KEY INFORMATION MEMORANDUM

AND

APPLICATION FORM

Principal Large Cap Fund
(An Open-ended Equity scheme predominantly investing in Large Cap Stocks)

(Offer of units at applicable NAV based price)

This product is suitable for investors who are seeking:

- Long term Capital Growth
- Investment predominantly in equity and equity-related securities of large cap companies.

Investors understand that their principal will be at Very High Risk

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

Principal Asset Management 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 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.
<table>
<thead>
<tr>
<th>Name of the scheme</th>
<th>Principal Large Cap Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment Objective</strong></td>
<td>To achieve long term capital appreciation by investing in a diversified portfolio predominantly consisting of equity and equity related securities of Large Cap companies including derivatives. However, there can be no assurance that the investment objective of the Scheme will be achieved.</td>
</tr>
<tr>
<td><strong>Type of Scheme</strong></td>
<td>An Open-ended Equity scheme predominantly investing in Large Cap Stocks</td>
</tr>
<tr>
<td><strong>Asset Allocation Pattern of the scheme</strong></td>
<td>Under normal circumstances, the funds of the scheme shall be invested as per the asset allocation table given below:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Indicative allocations (% of net assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity and equity related instruments of Large Cap Companies</td>
<td>Minimum: 80</td>
<td>Maximum: 100</td>
</tr>
<tr>
<td>Equity and equity related instruments of Other than Large cap Companies</td>
<td>Minimum: 0</td>
<td>Maximum: 20</td>
</tr>
<tr>
<td>Debt and Money Market Instruments including units of debt &amp; liquid schemes</td>
<td>Minimum: 0</td>
<td>Maximum: 20</td>
</tr>
</tbody>
</table>

**Investment universe of Large Cap Companies:**

- The fund will predominantly invest in Large cap stocks as defined by SEBI from time to time. In terms of SEBI circular SEBI/ HO/ IMD/ DF3/ CIR/ P/ 2017/ 114 dated October 6, 2017, the universe of “Large Cap” shall consist of 1st to 100th company in terms of full market capitalization and that the Scheme will be required to adhere the following:
  - The list of stocks of Large Cap companies prepared by AMFI in this regard will be adopted.
  - The said list would be uploaded on the AMFI website and would be updated periodically as specified by SEBI.
  - Subsequent to any updation in the said list as uploaded by AMFI, the portfolio of the Scheme will be rebalanced within a period of one month.

- The Scheme will invest predominantly in Equity and Equity Related Instruments of Large Cap companies as defined above.
- Investment in foreign securities shall not exceed 20% of the net assets of the Scheme.
- The cumulative gross exposure through equity, debt, derivative positions (including commodity and fixed income derivatives) and other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the scheme. However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
- The scheme may invest in derivatives including single stock options/ futures and index options/ futures. The index options/ futures may be on a broad market index/ sector index. The exposure to derivatives will not exceed 50% of the net assets of the scheme.
- The Scheme does not seek to participate/ invest in:
  - repo/reverse repo in corporate debt securities.
  - credit default swaps.
  - Securitized debt
  - Debt instruments having Structured Obligations / Credit Enhancements.
- The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.
- Not more than 20% of the net assets of the scheme can be deployed in stock lending. The scheme would limit its exposure, with regards to securities lending, for a single intermediary, to the extent of 5% of the total net assets of the scheme at the time of lending.
- Due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short-term purpose only for defensive considerations and such deviation shall be
subjected to 30 calendar days rebalancing period. Further, in case the portfolio is not rebalanced within
the period of 30 days, justification for the same shall be placed before the investment committee and
reasons for the same shall be recorded in writing. The investment committee shall then decide on the
course of action.

<table>
<thead>
<tr>
<th>Risk Profile of the Scheme</th>
</tr>
</thead>
</table>
| Mutual Fund Units involve investment risks including the possible loss of principal. Please read the Scheme Information Document carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:
| Investments in equity and equity related securities involve a degree of risk and investors should be aware of the risk of significant erosion / loss in the value of their investments. |

<table>
<thead>
<tr>
<th>Risk Mitigation Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Risk mitigation factors for investments associated with equities:</td>
</tr>
<tr>
<td>• Focused risk management with an endeavour to ensure adequate safeguards for controlling risks during portfolio construction.</td>
</tr>
<tr>
<td>• Reducing risks through portfolio diversification, taking care however not to dilute returns of the scheme(s).</td>
</tr>
<tr>
<td>• Use derivatives and hedging products as permitted as RBI/SEBI to protect the value of portfolio.</td>
</tr>
<tr>
<td>• 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.</td>
</tr>
<tr>
<td>• Portfolio shall be maintained in such a manner so as to provide necessary liquidity (after considering inflows and redemptions).</td>
</tr>
<tr>
<td>• Due diligence of a company so as to minimize stock specific risks.</td>
</tr>
<tr>
<td>2. Risk mitigation factors for investments associated with Debt and/or Money Market Instruments:</td>
</tr>
<tr>
<td>• 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.</td>
</tr>
<tr>
<td>• Use derivatives and hedging products to protect the value of portfolio.</td>
</tr>
<tr>
<td>• 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.</td>
</tr>
<tr>
<td>• 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.</td>
</tr>
<tr>
<td>• Control credit risk by investing in rated papers of the companies having strong fundamentals, sound financial strength and superior quality of management.</td>
</tr>
<tr>
<td>• Reduce Liquidity Risk by investing in TREPS and other such similar short term highly liquid instruments.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment Plans &amp; Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Scheme will offer two Plans i.e. Regular Plan &amp; Direct Plan</td>
</tr>
<tr>
<td>Each of the Plans mentioned above offers Growth and Dividend Option also known as Income Distribution cum Withdrawal (IDCW).</td>
</tr>
<tr>
<td>The Income Distribution cum capital withdrawal option(IDCW) Option under both the Plans will have the facility of Payout of Income Distribution cum capital withdrawal option — IDCW Payout, Reinvestment of Income Distribution cum capital withdrawal option — IDCW Re-investment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>The strategy would endeavor to build a diversified portfolio of large cap companies across sectors. The universe for the large cap companies would be defined according to the extant SEBI guidelines. The stock selection process would follow a combination of a bottom up and top down approach with a focus on the fundamentals, current valuations and the growth potential of the company. While analyzing companies, the fund manager may look at the company’s business model, its financial strength, the competitive advantages it enjoys, its return ratios etc. The fund identifies companies through rigorous fundamental analysis using both proprietary in house and third party research. The fund may also invest upto 20% of the portfolio in foreign companies.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Applicable NAV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cut Off Time For Subscriptions/ Switch— in</td>
</tr>
<tr>
<td>• In respect of valid applications received upto the Cut off time i.e. 3.00 p.m. on a Business Day and where the funds for the entire amount are available for utilization before the cutoff time - the closing NAV of the day shall be applicable.</td>
</tr>
</tbody>
</table>
In respect of valid applications received after 3.00 p.m. on a Business Day and where the funds are available for utilization either on the same day or before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable.

Irrespective of the time of receipt of application, where the funds are available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day when the funds are available for utilization shall be applicable.

In respect of valid applications, the time of receipt of applications or the funds for the entire amount are available for utilisation, which ever is later, will be used to determine the applicability of NAV.

In case of other facilities like Systematic Investment Plan (SIP), Systematic Transfer Plan (STP), etc, the NAV of the day on which the funds are available for utilisation by the Target Scheme shall be used irrespective of the installment date.

Cut Off Time For Redemptions / Switch–out

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.

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.

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 www.principalindia.com.

<table>
<thead>
<tr>
<th>Minimum Application Amount / Number of Units</th>
<th>Purchase</th>
<th>Additional Purchase</th>
<th>Repurchase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs 5,000 and any amount thereafter under each Plan/Option.</td>
<td>Rs 1,000 and any amount thereof after under each Plan/Option.</td>
<td>Rs 500/- or 50 units or account balance whichever is less</td>
</tr>
</tbody>
</table>

Dispatch of Redemption Proceeds

Within 10 business days of the receipt of the redemption request at the Official Points of Acceptance of the Principal Mutual Fund

Dividend Policy

Under Dividend Option also known as Income Distribution cum Withdrawal (IDCW), dividend will be declared subject to availability of distributable surplus and at 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's decision with regard to availability and adequacy, rate, timing and frequency of distribution of dividend shall be final.

The dividend amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains.

