

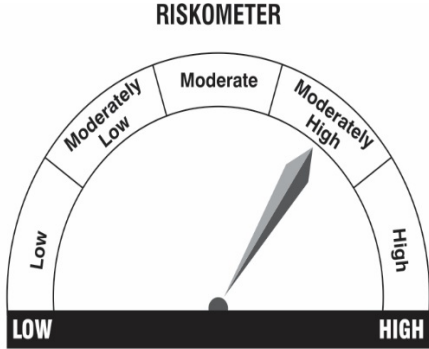
## KEY INFORMATION MEMORANDUM AND APPLICATION FORM

# Principal Retirement Savings Fund

Moderate | Conservative | Progressive

An open-ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier)

(Offer of units at applicable NAV based price)

<b>This product is suitable for investors who are seeking*:</b>		
<b>Conservative Plan</b>	<ul style="list-style-type: none"> <li>Income generation and capital appreciation over the medium to long term.</li> <li>Investment in equity and equity related instruments, debt and money market instruments and arbitrage opportunities.</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at moderately high risk</p>
<b>Moderate Plan</b>	<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>	
<b>Progressive Plan</b>	<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>	
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.		

**Principal Asset Management Private Limited**  
(formerly known as Principal Pnb Asset Management Company Private Limited)

**Investment Manager to Principal Mutual Fund**

Exchange Plaza, 'B' Wing, Ground Floor, NSE Building, Bandra Kurla Complex, Bandra (East), Mumbai-400 051, India.

**Principal Mutual Fund**

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

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document (SID) and Statement of Additional Information (SAI) available free of cost at any of the Investor Service Centres or distributors or from the website [www.principalindia.com](http://www.principalindia.com)** The aforesaid SID & SAI are to be read with the addendums, if any issued by the Fund from time to time.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

<b>Name of the Scheme</b>	Principal Retirement Savings Fund with three separate plans namely; (i) Conservative Plan; (ii) Moderate Plan; (iii) Progressive Plan.  <i>(Erstwhile known as Principal Asset Allocation Fund-of-Funds (i) Conservative Plan; (ii) Moderate Plan; (iii) Aggressive Plan)</i>																				
<b>Type of Scheme/Plan</b>	[An open ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier) ]																				
<b>Investment Objective</b>	The investment objective of the scheme is to provide capital appreciation and income generation to enable investors save over the long term towards their retirement savings goals, by investing in a mix of securities comprising of equity, equity related instruments and fixed income securities.  However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved.																				
<b>Asset Allocation Pattern of the Scheme/Plan</b>	<p><b><u>Progressive Plan:</u></b></p> <p>Under normal circumstances, the asset allocation would be as follows:</p> <table border="1" data-bbox="383 768 1357 1251"> <thead> <tr> <th rowspan="2">Types of Instruments</th> <th colspan="2">Normal Allocation (% of Net Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Instruments</td> <td>65</td> <td>100</td> <td>High</td> </tr> <tr> <td>Debt (including securitised debt*) and Money market instruments</td> <td>0</td> <td>35</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>* Investment in Securitized Debt may be up to 35% of the net assets of the Scheme.</p> <p>The Asset Management Company (AMC) reserves the right to invest in Derivatives upto 50% of the net assets of the Scheme. The AMC further reserves the right to invest in ADRs / GDRs and / or Overseas Financial debt instruments including units of Overseas Mutual Funds not exceeding 15% of the net assets of the Scheme. Investment in Derivatives / ADRs / GDRs / Overseas Financial debt instruments shall be subject to restrictions imposed by SEBI / RBI or any other regulatory authority from time to time.</p> <p>Subject to the SEBI Regulations, the Mutual Fund may deploy upto 20% of its total net assets of the Scheme in Stock Lending.</p> <p><b><u>Moderate Plan:</u></b></p> <p>Under normal circumstances, the asset allocation will be as under:</p> <table border="1" data-bbox="383 1692 1357 1852"> <thead> <tr> <th rowspan="2">Type of Instrument</th> <th colspan="2">Normal Allocation (% of Net Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> </tbody> </table>	Types of Instruments	Normal Allocation (% of Net Assets)		Risk Profile	Minimum	Maximum	Equity and Equity Related Instruments	65	100	High	Debt (including securitised debt*) and Money market instruments	0	35	Low to Medium	Type of Instrument	Normal Allocation (% of Net Assets)		Risk Profile	Minimum	Maximum
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Equity & Equity Related Instruments	65%	70%	Medium to High
Debt and Money Market Instruments (including units of Liquid/ Money Market/ Debt Mutual Fund Schemes and Securitised Debt*)	30%	40%	Low to Medium

\* Investment in Securitised Debt may be upto 20% of the net assets of the Scheme.

The Asset Management Company reserves the right to invest in derivatives as follows:

Particulars	Normal Allocation (% of Net Assets)
Derivatives	Upto 50% of the net assets of the Scheme

Investment in Overseas Financial Instruments are as follows:

Particulars	Normal Allocation (% of Net Assets)
ADRs / GDRs	Not exceeding 15% of the Scheme's Assets
Overseas Financial Debt Instruments including overseas Mutual Funds	Not exceeding 25% of the Scheme's Assets

Subject to the SEBI Regulations, the Mutual Fund may deploy upto 20% of its total net assets of the Scheme in Stock Lending.

**Conservative Plan:**

Under normal circumstances, the asset allocation would be as follows:

Type of instrument	Normal Allocation (% of Net Assets)		Risk Profile
	Minimum	Maximum	
Equity and equity related instruments	65	90	Medium to High
Of which Net Long Equity Exposure (including units of Equity Mutual Fund Schemes)*	20	35	High
Of which Equity Exposure Equity (only arbitrage opportunity)**	40	70	Low to Medium
Debt securities and money market instruments# (including margin for derivatives) and Fixed Income Derivatives	10	35	Low

\* In the scheme, unhedged equity exposure shall be limited to 35% of the portfolio value. Unhedged equity exposure means exposure to equity shares alone without a corresponding equity derivative exposure.

\*\* Equity exposure would be completely hedged with corresponding equity derivatives.; the exposure to derivatives shown in the above asset allocation tables is exposure taken against the underlying equity investments and should not be considered for calculating the total asset allocation and / or investment restrictions on the issuer. The margin money requirement for the purposes of derivative exposure may be held in the form of Term Deposits.

# The Scheme may invest in Treasury Bills, Repos, Reverse Repos, Tri Party Repo Dealing System (“TREPS”), cash and cash equivalents and units of Debt/Liquid/ Money Market Mutual Fund Schemes.

