.66
Sintex Industries Ltd	Industrial Products	25,358	97.45	0.59
Texmaco Ltd	Industrial Capital Goods	56,170	94.25	0.57
Engineers India Ltd	Engineering	2,512	8.77	0.05
Gujarat NRE Coke Ltd (DVR)	Minerals/Mining	18,539	8.04	0.05
Future Mall Management Ltd (Refer Note 9)	Retailing	2,916	0.00	***
Total			**10,342.58**	**62.30**
II. Money Market Instruments				
i) Reverse Repo and CBLO			576.48	3.47
Total			**576.48**	**3.47**
III. Cash & Cash Equivalents			**0.06**	***
IV. Other Receivables / (Payables) (Refer Note 8)			**5,680.19**	**34.23**
Net Assets			**16,599.31**	**100.00**

Principal Government Securities Fund

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
8.13% Government of India Security 2022	Sovereign	6,150,000	6,213.96	36.63
7.80% Government of India Security 2020	Sovereign	4,200,000	4,186.35	24.68
8.26% Government of India Security 2027	Sovereign	2,400,000	2,394.48	14.11
7.17% Government of India Security 2015	Sovereign	1,000,000	979.58	5.77
7.46% Government of India Security 2017	Sovereign	900,000	880.65	5.19
8.08% Government of India Security 2022	Sovereign	500,000	503.15	2.97
5.05% Floating Rate Government of India Security 2016	Sovereign	500,000	496.03	2.92
7.02% Government of India Security 2016	Sovereign	400	0.39	***
Total			**15,654.59**	**92.27**
II. Money Market Instruments				
i) Reverse Repo and CBLO			174.75	1.03
Total			**174.75**	**1.03**
III. Cash & Cash Equivalents			**0.03**	***
IV. Other Receivables / (Payables)			**1,136.27**	**6.70**
Net Assets			**16,965.64**	**100.00**

Principal Services Industries Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Infosys Technologies Ltd	Software	29,050	886.17	7.63
NTPC Ltd	Power	366,850	795.88	6.86
Tata Consultancy Services Ltd	Software	85,350	791.15	6.82
Wipro Ltd	Software	155,733	699.94	6.03
Bharti Airtel Ltd	Telecom - Services	188,643	691.00	5.95
The Great Eastern Shipping Co. Ltd	Transportation	183,583	576.54	4.97
Dena Bank	Banks	530,000	562.07	4.84
ICICI Bank Ltd	Banks	49,450	550.35	4.74
Housing Development Finance Corporation Ltd	Finance	71,890	527.10	4.54
State Bank of India	Banks	12,658	410.18	3.53
Oriental Bank of Commerce	Banks	80,857	372.59	3.21
Corporation Bank	Banks	52,917	366.69	3.16
Sun TV Network Ltd	Media & Entertainment	64,958	337.13	2.90
Rural Electrification Corporation Ltd	Finance	90,662	310.83	2.68
HDFC Bank Ltd	Banks	12,050	299.97	2.58
CESC Ltd	Power	70,579	271.55	2.34
HT Media Ltd	Media & Entertainment	165,599	266.45	2.30
Infinite Computer Solutions (India) Ltd	Software	150,857	254.80	2.19
NHPC Ltd	Power	796,794	252.58	2.18
Bank of Baroda	Banks	23,650	206.35	1.78
Hindustan Media Ventures LTD	Media & Entertainment	90,397	172.70	1.49
Oracle Financial Services Software Ltd	Software	7,606	170.03	1.46
PTC India Ltd	Power	144,700	166.77	1.44
Power Finance Corporation Ltd	Finance	47,668	163.74	1.41
Power Grid Corporation of India Ltd	Power	136,818	145.71	1.26
Infrastructure Development Finance Co. Ltd	Finance	67,137	136.12	1.17
Tata Power Co. Ltd	Power	9,450	128.07	1.10
HCL Technologies Ltd	Software	28,500	119.91	1.03
MphasiS Ltd	Software	19,132	118.94	1.02
The Jammu & Kashmir Bank Ltd	Banks	13,584	109.38	0.94
Bajaj Holdings & Investment Ltd	Finance	10,409	86.45	0.74
Patni Computer Systems Ltd	Software	14,600	60.55	0.52
Total			**11,007.69**	**94.81**
II. Money Market Instruments				
i) Reverse Repo and CBLO			838.39	7.22
Total			**838.39**	**7.22**
III. Cash & Cash Equivalents			**0.08**	***
IV. Other Receivables / (Payables)			**(237.40)**	**(2.03)**
Net Assets			**11,608.76**	**100.00**

Principal Index Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	18,149	179.18	9.58
Infosys Technologies Ltd	Software	5,190	158.32	8.47
ICICI Bank Ltd	Banks	11,870	132.11	7.07
Larsen & Toubro Ltd	Construction Project	5,663	116.27	6.22
Housing Development Finance Corporation Ltd	Finance	13,765	100.92	5.40
I T C Ltd	Consumer Non Durables	55,786	99.47	5.32
HDFC Bank Ltd	Banks	3,752	93.40	5.00
State Bank of India	Banks	2,754	89.24	4.77
Oil & Natural Gas Corporation Ltd	Oil	3,631	50.98	2.73
Tata Consultancy Services Ltd	Software	5,455	50.57	2.70
Bharti Airtel Ltd	Telecom - Services	13,325	48.81	2.61
Tata Steel Ltd	Ferrous Metals	6,504	42.40	2.27
Bharat Heavy Electricals Ltd	Industrial Capital Goods	1,678	41.59	2.22
Axis Bank Ltd	Banks	2,706	41.58	2.22
Tata Motors Ltd	Auto	3,506	38.50	2.06
Hindustan Unilever Ltd	Diversified	11,101	34.31	1.84
Mahindra & Mahindra Ltd	Auto	4,463	30.86	1.65
NTPC Ltd	Power	13,796	29.93	1.60
Jindal Steel & Power Ltd	Ferrous Metals	4,157	29.40	1.57
Sterlite Industries (India) Ltd	Non - Ferrous Metals	17,266	28.82	1.54
Hindalco Industries Ltd	Non - Ferrous Metals	13,554	26.71	1.43
Infrastructure Development Finance Co. Ltd	Finance	12,192	24.72	1.32
Tata Power Co. Ltd	Power	1,740	23.58	1.26
GAIL (India) Ltd	Gas	4,928	23.53	1.26
Wipro Ltd	Software	5,182	23.29	1.25
Maruti Suzuki India Ltd	Auto	1,397	20.13	1.08
Punjab National Bank	Banks	1,465	18.95	1.01
Hero Honda Motors Ltd	Auto	995	18.49	0.99
Kotak Mahindra Bank Ltd	Banks	3,658	17.42	0.93
Cipla Ltd	Pharmaceuticals	5,275	17.00	0.91
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	820	16.57	0.89
Reliance Infrastructure Ltd	Power	1,512	16.16	0.86
Cairn India Ltd	Oil	4,657	15.60	0.83
Jaiprakash Associates Ltd	Cement	12,387	14.96	0.80
DLF Ltd	Construction	3,763	14.23	0.76
Siemens Ltd	Industrial Capital Goods	1,582	13.03	0.70
Steel Authority of India Ltd	Ferrous Metals	6,206	12.73	0.68
Ambuja Cements Ltd	Cement	8,947	12.58	0.67
Reliance Communications Ltd	Telecom - Services	7,350	12.38	0.66
HCL Technologies Ltd	Software	2,516	10.59	0.57
Bharat Petroleum Corporation Ltd	Petroleum Products	1,401	10.50	0.56
ACC Ltd	Cement	1,028	10.18	0.54
Ranbaxy Laboratories Ltd	Pharmaceuticals	1,746	9.71	0.52
Reliance Capital Ltd	Finance	1,210	9.44	0.50
Power Grid Corporation of India Ltd	Power	6,174	6.58	0.35
Reliance Power Ltd	Power	3,531	5.68	0.30
Suzlon Energy Ltd	Industrial Capital Goods	8,645	4.53	0.24
Total			**1,845.93**	**98.71**
II. Money Market Instruments				
i) Reverse Repo and CBLO			38.33	2.05
Total			**38.33**	**2.05**
III. Cash & Cash Equivalents			**0.19**	**0.01**
IV. Other Receivables / (Payables)			**(14.75)**	**(0.77)**
Net Assets			**1,869.70**	**100.00**