Benchmark Index

Nifty 100 TRI

Folio Count & AUM (As on March 31, 2021)

Folio – 17,848
AUM – Rs 401.32 Crores

Fund Manager

Mr. Sudhir Kedia
Mr. Anirvan Sarkar (dedicated fund manger for foreign securities)

Total Investment Experience of Mr. Sudhir Kedia

13 Years

Total Investment Experience of Mr. Anirvan Sarkar

9 years
Name of the Trustee Company: Principal Trustee Company Private Limited

Performance of the Scheme:
Performance of the scheme has not been provided as the scheme has not completed 6 months

<table>
<thead>
<tr>
<th>PORTFOLIO - Top 10 Holdings (As on March 31, 2021)</th>
<th>SECTOR ALLOCATION - Top 10 (As on March 31, 2021)</th>
<th>*PORTFOLIO TURNOVER RATIO (As on March 31, 2021)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instrument</td>
<td>% of NAV</td>
<td>Sectors</td>
</tr>
<tr>
<td>HDFC Bank Ltd.</td>
<td>6.86</td>
<td>FINANCIAL SERVICES</td>
</tr>
<tr>
<td>ICICI Bank Ltd.</td>
<td>6.71</td>
<td>IT</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>5.63</td>
<td>CONSUMER GOODS</td>
</tr>
<tr>
<td>Infosys Ltd.</td>
<td>4.64</td>
<td>OIL &amp; GAS</td>
</tr>
<tr>
<td>Bharti Airtel Ltd.</td>
<td>3.34</td>
<td>PHARMA</td>
</tr>
<tr>
<td>State Bank of India</td>
<td>3.00</td>
<td>AUTOMOBILE</td>
</tr>
<tr>
<td>Kotak Mahindra Bank Ltd.</td>
<td>2.97</td>
<td>INFORMATION TECHNOLOGY</td>
</tr>
<tr>
<td>Maruti Suzuki India Ltd.</td>
<td>2.84</td>
<td>TELECOM</td>
</tr>
<tr>
<td>Axis Bank Ltd.</td>
<td>2.78</td>
<td>CONSUMER DISCRETIONARY</td>
</tr>
<tr>
<td>Tata Consultancy Services Ltd.</td>
<td>2.68</td>
<td>CONSTRUCTION</td>
</tr>
</tbody>
</table>

WEBSITE LINK FOR MONTHLY PORTFOLIO HOLDING - www.principalindia.com

Expenses of the Scheme
(i) Load Structure:
Exit Load:
If redeemed/switched on or before 365 days from the date of allotment:
• Nil for redemption/switch out of units upto 24% of the units allotted (the limit)
• 1% on redemption in excess of 24% of the limit stated above- Redemption of units would be done on First in First out Basis (FIFO)
Nil thereafter

(ii) Recurring Expenses:
Annual Recurring expenses as a percentage of Daily Net Assets:
These are the fees and expenses for operating the scheme. 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:

The AMC has estimated the following percentage of the daily net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

<table>
<thead>
<tr>
<th>Nature of Expenses**</th>
<th>% of daily net assets**</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Investment Management and Advisory Fees charged by the AMC</td>
<td>2.25</td>
</tr>
<tr>
<td>- Trustee Fees</td>
<td></td>
</tr>
<tr>
<td>- Registrar and Transfer Agent Fees</td>
<td></td>
</tr>
<tr>
<td>- Audit Fees</td>
<td></td>
</tr>
</tbody>
</table>
- Custodian Fees
- Costs related to investor communications
- Marketing and Selling Expenses including commission
- Costs of fund transfer from one location to another,
- Cost of providing account statements and repurchase/ dividend cheques and warrants
- Costs of statutory advertisements
- Cost towards investor education & awareness (at least 0.02 percent)
- Brokerage & transaction cost (inclusive of service tax) over and above 0.12 percent and 0.05 percent for cash and derivative market trades respectively
- Goods and Services Tax on expenses other than investment and advisory fees
- Goods and Services Tax on brokerage and transaction cost

<table>
<thead>
<tr>
<th>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</th>
<th>2.25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional expenses under regulation 52 (6A) (c)^</td>
<td>Upto 0.05%</td>
</tr>
<tr>
<td>Additional expenses for gross new inflows from specified cities #</td>
<td>Upto 0.30%</td>
</tr>
</tbody>
</table>

**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. Such expenses will not be charged if exit load is not levied/not applicable to the scheme.

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:**

<table>
<thead>
<tr>
<th>Daily net assets</th>
<th>As a % of daily net Assets (per annum)</th>
<th>Additional Total Expense Ratio as per SEBI Regulations 52 (6A) (c) #</th>
<th>Additional Total Expense Ratio as per SEBI Regulations 52 (6A) (b) #</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Rs. 500 crores</td>
<td>2.25%</td>
<td>0.05%</td>
<td>0.30%</td>
</tr>
<tr>
<td>Next Rs. 250 crores</td>
<td>2.00%</td>
<td>0.05%</td>
<td>0.30%</td>
</tr>
<tr>
<td>Limit</td>
<td>Expense on Total Assets</td>
<td>Fee Reduction</td>
<td>Total Expense Ratio</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-------------------------</td>
<td>---------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Next Rs. 1,250 crores</td>
<td>1.75%</td>
<td>0.05%</td>
<td>0.30%</td>
</tr>
<tr>
<td>Next 3,000 crores</td>
<td>1.60%</td>
<td>0.05%</td>
<td>0.30%</td>
</tr>
<tr>
<td>Next 5,000 crores</td>
<td>1.50%</td>
<td>0.05%</td>
<td>0.30%</td>
</tr>
<tr>
<td>Next 40,000 crores</td>
<td>Reduction of 0.05% for every increase of 5000 crores</td>
<td>0.05%</td>
<td>0.30%</td>
</tr>
<tr>
<td>Balance of assets over and above Rs. 50,000 crores</td>
<td>1.05%</td>
<td>0.05%</td>
<td>0.30%</td>
</tr>
</tbody>
</table>

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. Further, in accordance with SEBI circular no. CIR/IMD/DF/24/2012 dated November 19, 2012, the brokerage and transaction costs incurred for the execution of trades will be capitalized to the extent of 0.12% of the value of the trades in case of cash market transactions and 0.05% of the value of the trades in case of derivatives transactions. Any payment towards brokerage and transaction costs (including service tax, if any incurred) for the execution of trades over and the said 0.12% and 0.05% of the cash market transactions and derivative transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio as prescribed under Regulation 52 of the SEBI (MF) Regulations.

(b) Expenses not exceeding 0.30% of daily net assets, if the new inflows only from Retail investors from such cities as specified by SEBI from time to time are at least (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 as required under the regulations. Additionally, AMCs shall upload the TER details on the website under the below link:

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

These estimates have been made in good faith by the AMC 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. Any expense other than those specified in the SEBI Regulations shall be borne by the AMC and/or the Sponsors and/or Trust. 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.

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.

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.

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.

<table>
<thead>
<tr>
<th>(iii) Actual Expenses: #</th>
<th>Direct Plan - 0.30 %</th>
<th>Regular Plan – 2.39 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>(For the previous Financial Year 2020-2021)</td>
<td>#Expense ratio includes Goods and Service tax on Management Fees over and above TER and Additional B30 Exp ratio.</td>
<td></td>
</tr>
</tbody>
</table>

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.

Investors are advised to refer to the details in the Statement of Additional Information and also independently consult their tax advisor.

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. www.principalindia.com.

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. E-mail: customer@principalindia.com

Registrar: KFin Technologies Pvt. Ltd. (Unit: Principal Mutual Fund), Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032.

www.mfs.kfintech.com

Account Statement: An allotment confirmation specifying the units allotted shall be sent by way of email and/or SMS not later than 5 Business Days of receipt of valid application to the Unit holders registered email 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 15th 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 not later than 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 21st 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 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 nondemat 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 15th 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 21st 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 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 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 May 12, 2021
## PRODUCT DIFFERENTIATION

Comparison of certain features of Principal Large Cap Fund vis-a-vis other existing open-ended Equity/Index/Equity Linked Savings Schemes of Principal Mutual fund

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Principal Focused Multicap Fund</th>
<th>Principal Multi Cap Growth Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment Objective</strong></td>
<td>The Investment Objective of the scheme would be to provide capital appreciation and/or dividend distribution by investing in companies across market capitalization.</td>
<td>To achieve long-term capital appreciation.</td>
</tr>
<tr>
<td><strong>Asset Allocation Pattern</strong></td>
<td>Under normal circumstances, the asset allocation would be as follows:</td>
<td>Under normal circumstances, the asset allocation would be as follows:</td>
</tr>
<tr>
<td></td>
<td><strong>Type of instrument</strong></td>
<td><strong>Types of Instruments</strong></td>
</tr>
<tr>
<td></td>
<td>*Investment in maximum 30 stocks across Market Capitalisation.</td>
<td><strong>Normal Allocation (% of Net Assets)</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Risk Profile</strong></td>
<td><strong>Minimum</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Maximum</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Risk Profile</strong></td>
</tr>
<tr>
<td>Equity and Equity Related Instruments*</td>
<td>Normal Allocation ( % of Net Assets)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Minimum</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maximum</td>
</tr>
<tr>
<td>Equity and Equity Related Instruments*</td>
<td>65 Minimum 100 Maximum High</td>
<td></td>
</tr>
<tr>
<td>Debt (including securitised debt**), Money Market instruments and Cash and Cash Equivalents</td>
<td>0 Minimum 35 Maximum Low to Medium</td>
<td></td>
</tr>
<tr>
<td><strong>Investment in Securitized Debt may be up to 35% of the net assets of the Scheme.</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The cumulative gross exposure through equity, debt, derivative positions (including commodity and fixed income derivatives) and other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the scheme.
The Asset Management Company (AMC) reserves the right to invest in Derivatives up to 50% of the net assets of the Scheme.