When adequate arbitrage opportunities are not available in the Derivative and Equity markets, the anticipated alternate asset allocation on defensive considerations would be in accordance with the allocation given below. However, in case no arbitrage opportunity is available, then 100% of the remaining investible corpus (excluding margin for derivatives and to the extent not deployed in arbitrage opportunities in the asset allocation pattern mentioned above) will be deployed in short term debt and money market instruments with tenure not exceeding 91 days (including investments in securitized debt).

Type of instrument	Normal Allocation (%) of Net Assets)		Risk Profile
	Minimum	Maximum	
Equity and equity related instruments	20	75	Medium to High
Of which Net Long Equity Exposure (including units of Equity Mutual Fund Schemes)*	20	35	High
Of which Equity Exposure Equity (only arbitrage opportunity)**	0	55	Low to Medium
Debt securities and money market instruments# (including margin for derivatives) and Fixed Income Derivatives	25	80	Low

\* In the scheme, unhedged equity exposure shall be limited to 35% of the portfolio value. Unhedged equity exposure means exposure to equity shares alone without a corresponding equity derivative exposure.

\*\* Equity exposure would be completely hedged with corresponding equity derivatives.; the exposure to derivatives shown in the above asset allocation tables is exposure taken against the underlying equity investments and should not be considered for calculating the total asset allocation and / or investment restrictions on the issuer. The margin money requirement for the purposes of derivative exposure may be held in the form of Term Deposits.

# The Scheme may invest in Treasury Bills, Repos, Reverse Repos, Tri Party Repo Dealing System (“TREPS”), cash and cash equivalents and units of Debt/Liquid/ Money Market Mutual Fund Schemes. Investment in Securitized Debt may be up to 30% of the net assets of the Scheme.

Subject to the SEBI Regulations, the Mutual Fund may deploy upto 20% of its total net assets of the Scheme in Stock Lending.

At the time of changes in the investment pattern during defensive considerations as stated above, the fund manager may choose to have a lower equity exposure. Accordingly, the Scheme may not be able to

	<p>meet the criteria for equity oriented scheme as specified under the extant Income-tax laws. Consequently, the Unit holders may not be able to avail tax advantage available to an equity oriented fund in that particular financial year. During the defensive circumstances the Tax benefit available for equity oriented scheme will not be applicable and shall be communicated to unit holders vide letters, addendum published in the newspapers as per regulations.</p>
<b>Risk Profile of the Scheme</b>	<p>Mutual Fund Units involve investment risks including the possible loss of principal.</p> <p>The scheme carries risks associated with investing in equity and equity related securities, derivatives, foreign securities, debt securities, securitized debt, money market instruments, short selling and securities lending.</p> <p>Investment in Mutual Fund units involves investment risks such as trading volumes, settlement risk, liquidity risk and default risk. Trading volume may restrict liquidity in equity and debt investments. The AMC may choose to invest in unlisted securities which may increase the risk on the portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law/policies of the government, taxation laws and political, economic or other developments.</p> <p>Investments in debt and money market instruments are subject to interest rate risk, re-investment risk, credit risk, spread risk, prepayment risk, etc. to the extent of the Scheme's investments in such securities. Please read the Scheme Information Document carefully for details on risk factors before investment.</p>
<b>Risk Mitigation Factors</b>	<p><b>1. Risk mitigation factors for investments associated with equities</b></p> <ul style="list-style-type: none"> <li>• Focused risk management with an endeavour to ensure adequate safeguards for controlling risks during portfolio construction.</li> <li>• Reducing risks through portfolio diversification, taking care however not to dilute returns of the scheme(s).</li> <li>• Use derivatives and hedging products as permitted as RBI/SEBI to protect the value of portfolio.</li> <li>• Implement exposure limits which may be varied from time to time. In case of Equity funds, restricting the exposure to any industry (as defined in AMFI classification) as a percentage of the portfolio at any point of time.</li> <li>• Portfolio shall be maintained in such a manner so as to provide necessary liquidity (after considering inflows and redemptions).</li> <li>• Due diligence of a company so as to minimize stock specific risks.</li> </ul> <p><b>2. Risk mitigation factors for investments associated with Debt and/or Money Market Instruments</b></p> <ul style="list-style-type: none"> <li>• Rigorous in-depth credit evaluation of the securities proposed to be invested focussing on analysis of fundamentals of the company, company's financials and the quality of management.</li> <li>• Use derivatives and hedging products to protect the value of portfolio.</li> <li>• To invest over a range of companies, groups as well as industries in accordance with SEBI Regulations with an endeavour to reduce risk using diversification.</li> <li>• Having appropriate portfolio turnover to meet cash flow requirements, adjustments relating to average maturity of the assets held, change or an anticipated change in the credit worthiness of the investee companies.</li> <li>• Control credit risk by investing in rated papers of the companies having strong fundamentals, sound financial strength and superior quality of management.</li> <li>• Reduce Liquidity Risk by investing in TREPS and other such similar short term highly liquid instruments.</li> </ul>
<b>Sub-Plans/Options</b>	<p>The Scheme/Plans will have two Sub-Plans<sup>#</sup> i.e. Regular Sub-Plan &amp; Direct Sub-Plan with a common portfolio and separate NAVs. Investors should indicate the Sub-Plan for which the subscription is being made by indicating the choice in the application form.</p> <p>Each of the Sub-Plans mentioned above offers Growth Option (default) and Dividend Option.</p>

# Direct Sub-Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund. This Sub-plan is not available for investors who wish to purchase/ subscribe units through a Distributor – such investors have to subscribe for Regular Sub-Plan.

Regular Sub-Plan and Direct Sub-Plan have the same features (i.e. Investment Objective, Asset Allocation Pattern, Investment Strategy, Risk factors) and Facilities offered including terms and conditions except that Direct Sub-Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Sub-Plan.

**Dividend Option:**

Under Dividend Option, dividend will be declared subject to availability of distributable surplus and at the discretion of AMC/Trustee. The undistributed portion of the income will remain in the Option and be reflected in the NAV, on an ongoing basis. The Trustee decision with regard to availability and adequacy, rate, timing and frequency of distribution of dividend shall be final.

Further, the Dividend Option will have the facility of Re-investment, Payout and Sweep. Applicants should indicate the Option/Facility for which the subscription is made by indicating the choice in the appropriate box provided for this purpose in the Application Form. Applicants can allocate the investment in both the Options subject to a minimum investment amount of the Scheme.

Dividend option will have the facility of Payout, Re-investment and Sweep.

**Dividend Payout Facility**

Under this Facility, the unit holders would receive payout of their dividend.

**Dividend Re-investment Facility**

Under this Facility, dividend declared will be re-invested in the Scheme/Option itself, at applicable NAV based prices

**Dividend Sweep Facility**

Under this facility, the unit holders may reinvest their dividend in any other open ended scheme of the Fund at the applicable NAV based prices, subject to the minimum investment and eligibility requirements of the scheme in which the dividend is being invested. The appropriate number of units shall be credited to unit holder's account at the applicable NAV on the same date when the NAV is ex-dividend.