Principal Cash Management Fund

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Money Market Instruments				
i) Certificate of Deposit **				
ICICI Bank Ltd -M-22-Oct-2010	A1+	4,200,000	4,183.64	7.37
UCO Bank -M-07-Oct-2010	P1+	2,500,000	2,497.67	4.40
Punjab & Sind Bank -M-13-Oct-2010	A1+	2,500,000	2,494.39	4.40
Axis Bank Ltd -M-21-Oct-2010	P1+	2,500,000	2,490.66	4.39
Central Bank of India -M-08-Nov-2010	PR1+	2,500,000	2,483.13	4.38
State Bank of Patiala -M-10-Nov-2010	P1+	2,500,000	2,482.56	4.38
Bank of Baroda -M-12-Nov-2010	A1+	2,500,000	2,481.45	4.37
Canara Bank -M-16-Nov-2010	P1+	2,500,000	2,479.00	4.37
UCO Bank -M-20-Nov-2010	P1+	2,500,000	2,476.36	4.36
Corporation Bank -M-07-Dec-2010	PR1+	2,500,000	2,468.53	4.35
State Bank of Mysore -M-10-Dec-2010	A1+	2,500,000	2,466.38	4.35
Canara Bank -M-14-Dec-2010	A1+	2,500,000	2,464.56	4.34
Allahabad Bank -M-20-Dec-2010	A1+	2,500,000	2,461.51	4.34
Allahabad Bank -M-22-Dec-2010	A1+	2,500,000	2,459.57	4.34
Andhra Bank -M-05-Nov-2010	PR1+	1,500,000	1,490.67	2.63
State Bank of Mysore -M-22-Dec-2010	A1+	1,100,000	1,082.84	1.91
Axis Bank Ltd -M-29-Oct-2010	P1+	800,000	796.89	1.40
Karnataka Bank Ltd -M-29-Oct-2010	A1+	700,000	697.23	1.23
Total			**40,457.04**	**71.31**
ii) Commercial Paper **				
ICICI Securities Primary Dealership Ltd -M-05-Oct-2010	P1+	2,500,000	2,498.08	4.40
Kotak Mahindra Prime Ltd -M-27-Oct-2010	P1+	2,500,000	2,488.87	4.39
Housing Development Finance Corporation Ltd -M-22-Nov-2010	P1+	2,500,000	2,474.86	4.36
Kesoram Industries Ltd -M-08-Dec-2010	PR1+	1,000,000	986.27	1.74
Total			**8,448.08**	**14.89**
iii) Bills Re-discounted **				
Kotak Mahindra Bank Ltd -M-05-Oct-2010	UNRATED	2,500,000	2,498.08	4.40
Total			**2,498.08**	**4.40**
iv) Reverse Repo and CBLO			6,211.70	10.95
Total			**6,211.70**	**10.95**
II. Cash & Cash Equivalents			**0.31**	***
III. Other Receivables / (Payables)			**(880.65)**	**(1.55)**
Net Assets			**56,734.56**	**100.00**

Principal Growth Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	107,804	1,064.29	5.69
Infosys Technologies Ltd	Software	27,200	829.74	4.44
I T C Ltd	Consumer Non Durables	416,000	741.73	3.97
Larsen & Toubro Ltd	Construction Project	30,600	628.26	3.36
Oil & Natural Gas Corporation Ltd	Oil	44,344	622.63	3.33
Crompton Greaves Ltd	Industrial Capital Goods	186,045	581.76	3.11
ICICI Bank Ltd	Banks	49,050	545.90	2.92
Bharat Heavy Electricals Ltd	Industrial Capital Goods	21,674	537.19	2.87
Tata Consultancy Services Ltd	Software	57,600	533.92	2.85
Bharti Airtel Ltd	Telecom - Services	138,500	507.33	2.71
Rural Electrification Corporation Ltd	Finance	144,687	496.06	2.65
State Bank of India	Banks	15,058	487.95	2.61
Lupin Ltd	Pharmaceuticals	125,320	486.37	2.60
Wipro Ltd	Software	105,400	473.72	2.53
Sobha Developers Ltd	Construction	119,973	457.82	2.45
The Great Eastern Shipping Co. Ltd	Transportation	144,460	453.68	2.43
Sun TV Network Ltd	Media & Entertainment	85,612	444.33	2.38
Housing Development Finance Corporation Ltd	Finance	57,210	419.46	2.24
Tata Motors Ltd	Auto	37,560	412.45	2.21
Cipla Ltd	Pharmaceuticals	121,000	390.04	2.09
Oriental Bank of Commerce	Banks	80,798	372.32	1.99
TVS Motor Company Ltd	Auto	507,922	363.42	1.94
Hindustan Petroleum Corporation Ltd	Petroleum Products	69,175	350.82	1.88
Dena Bank	Banks	320,000	339.36	1.81
Nagarjuna Construction Co. Ltd	Construction Project	211,647	332.07	1.78
Oracle Financial Services Software Ltd	Software	13,723	306.77	1.64
NTPC Ltd	Power	136,000	295.05	1.58
Maruti Suzuki India Ltd	Auto	20,350	293.22	1.57
Oil India Ltd	Oil	19,397	291.38	1.56
HDFC Bank Ltd	Banks	11,500	286.28	1.53
NHPC Ltd	Power	831,374	263.55	1.41
Bajaj Auto Ltd	Auto	15,056	221.31	1.18
Torrent Pharmaceuticals Ltd	Pharmaceuticals	37,459	212.17	1.13
Tata Power Co. Ltd	Power	15,405	208.77	1.12
Power Finance Corporation Ltd	Finance	60,517	207.88	1.11
Infrastructure Development Finance Co. Ltd	Finance	102,500	207.82	1.11
Sterlite Industries (India) Ltd	Non - Ferrous Metals	120,896	201.78	1.08
Infinite Computer Solutions (India) Ltd	Software	119,232	201.38	1.08
HT Media Ltd	Media & Entertainment	119,550	192.36	1.03
CESC Ltd	Power	49,687	191.17	1.02
Aurobindo Pharma Ltd	Pharmaceuticals	18,314	190.10	1.02
PTC India Ltd	Power	163,750	188.72	1.01
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	12,900	185.98	0.99
The Jammu & Kashmir Bank Ltd	Banks	22,514	181.28	0.97
Siemens Ltd	Industrial Capital Goods	20,469	168.55	0.90
Bajaj Holdings & Investment Ltd	Finance	18,934	157.25	0.84
Tata Global Beverages Ltd	Consumer Non Durables	122,950	147.79	0.79
Kesoram Industries Ltd	Cement	18,626	58.60	0.31
MphasiS Ltd	Software	8,599	53.46	0.29
Mile Stone Granite $$**	Construction Materials	100,000	0.01	***
Total			**17,785.25**	**95.11**
B) Privately Placed / Unlisted $$				
i) Equity Shares				
Sangam Health Care Products Ltd	Health Care Equipment	200,000	0.02	***
Virtual Dynamics Software Ltd	IT Consulting & Services	176,305	0.02	***
Balmer Lawrie Freight Container Ltd	Travel	54,000	0.01	***
Mukerian Papers Ltd	Paper Products	50,800	0.01	***
Noble Brothers Impex Ltd	Personal Products	93,200	0.01	***
Precision Fasteners Ltd	Auto Parts & Equipment	200	0.00	***
Crescent Finstock Ltd	Diversified Financial Services	39,500	0.00	***
Total			**0.07**	***
II. Money Market Instruments				
i) Reverse Repo and CBLO			1,102.05	5.89
Total			**1,102.05**	**5.89**
III. Cash & Cash Equivalents			**0.06**	***
IV. Other Receivables / (Payables)			**(183.68)**	**(1.00)**
Net Assets			**18,703.75**	**100.00**