The AMC further reserves the right to invest in foreign securities and derivatives subject to SEBI/RBI or any other Regulatory Authorities permitted from time to time. The scheme may invest up to 30% in foreign securities, ADR’s and GDRs, subject to SEBI / RBI or any other Regulatory Authorities permitted from time to time.

The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI. Subject to the SEBI Regulations, the Mutual Fund may deploy up to 20% of its total net assets of the Scheme in Stock Lending.

The Scheme may invest up to 25% in stocks listed on SME platform of BSE and NSE.

The Scheme does not seek to participate in repo/reverse repo in corporate debt securities.

The Scheme does not seek to participate in credit default swaps.

<table>
<thead>
<tr>
<th>Investment Strategy</th>
<th>The Scheme proposes to invest in equity and equity related securities. The portfolio will have no more than 30 stocks. It will be a multicap fund.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Equity and Equity Related Instruments of Foreign Securities</th>
<th>0</th>
<th>25</th>
<th>High</th>
</tr>
</thead>
</table>

| B. Debt (including securitised debt*) and Money market instruments | 0 | 25 | Low to Medium |

*Investment in Securitized Debt may be up to 35% of the net assets of the Scheme.

The Asset Management Company (AMC) reserves the right to invest in Derivatives up to 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.

Subject to the SEBI Regulations, the Mutual Fund may deploy up to 50% of its total net assets of the Scheme in Stock Lending.

# The market cap ranges will be determined as per prevailing SEBI/ AMFI guidelines.

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:

- Superior management quality
- Distinct and sustainable competitive advantage
- Good growth prospects and
- Strong financial strength

The aim will be to build a diversified portfolio across major industries and economic sectors by using “Fundamental Analysis” approach as its selection process.
<table>
<thead>
<tr>
<th>AUM in Rs. Cr. (March 31, 2021)</th>
<th>525.49</th>
<th>713.49</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Folios (March 31, 2021)</td>
<td>37,748</td>
<td>73,042</td>
</tr>
<tr>
<td>Differentiation</td>
<td>The Scheme is a Focused equity scheme that will invest in not more than 30 Stocks across market capitalization.</td>
<td>The Scheme is a diversified equity scheme that invests across sectors to generate long term capital appreciation.</td>
</tr>
<tr>
<td>Scheme Name</td>
<td>Principal Emerging Bluechip Fund</td>
<td>Principal Personal Tax Saver Fund</td>
</tr>
<tr>
<td>Investment Objective</td>
<td>The primary objective of the Scheme is to achieve long-term capital appreciation by investing in equity &amp; equity related instruments of large cap &amp; midcap companies.</td>
<td>To provide long term growth of capital. The Investment Manager will aim to achieve a return on assets in excess of the performance of S&amp;P BSE 100 Index.</td>
</tr>
</tbody>
</table>

### Asset Allocation Pattern

<table>
<thead>
<tr>
<th>Type of instrument</th>
<th>Normal Allocation (% of Net Assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Equity &amp; equity related instruments of Large Cap companies*</td>
<td>Minimum</td>
<td>Maximum</td>
</tr>
<tr>
<td>(2) Equity &amp; equity related instruments of Midcap companies*</td>
<td>35</td>
<td>65</td>
</tr>
<tr>
<td>(3) Equity &amp; equity related instruments of Companies other than Large and Midcap companies*</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>(4) Debt (including securitised debt**), Money Market instruments and Cash and Cash Equivalent</td>
<td>0</td>
<td>30</td>
</tr>
</tbody>
</table>

*The fund will predominantly invest in large and midcap stocks. This market cap ranges will be determined as per prevailing SEBI/AMFI guidelines.*

### Asset Allocation Pattern (Principal Emerging Bluechip Fund)

<table>
<thead>
<tr>
<th>Types of Instruments</th>
<th>Normal Allocation (% of Net Assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity and Equity Linked Instruments</td>
<td>Not less than 80%</td>
<td>High</td>
</tr>
<tr>
<td>Debt securities (*Including Securitised Debt) and Money market instruments</td>
<td>Up to 20%</td>
<td>Low to Medium</td>
</tr>
</tbody>
</table>

The Scheme may invest up to 50% of the net assets of the Scheme in derivatives

*Investment in Securitised Debt may be up to 20% of the net assets of the Scheme.*
**Investment in Securitised Debt may be up to 30% of the net assets of the Scheme.**

The cumulative gross exposure through equity, debt, derivative positions (including commodity and fixed income derivatives) and other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time should not exceed 100% of the net assets of the scheme.

Note: The Asset Management Company (AMC) reserves the right to invest in derivatives (Equity Derivatives) not exceeding 50% of the Net Assets, subject to limits specified by SEBI from time to time. The AMC further reserves the right to invest in foreign securities and derivatives subject to SEBI/RBI or any other Regulatory Authorities permitted from time to time.

The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI. Subject to the SEBI Regulations, the Mutual Fund may deploy upto 20% of its total net assets of the Scheme in Stock Lending.

The Scheme may invest upto 15% in ETFs#

The Scheme may invest upto 30% in stocks listed on SME platform of BSE and NSE.

The scheme may invest upto 30% in foreign securities, ADR’s and GDRs, subject to SEBI / RBI or any other Regulatory Authorities permitted from time to time.

The Scheme does not seek to participate in repo/reverse repo in corporate debt securities and credit default swaps.

# ETFs Risk Disclosure - To the extent that the Scheme is invested in ETFs, the Scheme will be subject to all risks associated with such ETFs and the underlying assets that it is tracking. The Scheme can purchase/redeem units of ETFs only through stock exchanges on which such ETFs are listed and not directly through a mutual fund. Thus there could be a liquidity issue. The units of ETF may trade above (at a premium) or below (at a discount) the scheme’s net asset value (NAV). The price of the units of an ETF’s is influenced by the forces of supply and demand. Thus the Scheme may not be able to purchase/redeem units of an ETF at the applicable NAVs.

<table>
<thead>
<tr>
<th>Investment Strategy</th>
<th>The investment strategy of the fund will be based on market cap of the stocks. The fund will predominantly invest in large and midcap stocks. This market cap ranges will be determined as per prevailing SEBI / AMFI guidelines. Stocks selection will be primarily on bottom up approach on stock-by-stock basis. As part of its objective of maximizing investor’s wealth creation potential over the</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The strategy will be to allocate the assets of the Scheme between permissible securities in line with the portfolio profile described above, with the objective of achieving capital appreciation. The actual percentage of investment in various securities will be decided by the Fund Manager(s) within the limits specified in the Investment Pattern after considering the macroeconomic conditions</td>
</tr>
</tbody>
</table>
longer duration, the fund may also invest in equity and equity related instruments of unlisted companies in line with SEBI regulations. A part of the portfolio may also tap arbitrage opportunities in the domestic markets like equity & equity related instruments, convertible preference shares, and convertible debentures. The Scheme intends to invest in derivatives not exceeding 50% of the net assets of the Schemes, subject to the limits as specified from time to time for hedging and rebalancing purposes or to undertake any other strategy as permitted under SEBI Regulations from time to time.

including the prevailing political conditions, the economic environment (including interest rates and inflation) and to adhere to the need for a diversified portfolio in accordance with the applicable guidelines. The Fund Managers will follow an active investment strategy depending on the market situation and opportunities available at various points of time.

| AUM in Rs. Cr (March 31, 2021) | 2519.46 | 289.78 |
| No. of Folios (March 31, 2021) | 1,35,360 | 74,001 |

Differentiation

The Scheme is an equity scheme that invests in large cap & midcap companies to generate long term capital appreciation.

The Scheme is an equity scheme that aim to generate long term capital appreciation.

Investors enables to get income tax rebate as per the prevailing Tax Laws, subject to lock in period of 3 years from the date of allotment.

| Scheme Name | Principal Dividend Yield Fund | Principal Tax Savings Fund |

Investment Objective

The investment objective of the scheme would be 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.

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.

| Asset Allocation Pattern |

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

<table>
<thead>
<tr>
<th>Type of Instrument</th>
<th>Normal Allocation (% of Net Assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity and Equity related instruments of High Dividend Yield companies*</td>
<td>65 - 100</td>
<td>High</td>
</tr>
<tr>
<td>Debt and Money Market Instruments (including Units of Debt/ Liquid Mutual Fund Schemes and Cash)</td>
<td>0 - 35</td>
<td>Low to Medium</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Types of Instruments</th>
<th>Normal Allocation (% of Net Assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity and Equity Linked Instruments</td>
<td>Not less than 80%</td>
<td>High</td>
</tr>
<tr>
<td>Debt securities (*including securitised debt) and Money market instruments</td>
<td>Upto 20%</td>
<td>Low to Medium</td>
</tr>
</tbody>
</table>

The Scheme may invest up to 50% of the net assets of the Scheme in derivatives.