Default Plan for scheme: In case investor fails to specify any Plan, then units shall, by default, be issued under the following Plan depending upon the age of the investors:

- i) In case the age of investor is less than 52 years then units shall, by default, be allotted under "Progressive Plan".
- ii) In case the age of investor is 52 years or more but less than 57 years then units shall, by default, be allotted under "Moderate Plan"
- iii) In case the age of investor is 57 years or more then units shall, by default, be allotted under "Conservative Plan".

In case the investor doesn't specify :

- 1. the Plan under which the investor intends to make an investment; or
  - 2. the age of the investor at the time of investment,
- then the units shall be allotted under "Moderate Plan" (default plan).

	<p><b><u>Auto Transfer Facility:</u></b></p> <p>Auto Transfer is an optional facility wherein investors’ entire investment (Lumpsum/existing SIP) shall be switched automatically from one Plan to another Plan (without any exit load) at any date as may be specified by the investor which is within or after the lock in period. In case the auto transfer option is selected and date is not specified in the application, auto transfer will happen on 5th working day of the following month as per the criteria’s laid down below:</p> <p>i) When the investor attains 52 years of age, the units held under the “Progressive Plan” will be switched into the “Moderate Plan”</p> <p>ii) When the investor attains 57 years of age, the units held under the “Moderate Plan” will be switched into the “Conservative Plan”.</p> <p>The balance SIP installments under existing registration after auto transfer will continue in new Plan where the units have been switched in.</p> <p>In case the investor is already invested in the Plan which falls in the criteria’s as per the age of the investor (as indicated above), no auto transfer will be triggered.</p> <p><b>Auto transfer facility under Conservative Plan shall not be available.</b></p> <p>If an investor does not opt for auto transfer, the existing and incremental investment will continue in the Plan as selected by the investor at the time of investment.</p> <p>Even if an investor opts for auto transfer, incremental lumpsum investment or new registration of SIP can be done in any of the three Plans as selected by the investor.</p> <p>If an investor beyond 52 year of age enters the scheme and opts for auto transfer facility, then it is compulsory for the investor to mention the date for auto transfer or else the auto transfer facility will not be activated.</p> <p><b>Auto Transfer facility shall not be available for Units held in Demat mode.</b></p> <p>The switches will be processed, net of all applicable taxes, if any, depending upon definition of asset class for the particular sub-plan.</p> <p>If the investor opts for Auto Transfer and doesn’t provide any specified date for Auto Transfer or doesn’t even provide the age in the application form, auto transfer facility will not be activated.</p>		
<p><b>Investment Strategy</b></p>	<p>The Principal Retirement Savings Fund’s investment strategy offers three relevant plans, namely a Progressive Plan, a Moderate plan and a Conservative plan, as described in the table below. These three plans with different levels risk orientations thereby offer a comprehensive retirement solution to enable investors save over the long term towards their retirement savings goals, by investing in a mix of securities comprising of equity, equity related instruments and fixed income securities.</p> <table border="1" data-bbox="386 1518 1479 1885"> <tr> <td data-bbox="386 1518 581 1885"> <p>Progressive Plan</p> </td> <td data-bbox="581 1518 1479 1885"> <p>The scheme will invest its assets in a portfolio of equity and equity related instruments. The focus of the investment strategy would be to identify stocks which can provide capital appreciation in the long term. Companies selected for the portfolio which in the opinion of the AMC would possess some of the characteristics mentioned below:</p> <ul style="list-style-type: none"> <li>– Superior management quality</li> <li>– Distinct and sustainable competitive advantage</li> <li>– Good growth prospects and</li> <li>– Strong financial strength</li> </ul> </td> </tr> </table>	<p>Progressive Plan</p>	<p>The scheme will invest its assets in a portfolio of equity and equity related instruments. The focus of the investment strategy would be to identify stocks which can provide capital appreciation in the long term. Companies selected for the portfolio which in the opinion of the AMC would possess some of the characteristics mentioned below:</p> <ul style="list-style-type: none"> <li>– Superior management quality</li> <li>– Distinct and sustainable competitive advantage</li> <li>– Good growth prospects and</li> <li>– Strong financial strength</li> </ul>
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		The aim will be to build a diversified portfolio across major industries and economic sectors by using “Fundamental Analysis” approach as its selection process.
	Moderate Plan	The Scheme will invest in equity and equity related instruments. The Scheme will also invest in fixed income instruments rated investment grade or higher or otherwise comparable including units of Liquid / Money Market / Debt Mutual Fund Schemes. The Scheme shall not take high risks in managing equity portion of the portfolio. For the equity portion of the portfolio, companies would be selected after research covering areas such as quality of management, competitive position and financial analysis.
	Conservative Plan	<p>The investment strategy is aimed at generating income by investing in arbitrage opportunities in the cash and derivatives segments of the equity markets and in debt securities and at the same time attempting to enhance returns through long exposure in equity and equity related instruments. If suitable arbitrage opportunities are not available in the opinion of the Fund Manager, the Scheme may predominantly invest in debt and money market securities.</p> <p><b>Net Long Equity :</b></p> <p>The Scheme will invest its assets in a portfolio of equity and equity related instruments including units of Equity mutual Funds Schemes.</p> <p>The focus of the investment strategy would be to identify stocks which can provide capital appreciation in the long term. Companies selected for the portfolio which in the opinion of the AMC would possess some of the characteristics mentioned below:</p> <ul style="list-style-type: none"> <li>- Superior management quality</li> <li>- Distinct and sustainable competitive advantage</li> <li>- Good growth prospects; and</li> <li>- Strong financial strength</li> </ul> <p><b>Equity Derivatives:</b></p> <p>The Scheme will endeavor to invest predominantly in arbitrage opportunities between spot and futures prices of exchange traded equities. In absence of profitable arbitrage opportunities available in the market, the Scheme may predominantly invest in short-term debt and money market securities. The fund manager will evaluate the difference between the price of a stock in the futures market and in the spot market. If the price of a stock in the futures market is higher than in the spot market, after adjusting for costs and taxes the Scheme shall buy the stock in the spot market and sell the same stock in equal quantity in the futures market, simultaneously. For example, on December 4, 2014, the Scheme buys a share of XYZ Company on spot @ Rs. 1000 and at the same time sells XYZ Company futures for December 2014 expiry @ Rs. 1020. The Scheme thus enters into a fully hedged transaction by selling the equity position in the futures market for expiry on say December 24, 2014. If the Scheme holds this position till expiry of the futures, the Scheme earns profit of Rs. 20 on the date of expiry before accounting for trading costs and taxes.</p> <p>In case the Scheme has to unwind the transaction prior to the expiry date on account of redemption pressures or any other reason, the returns would be a</p>