Principal Dividend Yield Fund

Name of Instrument	Industry	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments - A) Listed / Awaiting listing on the stock exchanges				
Tata Consultancy Services Ltd	Software	80,500	746.19	5.73
Oil & Natural Gas Corporation Ltd	Oil	52,758	740.78	5.69
I T C Ltd	Consumer Non Durables	388,000	691.80	5.31
The Great Eastern Shipping Co. Ltd	Transportation	212,000	665.79	5.11
Tata Chemicals Ltd	Fertilisers	165,767	662.40	5.09
NTPC Ltd	Power	290,400	630.02	4.84
Dena Bank	Banks	570,000	604.49	4.64
Corporation Bank	Banks	84,417	584.97	4.49
Rural Electrification Corporation Ltd	Finance	153,833	527.42	4.05
Hindustan Petroleum Corporation Ltd	Petroleum Products	96,475	489.27	3.76
Oriental Bank of Commerce	Banks	101,673	468.51	3.60
Tata Motors Ltd	Auto	42,000	461.20	3.54
Reliance Industries Ltd	Petroleum Products	42,900	423.53	3.25
ICICI Bank Ltd	Banks	33,150	368.94	2.83
Oil India Ltd	Oil	20,096	301.88	2.32
Bajaj Auto Ltd	Auto	19,400	285.16	2.19
Bajaj Holdings & Investment Ltd	Finance	34,044	282.74	2.17
State Bank of India	Banks	8,658	280.56	2.15
Infosys Technologies Ltd	Software	8,700	265.39	2.04
HCL Technologies Ltd	Software	59,886	251.97	1.93
Jammu & Kashmir Bank Ltd	Banks	30,357	244.43	1.88
Godrej Consumer Products Ltd	Consumer Non Durables	59,591	241.88	1.86
Power Finance Corporation Ltd	Finance	69,556	238.92	1.83
Sun TV Network Ltd	Media & Entertainment	45,500	236.15	1.81
Castrol (India) Ltd	Petroleum Products	42,512	216.43	1.66
Tata Global Beverages Ltd	Consumer Non Durables	175,770	211.28	1.62
Bank of Baroda	Banks	23,650	206.35	1.58
Larsen & Toubro Ltd	Construction Project	10,000	205.32	1.58
Allahabad Bank	Banks	76,449	177.51	1.36
Lupin Ltd	Pharmaceuticals	44,700	173.48	1.33
Nagarjuna Construction Co. Ltd	Construction Project	109,069	171.13	1.31
Bharti Airtel Ltd	Telecom - Services	40,000	146.52	1.13
Kesoram Industries Ltd	Cement	40,969	128.89	0.99
Andhra Bank	Banks	60,768	97.05	0.75
Volant Textile Mills Ltd $$~~	Textiles	75,000	0.01	***
Apollo Tyres Ltd $$#	Auto Ancillaries	16,500	–	–
Total			**12,428.36**	**95.42**
B) Privately Placed / Unlisted $$~~				
Sandur Laminates Ltd	Miscellaneous	200,000	0.02	***
Crystal Cable Industries Ltd	Miscellaneous	100,000	0.01	***
Tirrihannah Company Ltd	Miscellaneous	50,000	0.01	***
Western Paques (India) Ltd	Miscellaneous	900	0.00	***
Minerva Holding Ltd	Finance - Others	20	–	–
Total			**0.04**	***
II. Money Market Instruments				
i) Reverse Repo and CBLO			693.89	5.33
Total			**693.89**	**5.33**
III. Cash & Cash Equivalents			**0.05**	***
IV. Other Receivables / (Payables)			**(98.40)**	**(0.75)**
Net Assets			**13,023.94**	**100.00**

Principal Floating Rate Fund - Short Maturity Plan

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Money Market Instruments				
i) Certificate of Deposit **				
Karnataka Bank Ltd -M-29-Oct-2010	A1+	500,000	498.02	12.20
Andhra Bank -M-05-Nov-2010	PR1+	500,000	496.89	12.17
Canara Bank -M-09-Dec-2010	A1+	500,000	493.56	12.09
State Bank of Bikaner & Jaipur -M-10-Dec-2010	P1+	500,000	493.32	12.08
State Bank of Travancore -M-09-Dec-2010	P1+	500,000	493.31	12.08
Allahabad Bank -M-20-Dec-2010	A1+	500,000	492.30	12.06
State Bank of Mysore -M-22-Dec-2010	A1+	500,000	492.20	12.05
State Bank of India -M-22-Dec-2010	P1+	500,000	492.20	12.05
Total			**3,951.80**	**96.78**
ii) Reverse Repo and CBLO			86.11	2.11
Total			**86.11**	**2.11**
II. Cash & Cash Equivalents			**0.06**	***
III. Other Receivables / (Payables)			**45.55**	**1.11**
Net Assets			**4,083.52**	**100.00**

Principal
pnb
Asset Management
in association with Vijaya Bank

Half Yearly Portfolio Statement of the Schemes of Principal Mutual Fund as on September 30, 2010 *(Contd.)*

Principal Monthly Income Plan

(An open-ended fund. Monthly Income is not assured and is subject to the availability of distributable surplus.)

Name of Instrument	Industry / Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments -				
A) Listed / Awaiting listing on the stock exchanges				
Reliance Industries Ltd	Petroleum Products	11,600	114.52	0.80
Crompton Greaves Ltd	Industrial Capital Goods	32,500	101.63	0.71
Infosys Technologies Ltd	Software	3,000	91.52	0.64
Tata Consultancy Services Ltd	Software	9,400	87.13	0.61
Bharat Heavy Electricals Ltd	Industrial Capital Goods	3,395	84.15	0.58
Lupin Ltd	Pharmaceuticals	19,000	73.74	0.51
Oil & Natural Gas Corporation Ltd	Oil	5,100	71.61	0.50
I T C Ltd	Consumer Non Durables	40,000	71.32	0.50
Dena Bank	Banks	63,000	66.81	0.46
The Great Eastern Shipping Co. Ltd	Transportation	19,850	62.34	0.43
ICICI Bank Ltd	Banks	5,300	58.99	0.41
Bharti Airtel Ltd	Telecom - Services	16,000	58.61	0.41
Larsen & Toubro Ltd	Construction Project	2,800	57.49	0.40
Sobha Developers Ltd	Construction	15,000	57.24	0.40
Wipro Ltd	Software	12,500	56.18	0.39
Hindustan Media Ventures Ltd	Media & Entertainment	28,347	54.16	0.38
Cipla Ltd	Pharmaceuticals	15,500	49.96	0.35
Sun TV Network Ltd	Media & Entertainment	9,500	49.31	0.34
NHPC Ltd	Power	145,754	46.20	0.32
KSK Energy Ventures Ltd	Power	25,500	44.34	0.31
TVS Motor Company Ltd	Auto	49,442	35.38	0.25
Nagarjuna Construction Co. Ltd	Construction Project	21,976	34.48	0.24
Rural Electrification Corporation Ltd	Finance	10,000	34.29	0.24
Maruti Suzuki India Ltd	Auto	2,000	28.82	0.20
Torrent Pharmaceuticals Ltd	Pharmaceuticals	4,830	27.36	0.19
DLF Ltd	Construction	7,000	26.47	0.18
Infinite Computer Solutions (India) Ltd	Software	15,374	25.97	0.18
Housing Development Finance Corporation Ltd	Finance	3,500	25.66	0.18
Hindustan Petroleum Corporation Ltd	Petroleum Products	5,050	25.61	0.18
Bajaj Auto Ltd	Auto	1,600	23.52	0.16
The Great Offshore Ltd	Oil	6,355	23.23	0.16
Sterlite Industries (India) Ltd	Non - Ferrous Metals	13,500	22.53	0.16
Tata Motors Ltd	Auto	2,000	21.96	0.15
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	1,500	21.63	0.15
State Bank of India	Banks	622	20.16	0.14
Total			**1754.32**	**12.21**
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
7.46% Government of India Security 2017	Sovereign	1,000,000	978.50	6.80
8.13% Government of India Security 2022	Sovereign	300,000	303.12	2.11
7.17% Government of India Security 2015	Sovereign	300,000	293.87	2.04
7.95% Government of India Security 2026	Sovereign	300,000	290.13	2.02
Total			**1,865.62**	**12.97**
*ii) Non-Convertible Debentures***				
7.15% Indian Oil Corporation Ltd -M- 10-Jun-2012	LAAA	750,000	740.37	5.14
11.45% Reliance Industries Ltd -M- 25-Nov-2013	AAA	500,000	542.03	3.77
10.10% Reliance Industries Ltd -M- 12-Dec-2011	AAA	500,000	511.37	3.55
9.22% Power Finance Corpn. Ltd -M- 28-Dec-2012	AAA	500,000	511.21	3.55
0% Housing Development Finance Corpn. Ltd -M- 24-Aug-2011	AAA	420,000	450.30	3.13
7.65% Kotak Mahindra Prime Ltd -M- 30-Aug-2011	LAA	420,000	417.29	2.90
10.90% Power Grid Corpn. of India Ltd -M- 21-Jun-2015	AAA	500,000	264.25	1.84
10.95% Rural Electrification Corpn. Ltd -M- 14-Aug-2011	AAA	250,000	255.67	1.78
9.08% State Bank of Mysore -M- 16-Jan-2023	AAA	250,000	254.16	1.77
7.55% HCL Technologies Ltd -M- 25-Aug-2011	AA+	210,000	209.44	1.46
8.70% Power Finance Corporation Ltd -M- 14-May-2020	AAA	200,000	200.21	1.39
8.75% Reliance Industries Ltd -M- 07-May-2020	AAA	200,000	200.08	1.39
8.40% Sundaram Finance Ltd -M- 06-Jul-2011	AA+	150,000	149.94	1.04
7.28% TATA Capital Ltd -M- 28-Jul-2011	AA+	150,000	148.82	1.03
8.25% Bajaj Finance Ltd -M- 05-Aug-2011	AA+	100,000	99.86	0.69
Total			**4,955.00**	**34.43**
B) Privately Placed / Unlisted **				
i) Non-Convertible Debentures				
10.30% Tata Sons Ltd -M- 23-Apr-2014	AAA	200,000	207.90	1.44
Total			**207.90**	**1.44**
ii) Floating Rate Notes / Bonds				
Tata Sons Ltd (MIBOR+245BPS) -M- 20-May-2011	AAA	750,000	755.84	5.25
Total			**755.84**	**5.25**
iii) Securitized Debt Instruments				
India Commercial Loan Trust Series 1 Class A1 -M-13-Jan-2012	CARE AA+(SO)	5	445.46	3.10
India Commercial Loan Trust Series 1 Class A2 -M-13-Jan-2012	CARE AA+(SO)	5	51.67	0.36
Loan Securitisation Trust Series IX -M-01-Jul-2012	LAAA(SO)	1	19.74	0.14
Total			**516.87**	**3.60**
III. Money Market Instruments				
i) Certificate of Deposit **				
Allahabad Bank -M-25-Nov-2010	A1+	1,100,000	1,088.32	7.56
Canara Bank -M-25-Mar-2011	A1+	1,050,000	1,013.95	7.05
Oriental Bank of Commerce -M-21-Feb-2011	P1+	1,000,000	970.59	6.74
ICICI Bank Ltd -M-19-Aug-2011	A1+	400,000	372.86	2.59
Total			**3,445.72**	**23.94**
ii) Commercial Paper **				
Sundaram Finance Ltd -M-04-Aug-2011	P1+	310,000	289.66	2.01
Total			**289.66**	**2.01**
iii) Reverse Repo and CBLO			108.63	0.75
Total			**108.63**	**0.75**
IV. Cash & Cash Equivalents			**0.05**	***
V. Other Receivables / (Payables)			**491.03**	**3.40**
Net Assets			**14,390.64**	**100.00**