*Investment in Securitised Debt may be up to 20% of the net assets of the Scheme.
* High Dividend Yield Companies are defined as Companies whose dividend yield, at the time of investment, is equal to or higher than the dividend yield of the Company with the lowest dividend yield in the Nifty Dividend Opportunities 50 Index, ascertained as at the close of previous trading day.

The scheme intends to use derivatives for purposes that may be permitted by SEBI (Mutual Funds) Regulations, 1996 from time to time. The scheme shall have a maximum net derivatives position up to 50% of the portfolio.

<table>
<thead>
<tr>
<th>Investment Strategy</th>
<th>The scheme would invest pre-dominantly (at least 65% of the net assets) in companies that have a relatively high dividend yield, at the time of making the investment. The Fund is defining dividend yield as &quot;high&quot; if the security is either constituent of the Nifty Dividend Opportunities 50 Index, or, has a dividend yield higher than that of the Nifty 50 on the earlier trading day, at the time of investment.</th>
<th>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. The aim will be to build a diversified portfolio across major industries and economic sectors by using “fundamental analysis” as its selection process.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUM in Rs. Cr. (March 31, 2021)</td>
<td>199.41</td>
<td>503.34</td>
</tr>
<tr>
<td>No. of Folios (March 31, 2021)</td>
<td>27,856</td>
<td>75,923</td>
</tr>
<tr>
<td>Differentiation</td>
<td>The Scheme is an equity scheme that invest predominantly in a high dividend yield companies.</td>
<td>The Scheme is a diversified equity scheme that invests across sectors to generate long term capital appreciation Investors enables to get income tax rebate as per the prevailing Tax Laws, subject to lock in period of 3 years from the date of allotment.</td>
</tr>
<tr>
<td>Scheme Name</td>
<td>Principal Nifty 100 Equal Weight Fund</td>
<td></td>
</tr>
</tbody>
</table>
Investment Objective
To invest principally in securities that comprise Nifty 100 Equal Weight Index and subject to tracking errors endeavour to attain results commensurate with the Nifty 100 Equal Weight Index.

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

The Asset Management Company reserves the right to invest in derivatives up to 50% of the net assets of the Scheme.

<table>
<thead>
<tr>
<th>Type of instrument</th>
<th>Normal Allocation (% of Net Assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nifty 100 Equal Weight Index Stocks</td>
<td>95 - 100</td>
<td>High</td>
</tr>
<tr>
<td>Money Market Instruments</td>
<td>0 - 5</td>
<td>Low</td>
</tr>
</tbody>
</table>

The Asset Management Company reserves the right to invest in derivatives up to 50% of the net assets of the Scheme.

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

Investment Strategy
The scheme has been designed with the intention of tracking the movement of securities (from time to time) included in the Nifty 100 Equal Weight Index. The Scheme plans to do this by investing the entire corpus in the stocks that comprise the Nifty 100 Equal Weight Index in weights similar to the weightage given by Nifty 100 Equal Weight Index so that the portfolio would appreciate or depreciate (subject to tracking errors) more or less in the same manner as the Nifty 100 Equal Weight Index.

Subject to the requirements of cash flows to meet the recurring expenses and to service investors who decide to exit from the Scheme or when any security ceases to be included in the Nifty 100 Equal Weight Index or to meet the cash flow requirements.

The NIFTY100 Equal Weight Index comprises of same constituents as NIFTY 100 Index (free float market capitalization based Index). The NIFTY 100 tracks the behaviour of combined portfolio of two indices viz. NIFTY 50 and NIFTY Next 50. Each constituent in NIFTY100 Equal Weight Index is allocated fixed equal weight at each re-balancing.

The Nifty 100 Equal Weight Index is at present being managed by IISL.

AUM in Rs. Cr. (March 31, 2021) 23.36
No. of Folios (March 31, 2021) 1,051

Differentiation
The scheme is a passively managed index fund, which would invest in all the stocks comprising Nifty 100 Equal Weight Index in the similar proportion as their weightage in the index.

Scheme Name
Principal Small Cap Fund

Investment Objective
To generate long term capital appreciation by predominantly investing in equity and equity related instruments of small cap companies.

However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.

Asset Allocation Pattern
Under normal circumstances, the funds of the scheme shall be invested as per the indicative asset allocation pattern as given below:

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Indicative allocations</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Strategy</td>
<td>(% of net assets)</td>
<td>Minimum</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------</td>
<td>---------</td>
</tr>
<tr>
<td>Equity and equity related instruments of small cap companies*</td>
<td>65</td>
<td>100</td>
</tr>
<tr>
<td>Equity and equity related instruments of companies other than small cap companies</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>Debt and Money Market Instruments including units of debt &amp; liquid schemes</td>
<td>0</td>
<td>35</td>
</tr>
</tbody>
</table>

*The fund will predominantly invest in small cap stocks. In terms of SEBI circular SEBI/ HO/ IMD/ DF3/ CIR/ P/ 2017/ 114 dated October 6, 2017, the universe of “Small Cap” shall consist of 251st company onwards in terms of full market capitalization and that the Scheme will be required to adhere the following:

- The list of stocks of Small Cap companies prepared by AMFI in this regard will be adopted.
- The said list would be uploaded on the AMFI website and would be updated periodically as specified by SEBI.
- Subsequent to any updation in the said list as uploaded by AMFI, the portfolio of the Scheme will be rebalanced within a period of one month.

This market cap ranges will be determined as per prevailing SEBI/ AMFI guidelines.

The cumulative gross exposure to equity, equity related instruments, debt, money market instruments and derivatives shall not exceed 100% of the net assets of the scheme.

The exposure to derivatives will not exceed 50% of the net assets of the scheme.

The Scheme may invest up to 20% of the scheme’s debt exposure in domestic securitized debt.

The Scheme may invest upto 25% in stocks listed on SME platform of BSE and NSE.

The Scheme does not seek to participate in repo/reverse repo in corporate debt securities.

The Scheme does not seek to participate in credit default swaps.

The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

Not more than 20% of the net assets of the scheme can be deployed in stock lending. The scheme would limit its exposure, with regards to securities lending, for a single intermediary, to the extent of 5% of the total net assets of the scheme at the time of lending.

Due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short term purpose only for defensive considerations and such deviation shall be subjected to 30 days rebalancing period.

**Investment Strategy**

The scheme seeks to generate capital appreciation by investing predominantly in small cap companies. The Fund manager will follow a bottom up approach to stock selection and will aim to build a diversified portfolio with exposure across sectors. The universe of stocks will be selected to include companies having a robust business models and enjoying sustainable competitive advantages as compared to their competitors. Small-cap companies, as they are in a stage of growth, may not be valued at their fair price. However, the Fund intends to identify such strong growth companies & take advantage of their future appreciation.

**AUM in Rs. Cr. (March 31, 2021)**

| AUM in Rs. Cr. (March 31, 2021) | 324.21 |
Differentiation Principal Small Cap Fund will invest predominantly in small cap companies with high growth potential. Presently, there is no other scheme that invests predominantly in small cap companies.

Scheme Name Principal Midcap Fund

Investment Objective To generate long term capital appreciation by predominantly investing in equity and equity related instruments of midcap companies.

However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.

Asset Allocation Pattern Under normal circumstances, the funds of the scheme shall be invested as per the asset allocation table given below:

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Indicative allocations (% of net assets)</th>
<th>Risk Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum</td>
<td>Maximum</td>
</tr>
<tr>
<td>Equity and equity related instruments of Midcap* companies</td>
<td>65</td>
<td>100</td>
</tr>
<tr>
<td>Equity and equity related instruments of companies other than midcap companies</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>Debt and Money Market Instruments including units of debt &amp; liquid schemes</td>
<td>0</td>
<td>35</td>
</tr>
</tbody>
</table>

*The fund will predominantly invest in Mid cap stocks. In terms of SEBI circular SEBI/ HO/ IMD/ DF3/ CIR/ P/ 2017/ 114 dated October 6, 2017, the universe of “Mid Cap” shall consist of 101st -250th company in terms of full market capitalization and that the Scheme will be required to adhere the following:

- The list of stocks of Mid Cap companies prepared by AMFI in this regard will be adopted.
- The said list would be uploaded on the AMFI website and would be updated periodically as specified by SEBI.
- Subsequent to any updation in the said list as uploaded by AMFI, the portfolio of the Scheme will be rebalanced within a period of one month.

This market cap ranges will be determined as per prevailing SEBI/ AMFI guidelines. The fund can also invest in Initial Public Offer (IPO) of companies whose market cap at the higher price band would be in line with the above definition of market cap for midcap stocks.

The cumulative gross exposure to equity, equity related instruments, debt, money market instruments and derivatives shall not exceed 100% of the net assets of the scheme. However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.

The exposure to derivatives will not exceed 50% of the net assets of the scheme.
The Scheme may invest up to 50% of the scheme’s debt exposure in domestic securitized debt.