function of the spread at which the transaction is unwound. For example, if spot is sold at Rs. 980 and the futures are bought at Rs. 1010 then there would be negative returns on the trade. If the spot is sold at Rs. 1020 and the futures are bought at Rs. 1015 then there would be positive returns from the trade. On the date of expiry, if the price differential between the spot and futures position of the subsequent month maturity still remains attractive, the Scheme may rollover the futures position and hold onto the position in the spot market. In case such an opportunity is not available, the Scheme would liquidate the spot position and settle the futures position simultaneously. Rolling over of the futures transaction means unwinding the short position in the futures of the current month and simultaneously shorting futures of the subsequent month maturity while holding onto the spot position. There could also be occasions when both the spot and the future position is unwound before the expiry of the current-month future to increase the base return or to meet redemption. Return enhancement through the use of arbitrage opportunity would depend primarily on the availability of such opportunities. The Scheme will strive to build similar market neutral positions that offer an arbitrage potential for e.g. buying the basket of index constituents in the cash segment and selling the index futures, Buying ADR/GDR and selling the corresponding stock future etc. The Scheme would also look to avail of opportunities between one futures contract and another. For example on 16 December 2014, the Scheme buys 1000 futures contracts of ABC Ltd. for December expiry at Rs.3000 each and sells an equivalent 1000 futures contract of ABC Ltd. for January expiry at Rs.3030. Thereby the Scheme enters into a fully hedged transaction. Closer to the expiry date of the December contract, the Scheme has two options. 1) Unwind the transaction by selling the 1000 December contracts and buying 1000 January contracts of ABC. The returns are a function of the spread between the sale price of the January contract and the buy price of the December contract. If this spread is less than Rs. 30, the returns are positive else the returns are negative. 2) On the expiry date i.e. 24 December, 2014, the Scheme would let the December contract expire and square off 1000 contracts that it holds for January maturity. The returns would be a function of the spread between settlement price of the December contract and the price at which January contracts are squared-off. If this spread is lower than Rs. 30 then the returns are positive and if it is higher than Rs. 30 the returns are negative. The Scheme can also initiate the transaction in the opposite direction i.e. by selling the December futures and buying the January futures, if it sees a profit potential. Under all circumstances the Scheme would keep its net exposures neutral to the underlying direction of the market by maintaining completely hedged positions. In addition to stock specific futures, the Scheme can also take offsetting positions in index futures of different calendar month.

The debt and money market instruments include any margin money that has to be maintained for the derivative position. The margin money could also be maintained partly as Fixed deposits with Scheduled commercial banks.

**Debt Instruments:**

The Scheme would invest in a range of debt and money market instruments including units of Debt/Liquid/Money Market Mutual Fund Schemes. Further the Scheme may also invest in financial derivatives such as options and futures & Interest Rate Swap (IRS) that are permitted or may become permissible under SEBI/RBI Regulations. The proportion of assets to be so invested would be

	<div data-bbox="383 191 1479 279" style="border: 1px solid black; padding: 5px;"> <p>decided by the AMC at the appropriate time, and would be done in accordance with the relevant guidelines to be issued by SEBI/RBI and other authorities</p> </div>
<p><b>Applicable NAV</b></p>	<p><b>Cut Off Time For Subscriptions/ Switch-in</b></p> <ul style="list-style-type: none"> <li>• In respect of valid applications received upto 3.00 pm with a local cheque or demand draft payable at par at the Official Points of Acceptance of Transactions where it is received, the closing NAV of the day of receipt of application shall be applicable;</li> <li>• In respect of valid applications received after 3.00 pm with a local cheque or demand draft payable at par at the Official Points of Acceptance of Transactions where it is received, the closing NAV of the next business day shall be applicable; and</li> </ul> <p>In respect of purchase/switch- in, in the Scheme/Plan for an amount equal to or more than Rs.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).</p> <p>Further, in case of multiple applications for purchases/switch-ins in any of the Scheme/Plan (irrespective of its Sub-Plan) for an aggregate investment amount equal to or more than Rs.2 Lakh on the same business day, such application shall be consolidated at PAN level to determine the NAV applicability.</p> <p><b>Cut Off Time For Redemptions / Switch-out</b></p> <ul style="list-style-type: none"> <li>• In respect of valid applications received upto 3.00 p.m. at the Official Points of Acceptance of Transactions, same day's closing NAV will be applicable</li> <li>• In respect of valid applications received after 3.00 p.m. at the Official Points of Acceptance of Transactions, the closing NAV of the next business day shall be applicable.</li> </ul> <p>In case of 'switch' transactions from one scheme to another, the allocation shall be in line with redemption payouts.</p> <p>The above cut-off timings shall also be applicable to investments made through "Sweep" mode available in the Dividend Option.</p> <p>Cut off time as mentioned above shall be reckoned at the Official Points of Acceptance of transactions as disclosed in the SID and the website <a href="http://www.principalindia.com">www.principalindia.com</a>.</p>
<p><b>Minimum Application Amount (New Investor)</b></p>	<p>Minimum application amount will be Rs.5,000/- and any amount thereafter under each Plan/Sub-Plan.</p> <p><b>Systematic Investment Plan:</b> Minimum Six installments of Rs. 2000/- each.</p> <p><b>Systematic Transfer Plan:</b> Minimum Six installments of Rs.1000/- each (available after the completion of lock-in period).</p> <p><b>Regular Withdrawal Plan:</b> Minimum Six installments of Rs.500/- each (available after completion of lock-in period).</p> <p>Auto transfer facility and switch option is available across the three plans namely Progressive Plan, Moderate Plan &amp; Conservative Plan during the lock – in period</p>
<p><b>Minimum Application Amount (Existing Investor)</b></p>	<p>Rs.1000/- and any amount thereafter under each Plan/Sub-Plan.</p>