Principal Income Fund - Long Term Plan

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
8.13% Government of India Security 2022	Sovereign	1,000,000	1,010.40	28.05
7.80% Government of India Security 2020	Sovereign	350,000	348.86	9.69
7.46% Government of India Security 2017	Sovereign	200,000	195.70	5.43
8.26% Government of India Security 2027	Sovereign	100,000	99.77	2.77
Total			**1,654.73**	**45.94**
ii) Non-Convertible Debentures **				
10.50% Shriram Transport Finance Co. Ltd -M- 20-Apr-2011	AA	500,000	505.38	14.03
8.70% Power Finance Corporation Ltd -M- 14-May-2020	AAA	200,000	200.21	5.56
8.40% Sundaram Finance Ltd -M- 06-Jul-2011	AA+	200,000	199.91	5.55
8.75% Reliance Industries Ltd -M- 07-May-2020	AAA	100,000	100.04	2.78
Total			**1,005.54**	**27.92**
B) Privately Placed / Unlisted **				
i) Securitized Debt Instruments				
India Commercial Loan Trust Series 1 Class A1 - M-13-Jan-2012	CARE AA+(SO)	5	445.46	12.37
India Commercial Loan Trust Series 1 Class A2 - M-13-Jan-2012	CARE AA+(SO)	5	51.67	1.43
Total			**497.13**	**13.80**
II. Money Market Instruments				
i) Certificate of Deposit **				
Canara Bank -M-25-Mar-2011	A1+	203,000	196.03	5.44
Total			**196.03**	**5.44**
ii) Reverse Repo and CBLO			63.63	1.77
Total			**63.63**	**1.77**
III. Cash & Cash Equivalents			**0.32**	**0.01**
IV. Other Receivables / (Payables)			**184.30**	**5.12**
Net Assets			**3,601.67**	**100.00**

Principal Pnb Fixed Maturity Plan - 91 Days - Series XXIII

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Money Market Instruments				
i) Certificate of Deposit **				
Central Bank of India -M-08-Dec-2010	PR1+	2,500,000	2,467.84	21.41
IndusInd Bank Ltd -M-08-Dec-2010	P1+	2,500,000	2,467.07	21.40
Allahabad Bank -M-11-Oct-2010	PR1+	170,000	169.69	1.47
Total			**5,104.60**	**44.28**
ii) Commercial Paper **				
Aditya Birla Finance Ltd -M-08-Dec-2010	A1+	2,500,000	2,465.89	21.39
ECL Finance Ltd -M-08-Dec-2010	P1+	2,500,000	2,462.35	21.36
Kesoram Industries Ltd -M-08-Dec-2010	PR1+	1,500,000	1,479.40	12.83
Total			**6,407.64**	**55.59**
iii) Reverse Repo and CBLO			14.97	0.13
Total			**14.97**	**0.13**
II. Cash & Cash Equivalents			**0.07**	***
III. Other Receivables / (Payables)			**(0.06)**	***
Net Assets			**11,527.22**	**100.00**

Principal Monthly Income Plan - MIP Plus

(An open-ended fund. Monthly Income is not assured and is subject to the availability of distributable surplus.)