The scheme does not seek to invest in foreign securities.

The Scheme does not seek to participate in repo/reverse repo in corporate debt securities.

The Scheme does not seek to participate in credit default swaps.

The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

Not more than 20% of the net assets of the scheme can be deployed in stock lending. The scheme would limit its exposure, with regards to securities lending, for a single intermediary, to the extent of 5% of the total net assets of the scheme at the time of lending.

Due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short term purpose only for defensive considerations and such deviation shall be subjected to 30 calendar days rebalancing period.

### Investment Strategy

The scheme seeks to generate capital appreciation by investing predominantly in midcap companies. The Fund manager will follow a bottom up approach to stock selection and will aim to build a diversified portfolio with exposure across sectors. The universe of stocks will be selected to include companies having a robust business model and enjoying sustainable competitive advantages as compared to their competitors. Midcap companies, as they are in a stage of growth, may not be valued at their fair price. However, the Fund intends to identify such strong growth companies & take advantage of their future appreciation.

**Definition of Midcap:**

Midcap companies would be those companies as defined under SEBI circular no. SEBI/HO/IM/DF3/CIR/P/2017/114 dated October 6, 2017 and as may be amended by SEBI from time to time. Currently the mid cap companies are 101st -250th in terms of full market capitalisation.

The list of stocks would be as per the list published by AMFI in accordance with the said circular and updated on half yearly basis.

The fund can also invest in Initial Public Offer (IPO) of new companies whose market cap at the higher price band would be in line with the above definition of market cap for midcap stocks.

<table>
<thead>
<tr>
<th>AUM in Rs. Cr. (March 31, 2021)</th>
<th>349.31</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Folios (March 31, 2021)</td>
<td>14,903</td>
</tr>
</tbody>
</table>

**Differentiation**

Principal MidCap Fund will invest predominantly in mid cap companies that trade at attractive valuations. Presently, there is no other scheme that invests predominantly in mid cap companies.

**Scheme Name**

Principal Large cap Fund

**Investment Objective**

To achieve long term capital appreciation by investing in a diversified portfolio predominantly consisting of equity and equity related securities of Large Cap companies including derivatives. However, there can be no assurance that the investment objective of the Scheme will be achieved.

**Asset Allocation Pattern**

Under normal circumstances, the funds of the scheme shall be invested as per the asset allocation table given below:

<table>
<thead>
<tr>
<th>Instruments</th>
<th>Indicative allocations</th>
<th>Risk Profile</th>
</tr>
</thead>
</table>
### Investment Strategy

<table>
<thead>
<tr>
<th>Investment Strategy</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The strategy would endeavor to build a diversified portfolio of large cap companies across sectors.</strong></td>
<td>The universe for the large cap companies would be defined according to the extant SEBI guidelines. The stock selection process would follow a combination of a bottom up and top down approach with a focus on the fundamentals, current valuations and the growth potential of the company. The companies selected would have a robust business model and enjoying sustainable competitive advantages as compared to their competitors. The scheme identifies companies through rigorous fundamental analysis, proprietary research and support from a global network of experienced research resources. The fund may also invest up to 20% of the portfolio in foreign large cap companies.</td>
</tr>
</tbody>
</table>

| AUM in Rs. Cr. (March 31, 2021) | 401.32 |

---

<table>
<thead>
<tr>
<th>Investment Strategy</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Scheme will invest predominantly in Equity and Equity Related Instruments of Large Cap companies.</strong></td>
<td>Investment in foreign securities shall not exceed 20% of the net assets of the Scheme.</td>
</tr>
<tr>
<td><strong>The cumulative gross exposure to equity, equity related instruments, debt, money market instruments and derivatives shall not exceed 100% of the net assets of the scheme.</strong></td>
<td>However, cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.</td>
</tr>
<tr>
<td><strong>The exposure to derivatives will not exceed 50% of the net assets of the scheme.</strong></td>
<td>The Scheme may invest up to 50% of the scheme’s debt exposure in domestic securitized debt.</td>
</tr>
<tr>
<td><strong>The Scheme does not seek to participate in repo/reverse repo in corporate debt securities.</strong></td>
<td>The Scheme does not seek to participate in credit default swaps.</td>
</tr>
<tr>
<td><strong>The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.</strong></td>
<td>The Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.</td>
</tr>
<tr>
<td><strong>Not more than 20% of the net assets of the scheme can be deployed in stock lending. The scheme would limit its exposure, with regards to securities lending, for a single intermediary, to the extent of 5% of the total net assets of the scheme at the time of lending.</strong></td>
<td>Due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short-term purpose only for defensive considerations and such deviation shall be subjected to 30 calendar days rebalancing period. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.</td>
</tr>
</tbody>
</table>

### Investment Strategy Table

<table>
<thead>
<tr>
<th>Investment Strategy</th>
<th>Minimum</th>
<th>Maximum</th>
<th>High/Medium/Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity and equity related instruments of Large Cap Companies</td>
<td>80</td>
<td>100</td>
<td>High</td>
</tr>
<tr>
<td>Equity and equity related instruments of Other Companies</td>
<td>0</td>
<td>20</td>
<td>High</td>
</tr>
<tr>
<td>Debt and Money Market Instruments including units of debt &amp; liquid schemes</td>
<td>0</td>
<td>20</td>
<td>Low to Medium</td>
</tr>
<tr>
<td>Differentiation</td>
<td>Principal Large Cap Fund will invest predominantly (atleast 80% of the portfolio) in large cap companies that trade at attractive valuations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of Folios (March 31, 2021)</td>
<td>17,848</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## FORM 1 - APPLICATION FORM FOR LUMPSUM AND/OR SIP INVESTMENTS

The application form should be filled in block letters only. Please read the instructions before filling the application form.

### 1A FIRST APPLICANT’S DETAILS

<table>
<thead>
<tr>
<th>Name of First Applicant</th>
<th>City &amp; Country of Birth</th>
<th>PAN/PEKRN</th>
<th>Mobile No.</th>
<th>Email ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>(As in PAN / KYC/Aadhaar)</td>
<td>(As in PAN / KYC/Aadhaar)</td>
<td>KIN**</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**KIN**

City & Country of Birth

Date of birth (Proof in case of minor)

Gender

Male
Female
Other

CKYC / KYC Form / Acknowledgement Copy

Are you a tax resident of any country other than India? Yes
No

If yes, fill and attach FATCA & CRS individual form available at www.principalindia.com

For Investments “On behalf of Minor” (Refer B 11)

Birth Certificate
School Certificate
Passport

Other

Guardian named above is

Father
Mother
Court Appointed

Mode of operation

Single
Joint (default option)
Either or Survivor(s)

**KIN**

### 1B JOINT APPLICANT’S DETAILS

<table>
<thead>
<tr>
<th>Name of Second Applicant</th>
<th>City &amp; Country of Birth</th>
<th>PAN/PEKRN</th>
</tr>
</thead>
<tbody>
<tr>
<td>(As in PAN / KYC/Aadhaar)</td>
<td>(As in PAN / KYC/Aadhaar)</td>
<td>KIN**</td>
</tr>
</tbody>
</table>

City & Country of Birth

Date of birth (Proof in case of minor)

Gender

Male
Female
Other

CKYC / KYC Form / Acknowledgement Copy

Are you a tax resident of any country other than India? Yes
No

If yes, fill and attach FATCA & CRS individual form available at www.principalindia.com

For Investments “On behalf of Minor” (Refer B 11)

Birth Certificate
School Certificate
Passport

Other

Guardian named above is

Father
Mother
Court Appointed

Mode of operation

Single
Joint (default option)
Either or Survivor(s)

**KIN**

### 2 KYC / FATCA DETAILS

<table>
<thead>
<tr>
<th>Details of</th>
<th>Occupation Details</th>
<th>Politically Exposed Person (PEP) Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Annual Income Range (₹)</td>
<td>Non Individual</td>
<td>Is a PEP</td>
</tr>
<tr>
<td>&lt; 1L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1L-5L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5L-10L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10L-25L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25L-1C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&gt; 1C</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Specify

**Mandatory for Non Individual. Not older than 1 year**

**KIN**

### ACKNOWLEDGEMENT SLIP

(To be filled in by the investor)

<table>
<thead>
<tr>
<th>From</th>
<th>Scheme</th>
<th>Plan/Option</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Date

DDMMYYYY

Stamp & Signature

Application No.
3. BANK DETAILS FOR PAY-OUT
(Mandatory. Refer C and avail of Multiple Bank Registration Facility. Please attach cancelled cheque copy)

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Bank A/c No.</th>
<th>Type</th>
<th>IFSC / NEFT Code (11 digit)*</th>
<th>City</th>
<th>PIN</th>
</tr>
</thead>
</table>

**QUICK CHECKLIST**

- KYC acknowledgement letter (Compulsory for MICRO Investments)
- Self attested PAN card
- Email ID and mobile number provided for regular updates
- Plan/Option/Sub Option name mentioned along with scheme name
- SIP Auto Debit/ NACH form is filled & attached for SIP investments
- Relationship proof between Guardian and Minor (if application is in the name of a Minor) attached
- Additional documents attached for Third Party payments. Refer instructions
- FATCA & CRS Declaration for non individual/ Entity is attached (mandatory)