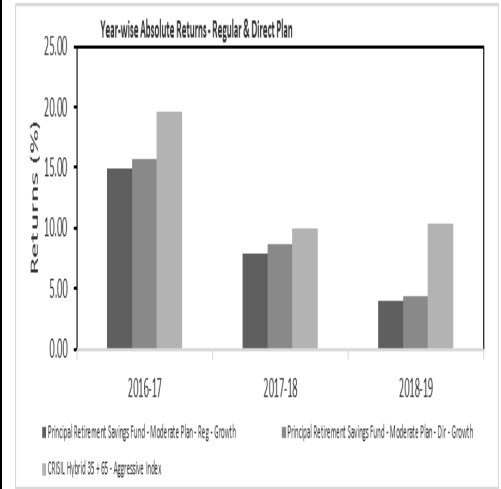
<b>Minimum Repurchase/Redemption Amount</b>	<ul style="list-style-type: none"> <li>Where the holding amount / units exceed Rs. 500/- / 50 units - Rs. 500/- or 50 units;</li> <li>Where the holding is less than Rs. 500/- or 50 units - entire balance needs to be redeemed. In case redemptions sought is for lesser value / quantity, entire balance will be redeemed</li> </ul>							
<b>Dispatch of Redemption Proceeds</b>	Within 10 business days of the receipt of the redemption request at the Official Points of Acceptance of the Principal Mutual Fund.							
<b>Comparison of open-ended schemes</b>	<p>The fund is a retirement solution oriented fund which enables investors to invest over the long term towards their retirement savings goals, by investing in a mix of securities comprising of equity, equity related instruments and fixed income securities.</p> <p>At present there are no other funds under the Retirement Fund category.</p>							
<b>Dividend</b>	The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend. Efforts are being made to directly credit the dividend to the Unitholders account.							
<b>Dividend Policy</b>	<p>In the interest of the Scheme and the unitholders the AMC may consider providing returns to the unitholders at appropriate times by way of periodic declaration of dividend under the Scheme after providing for all necessary recurring and other expenses. Distribution of dividend is subject to availability and adequacy of distributable surplus.</p> <p>Only those unit holders whose names appear in the register of unit holders as on the record date will be entitled for dividend. This date will be fixed by the AMC/Trustees appropriately.</p> <p>The dividend warrants and/or fresh Account Statement shall be dispatched / credited to the unit holders within 30 days or such stipulated period of the declaration of dividend. In the event of failure to dispatch dividend within the stipulated 30 day period, the AMC shall be liable to pay interest @15 per cent per annum to the unit holder(s).</p> <p>Dividends will be paid net of taxes as may be applicable and payments will be in favour of the Unit holder's registered name or, if there is more than one registered holder, of the first named registered holder on the folio. The Trustees may not declare a dividend at all in the event of inadequacy of distributable income. There is no assurance or guarantee to unit holders as to the periodicity of dividend and rate of dividends distribution.</p> <p>All dividend declarations shall be available only to the Unit holders who hold units at the time of its/their declaration.</p> <p>Since distribution of dividend and shall be paid from the distributable surplus, the NAV of the Scheme(s) shall be adjusted to the extent of dividend paid and.</p> <p>AMC reserves the right to include/remove/modify the frequency for declaration of dividend as may be deemed appropriate, subject to relevant provisions of SEBI regulations.</p>							
<b>Benchmark Index</b>	<table border="1"> <tr> <td>Conservative Plan</td> <td>Composite Benchmark: 30% Nifty 50 + 70% Crisil Liquid Fund Index</td> </tr> <tr> <td>Moderate Plan</td> <td>Crisil Hybrid 35+65 - Aggressive Index</td> </tr> <tr> <td>Progressive Plan</td> <td>Nifty 200 Full Market Cap Index</td> </tr> </table>	Conservative Plan	Composite Benchmark: 30% Nifty 50 + 70% Crisil Liquid Fund Index	Moderate Plan	Crisil Hybrid 35+65 - Aggressive Index	Progressive Plan	Nifty 200 Full Market Cap Index	<p>The Scheme/Plan reserves the right to change the said benchmark and/or adopt one/more other benchmarks to compare the performance of the Scheme/Plan, subject to SEBI Regulations.</p>
Conservative Plan	Composite Benchmark: 30% Nifty 50 + 70% Crisil Liquid Fund Index							
Moderate Plan	Crisil Hybrid 35+65 - Aggressive Index							
Progressive Plan	Nifty 200 Full Market Cap Index							
<b>Folio Count &amp; AUM (As on August 31, 2019)</b>	<table border="1"> <tr> <td><b>Conservative Plan</b></td> <td> <ul style="list-style-type: none"> <li>Folio Count– 52</li> <li>AUM – Rs. 1.32 Crores</li> </ul> </td> </tr> <tr> <td><b>Moderate Plan</b></td> <td> <ul style="list-style-type: none"> <li>Folio Count – 67</li> <li>AUM – Rs.0.71 Crores</li> </ul> </td> </tr> </table>	<b>Conservative Plan</b>	<ul style="list-style-type: none"> <li>Folio Count– 52</li> <li>AUM – Rs. 1.32 Crores</li> </ul>	<b>Moderate Plan</b>	<ul style="list-style-type: none"> <li>Folio Count – 67</li> <li>AUM – Rs.0.71 Crores</li> </ul>			
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	<b>Progressive Plan (earlier known as Aggressive Plan)</b>	<ul style="list-style-type: none"> <li>Folio Count – 138</li> <li>AUM – Rs.2.17 Crores</li> </ul>																											
<b>Fund Manager &amp; Managing the Current Fund from</b>	Mr. Ravi Gopalakrishnan– July 2019																												
<b>Total Investment Experience</b>	25 years																												
<b>Name of the Trustee Company</b>	Principal Trustee Company Private Limited																												
<b>Performance of the Scheme:</b>	<p>Returns (%) of Growth Option as at Aug 30, 2019</p> <p><b>Principal Retirement Savings Fund – Conservative Plan (erstwhile known as Principal Asset Allocation Fund of Funds - Conservative Plan)</b></p> <table border="1"> <thead> <tr> <th>Period</th> <th>Returns (%)</th> <th>30% Nifty 50 + 70% Crisil Liquid Fund Index (%)</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Regular Plan</b></td> </tr> <tr> <td>Last 1 Year</td> <td>-1.45</td> <td>4.01</td> </tr> <tr> <td>Last 3 Years</td> <td>4.15</td> <td>7.94</td> </tr> <tr> <td>Since Inception*</td> <td>5.55</td> <td>8.81</td> </tr> <tr> <td colspan="3"><b>Direct Plan</b></td> </tr> <tr> <td>Last 1 Year</td> <td>-0.97</td> <td>4.01</td> </tr> <tr> <td>Last 3 Years</td> <td>4.65</td> <td>7.94</td> </tr> <tr> <td>Since Inception*</td> <td>6.03</td> <td>8.81</td> </tr> </tbody> </table> <p><b>Absolute Returns or last financial year</b></p> <p>Past performance may or may not be sustained in the future.</p> <p><b>*Inception Date:</b> Regular Plan – December 14, 2015; Direct Plan – December 14, 2015</p>		Period	Returns (%)	30% Nifty 50 + 70% Crisil Liquid Fund Index (%)	<b>Regular Plan</b>			Last 1 Year	-1.45	4.01	Last 3 Years	4.15	7.94	Since Inception*	5.55	8.81	<b>Direct Plan</b>			Last 1 Year	-0.97	4.01	Last 3 Years	4.65	7.94	Since Inception*	6.03	8.81
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Since Inception*	6.03	8.81																											

**Principal Retirement Savings Fund – Moderate Plan (erstwhile known as Principal Asset Allocation Fund of Funds - Moderate Plan)**