Name of Instrument	Industry / Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Equity & Equity Related Instruments -				
A) Listed / Awaiting listing on the stock exchanges				
Crompton Greaves Ltd	Industrial Capital Goods	52,500	164.17	0.93
Reliance Industries Ltd	Petroleum Products	16,200	159.93	0.91
Infosys Technologies Ltd	Software	4,900	149.47	0.85
I T C Ltd	Consumer Non Durables	78,600	140.14	0.80
Tata Consultancy Services Ltd	Software	13,500	125.14	0.71
Oil & Natural Gas Corporation Ltd	Oil	8,900	124.96	0.71
Bharat Heavy Electricals Ltd	Industrial Capital Goods	4,625	114.63	0.65
State Bank of India	Banks	3,320	107.58	0.61
Bharti Airtel Ltd	Telecom - Services	29,000	106.23	0.60
Dena Bank	Banks	100,000	106.05	0.60
Lupin Ltd	Pharmaceuticals	27,000	104.79	0.60
The Great Eastern Shipping Co. Ltd	Transportation	30,590	96.07	0.55
ICICI Bank Ltd	Banks	7,600	84.58	0.48
Rural Electrification Corporation Ltd	Finance	24,000	82.28	0.47
Pantaloon Retail (India) Ltd	Retailing	16,185	78.35	0.45
Infinite Computer Solutions (India) Ltd	Software	46,000	77.69	0.44
Hindustan Petroleum Corporation Ltd	Petroleum Products	15,100	76.58	0.44
Hindustan Media Ventures LTD	Media & Entertainment	39,687	75.82	0.43
Nagarjuna Construction Co. Ltd	Construction Project	47,301	74.22	0.42
Sun TV Network Ltd	Media & Entertainment	14,000	72.66	0.41
Cipla Ltd	Pharmaceuticals	22,000	70.92	0.40
Sobha Developers Ltd	Construction	18,000	68.69	0.39
Housing Development Finance Corporation Ltd	Finance	8,750	64.16	0.36
Larsen & Toubro Ltd	Construction Project	3,000	61.59	0.35
CESC Ltd	Power	15,616	60.08	0.34
NHPC Ltd	Power	169,668	53.78	0.31
TVS Motor Company Ltd	Auto	75,000	53.66	0.31
KSK Energy Ventures Ltd	Power	30,500	53.04	0.30
Aurobindo Pharma Ltd	Pharmaceuticals	4,500	46.71	0.27
The Jammu & Kashmir Bank Ltd	Banks	5,468	44.03	0.25
HT Media Ltd	Media & Entertainment	25,000	40.23	0.23
HDFC Bank Ltd	Banks	1,515	37.71	0.21
Oil India Ltd	Oil	2,460	36.95	0.21
Oriental Bank of Commerce	Banks	7,991	36.82	0.21
Sterlite Industries (India) Ltd	Non - Ferrous Metals	22,000	36.72	0.21
Wipro Ltd	Software	8,000	35.96	0.20
Tata Motors Ltd	Auto	3,200	35.14	0.20
Torrent Pharmaceuticals Ltd	Pharmaceuticals	5,913	33.49	0.19
Maruti Suzuki India Ltd	Auto	2,300	33.14	0.19
Great Offshore Ltd	Oil	8,895	32.52	0.18
DLF Ltd	Construction	8,000	30.26	0.17
Bajaj Auto Ltd	Auto	2,000	29.40	0.17
Dr. Reddy's Laboratories Ltd	Pharmaceuticals	2,000	28.83	0.16
Future Mall Management Ltd (Refer Note 9)	Retailing	809	0.00	***
Total			**3,145.17**	**17.87**
II. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Government Securities				
8.13% Government of India Security 2022	Sovereign	1,050,000	1,060.92	6.03
7.17% Government of India Security 2015	Sovereign	700,000	685.70	3.90
7.46% Government of India Security 2017	Sovereign	700,000	684.95	3.89
8.26% Government of India Security 2027	Sovereign	500,000	498.85	2.84
7.80% Government of India Security 2020	Sovereign	450,000	448.54	2.55
7.95% Government of India Security 2026	Sovereign	200,000	193.42	1.10
Total			**3,572.38**	**20.31**
ii) Non-Convertible Debentures **				
8.70% Power Finance Corporation Ltd -M- 14-May-2020	AAA	600,000	600.63	3.41
11.45% Reliance Industries Ltd -M- 25-Nov-2013	AAA	500,000	542.03	3.08
10.10% Reliance Industries Ltd -M- 12-Dec-2011	AAA	500,000	511.37	2.91
9.22% Power Finance Corporation Ltd -M- 28-Dec-2012	AAA	500,000	511.21	2.91
7.65% Kotak Mahindra Prime Ltd -M- 30-Aug-2011	LAA	500,000	496.78	2.82
10.95% Rural Electrification Corpn. Ltd -M- 14-Aug-2011	AAA	250,000	255.67	1.45
9.08% State Bank Of Mysore -M- 16-Jan-2023	AAA	250,000	254.16	1.44
7.15% Indian Oil Corporation Ltd -M- 10-Jun-2012	LAAA	250,000	246.79	1.40
8.75% Reliance Industries Ltd -M- 07-May-2020	AAA	200,000	200.08	1.14
7.55% HCL Technologies Ltd -M- 25-Aug-2011	AA+	200,000	199.46	1.13
8.40% Sundaram Finance Ltd -M- 06-Jul-2011	AA+	150,000	149.94	0.85
7.28% TATA Capital Ltd -M- 28-Jul-2011	AA+	150,000	148.82	0.85
8.25% Bajaj Finance Ltd -M- 05-Aug-2011	AA+	100,000	99.86	0.57
Total			**4,216.80**	**23.96**
B) Privately Placed / Unlisted **				
i) Non-Convertible Debentures				
10.30% Tata Sons Ltd -M- 23-Apr-2014	AAA	300,000	311.85	1.77
Total			**311.85**	**1.77**
ii) Floating Rate Notes / Bonds				
Tata Sons Ltd (MIBOR+245BPS) -M- 20-May-2011	AAA	750,000	755.84	4.30
Total			**755.84**	**4.30**
iii) Securitized Debt Instruments				
India Commercial Loan Trust Series 1 Class A1 -M-13-Jan-2012	CARE AA+(SO)	5	445.46	2.53
Loan Securitisation Trust Series IX -M-01-Jul-2012	LAAA(SO)	3	59.22	0.34
India Commercial Loan Trust Series 1 Class A2 -M-13-Jan-2012	CARE AA+(SO)	5	51.67	0.29
Total			**556.35**	**3.16**
III. Money Market Instruments				
i) Certificate of Deposit **				
Oriental Bank of Commerce -M-21-Feb-2011	P1+	1,500,000	1,455.88	8.28
Allahabad Bank -M-25-Nov-2010	A1+	1,400,000	1,385.14	7.87
Canara Bank -M-25-Mar-2011	A1+	747,000	721.36	4.10
Corporation Bank -M-01-Jun-2011	P1+	500,000	476.25	2.71
Total			**4,038.63**	**22.96**
ii) Reverse Repo and CBLO			52.36	0.30
Total			**52.36**	**0.30**
IV. Cash & Cash Equivalents			**0.26**	***
V. Other Receivables / (Payables)			**942.11**	**5.37**
Net Assets			**17,591.75**	**100.00**

Principal Income Fund - Short Term Plan

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Non-Convertible Debentures **				
10.50% Shriram Transport Finance Co. Ltd -M- 20-Apr-2011	AA	2,000,000	2,021.53	27.30
9.40% Tata Global Beverages Ltd -M- 08-Nov-2010	LAA+	1,580,000	1,584.03	21.39
0% Housing Development Finance Corporation Ltd -M- 27-Jan-2012	AAA	1,000,000	1,006.55	13.59
8.25% Bajaj Finance Ltd -M- 05-Aug-2011	AA+	300,000	299.58	4.05
Total			**4,911.69**	**66.33**
B) Privately Placed / Unlisted **				
i) Securitized Debt Instruments				
India Commercial Loan Trust Series 1 Class A1 -M-13-Jan-2012	CARE AA+(SO)	10	890.91	12.03
Loan Securitisation Trust Series IX -M-01-Jul-2012	LAAA(SO)	11	217.15	2.93
India Commercial Loan Trust Series 1 Class A2 -M-13-Jan-2012	CARE AA+(SO)	10	103.34	1.40
Total			**1,211.40**	**16.36**
II. Money Market Instruments				
i) Certificate of Deposit **				
Corporation Bank -M-01-Jun-2011	P1+	500,000	476.25	6.43
Total			**476.25**	**6.43**
ii) Reverse Repo and CBLO			207.40	2.80
Total			**207.40**	**2.80**
III. Cash & Cash Equivalents			**0.05**	***
IV. Other Receivables / (Payables)			**597.68**	**8.08**
Net Assets			**7,404.47**	**100.00**

Principal Money Manager Fund

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Money Market Instruments				
i) Certificate of Deposit **				
Canara Bank -M-09-Dec-2010	A1+	2,000,000	1,974.24	14.87
State Bank of Bikaner & Jaipur -M-10-Dec-2010	P1+	2,000,000	1,973.27	14.86
Allahabad Bank -M-20-Dec-2010	A1+	2,000,000	1,969.21	14.83
State Bank of Travancore -M-09-Dec-2010	P1+	1,600,000	1,578.61	11.89
State Bank of Mysore -M-22-Dec-2010	A1+	1,600,000	1,575.04	11.86
Oriental Bank of Commerce -M-22-Oct-2010	P1+	1,200,000	1,196.12	9.01
ICICI Bank Ltd -M-22-Oct-2010	A1+	800,000	796.88	6.00
Canara Bank -M-11-Oct-2010	A1+	300,000	299.44	2.26
Total			**11,362.81**	**85.58**
ii) Reverse Repo and CBLO			1,910.72	14.39
Total			**1,910.72**	**14.39**
II. Cash & Cash Equivalents			**0.10**	***
III. Other Receivables / (Payables)			**1.42**	**0.03**
Net Assets			**13,275.05**	**100.00**