4. PAYMENT DETAILS
(Applicable for both lumpsum & SIP investment)

<table>
<thead>
<tr>
<th>Payment mode</th>
<th>Instrument/ Reference No.</th>
<th>Amount (₹)</th>
<th>Account No.</th>
<th>Account type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheque/DD</td>
<td></td>
<td></td>
<td></td>
<td>Savings</td>
</tr>
<tr>
<td>RTGS/ NEFT</td>
<td></td>
<td></td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>Funds Transfer</td>
<td></td>
<td></td>
<td></td>
<td>NRO</td>
</tr>
</tbody>
</table>

**DD Charges (if any)**

<table>
<thead>
<tr>
<th>Bank &amp; Branch</th>
</tr>
</thead>
</table>

5. INVESTMENT DETAILS
(In case of discrepancy, Default plan/option will be applied. Ref Instruction A, B & C)

- i-Name
- Goal Value (₹)
- Track the progress of your goals through account statements easily

5A - INVESTMENT TYPE
- ONLY LUMPSUM (Fill 5A)  
- ONLY SIP*  
- LUMPSUM & SIP*  

3-in-1
Invest in upto 3 schemes with a single cheque.

<table>
<thead>
<tr>
<th>Scheme Names</th>
<th>Plan</th>
<th>Option</th>
<th>Sub Option</th>
<th>Dividend Frequency (Applicable)</th>
<th>Amount in figure (₹)</th>
<th>Lumpsum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regular</td>
<td>Direct</td>
<td>Dividend Growth</td>
<td>Payout</td>
<td>Reinvest</td>
<td>Sweep</td>
</tr>
<tr>
<td></td>
<td>D</td>
<td>W</td>
<td>M</td>
<td>Q</td>
<td>HY</td>
<td>A</td>
</tr>
<tr>
<td></td>
<td>D</td>
<td>W</td>
<td>M</td>
<td>Q</td>
<td>HY</td>
<td>A</td>
</tr>
</tbody>
</table>

Total (Amount in words)

- Dividend Sweep into
- Scheme
- Plan
- Option

5B - SIP REGISTRATION DETAILS

- SIP DETAILS
(Applicable to scheme number mentioned in 5A table. Refer SIP instructions point A)

<table>
<thead>
<tr>
<th>Scheme No.</th>
<th>SIP Amount (₹)</th>
<th>Minimum amount ≤ 500; 2,000, Refer KIM</th>
<th>SIP Date(s) (Default Date 10th)</th>
<th>SIP Frequency</th>
<th>Start Date</th>
<th>End Date</th>
<th>Perpetual</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Principal</td>
<td></td>
<td></td>
<td></td>
<td>Monthly</td>
<td>MM / YY</td>
<td>MM / YY</td>
<td></td>
</tr>
<tr>
<td>2. Principal</td>
<td></td>
<td></td>
<td></td>
<td>Quarterly</td>
<td>MM / YY</td>
<td>MM / YY</td>
<td></td>
</tr>
<tr>
<td>3. Principal</td>
<td></td>
<td></td>
<td></td>
<td>Monthly</td>
<td>MM / YY</td>
<td>MM / YY</td>
<td></td>
</tr>
</tbody>
</table>

Total (Amount in words)

- Booster*
Meet your life goals faster

- Pause
Why Stop when you can Pause?

6. TOP UP DETAILS
(Applicable to scheme number mentioned in table 5A. Refer SIP instructions point B)

<table>
<thead>
<tr>
<th>Scheme No.</th>
<th>Top up Amount (₹)</th>
<th>Frequency</th>
<th>Top Up Start Month/Year</th>
<th>Cap / Month</th>
<th>Cap Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
<td>M M / YY</td>
<td>M M / YY</td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
<td></td>
<td>M M / YY</td>
<td>M M / YY</td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
<td></td>
<td>M M / YY</td>
<td>M M / YY</td>
</tr>
</tbody>
</table>

- PAUSE DETAILS
(Applicable to scheme number mentioned in 5A table. Refer SIP instructions point C)

<table>
<thead>
<tr>
<th>SIP Cycle Date</th>
<th>SIP Pause Period Start from</th>
<th>SIP Pause Period End on</th>
</tr>
</thead>
<tbody>
<tr>
<td>D D</td>
<td>MM / YY</td>
<td>MM / YY</td>
</tr>
<tr>
<td>D D</td>
<td>MM / YY</td>
<td>MM / YY</td>
</tr>
<tr>
<td>D D</td>
<td>MM / YY</td>
<td>MM / YY</td>
</tr>
</tbody>
</table>
**Please ensure that the sequence of names as mentioned in the application from matches with that of the account held with the Depositary Participant. Attach copy of DP statement.)**

**Nomination Details**

<table>
<thead>
<tr>
<th>Nominee Name</th>
<th>Guardian Name (In case of Minor)</th>
<th>Allocation %</th>
<th>Nominee/Guardian Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominee 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nominee 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nominee 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

**Declaration & Signatures**

**INDIVIDUAL/NON INDIVIDUAL DECLARATION:**

I have read and understood the contents of the Scheme Information Document(s) to the Scheme(s) including the sections on “Prevention of Money Laundering and Know Your Customers”. I hereby agree to the Terms of the Principal Mutual Fund (the Mutual Fund) for the Scheme(s) mentioned hereunder. I agree that the information provided by me/us on this Form is true, correct, and complete to the best of my knowledge and belief and that I shall be solely liable and responsible for any information furnished hereunder. I confirm that I have read and understood the FATCA & CRS Terms and Conditions given under Instructions and hereby accept the same.

I hereby declare that the particulars given in the form are correct and express my willingness to make payments towards SIP instalments referred above through participation in NACH/ECS/Direct Debit. The ARN holder, where applicable, has disclosed to me/us all the commissions (trail commission or any other mode), payable to him for the different competing Schemes of various Mutual Funds from amongst which the Scheme(s) has been recommended to me/us. I/We hereby agree for the AMC to cancel / amend this mandate by appropriately communicating the cancellation/amendment request to the User entity / Corporate or the bank where I have authorized the debit.

I agree for the debit of mandate processing charges by the bank whom I am authorizing to debit my accounts as per latest schedule of charges of the bank.

I hereby agree to keep the information provided to AMC updated and to provide any additional information/documentation that may be required by AMC in connection with this application. Also, I hereby confirm that the information provided in this Application Form is true, correct, and complete to the best of my knowledge and belief and that I shall be solely liable and responsible for any information furnished hereunder. I also confirm that I have read and understood the FATCA & CRS Terms and Conditions given under Instructions and hereby accept the same.

I/We hereby agree to update the same in the folios linked to my/our PAN.

I/We hereby provide my/our consent in accordance with Aadhaar Act, 2016 and regulations made thereunder, for (i) collecting, storing and using (ii) validating/verifying (iii) updating my/our Aadhaar number(s) in accordance with the Aadhaar Act, 2016, and regulations made thereunder.

I/We hereby confirm that I am / we are Non-Residents of Indian Nationality / Origin and hereby confirm that the information provided by me/us on this Form is true, correct, and complete. I/We also confirm that I/We have read and understood the FATCA & CRS Terms and Conditions given under Instructions and hereby accept the same.

I/We hereby agree to keep the information provided to AMC updated and to provide any additional information/documentation that may be required by AMC in connection with this application. Also, I hereby confirm that the information provided in this Application Form is true, correct, and complete to the best of my knowledge and belief and that I shall be solely liable and responsible for any information furnished hereunder. I also confirm that I have read and understood the FATCA & CRS Terms and Conditions given under Instructions and hereby accept the same.

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Instructions for SIP Registration

A. SIP INSTRUCTIONS

1. A minimum gap of 21 days needs to be maintained between date of Application & SIP start date.

2. With the introduction of One Time Mandate (OTM) facility, the mandate registration and SIP registration through OTM facility has been delinked.

3. Where a onetime mandate is already registered in a folio for a bank account, the Unit Holder(s) will have to fill only the SIP Registration Form and there is no need of a separate cheque to be given along with the SIP Registration Form.

4. Where the mandate form and the SIP registration form are submitted together, debits for the SIP may happen only on a successful registration of the mandate by the Unit holder(s)’ bank. The Fund / AMC would present the SIP transactions or additional purchase transactions without waiting for the confirmation of the successful registration from the Unit holder(s)’ bank.

5. In case the onetime mandate is successfully registered, new SIP registration will take up to five days. The first debit may happen any time thereafter, based on the dates opted by the Unit holder(s).

6. If start date for SIP period is not specified, SIP will be registered and processed as per default date i.e. 10th of each month.

7. If anytime during the SIP period, the onetime mandate is modified to reduce the validity period, future installments of all SIPs registered under the mandate will be deemed to have the end period coinciding with the mandate.