Period	Returns (%)	Crisil Hybrid 35+65 - Aggressive Index (%)
<b>Regular Plan</b>		
Last 1 Year	-3.59	-0.36
Last 3 Years	4.30	8.33
Since Inception*	5.90	10.68
<b>Direct Plan</b>		
Last 1 Year	-3.08	-0.36
Last 3 Years	4.95	8.33
Since Inception*	6.56	10.68

**Absolute Returns for last financial year**



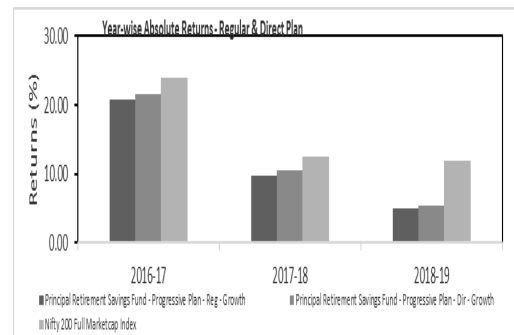
Past performance may or may not be sustained in the future.

\***Inception Date:** Regular Plan – December 14, 2015; Direct Plan – December 14, 2015

**Principal Retirement Savings Fund – Progressive Plan (erstwhile known as Principal Asset Allocation Funds - Aggressive Plan)**

Period	Returns (%)	Nifty 200 Full Market Cap Index (%)
<b>Regular Plan</b>		
Last 1 Year	-7.08	-7.64
Last 3 Years	4.53	8.18
Since Inception*	7.44	11.19
<b>Direct Plan</b>		
Last 1 Year	-6.56	-7.64
Last 3 Years	5.12	8.18
Since Inception*	8.07	11.19

**Absolute Returns for last financial year**



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

\***Inception Date:** Regular Plan – December 14, 2015; Direct Plan –December 14, 2015

**PORTFOLIO:**

**Principal Retirement Savings Fund – Conservative Plan (erstwhile known as Principal Asset Allocation Fund of Funds - Conservative Plan)**

**Top 10 issuer exposure as on August 31, 2019**

<b>Issuer Name</b>	<b>Market Value (Amount in Rupees)</b>	<b>% to NAV</b>
ITC Ltd.	1,305,384	9.86
Axis Bank Ltd.	865,062	6.53
Tata Steel Ltd.	821,897	6.21
HDFC Bank Ltd.	775,327	5.86
Larsen & Toubro Ltd.	684,049	5.17
Dr. Reddy's Laboratories Ltd.	639,375	4.83
Hindustan Unilever Ltd.	564,570	4.26
Sun TV Network Ltd.	438,450	3.31
JSW Steel Ltd.	434,900	3.28
Reliance Industries Ltd.	259,698	1.96

**Principal Retirement Savings Fund – Moderate Plan (erstwhile known as Principal Asset Allocation Fund of Funds - Moderate Plan)**

**Top 10 issuer exposure as on August 31, 2019**

<b>Issuer Name</b>	<b>Market Value (Amount in Rupees)</b>	<b>% to NAV</b>
Dr. Reddy's Laboratories Ltd.	639,375	9.06

Grasim Industries Ltd.	533,213	7.56
Coal India Ltd.	453,377	6.43
HDFC Bank Ltd.	247,302	3.51
ICICI Bank Ltd.	222,030	3.15
State Bank of India	141,033	2.00
Infosys Ltd.	133,644	1.89
ITC Ltd.	129,458	1.84
Reliance Industries Ltd.	127,352	1.81
Tata Consultancy Services Ltd.	126,538	1.79

**Principal Retirement Savings Fund – Progressive Plan (erstwhile known as Principal Asset Allocation Fund of Funds - Aggressive Plan)**

**Top 10 issuer exposure as on August 31, 2019**

<b>Issuer Name</b>	<b>Market Value (Amount in Rupees)</b>	<b>% to NAV</b>
ICICI Bank Ltd.	979,064	4.51
HDFC Bank Ltd.	966,930	4.46
Reliance Industries Ltd.	771,604	3.56
Tata Consultancy Services Ltd.	576,198	2.66
Infosys Ltd.	501,978	2.31
State Bank of India	492,108	2.27

Kotak Mahindra Bank Ltd.	490,987	2.26
ITC Ltd.	471,648	2.17
Larsen & Toubro Ltd.	439,651	2.03
Marico Ltd.	422,779	1.95

**SECTOR ALLOCATION -**

**Principal Retirement Savings Fund – Conservative Plan (erstwhile known as Principal Asset Allocation Fund of Funds - Conservative Plan)**

**Sector Allocation as on August 31, 2019**

<b>Sector Allocation</b>	<b>Market Value Amount in Rupees</b>	<b>% to NAV</b>
FINANCIAL SERVICES	2,481,163	18.74
CONSUMER GOODS	2,259,971	17.07
METALS	1,403,097	10.60
PHARMA	864,554	6.53
CONSTRUCTION	692,949	5.23
MEDIA & ENTERTAINMENT	438,450	3.31
ENERGY	382,698	2.89
IT	358,477	2.71
AUTOMOBILE	102,084	0.77
TREASURY BILLS	99,330	0.75

**Principal Retirement Savings Fund – Moderate Plan (erstwhile known as Principal Asset Allocation Fund of Funds - Moderate Plan)**

**Sector Allocation as on August 31, 2019**

<b>Sector Allocation</b>	<b>Market Value Amount in Rupees</b>	<b>% to NAV</b>
FINANCIAL SERVICES	1,166,149	16.53



PHARMA	794,856	11.27
CEMENT & CEMENT PRODUCTS	607,784	8.62
CONSUMER GOODS	543,107	7.70
METALS	488,010	6.92
IT	311,898	4.42
ENERGY	265,382	3.76
CONSTRUCTION	135,795	1.92
AUTOMOBILE	119,328	1.69
TREASURY BILLS	99,330	1.41

Principal Retirement Savings Fund – Progressive Plan (erstwhile known as Principal Asset Allocation Fund of Funds - Aggressive Plan)

Sector Allocation as on August 31, 2019

Sector Allocation	Market Value Amount in Rupees	% to NAV
FINANCIAL SERVICES	5,064,063	23.34
CONSUMER GOODS	2,069,231	9.54
IT	1,494,525	6.89
ENERGY	1,347,900	6.21
CEMENT & CEMENT PRODUCTS	788,967	3.64
PHARMA	622,683	2.87
CONSTRUCTION	543,924	2.51
METALS	528,195	2.43
AUTOMOBILE	489,882	2.26
SERVICES	378,524	1.74

Website link for Monthly Portfolio Holding - [www.principalindia.com](http://www.principalindia.com)