Principal Floating Rate Fund - Flexible Maturity Plan

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Debt Instruments				
A) Privately Placed / Unlisted **				
i) Floating Rate Notes / Bonds				
Tata Sons Ltd (MIBOR+245BPS) -M- 20-May-2011	AAA	500,000	503.89	0.55
Total			**503.89**	**0.55**
II. Money Market Instruments				
i) Certificate of Deposit **				
State Bank of Patiala -M-22-Oct-2010	P1+	5,000,000	4,985.32	5.42
ICICI Bank Ltd -M-29-Oct-2010	P1+	5,000,000	4,978.98	5.41
State Bank of India -M-25-Nov-2010	P1+	5,000,000	4,949.17	5.38
State Bank of Travancore -M-16-Dec-2010	A1+	5,000,000	4,927.64	5.36
Oriental Bank of Commerce -M-22-Oct-2010	P1+	3,800,000	3,787.73	4.12
Canara Bank -M-07-Oct-2010	PR1+	2,500,000	2,497.87	2.72
UCO Bank -M-07-Oct-2010	P1+	2,500,000	2,497.67	2.72
State Bank of Mysore -M-15-Nov-2010	A1+	2,500,000	2,478.98	2.70
Karur Vysya Bank Ltd -M-02-Dec-2010	P1+	2,500,000	2,469.72	2.69
Andhra Bank -M-07-Dec-2010	PR1+	2,500,000	2,468.36	2.68
Canara Bank -M-09-Dec-2010	A1+	2,500,000	2,467.81	2.68
State Bank of Mysore -M-10-Dec-2010	A1+	2,500,000	2,466.38	2.68
Syndicate Bank -M-16-Dec-2010	PR1+	2,500,000	2,463.30	2.68
IndusInd Bank Ltd -M-20-Dec-2010	P1+	2,500,000	2,460.06	2.68
HDFC Bank Ltd -M-08-Mar-2011	P1+	2,500,000	2,424.28	2.64
Allahabad Bank -M-11-Oct-2010	PR1+	2,330,000	2,325.73	2.53
Canara Bank -M-11-Oct-2010	A1+	2,200,000	2,195.91	2.39
State Bank of India -M-22-Dec-2010	P1+	2,000,000	1,968.82	2.14
Axis Bank Ltd -M-29-Oct-2010	P1+	1,700,000	1,693.38	1.84
UCO Bank -M-21-Dec-2010	P1+	1,670,000	1,643.76	1.79
Corporation Bank -M-13-Dec-2010	P1+	1,100,000	1,084.60	1.18
Indian Bank -M-16-Dec-2010	P1+	1,100,000	1,083.79	1.18
IDBI Bank Ltd -M-31-May-2011	A1+	1,000,000	951.82	1.04
Karnataka Bank Ltd -M-29-Oct-2010	A1+	450,000	448.22	0.49
Total			**61,719.30**	**67.14**
ii) Commercial Paper **				
Jindal Steel & Power Ltd -M-11-Oct-2010	A1+	5,000,000	4,992.59	5.43
Dabur India Ltd -M-04-Nov-2010	P1+	5,000,000	4,967.85	5.40
Infrastructure Development Finance Co. Ltd -M-22-Nov-2010	A1+	5,000,000	4,950.01	5.38
ICICI Securities Primary Dealership Ltd -M-04-Nov-2010	P1+	2,500,000	2,483.65	2.70
IDBI Homefinance Ltd -M-09-Dec-2010	A1+	2,500,000	2,465.86	2.68
Edelweiss Capital Ltd -M-27-Dec-2010	P1+	2,500,000	2,450.97	2.67
Kotak Mahindra Prime Ltd -M-29-Sep-2011	P1+	1,500,000	1,386.26	1.51
Edelweiss Capital Ltd -M-29-Sep-2011	P1+	1,500,000	1,379.92	1.50
Aditya Birla Finance Ltd -M-28-Sep-2011	A1+	1,000,000	923.94	1.00
Total			**26,001.05**	**28.27**
iii) Reverse Repo and CBLO			1,717.93	1.87
Total			**1,717.93**	**1.87**
III. Cash & Cash Equivalents			**0.10**	***
IV. Other Receivables / (Payables)			**2,019.21**	**2.17**
Net Assets			**91,961.48**	**100.00**

Principal Pnb Fixed Maturity Plan - 367 Days - Series I

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Non-Convertible Debentures **				
7.28% TATA Capital Ltd -M- 28-Jul-2011	AA+	110,000	109.12	2.14
Total			**109.12**	**2.14**
II. Money Market Instruments				
i) Certificate of Deposit **				
Corporation Bank -M-13-Dec-2010	P1+	1,400,000	1,380.40	27.10
Indian Bank -M-16-Dec-2010	P1+	1,400,000	1,379.36	27.08
State Bank of Mysore -M-22-Dec-2010	A1+	1,400,000	1,378.16	27.05
UCO Bank -M-21-Dec-2010	P1+	830,000	816.96	16.04
Total			**4,954.88**	**97.27**
ii) Reverse Repo and CBLO			15.51	0.30
Total			**15.51**	**0.30**
III. Cash & Cash Equivalents			**0.08**	***
IV. Other Receivables / (Payables)			**14.96**	0.29
Net Assets			**5,094.54**	**100.00**

Principal Ultra Short Term Fund

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges**				
i) Non-Convertible Debentures				
9.45% Mahindra & Mahindra Financial Services Ltd -M- 11-Oct-2010	AA-	1,000,000	1,000.93	34.25
9.40% Tata Global Beverages Ltd -M- 08-Nov-2010	LAA+	420,000	421.07	14.41
Total			**1,422.00**	**48.66**
II. Money Market Instruments				
i) Certificate of Deposit **				
Andhra Bank -M-05-Nov-2010	PR1+	500,000	496.89	17.00
State Bank of Travancore -M-09-Dec-2010	P1+	400,000	394.65	13.50
State Bank of Mysore -M-22-Dec-2010	A1+	400,000	393.76	13.47
Total			**1,285.30**	**43.97**
ii) Reverse Repo and CBLO			165.10	5.65
Total			**165.10**	**5.65**
III. Cash & Cash Equivalents			**0.03**	***
IV. Other Receivables / (Payables)			**50.02**	**1.72**
Net Assets			**2,922.45**	**100.00**

Principal Pnb Fixed Maturity Plan - 540 Days - Series IV

Name of Instrument	Rating	Quantity	Market Value (₹ in lakhs)	% of NAV
I. Debt Instruments				
A) Listed / Awaiting listing on the stock exchanges				
i) Non-Convertible Debentures **				
7.55% HCL Technologies Ltd -M- 25-Aug-2011	AA+	90,000	89.76	14.28
7.28% TATA Capital Ltd -M- 28-Jul-2011	AA+	90,000	89.29	14.21
0% Housing Development Finance Corpn. Ltd -M- 24-Aug-2011	AAA	80,000	85.77	13.65
7.65% Kotak Mahindra Prime Ltd -M- 30-Aug-2011	LAA	80,000	79.48	12.65
Total			**344.30**	**54.79**
II. Money Market Instruments				
i) Certificate of Deposit **				
ICICI Bank Ltd -M-19-Aug-2011	A1+	100,000	93.21	14.83
Total			**93.21**	**14.83**
ii) Commercial Paper **				
Sundaram Finance Ltd -M-04-Aug-2011	P1+	190,000	177.53	28.25
Total			**177.53**	**28.25**
iii) Reverse Repo and CBLO			4.86	0.77
Total			**4.86**	**0.77**
III. Cash & Cash Equivalents			**0.02**	***
IV. Other Receivables / (Payables)			**8.59**	**1.36**
Net Assets			**628.51**	**100.00**

*** Value below 0.01% of NAV ** Thinly Traded / Non - Traded / Unlisted Debt Securities. $$ Illiquid Securities

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

~~ The shares have been acquired on account of merger of Principal Equity Fund with Principal Dividend Yield Fund.

– The percentage to the Net Asset Value is equal to zero

Principal
pnb
Asset Management
in association with Vijaya Bank

Half Yearly Portfolio Statement of the Schemes of Principal Mutual Fund as on September 30, 2010 *(Contd.)*

Notes :

1) No NPA's were provided for any of the Schemes during the half year.

2) Total value and percentage of illiquid shares to NAV is NIL except for Principal Growth Fund, Principal Tax Savings Fund, Principal Dividend Yield Fund and Principal Personal Tax Saver Fund. The value of illiquid securities in the aforementioned schemes have been mentioned in their respective portfolio statement and the percentage of the same to the NAV is less 0.01% of the AUM of the said Schemes.

3) For NAV at the beginning of the period please refer point 4.1 of the Half Yearly Unaudited Financial Results for the period ended September 30, 2010 published herein.

4) For dividend declared during the half year ended please refer point 4.3 of the Half Yearly Unaudited Financial Results for the period ended September 30, 2010 published herein.

5) For NAV at the end of the period please refer point 4.2 of the Half Yearly Unaudited Financial Results for the period ended September 30, 2010 published herein.

The NAV per unit for Debt schemes have been provided as of September 29, 2010 (as September 30, 2010 was a Non-business day for Debt Schemes).

6) There is no outstanding exposure in derivative instruments at the end of the half year in any scheme of Principal Mutual Fund.

7) Total investments in foreign securities at the end of the period in Principal Global Opportunities fund is ₹ 7,849.38 Lacs (97.58% of the scheme assets).

There are no investments in foreign securities/ ADRs/ GDRs at the end of the period in any other schemes of Principal Mutual Fund.