8. In case of Micro SIP application without PAN, the investor/s hereby declare that they do not have any existing Micro SIPs with Principal Mutual Fund which together with the current application will result in aggregate investments exceeding ₹ 50,000 in a year.

9. If end date is not specified, SIP will be continued till the perpetuity or until cancelled.

B. TOP UP

1. SIP Top-Up will be subject to minimum SIP investment requirement, as applicable to the eligible schemes from time to time.

2. Investors subscribing for this facility are required to submit the request at least 25 days prior to the SIP top up date.

3. SIP Top-Up facility can be availed at half yearly and yearly intervals. In case the frequency is not specified, the top up will be processed with the default yearly frequency.

4. The minimum Top-Up amount would be ₹ 500/- & in multiples of ₹ 1/- . In case the investor does not specify Top-Up amount, ₹ 500/- will be considered as the default Top-Up amount.

5. If the end date of the Top-up facility is not mentioned the Top-up facility will be continued till the tenure of the SIP.

6. Top-Up Limit: Cap Amt: It is the amount at which the investor can stop the SIP Top up. The SIP will continue to be processed with the previous topped up amount.

Cap Month and year: The investor can also select the date from which the future SIP TOP up will stop.

7. The top-up cap amount should not exceed the maximum amount as mentioned in the NACH mandate. In case the top up cap amount exceeds the maximum amount as mentioned in the NACH mandate, then the lesser amount shall be considered as the default cap amount.

8. SIP Top-up facility can be started after minimum 6 months from the date of 1st SIP. However, for investors availing SIP Top-Up facility, the maximum amount of SIP Instalment including SIP Top-Up will be limited to ₹ 5,00,000/- (Rupees Five Lakh) or the limit of bank mandate authorisation whichever is lesser, subject to scheme specific transaction limits where applicable.

9. SIP Top-up facility is currently only for SIP registration and instalment payments made directly with the fund and through modes like Electronic Clearing System (ECS)/Auto Debit/One Time Mandate (OTM) mode. SIP Top-Up facility is currently not available for SIP registration and installment being made by submission of Post-dated cheques (PDCs) and where SIP is registered and instalments are sent through Mutual Fund Utility (MFU), MFSS system of NSE or BSE STAR MF platform of BSE or any other platforms of these stock exchanges or Channel Partners. As and when relevant systems are put in place, this facility will be automatically offered.

10. The Top-up details cannot be modified once enrolled. In order to make any changes, the investor must cancel the existing SIP and enroll for a fresh SIP with Top-up option.

11. In case the SIP top up is cancelled the SIP will continue to be processed with the last topped up amount till the SIP end date.

C. SIP PAUSE FACILITY:

1. The SIP pause facility can be availed only once during the tenure of the existing SIP.

2. SIP can be paused for a minimum period of 1 month to a maximum period of 6 months.

3. The request to pause the SIP should be submitted at least 25 days prior to the subsequent SIP date.

4. The SIP pause facility is applicable only for SIPs through ECS/NACH/ (Direct Debit).

5. If the SIP Pause period coincides with the Top up month, the topped up amount shall be debited in the next installment (after the completion of the pause period).

6. The SIP pause facility can be availed only after the debit of the first installment.

7. The SIP pause facility will not be available for SIPs registered through Mutual Fund Utility (MFU), MFSS system of NSE or BSE STAR MF platform of BSE or any other platforms of these stock exchanges and Channel Partners or those who have standing instructions with Banks as the SIPs are registered directly with them and not with the fund house.

D. ANY DAY SIP

1. The investor can choose any day of the month for SIP.

2. In case no SIP date is mentioned, the SIP will be processed with the cycle date of 10th of the month (Default).

3. In case the chosen date falls on a non-business day the SIP will be processed on the next business day.

4. In case the SIP date is not available for the particular month, the SIP will be processed on the last day of that month.

5. The first cheque and the subsequent cheque should not fall in the same month for monthly SIP and in the same quarter in case of quarterly SIP.

OTM Instructions: Terms & Conditions

- Investors who have already submitted an OTM form or already registered for OTM facility should not submit OTM form again as OTM registration is a one-time process only for each bank account. However, such investors if wish to add a new bank account towards OTM facility may fill the form.

- Other investors, who have not registered for OTM facility, may fill the OTM form and submit duly signed with their name mentioned.

- Registration process for OTM forms submitted during the NFO period will commence after the closure and allotment of NFO applications.

- Mobile Number and Email ID: Unit holder(s) should mandatorily provide their mobile number and Email ID on the mandate form. Where the mobile number and Email ID mentioned on the mandate form differs from the ones as already existing in the folio, the details provided on the mandate will be updated in the folio. All future communication whatsoever will be, thereafter, sent to the updated mobile number and Email ID.

- Unit holder(s) need to provide along with the mandate form an original cancelled cheque (or a copy) with name and account number pre-printed of the bank account to be registered or bank account verification letter for registration of the mandate failing which registration may not be accepted. The Unit holder(s) cheque/bank account details are subject to third party verification.

- Investors are deemed to have read and understood the terms and conditions of OTM Facility, SIP registration through OTM facility, the Scheme Information Document, Statement of Additional Information, Key Information Memorandum, Instructions and Addenda issued from time to time of the respective Scheme(s) of Principal Mutual Fund.

- If end date/frequency is not mentioned in the OTM Form, the same will be considered as per the SIP Registration Form and vice versa.

MANDATORY FIELDS:

- Date: Date is mandatory
- CREATE/MODIFY/CANCEL: tick is mandatory for create/modify & cancel if not ticked mandate will be rejected
- To Debit (tick): account type is mandatory
- Bank A/c Number: Investor debit bank a/c number mandatory
- With Bank: Investor bank name is mandatory
- IFSC / MICR: Correct IFSC code or MICR code is mandatory
- An amount of Rupees: SIP fixed instalment amount in words in word column is mandatory, maximum amount in words in word column is mandatory
- ₹ : SIP fixed instalment amount in figures in figure column is mandatory, Maximum instalment amount in figures in figure column is mandatory
- Frequency: SIP monthly/quarterly mandatory, Lump sum: as & when presented is mandatory
- Debit Type: For SIP fixed Amount & for Lump sum Maximum Amount is mandatory
- Folio No.: For Existing Investor only
- Phone No./ Email ID: Phone No. or Email ID is Mandatory
- PAN Number: Mandatory
- Period: SIP start date is Mandatory, Lump sum: indicate till what date the mandate should be valid
- Signature of Account Holder: Signature is mandatory as per bank record
- Name of the Bank A/c Holder: Name of the Bank A/c Holder is mandatory
**FORM 2 - SIP REGISTRATION & AUTO DEBIT/NACH**

Attention: Only for existing Unit Holder of Principal Mutual Fund

**Sponsor Bank Code**
- CITI000PIGW

**Utility Code**
- to debit ( ticking box)
- □ SB □ CA □ CC □ SB-NRE □ SB-NRO □ Other

**Broker ARN/RIA Code**

**Sub-Broker ARN Code**

**EUIN**

**Sub-Broker Code**

**Master Account Number**

**Date**

**DEBIT TYPE**
- □ Fixed Amount □ Maximum Amount

**FREQUENCY**
- □ Monthly □ Daily □ H-Yrly □ Yrly

**Amount ( in figures)**

**Amount ( in words)**

**Name of customers bank**

**IFSC**

**MICR**

**Utility Code**

**Cheque no.**

**Folio No.**

**Dated**

**Name of First Applicant**

**Name as in bank records**

**Email ID**

**Phone No.**

**Signed**

**Access**

**Payment Details** - Bank A/c number

**Debit Type**
- □ Fixed Amount □ Maximum Amount

**Date**

**Amount ( in figures)**

**Amount ( in words)**

**Bank use**

**Signature of 1st Account holder**

**Signature of 2nd Account holder**

**Signature of 3rd Account holder**

**PERIOD**

**From**

**To**

**Or**

**Cancelled**

**TRANSACTION CHARGES FOR APPLICATIONS THROUGH DISTRIBUTORS/AGENTS ONLY [Refer Instruction No. B(14)]**

**Scheme (SIP in upto 3 schemes with a single cheque)**

**Plan/Option**

**Dividend Frequency**

**SIP Amount**

**SIP Dates**

**Frequency**

**Start Date**

**End Date**

**Perpetual**

**1. Principal**

**2. Principal**

**3. Principal**

**Total (Amount in words)**

**Dividend Sweep into**

**Scheme**

**Plan Option**

**SIP DETAILS**

**Folio No.**

**Cheque no.**

**Name of First Applicant**

**Signature of 1st Account holder**

**Drawn on**

**PAUSE DETAILS**

**Application No.**

**Stamp & Signature**

**TOP-UP DETAILS**

**Scheme No.**

**Top up Amount**

**Frequency**

**Top Up Start Month/Year**

**Cap Month / Year**

**Cap Amount**

**SIP Cycle Date**

**SIP Pause Period Start from**

**SIP Pause Period End on**

**Declaration:** Having read, understood and agreed to the contents of OTM Facility, the Scheme Information Document. Statement of Additional Information, Key information Memorandum, Instructions and Addenda issued from time to time of the respective Schemes of Principal Mutual Fund mentioned within. I hereby declare that the particulars given above are correct and express my willingness to make payments towards SIP instalments referred above through participation in NACH/ECS/Direct Debit. The ARN holder, where applicable, has disclosed to me/us all the commissions (trail commission or any other mode), payable to him for the different competing Schemes of various Mutual Funds from amongst which the Scheme is being recommended to me/us.