**Portfolio Turnover Ratio\*** (As on Aug. 31, 2019)

PRINCIPAL RETIREMENT SAVINGS FUND - MODERATE PLAN	3.57
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	<table border="1"> <tr> <td>PRINCIPAL RETIREMENT SAVINGS FUND - CONSERVATIVE PLAN</td> <td>5.89</td> </tr> <tr> <td>PRINCIPAL RETIREMENT SAVINGS FUND - PROGRESSIVE PLAN</td> <td>0.32</td> </tr> </table> <p>*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.</p>	PRINCIPAL RETIREMENT SAVINGS FUND - CONSERVATIVE PLAN	5.89	PRINCIPAL RETIREMENT SAVINGS FUND - PROGRESSIVE PLAN	0.32														
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<b>Expenses of the Scheme</b> <b>(i) Load Structure :</b>	<p><b>Exit Load (applicable for each of the Plan(s) under the Scheme)</b></p> <ul style="list-style-type: none"> <li>• Nil in case of RWP/Redemption/Switch out from Principal Retirement Savings Fund after completion of 5 years lock in period, or after attainment of retirement age of 60 years whichever is earlier.</li> <li>• Nil in case of Auto transfer facility and switch option across the three plans namely Progressive Plan, Moderate Plan &amp; Conservative Plan during lock – in period.</li> </ul> <p>(Note: Age will be computed with reference to years completed on the date of transaction)</p>																		
<b>(ii)Recurring Expenses:</b>	<p><b>ANNUAL SCHEME RECURRING EXPENSES</b></p> <p>These are the fees and expenses for operating the Scheme/Plan. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:</p> <p>The AMC has estimated the following percentage of the daily net assets of the Scheme/Plan will be charged to the Scheme/Plan as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.</p> <table border="1"> <thead> <tr> <th></th> <th>Regular Plan</th> </tr> <tr> <th>Nature of Expense</th> <th>% of daily net assets</th> </tr> </thead> <tbody> <tr> <td>Investment Management and Advisory Fees</td> <td rowspan="13">Upto 2.25%</td> </tr> <tr> <td>Trustee fee</td> </tr> <tr> <td>Audit fees</td> </tr> <tr> <td>Custodian fees</td> </tr> <tr> <td>RTA Fees</td> </tr> <tr> <td>Marketing &amp; Selling expense incl. agent commission</td> </tr> <tr> <td>Cost related to investor communications</td> </tr> <tr> <td>Cost of fund transfer from location to location</td> </tr> <tr> <td>Cost of providing account statements and dividend redemption cheques and warrants</td> </tr> <tr> <td>Costs of statutory Advertisements</td> </tr> <tr> <td>Cost towards investor education &amp; awareness (at least 2 bps)</td> </tr> <tr> <td>Brokerage &amp; transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.</td> </tr> <tr> <td>GST on expenses other than investment and advisory fees</td> </tr> </tbody> </table>		Regular Plan	Nature of Expense	% of daily net assets	Investment Management and Advisory Fees	Upto 2.25%	Trustee fee	Audit fees	Custodian fees	RTA Fees	Marketing & Selling expense incl. agent commission	Cost related to investor communications	Cost of fund transfer from location to location	Cost of providing account statements and dividend redemption cheques and warrants	Costs of statutory Advertisements	Cost towards investor education & awareness (at least 2 bps)	Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	GST on expenses other than investment and advisory fees
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Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.																			
GST on expenses other than investment and advisory fees																			

GST on brokerage* and transaction cost	
Other Expenses	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</b>	<b>Upto 2.25%</b>
Additional expenses under regulation 52 (6A) (c)^	Upto 0.05%
Additional expenses for gross new inflows from specified cities #	Upto 0.30%

**Direct Plan** under the aforementioned Scheme 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.

#Expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

The AMC may charge investment management and advisory fees and other expenses up to 2.25% of the daily net assets. The AMC reserves the right to change the estimates; both inter se or in total, subject to prevailing SEBI Regulations.

^The nature of expenses can be any permissible expenses including Investment Management & Advisory Fees. The purpose of the above table is to assist in understanding the various costs and expenses that the Unit Holders in the Scheme will bear directly or indirectly.

The AMC may incur actual expenses which may be more or less than those estimated above under any head and / or in total. The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the SEBI Regulations, as given below.

**Maximum Recurring Expenses**

Daily net assets	As a % of daily net Assets (per annum)	Additional Total Expense Ratio as per SEBI Regulations 52 (6A) (c) #	Additional Total Expense Ratio as per SEBI Regulations 52 (6A) (b) #
First Rs. 500 crores	2.25%	0.05%	0.30%
Next Rs. 250 crores	2.00%	0.05%	0.30%
Next Rs. 1,250 crores	1.75%	0.05%	0.30%
Next 3,000 crores	1.60%	0.05%	0.30%
Next 5,000 crores	1.50%	0.05%	0.30%
Next 40,000 crores	Reduction of 0.05% for every increase of 5000 crores	0.05%	0.30%

Balance of assets over and above Rs. 50,000 crores	1.05%	0.05%	0.30%
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Further, in addition to the limits on total expenses specified in Regulation 52(6) of SEBI (Mutual Funds) Regulations, 1996 (the Regulation) the following expenses may be charged to the Scheme under Regulation 52 (6A) -

- a) Brokerage and transaction costs incurred for the purpose of execution of trades and included in the cost of investment, not exceeding 0.12% of the value of trades in case of cash market transactions and 0.05% of the value of trades in case of derivative transactions;
- b) Expenses not exceeding 0.30% of daily net assets, if the new inflows from such cities as specified by SEBI from time to time are atleast (i) 30% of gross inflows in the Scheme OR (ii) 15% of the average assets under management (year to date) of the Scheme - whichever is higher.

However if inflows from such cities is less than the higher of (i) & (ii) as mentioned above, such expenses on daily net assets of the Scheme may be charged on proportionate basis. Further, the expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from such cities. The amount incurred as expense on account of inflows from such cities shall be credited back to the Plan in case the said inflows are redeemed within a period of one year from the date of investment. . Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor". (c) Additional expenses incurred towards different heads mentioned under sub-regulation 52(2) & 52(4) of the Regulation not exceeding 0.05% of the daily net assets of the scheme or as specified by the Board.

"Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable."

The mutual fund would update the current expense ratios on the website at least three working days prior to the effective date of the change. Additionally, AMCs shall upload the TER details on the website under the below link:

<https://www.principalindia.com/downloads-disclosures.aspx>

AMC may charge GST on investment and advisory fees of the scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).

Further, the following may be charged to the Schemes within the maximum limit of Total Expense Ratio as per Regulation 52 of the SEBI (Mutual Funds) Regulations, as amended from time to time -

- (a) GST on expenses other than investment and advisory fees, if any;
- (b) \*GST on brokerage and transaction costs on execution of trades, if any; and
- (c) Investor Education and awareness fees of at least 2 basis point on daily net assets of respective schemes.

The GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of prescribed under Regulation 52 of SEBI Regulations.

These estimates have been made in good faith by the AMC as per the information available to AMC – the investment manager, based on the past experience and are subject to change inter-se. The expenses may be more than as specified in the table above, but the total recurring expenses that can be charged to the Scheme will be subject to limits prescribed from time to time under the SEBI Regulations. Expenses over and above the permissible limits will be borne by the AMC and/or the Trust and/ or the sponsor. The purpose of the above table is to assist the unitholder in understanding the various costs and expenses that a unitholder in the Scheme will bear directly or indirectly.

Any other expenses that are directly attributable to the Scheme, and permissible under SEBI (Mutual Funds) Regulations, 1996 from time to time, may be charged within the overall limits as specified in the Regulations.

	<p>All scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Companies (AMC), its associate, sponsor, trustee or any other entity through any route.</p> <p>The Scheme shall strive to reduce the level of these expenses so as to keep them well within the maximum limits currently allowed by SEBI and any revision in the said expenses limits by SEBI would be applicable</p> <p>All fees and expenses charged in a direct plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a regular plan.</p>
<b>Actual Expenses:# (For the previous Financial Year 2018-2019)</b>	<b>Conservative Plan: Direct Plan - 0.65%• Regular Plan – 1.07%</b>
	<b>Moderate Plan: Direct Plan - 0.75%• Regular Plan – 1.16%</b>
	<b>Progressive Plan (earlier known as Aggressive Plan): Direct Plan – 1.13%• Regular Plan - 1.51%</b>
	#Expense ratio includes Goods and Service tax on Management Fees over and above TER and Additional B15 Expense ratio.
<b>Waiver of Load for Direct Applications</b>	Pursuant to SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009 no entry load shall be charged for all Mutual Fund Scheme(s). Therefore, the procedure for waiver of load for direct applications is no longer applicable.
<b>Tax treatment for the Investors (Unitholders)</b>	Investors are advised to refer to the details in the Statement of Additional Information and also independently consult their tax advisor.
<b>Daily Net Asset Value (NAV) Publication</b>	The NAV of the Scheme will be calculated on all Business Days. The same would also be updated on AMFI website by 11.00 p.m. on all Business Days. The NAV can also be viewed on the website of the Mutual Fund i.e. <a href="http://www.principalindia.com">www.principalindia.com</a> .
<b>For Investor Grievances Please Contact</b>	<p>Principal Mutual Fund: Exchange Plaza, 'B' Wing, Ground Floor, NSE Building, Bandra Kurla Complex, Bandra (East), Mumbai-400 051. TOLL FREE: 1800 425 5600. Fax: +91 22 6772 0512.</p> <p>E-mail: <a href="mailto:customer@principalindia.com">customer@principalindia.com</a></p> <p>Registrar: <b>Karvy Fintech Private Limited</b>. (Unit: Principal Mutual Fund), Karvy Registry House, #8-2-596, Avenue 4, Street No. 1, Banjara hills, Hyderabad - 500 034.</p> <p>• <a href="http://www.karvyfintech.com">www.karvyfintech.com</a></p>
<b>Unitholders' Information:</b>	<p><b>Account Statement:</b> An allotment confirmation specifying the units allotted shall be sent by way of email and/or SMS within 5 Business Days of receipt of valid application to the Unit holders registered e-mail address and/or mobile number. Thereafter, a Consolidated Account Statement (CAS) containing details relating to all the transactions carried out by the investor across all schemes of all mutual funds during the month and holding at the end of the month shall be sent to the Unit holder in whose folio transactions have taken place during that month, on or before 10th of the succeeding month. In case of a specific request received from the Unit holders, the AMC/Fund will provide an account statement (reflecting transactions of the Fund) to the investors within 5 Business Days from the receipt of such request. Further, the CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September/ March), shall be sent by mail/e-mail on or before 10th of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period. The half yearly consolidated account statement will be sent by e-mail to the Unit holders whose e-mail address is available, unless a specific request is made to receive in physical form. The holding(s) of the beneficiary account holder for units held in demat mode will be shown in the statement issued by respective Depository Participants (DPs) periodically. Investors having MF investments and holding securities in Demat account shall receive a single Consolidated Account Statement (CAS) from the Depository. If an investor does not wish to receive single CAS from the depository, an option shall be given to the investor to indicate negative consent and receive the normal CAS only w.r.t mutual fund investments in lieu</p>

of this single CAS. For more details, please refer the Scheme Information Document (SID) and Statement of Additional Information (SAI).

**Securities Consolidated Account Statement (SCAS):** Investors who have a demat account and opt to hold units in non-demat form, a single SCAS generated based on PAN for each calendar month, shall be sent by mail/email in whose folio(s) transaction(s) has/have taken place during the month on or before 10th of the succeeding month. The SCAS will be sent by e-mail to the investor(s) whose e-mail address is registered with the Depositories. In case an investor does not wish to receive SCAS through e-mail, an option shall be given by the Depository to receive SCAS in physical. Where PAN is not available, the account statement shall be sent to the Unit holder by the AMC. In case there is no transaction in the folio, a half yearly SCAS detailing holding across all schemes of mutual funds and securities held in dematerialized form across demat accounts shall be sent by Depositories to investors at the end of every six months (i.e. September/March), on or before 10th day of succeeding month. The half yearly SCAS will be sent by mail/e-mail as per the mode of receipt opted by the investors to receive monthly SCAS. Investors who are not eligible for receiving SCAS shall continue to receive a monthly account statement from the AMC. The holding(s) of the beneficiary account holder for units held in demat mode will be shown in the statement issued by respective Depository Participants (DPs) periodically. For more details, please refer the SID and SAI.

**Portfolio Statement:** The Annual financial results of the Schemes or an abridged summary thereof shall be provided to all unitholders within 4 months from the date of the closure of the relevant accounts i.e. March 31 each year. Half Yearly unaudited financial results shall be hosted on our website - [www.principalindia.com](http://www.principalindia.com) within one month from the close of each half year (i.e. 31st March and 30th September). The Fund shall disclose portfolio (along with ISIN) as on the last day of the month/ half-year for the Scheme on its website [www.principalindia.com](http://www.principalindia.com) and on the website of AMFI within 10 days from the close of each month/ half-year respectively in a user friendly and downloadable format. Mutual Fund/ AMC shall provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.

For more details, please refer the Scheme Information Document (SID) and Statement of Additional Information (SAI).

Key Information Memorandum dated September 30, 2019

## **PRODUCT DIFFERENTIATION**

The fund is a retirement solution oriented fund which enables investors to invest over the long term towards their retirement savings goals, by investing in a mix of securities comprising of equity, equity related instruments and fixed income securities.

**At present there are no other funds under the Retirement Fund category.**