8) On maturity of Principal Pnb Long Term Equity Fund - 3 Year Plan - Series II (A 3 year close-ended equity scheme) on September 28, 2010, an amount of ₹ 6,555.78 lacs was Switched in to Principal Pnb Long Term Equity Fund (PLTEF) (forming 37.38% of Net Assets of PLTEF as on September 29, 2010). The amount was transferred on T+3 basis i.e. on October 01, 2010 being the normal settlement cycle for Equity Switches.

9) The shares have been acquired on account of De-merger of Pantaloon Retail (India) Ltd. and awaited listing as on September 30, 2010.

10) Portfolio Turnover Ratio & Average Maturity of portfolio is as follows:

Name of the Scheme	Portfolio Turnover Ratio	Average Maturity (Days* / Yrs)
Principal Balanced Fund	0.21	4.48 Yrs
Principal Child Benefit Fund	0.24	3.13 Yrs
Principal Cash Management Fund	–	37 Days*
Principal Pnb Fixed Maturity Plan - 540 Days - Series IV	–	326.52 Days
Principal Pnb Fixed Maturity Plan - 91 Days - Series XXIII	–	70.33 Days
Principal Pnb Fixed Maturity Plan - 367 Days - Series I	–	85.97 Days
Principal Floating Rate Fund - Flexible Maturity Plan	–	65 Days*
Principal Floating Rate Fund - Short Maturity Plan	–	64 Days*
Principal Global Opportunities Fund	–	–
Principal Government Securities Fund	–	10.63 Yrs
Principal Growth Fund	1.00	–
Principal Income Fund - Long Term Plan	–	6.19 Yrs
Principal Income Fund - Short Term Plan	–	260 Days*
Principal Index Fund	0.60	–
Principal Services Industries Fund	1.05	–
Principal Large Cap Fund	0.47	–
Principal Ultra Short Term Fund	–	37 Days*
Principal Money Manager Fund	–	55 Days*
Principal Monthly Income Fund	0.25	2.74 Yrs
Principal Monthly Income Plan - MIP Plus	0.30	3.87 Yrs
Principal Personal Tax Saver Fund	0.30	–
Principal Dividend Yield Fund	1.20	–
Principal Resurgent India Equity Fund	0.90	–
Principal Pnb Long Term Equity Fund	0.57	–
Principal Tax Savings Fund	1.11	–
Principal Emerging Bluechip Fund	0.70	–

* In respect of Floating Rate Instruments, the average maturity has been computed after considering the next reset date as the maturity date.

11) Industry classification as released by Association of Mutual Funds in India (AMFI).

12) All the information provided is as on September 30, 2010 unless specified otherwise.

Annexure I (Referrred to Note 5 to the Unaudited Financial Results for the Half Year Ended September 30, 2010)

(Rs. In Crs)

Name of the Associate	Instrument		FR-FMP	GROWTH	INCOME	INDEX	LCAP	MINCOM	MIPPL	LIQPLS	LIQUID	PBF	PDYF	PTSF	RIF	STP	TAX96
LARSEN & TOUBRO LTD	Equity Shares	Aggregate Cost	–	–	–	0.31	1.80	–	–	–	–	–	–	–	–	–	–
		Market Value as on 30/09/2010	–	6.28	–	1.16	16.63	0.57	0.62	–	–	0.45	2.05	25.86	4.56	–	8.78
PUNJAB NATIONAL BANK	Equity Shares	Aggregate Cost	–	–	–	0.04	–	–	–	–	–	–	–	–	–	–	–
		Market Value as on 30/09/2010	–	–	–	0.19	–	–	–	–	–	–	–	–	–	–	–
SHRIRAM TRANSPORT FINANCE CO. LTD	Non-Convertible Debentures	Aggregate Cost	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
		Market Value as on 30/09/2010	–	–	5.05	–	–	–	–	–	–	–	–	–	–	20.22	–

Annexure - II: Commission Paid to Associates / Related Parties / Group Companies of Sponsor AMC

Name of Associate / Related Parties / Group Companies of Sponsor / AMC	Nature of Association / Nature of Relation	Period Covered	Particulars	FMP-60	CHILD1	PDYF	PEBF	FR-FMP	FR-SMP	GROWTH	GILT-I	GOF	INCOME	INFRA	STP	LCAP	LTEF	LIQUID	LTEFS2	MINCOM	PMMFD	MIPPL	LIQPLS	PBF	RIF	PTSF	TAX96	INDEX
Punjab National Bank	Associate	April 10 to September 10	Comission Paid (in ₹)	–	61,744	191,325	2,390,886	327,302	20,973	215,281	151	69,470	3,708	482,225	57,710	3,143,398	961,195	354,798	1,346,410	2,938,965	52,598	2,113,259	89,974	11,199	35,182	1,024,280	456,503	1,580
		April 10 to September 10	% of Comission Paid over Total Comission Paid	0%	8%	6%	12%	5%	2%	3%	0%	2%	0%	13%	4%	16%	21%	4%	16%	26%	20%	14%	7%	1%	1%	5%	9%	0%
		October 09 to March 10	Comission Paid (in ₹)	–	62,849	183,642	1,529,503	50,822	8,046	218,592	196	79,276	7,561	531,048	16,984	1,701,218	987,502	16,039	1,233,506	6,316,904	–	3,104,828	23,783	45,362	42,374	871,292	506,074	1,300
		October 09 to March 10	% of Comission Paid over Total Comission Paid	0%	8%	18%	12%	0%	3%	5%	0%	2%	1%	17%	1%	11%	28%	0%	24%	52%	0%	32%	1%	7%	1%	5%	16%	0%
		April 10 to September 10	Business Given (in ₹ Crore)	–	0.01	0.01	10.82	734.01	203.46	0.01	–	0.00	0.00	0.01	15.64	17.04	0.00	1,425.81	–	4.18	–	3.16	28.59	0.02	0.02	0.88	0.12	–
		April 10 to September 10	% of Business Given over Total Business Received	0%	1%	0%	7%	5%	18%	0%	0%	1%	0%	3%	9%	15%	1%	4%	0%	7%	0%	3%	0%	2%	2%	6%	3%	0%
		October 09 to March 10	Business Given (in ₹ Crore)	–	0.06	0.00	11.92	153.75	59.90	0.02	–	0.00	0.41	0.03	23.70	7.31	–	104.69	–	88.49	–	36.24	20.44	0.38	0.06	1.71	0.35	0.01
		October 09 to March 10	% of Business Given over Total Business Received	0%	3%	0%	7%	1%	5%	1%	0%	0%	1%	2%	7%	6%	0%	0%	0%	55%	0%	30%	0%	15%	3%	10%	6%	0%
Pnb Principal Financial Planners Pvt. Ltd.	Associate	April 10 to September 10	Comission Paid (in ₹)	5,000	10	–	670	-	1,862	4,435	42,107	976	3,437	67	2,695	754	1,835	998	2,744	1,806	2,203	–	95	4,598	460	7,021	2,931	–
		April 10 to September 10	% of Comission Paid over Total Comission Paid	14%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%
		October 09 to March 10	Comission Paid (in ₹)	–	10	–	2,467	801	127	4,737	–	1,436	7,923	63	6,116	1,936	1,785	1,057	8,041	1,399	5	–	4,680	4,468	701	7,918	3,145	–
		October 09 to March 10	% of Comission Paid over Total Comission Paid	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	1%	0%	0%	0%	0%
		April 10 to September 10	Business Given (in ₹ Crore)	0.50	–	–	0.00	–	13.00	0.00	9.92	–	–	–	–	0.00	–	0.00	–	–	5.00	–	–	–	–	0.00	0.00	–
		April 10 to September 10	% of Business Given over Total Business Received	10%	0%	0%	0%	0%	1%	0%	12%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%
		October 09 to March 10	Business Given (in ₹ Crore)	0.00	0.00	0.00	0.20	2.35	3.75	0.00	0.00	0.00	0.16	0.00	0.05	0.10	0.00	0.00	0.00	0.15	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00
		October 09 to March 10	% of Business Given over Total Business Received	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
PNB Gilts Ltd.	Associate	April 10 to September 10	Comission Paid (in ₹)	–	–	24	–	274,515	158	–	80,903	31	–	–	–	–	–	2,055	–	–	–	–	–	–	–	33	27	–
		April 10 to September 10	% of Comission Paid over Total Comission Paid	0%	0%	0%	0%	4%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
		October 09 to March 10	Comission Paid (in ₹)	–	–	21	–	409,296	359	–	81,673	30	–	–	–	–	–	5,800	–	–	–	–	–	–	–	30	25	–
		October 09 to March 10	% of Comission Paid over Total Comission Paid	0%	0%	0%	0%	4%	0%	0%	15%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
		April 10 to September 10	Business Given (in ₹ Crore)	–	–	–	–	151.12	0.50	–	–	–	–	–	–	–	–	150.00	–	–	–	–	–	–	–	–	–	–
		April 10 to September 10	% of Business Given over Total Business Received	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
		October 09 to March 10	Business Given (in ₹ Crore)	–	–	–	–	672.30	6.50	–	–	–	–	–	–	–	–	689.26	–	–	–	–	–	–	–	–	–	–
		October 09 to March 10	% of Business Given over Total Business Received	0%	0%	0%	0%	3%	1%	0%	0%	0%	0%	0%	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Note 1 : Commission paid to associates has been disclosed on payment basis and business given indicates Gross Mobilisation (net of rejections, if any) during the corresponding period for which the commission paid has been disclosed.