**ACKNOWLEDGEMENT SLIP**

**Date**

**Application No.**

**From**

**1. Scheme**

**Plan/Option**

**Amount**

**2. Scheme**

**Plan/Option**

**Amount**

**3. Scheme**

**Plan/Option**

**Amount**
OTM Instructions: Terms & Conditions

- Investors who have already submitted an OTM form or already registered for OTM facility should not submit OTM form again as OTM registration is a one-time process only for each bank account. However, such investors if wish to add a new bank account towards OTM facility may fill the form.
- Other investors, who have not registered for OTM facility, may fill the OTM form and submit duly signed with their name mentioned.
- Registration process for OTM forms submitted during the NFO period will commence after the closure and allotment of NFO applications.
- Mobile Number and Email Id: Unit holder(s) should mandatorily provide their mobile number and email id on the mandate form. Where the mobile number and email id mentioned on the mandate form differs from the ones as already existing in the folio, the details provided on the mandate will be updated in the folio. All future communication whatsoever would be, thereafter, sent to the updated mobile number and email id.
- Unit holder(s) need to provide along with the mandate form an original cancelled cheque (or a copy) with name and account number pre-printed of the bank account to be registered or bank account verification letter for registration of the mandate failing which registration may not be accepted. The Unit holder(s) cheque / bank account details are subject to third party verification.
- Investors are deemed to have read and understood the terms and conditions of OTM Facility, SIP registration through OTM facility, the Scheme Information Document, Statement of Additional Information, Key Information Memorandum, Instructions and Addenda issued from time to time of the respective Scheme(s) of Principal Mutual Fund.
- If end date / frequency is not mentioned in the OTM Form, the same will be considered as per the SIP Registration Form and vice versa.

MANDATORY FIELDS

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date:</td>
<td>Date is mandatory • CREATE/MODIFY/CANCEL: tick is mandatory for create / modify &amp; cancel if not ticked mandate will be rejected • To Debit (tick): account type is mandatory • Bank A/C Number: Investor debits bank a/c number mandatory • With Bank: Investor bank name is mandatory • IFSC / MICR: Correct IFSC code or MICR code is mandatory • An amount of ₹: SIP fixed instalment amount in words in word column is mandatory, maximum amount in words in word column is mandatory • ₹: SIP fixed instalment amount in figures in figure column is mandatory, Maximum instalment amount in figures in figure column is mandatory • Frequency: SIP monthly/quarterly mandatory, Lump sum : as &amp; when presented is mandatory. • Follo No.: For Existing investor only • Phone No. / Email ID: Phone No. or Email ID is Mandatory • PAN Number: Mandatory • Period: SIP start date is Mandatory, Lump sum : indicate till what date the mandate should be valid • Signature of Account Holder: Signature is mandatory as per bank record • Name of the Bank A/c Holder: Name of the Bank A/c Holder is mandatory</td>
</tr>
</tbody>
</table>

Instructions

A. SIP INSTRUCTIONS

1. A minimum gap of 21 days needs to be maintained between date of Application & SIP start date.
2. With the introduction of One Time Mandate (OTM) facility, the mandate registration and SIP registration through OTM facility has been delinked. There are two separate forms, 1) for onetime mandate registration and 2) for SIP Registration.
3. Where a onetime mandate is already registered in a folio for a bank account, the Unit Holder(s) will have to fill only the SIP Registration Form and there is no need of a separate cheque to be given along with the SIP Registration Form.
4. Where the mandate form and the SIP registration form are submitted together, debits for the SIP may happen only on successful registration of the mandate by the Unit holder(s) bank. The Fund / AMC would present the SIP transactions or additional purchase transactions without waiting for the confirmation of the successful registration from the Unit holder(s) bank.
5. In case the onetime mandate is successfully registered, new SIP registration will take upto five days. The first debit may happen any time thereafter, based on the dates opted by the Unit holder(s).
6. If start date for SIP period is not specified, SIP will be registered and processed as per default date i.e. 10th of each month.
7. If anytime during the SIP period, the onetime mandate is modified to reduce the validity period, future installments of all SIPs registered under the mandate will be deemed to have the end period coinciding with the mandate.
8. In case of Micro SIP application without PAN, the investor/s hereby declare that they do not have any existing Micro SIPs with Principal Mutual Fund which mandate will be deemed to have the end period coinciding with the mandate.
9. If end date is not specified, SIP will be continued till the perpetuity or until cancelled.

B. TOP UP

1. SIP Top-Up will be subject to minimum SIP investment requirement, as applicable to the eligible schemes from time to time.
2. Investors subscribing for this facility are required to submit the request at least 25 days prior to the SIP top up date.
3. SIP Top-Up facility can be availed at half yearly and yearly intervals. In case the frequency is not specified, the top up will be processed with the default yearly frequency.
4. The minimum Top-Up amount would be ₹ 500/- & in multiples of ₹ 1/- . In case the investor does not specify Top-Up amount, ₹ 500/- will be considered as the default Top-Up amount.
5. If the end-date of the Top-up facility is not mentioned the Top-up facility will be continued till the tenure of the SIP.
6. Top - Limit
   
   - Cap Amt: It is the amount at which the investor can stop the SIP Top up. The SIP will continue to be processed with the previous topped up amount.
   - Cap Month and year: The investor can also select the date from which the future SIP TOP up will stop.
   - In case the investor chooses a limit on both amount and date, the SIP Top up will be capped as per the amt cap (Default)
   - The top up cap amount should not exceed the maximum amount as mentioned in the NACH mandate. In case the top up cap amount exceeds the maximum amount as mentioned in the NACH mandate, then the lesser amount shall be considered as the default cap amount.
7. SIP Top-up facility can be started after minimum 6 months from the date of 1st SIP. However, for investors availing SIP Top-Up facility, the maximum amount of SIP installment including SIP Top-Up will be limited to ₹ 5,00,000/- (₹ Five Lakh(s)) or the limit of bank mandate authorisation, whichever is lesser, subject to scheme specific transaction limits where applicable.
8. SIP Top-Up facility is currently available only for SIP registration and installment payments made directly with the fund and through modes like Electronic Clearing System (ECS)/Auto Debit/One Time Mandate (OTM) mode. SIP Top-Up facility is currently not available for SIP registration and installment being made by submission of Post-dated cheques (PDCs) and where SIP is registered and installments are sent through Mutual Fund Utility (MFU), MFSS system of NSE or BSE STAR MF platform of BSE or any other platforms of these stock exchanges or Channel Partners. As and when relevant systems are put in place, this facility will be automatically offered.
9. The Top-up details cannot be modified once enrolled. In order to make any changes, the investor must cancel the existing SIP and enroll for a fresh SIP with Top-up option.
10. In case the SIP top up is cancelled the SIP will continue to be processed with the last topped up amount till the SIP end date.

C. SIP PAUSE FACILITY:

1. The SIP pause facility can be availed only once during the tenure of the existing SIP.
2. SIP can be paused for a minimum period of 1 month to a maximum period of 6 months.
3. The request to pause the SIP should be submitted at least 25 days prior to the subsequent SIP date.
4. The SIP pause facility is applicable only for SIPs through ECS/NACH/Debit
5. If the SIP Pause period coincides with the Top up month, the topped up amount shall be debited in the next installment (after the completion of the pause period).
6. The SIP pause facility can be availed only after debit of the first installment.
7. The SIP pause facility will not be available for SIPs registered through Mutual Fund Utility (MFU), MFSS system of NSE or BSE STAR MF platform of BSE or any other platforms of these stock exchanges and Channel Partners or those who have standing instructions with Banks as the SIP are registered directly with them and not with the fund house.

D. ANY DAY SIP

1. The investor can choose any day of the month for SIP
2. In case no SIP date is mentioned, the SIP will be processed with the cycle date of 10th of the month (Default)
3. In case the chosen date falls on a non business day the SIP will be processed on the next business day.
4. In case the SIP date is not available for the particular month, the SIP will be processed on the last day of that month.
5. The first cheque and the subsequent cheque should not fall in the same month for monthly SIP and in the same quarter in case of quarterly SIP.
Plan better with Super Features of Super SIP

**iName**
Name your investments

**Booster**
Meet your life goals faster

**3-in-1**
Convenience of choosing multiple schemes to diversify

**iChoose**
Freedom to select schemes & amount

**Pause**
Why Stop when you can Pause?

**My Date**
Choose your favourite day

**Perpetual**
No hassle to Renew your SIPS

*SIP Top-up: *Any Day SIP

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