Note 2 : There have been no payment of Brokerage to Associates during the current and previous Half Year.

For Principal Pnb Asset Management Company Pvt. Ltd.
Sd/-
M.M. Chitale
Director

For Principal Trustee Company Pvt. Ltd.
Sd/-
B.G. Deshmukh
Director

Place : Mumbai
Date : October 28, 2010

Contact Details: Toll Free: 1800 22 5600. Fax: 022-2204 4990 or email customer@principalindia.com or visit us at www.principalindia.com

Registrars: Karvy Computershare Pvt. Ltd. **(Unit: Principal Mutual Fund)**, KARVY HOUSE, 46, Avenue- 4, Street No. 1, Banjara Hills, Hyderabad-500 034. Tel.: (040) 2331 2454. • www.karvycomputershare.com

Statutory Details: Principal Mutual Fund has been constituted as a trust with Principal Financial Group (Mauritius) Limited, Punjab National Bank and Vijaya Bank as co-settlors. **Sponsor:** Principal Financial Services Inc., USA [through its wholly owned subsidiary Principal Financial Group (Mauritius) Ltd.]. **Trustee:** Principal Trustee Company Private Limited. **Investment Manager:** Principal Pnb Asset Management Company Private Limited. **Risk Factors: Mutual funds and securities investments are subject to market risks and there can be no assurance and no guarantee that the scheme's objective can be achieved. As with any investment in securities, the NAV of the units issued under the scheme(s) can go up or down, depending upon the factors and forces affecting the capital markets.** Past performance of the Sponsor and any of its associates, co-settlors and/or AMC/ Mutual Fund does not indicate or guarantee the future performance of the Schemes of Principal Mutual Fund. **Principal Growth Fund** (An Open-ended Equity Scheme; Investment Objective: To achieve long-term capital appreciation.); **Principal Dividend Yield Fund** (An Open-ended Equity Scheme; 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.); **Principal Large Cap Fund** (An Open-ended Equity Scheme; Investment Objective: To provide capital appreciation and /or dividend distribution by predominantly investing in companies having a large market capitalization. For the purpose of this Fund, Large Cap Companies are defined as those having market capitalization greater than Rs.750 crore as on the date of investment (or any such amount as may be specified by India Index Services & Products Ltd (IISL) from time to time) being the upper limit of market capitalisation as a criteria for inclusion of a company in CNX Midcap 200 Index. However, should IISL come out with a definition of 'Large Cap companies', the same will be utilized.); **Principal Services Industries Fund** (An Open-ended Equity Scheme; Investment Objective: To provide capital appreciation and income distribution to the unit holders by investing predominantly in equity/equity related securities of the companies belonging to the services industries and the balance in debt securities and money market instruments including call money.); **Principal Resurgent India Equity Fund** (An Open-ended Equity Scheme; Investment Objective: To generate long term capital appreciation by investing in equity and equity related securities of Indian Companies that are perceived to be potential growth stories.); **Principal Global Opportunities Fund** (An Open-ended Fund of Funds Scheme; 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.); **Principal Emerging Bluechip Fund** (An Open-ended Equity Scheme; Investment Objective: To achieve long-term capital appreciation by investing in equity & equity related instruments of Mid Cap & Small Cap companies.); **Principal Tax Savings Fund** (An Open-ended Equity Linked Savings Scheme; 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.); **Principal Personal Tax Saver Fund** (An Open-ended Equity Linked Savings Scheme; 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 BSE 100 Index.); **Principal Index Fund** (An Open-ended Index Scheme; Investment Objective: To invest principally in securities that comprise S&P CNX Nifty (NSE) and subject to tracking errors endeavour to attain results commensurate with the Nifty.); **Principal Balanced Fund** (An Open-ended Balanced Scheme; Investment Objective: To provide long term appreciation and current income by investing in a portfolio of equity & equity related securities and fixed income securities.); **Principal Child Benefit Fund** (An Open-ended Balanced Scheme; Investment Objective: To generate regular returns and / or capital appreciation / accretion with the aim of giving lumpsum capital growth to the Beneficiary.); **Principal Government Securities Fund** (An Open-ended dedicated Gilt Scheme investing in Government Securities; Investment Objective: To generate return through investment in sovereign securities and thus provide capital gains and income distribution to its Unitholders.); **Principal Cash Management Fund** (An Open-ended Liquid Scheme; 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.); **Principal Ultra Short Term Fund** (An Open-ended Debt Scheme; Investment Objective: To generate regular income through investments in debt securities and money market instruments.); **Principal Money Manager Fund** (An Open-ended Liquid Scheme; Investment Objective: To generate steady return by investing in debt and money market securities.); **Principal Floating Rate Fund** (An Open-ended Income Scheme; Investment Objective: To generate income consistent with the prudent risk from a portfolio comprising substantially of floating rate debt instruments, fixed rate debt instruments swapped for floating rate return, and also fixed rate instruments and money market instruments.); **Principal Monthly Income Plan** (An open-ended fund. Monthly Income is not assured and is subject to the availability of distributable surplus; 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. Investment objective of **Principal Monthly Income Plan - MIP Plus** is same as Principal Monthly Income Plan, however Principal Monthly Income Plan - MIP Plus has been designed to cater to investors seeking a slightly more aggressive exposure to equity markets.); **Principal Income Fund - Long Term Plan** (An Open-ended Income Scheme; Investment Objective: To generate regular income and capital appreciation/accretion through investment in debt instruments and related securities besides preservation of capital. Investment objective of **Principal Income Fund - Short Term Plan** is the same as Principal Income Fund - Long Term Plan. However Principal Income Fund - Short Term Plan has been designed to achieve stable returns over shorter-term investment horizons.); **Principal Pnb Long Term Equity Fund** (an open ended equity scheme; Investment Objective: The primary objective of the Scheme is to achieve long-term capital appreciation by investing in equity and equity related instruments.); **Principal Pnb Fixed Maturity Plan - 540 Days - Series IV** (A close-ended Debt Scheme offering Fixed Maturity Plan; Investment Objective: To build an income oriented portfolio and generate returns through investment in Debt/Money Market Instruments and Government Securities.); **Principal Pnb Fixed Maturity Plan - 91 Days - Series XXIII** (A close-ended Debt Scheme offering Fixed Maturity Plan; Investment Objective: To build an income oriented portfolio and generate returns through investment in Debt/Money Market Instruments and Government Securities.) and **Principal Pnb Fixed Maturity Plan - 367 Days - Series I** (A close-ended Debt Scheme offering Fixed Maturity Plan; Investment Objective: To build an income oriented portfolio and generate returns through investment in Debt/Money Market Instruments and Government Securities.) **are only the names of the Schemes and do not in any manner indicate either the quality of the Schemes or their future prospects or returns.** Investors are urged to read the Scheme Information Document (SID) / Statement of Additional Information (SAI) and Key Information Memorandum (KIM) carefully and consult with their legal/tax/investment advisor before they invest in the Scheme(s). The Sponsor and any of their associates including co-settlors are not responsible or liable for any loss resulting from the operations of the Principal Mutual Fund beyond the initial contribution of an amount of ₹ 25 lakhs towards setting up Principal Mutual Fund. Investors in the scheme(s) are not being offered a guaranteed or assured rate of return or monthly or regular/periodical income distribution, and the actual returns and/or periodical income distribution to an investor will be based on the actual NAV, which may go up or down, depending on the market conditions. **Scheme specific risk factors are mentioned in the SID. Kindly refer to the SID / SAI & KIM carefully prior to investing. Copy of the SID is available at all our Investor Service Centres. Alternatively, investors can call us at 1800 22 5600 to get a copy of the same.**